



ANNUAL REPORT

2023-24



*Integrating Services,
Accelerating Growth,
& Ensuring Excellence*

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FORWARD-LOOKING STATEMENTS

This annual report contains forward-looking statements about the Company's anticipated financial position, operational results, business plans, and prospects. These statements often include terms such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will," and similar expressions. Such forward-looking statements rely on assumptions and foundations which we have made in good faith and believe to be reasonable. However, we caution that actual outcomes, performance, or achievements may vary significantly from what is expressed or implied in these forward-looking statements. We are under no obligation to update or revise any forward-looking statements, whether due to new information, future events, or other factors.

CORPORATE INFORMATION

Board of Directors



NEETA PRASAD LAD

Chairperson & Managing Director



PRAVIN RAMESH LAD

Whole time Director



SANJAY SURYAKANT DIGHE

CEO & Whole time Director



SAILY PRASAD LAD

Whole time Director



SHUBHAM PRASAD LAD

Whole time Director



VIJAY KUMAR AGARWAL
Independent Director
(up to May 10, 2024)



**SUNDER RAM GOVIND
RAGHAVAN KORIVI**
Independent Director



DR YAJYOTI DIGVIJAY SINGH
Independent Director



LT COLONEL KANINIKA THAKUR
Independent Director



DR. DHANYA PATTATHIL
Independent Director



**MR. MAHESH VINAYAK
REDKAR**
Additional Independent Director
(w.e.f. June 25, 2024)

Registrar & Share Transfer Agent



Link Intime India Private Limited
C-101, 1st floor, 247 Park,
Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai 400 083,
Maharashtra, India



www.linkintime.co.in

Statutory Auditors



T R Chadha & Co LLP, Chartered Accountants,
(up to August 12, 2024)
(FRN: 006711N/N500028)
E 2001-02, 20th Floor, Lotus Corporate Park,
Off. Western Express Highway Ram Mandir
Station Road, Goregaon East, Mumbai 400063



mumbai@trchadha.com



Maheshwari & Co., Chartered Accountants,
(from August 12, 2024)
(FRN: 105834W)
10-11, 3rd Floor, Esplande Building,
A. K. Naik Marg, Fort, Mumbai,
Maharashtra – 400001



info@maheshwariandco.in

Internal Auditors



Mr. Advait A Ambekar (up to May 13, 2024)
Flat no 203, Mitasu Apartment, Odhav Nagar,
Borivali East, Mumbai 400066



advait.ambekar@gmail.com



J C Kabra & Associates, (from May 13, 2024)
Practising Chartered Accountant
(Firm Reg. No. 115749W)
301 D Definity, 1 Jay Prakash Road,
Goregaon (East), Mumbai- 400068



meheraj@jckca.in

Secretarial Auditor



Kajal Jakharia & Associates
Practicing Company Secretary
201 Panorama 63 Jaisukhlal Mehta Road
Green Street Santacruz West Mumbai 400054



contact@kajaljakharia.com

Registered Office



Krystal House 15A 17, Shivaji Fort CHS, Duncans
Causeway Road, Mumbai – 400 022,
Maharashtra, India

Corporate Office



2001 & 2002, 20th floor, Kohinoor Square,
Shivaji Park, Dadar West, Mumbai – 400028

Bankers



Union Bank of India



State Bank of India



Bank of Maharashtra

ABOUT US

Krystal Integrated Services Limited (KISL) stands as one of the fastest-growing Integrated Facility Management (IFM) companies in India. Our diverse range of offerings spans across Integrated Facility Management, Staffing Services, Manned Guarding, and Catering Services, catering to a variety of sectors.

KISL has established itself as a leader in integrated facilities management services within key sectors such as healthcare, education, public administration (including state government entities, municipal bodies, and other government offices), airports, railways, metro infrastructure, and retail. We pride ourselves on delivering comprehensive integrated facility management solutions tailored to the unique needs of each sector.

In addition to our core IFM services, we provide specialized staffing solutions and payroll management, ensuring that our clients receive the best personnel to meet their operational needs.



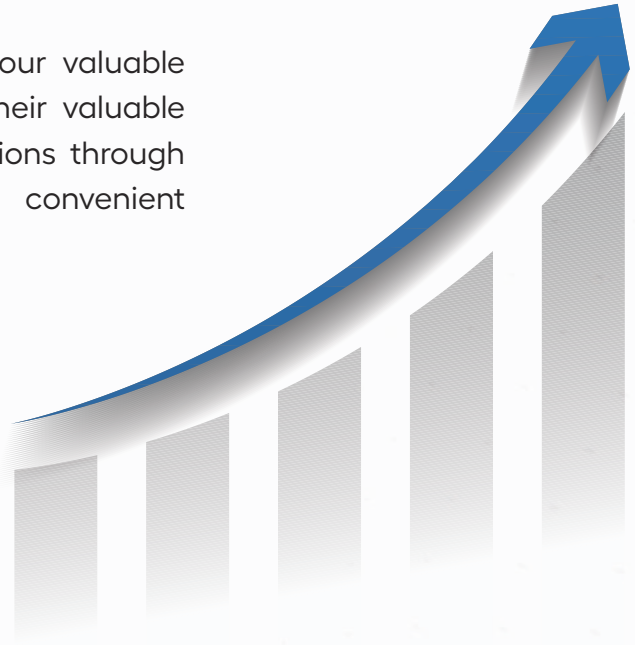
Our private security and manned guarding services offer top-notch security solutions to safeguard our clients' premises. Furthermore, our catering services are designed to deliver high-quality food and hospitality services, enhancing the overall experience for our clients and their stakeholders.

Our commitment to excellence and customer satisfaction is reflected in our impressive growth and operations. We currently employ 41,061 on-site employees, serve 369 customers, operate 28 branches, and service 2,487 locations across India. Over the fiscal years 2021 to 2023, KISL served an increasing number of customers, with 262, 277, and 326 customers, respectively. We expanded our operations to 1,962, 2,240, and 2,427 customer locations during the same period, demonstrating our ability to scale and adapt to the evolving needs of our clients.

At KISL, we are dedicated to maintaining the highest standards of service and continually strive to exceed our clients' expectations. Our team of skilled professionals is committed to providing reliable, efficient, and innovative solutions, ensuring that we remain at the forefront of the Integrated Facility Management industry in India.

PURPOSE

To emerge as the most preferred partner for our valuable customers to secure, maintain, and manage their valuable assets by offering a range of customised solutions through world-class technology and quality-driven & convenient infrastructure management services.



HIGHLIGHTS OF THE YEAR

Revenue in FY24

1,026.85

Crore

Total Employees

41,061

Back Office Staff – 339

Total Clients

369

Clients

Women Employees

Gender	Employee Count	Percent
Male	24,035	58%
Female	17,365	42%
Total	41,400	100%

KRYSTAL INTEGRATED SERVICES AT GLANCE

Evolution from the day company Incorporated

We are one of India's premier integrated facilities management companies, serving a wide range of sectors including healthcare, education, public administration, airports, railways, metro infrastructure, and retail. Our extensive service portfolio and geographic reach make us a leading choice for comprehensive facilities management solutions.

SERVICE OFFERINGS



SOFT SERVICES

Housekeeping, sanitation, landscaping, and gardening

Mechanical, electrical, and plumbing (MEP) maintenance

HARD SERVICES



WASTE MANAGEMENT

Solid, liquid, and biomedical waste handling

Pest control, façade cleaning, production support, warehouse management, airport management

SPECIALIZED SERVICES



ADDITIONAL SOLUTIONS

Staffing, payroll management, private security & manned guarding, and catering.

Our commitment to excellence ensures that we deliver reliable and efficient solutions tailored to meet the unique needs of each sector and facility

BRIEF HISTORY OF OUR COMPANY



DECEMBER 1
2000

The company was established as Sea King Enterprises Private Limited in Mumbai under the Companies Act, 1956. This initial setup marked the beginning of our journey in the facilities management industry

FEBRUARY 6
2001

The company rebranded to Krystal Tradecom Private Limited to better reflect its business activities and market positioning. This change was formalized with a new certificate of incorporation issued by the Registrar of Companies (RoC)

MAY 19
2009

As our company expanded and diversified its services, we further updated our name to Krystal Integrated Services Private Limited. This rebranding was intended to represent our broadened service offerings and integrated approach to facilities management



JUNE 30
2023

Our Board of Directors resolved to transition from a private to a public limited company to support our growth ambitions and enhance market presence

JULY 4
2023

Shareholders approved the transformation, leading to the official change in our company name to Krystal Integrated Services Limited

AUGUST 4
2023

A fresh certificate of incorporation was issued by the ROC, formalizing our status as a public limited company

WORKFORCE AND SERVICES SPREAD ACROSS THE INDUSTRIES



Krystal's versatility in facility management sets us apart, delivering excellence without limits across diverse sectors.

From healthcare and education to finance, public administration, transportation, and industry, our comprehensive services are tailored to meet the unique needs of each sector.

Our dedication to maintaining high standards and innovative solutions makes us the preferred partner for facility management across various sectors.



UNMATCHED EXPERTISE

Across Various Sectors

- Hospitals & Medical Colleges
- Educational Institutes
- Banking & Financial Services

- Public Administration
- Airport, Railways & Metro Infrastructure
- Industrial & Retail



Excellence without limits



Amongst the league of the **fastest growing IFM companies in India** with diversified offerings ranging from **Integrated Facility Management to Staffing Services , Manned Guarding and Catering Services***



Longstanding relationship with customers across diverse sectors, with recurring business



Focus on sectors like **Healthcare, Education, Public Administration, Airports, Railways & Metro Infrastructure & Retail***



Strong track record of **high employee satisfaction and improving retention rates***



Amongst the select companies in India that have a **wide geographic presence** with offices across 16 States & 2 UT's, managing 2,354 customer locations**



Track record of executing large contracts and are among select companies in India to **qualify for and service large, multi-location government projects***



Led by a **well-qualified and experienced management team**



Track record of **strong financial performance and consistent financial growth**



* Source: F&S Report ** As on June 30, 2024



OVERVIEW

Our company stands at the forefront of the facilities management industry, offering an extensive portfolio of services that positions us as a leading provider of integrated solutions. We are dedicated to delivering customized and comprehensive services that meet the unique needs of our diverse clientele. Our broad range of offerings enhances customer satisfaction and drives growth through strategic and effective service delivery.

INTEGRATED FACILITY MANAGEMENT SERVICES

We provide a comprehensive suite of integrated facility management services designed to optimize the functionality and aesthetics of client premises

Soft Services

Housekeeping

We ensure cleanliness and hygiene through regular and thorough cleaning.

Sanitation

Our sanitation solutions include waste management and disinfection to maintain a healthy environment

Gardening

We offer professional landscaping and garden maintenance to enhance visual appeal and environmental quality

Hard Services

Mechanical, Electrical, and Plumbing (MEP) Services

Our experts provide maintenance and repair for mechanical systems, electrical infrastructure, and plumbing networks.

Waste Management

We handle and dispose solid, liquid, and biomedical waste efficiently, adhering to safety and regulatory standards.

Façade Cleaning

We maintain and clean building exteriors to ensure both functionality and visual appeal

Pest Control

Our strategies safeguard the health and safety of the environment by managing and eliminating pests

Additional Services

Production Support

We facilitate smooth operations in production environments with dedicated support services.

Warehouse Management

Our services include efficient management of warehouse operations, inventory control, and logistics

Airport Management

We offer specialized services such as multi-level parking management and traffic control at airports

PRIVATE SECURITY AND MANNED GUARDING

Our private security and manned guarding services are designed to provide comprehensive protection and surveillance

Security Solutions

Access Control

We manage and monitor access to secure areas to ensure safety and control.

Surveillance

Advanced surveillance systems are deployed to monitor and protect client premises

Emergency Services

We provide rapid response and management for emergency situations.

Patrols

Regular patrols are conducted to maintain security and deter unauthorized activities.

Licensing

We hold Private Security Agencies Regulation Act (PSARA) licenses in 12 states and one Union Territory, ensuring adherence to regional security regulations

STAFFING SOLUTIONS AND PAYROLL MANAGEMENT

Our staffing and payroll management services are tailored to meet the diverse human resource needs of our clients

Recruitment Services

We offer recruitment solutions for skilled, semi-skilled, and unskilled manpower, tailored to specific client needs

Payroll Management

Efficient management of payroll processes and administrative tasks is a key component of our services

Human Resource Services

We provide comprehensive HR support to enhance workforce management and administration

Key Client

We proudly manage the complex staffing and payroll needs for prominent organizations, including HDFC Bank Limited



CATERING SERVICES

Through our subsidiary, Krystal Gourmet Pvt. Ltd. we offer a complete range of catering services

Food and Beverage Services

We deliver high-quality catering solutions, including breakfast, lunch, and dinner for employees

Central Kitchen

Located in Kalina, Mumbai, our central kitchen ensures consistent and high-standard food preparation and service

KEY CUSTOMERS AND SECTORS

Our client base includes a variety of key sectors and government entities

Government Clients

We serve critical government organizations such as the Maha Mumbai Metro Operation Corporation Limited and The Education Department, Brihanmumbai Municipal Corporation.

Municipal and State Entities

Our services extend to municipal bodies, state government entities, electricity boards, and district consumer forums

Our diverse and extensive service offerings enable us to provide tailored solutions that address the varied needs of our clients, reinforcing our leadership in the facilities management industry

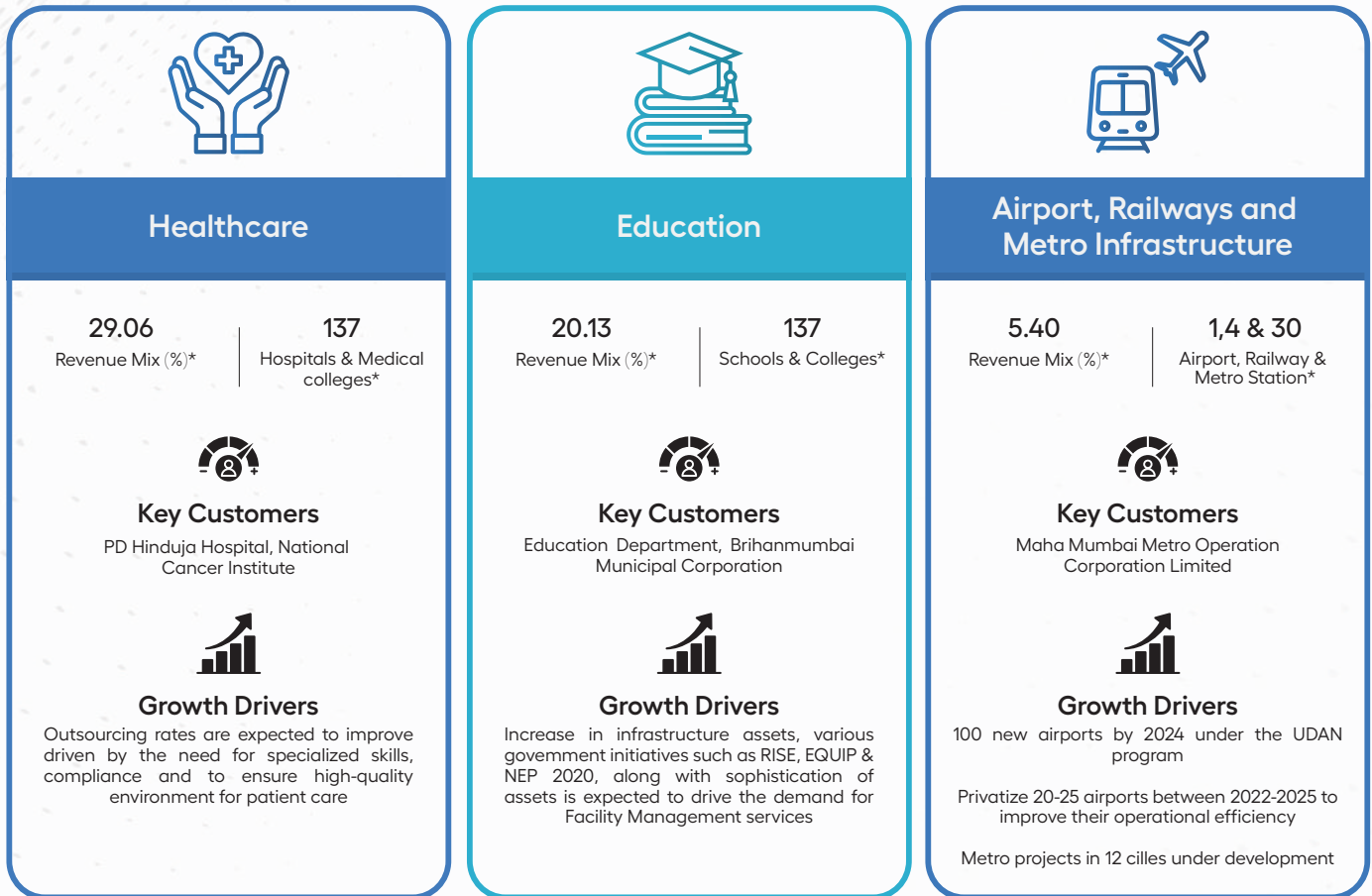


2023-24

FOCUSED BUSINESS MODEL WHICH IS WELL-POSITIONED TO CAPTURE FAVOURABLE INDUSTRY DYNAMICS

Expertise in catering to the healthcare, education, airport, railways and metro infrastructure sectors

Sectoral Expertise



FOCUSED BUSINESS MODEL POISED FOR INDUSTRY GROWTH

Krystal Integrated Services leverages favourable industry dynamics by focusing on key sectors: healthcare, education, airport, railways, and metro infrastructure. Our expertise in these areas ensures a robust and diversified business model, capable of meeting the unique needs of each sector.

SECTORAL EXPERTISE AND PERFORMANCE

Healthcare

- ◆ **Revenue Mix:** 29.06%
- ◆ **Units Managed:** 137 Hospitals & Medical Colleges
- ◆ **Key Customers:** PD Hinduja Hospital, National Cancer Institute
- ◆ **Growth Drivers:** The demand for specialized skills and compliance, along with the need for high-quality patient care, drives an increase in outsourcing rates. Krystal is well-placed to capitalize on this trend by providing expert facility management services tailored to the healthcare sector.

Education

- ◆ **Revenue Mix:** 20.13%
- ◆ **Units Managed:** 230 Schools & Colleges
- ◆ **Key Customers:** Education Department, Brihanmumbai Municipal Corporation
- ◆ **Growth Drivers:** Government initiatives like RISE, EQUIP, and NEP 2020, along with infrastructure expansion, are driving demand for facility management services. Krystal's experience in the education sector allows us to offer comprehensive solutions that meet these evolving needs.

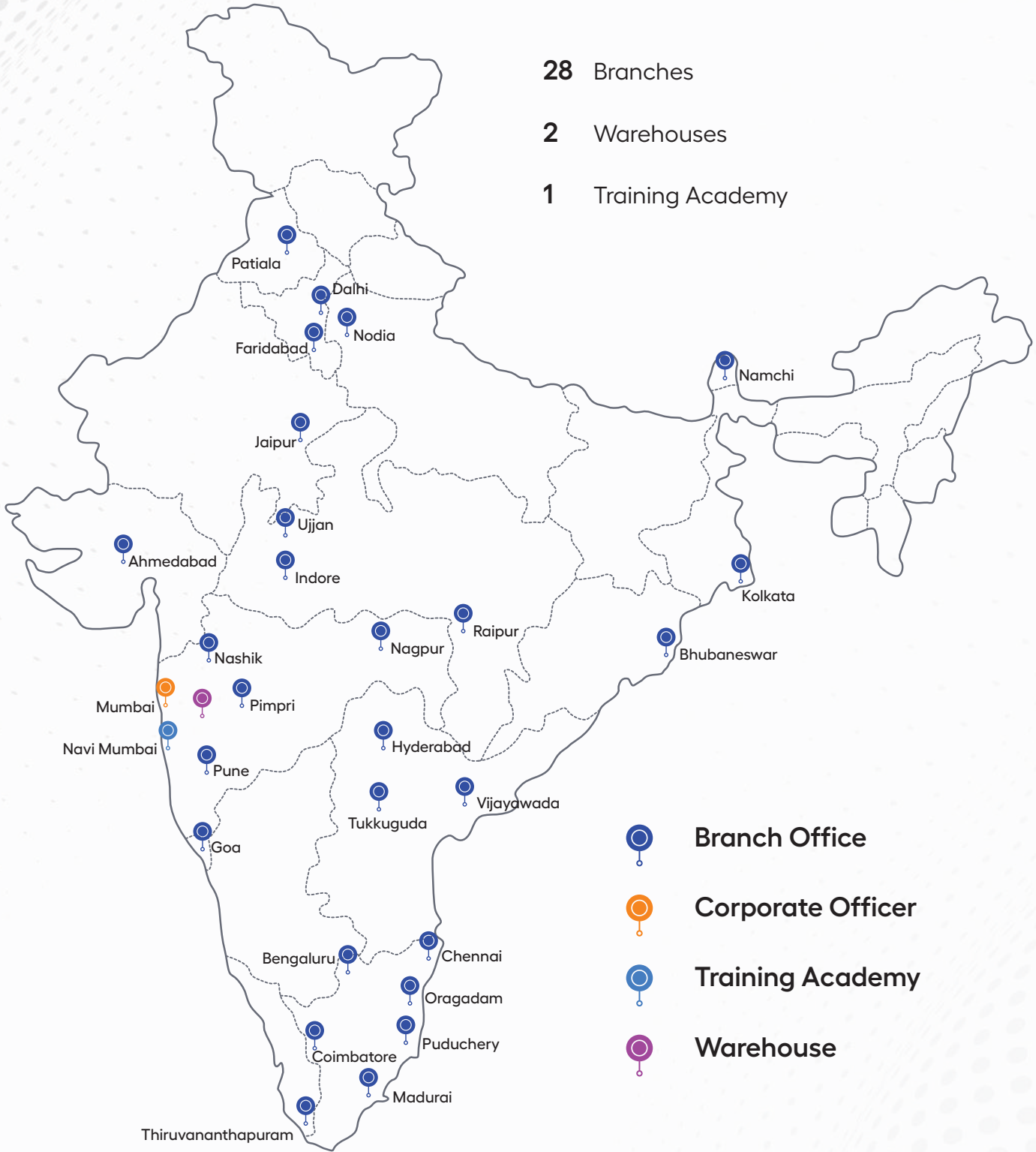
Airport, Railways, and Metro Infrastructure

- ◆ **Revenue Mix:** 5.40%
- ◆ **Units Managed:** 1 Airport, 4 Railway Stations, 30 Metro Stations
- ◆ **Key Customers:** Maha Mumbai Metro Operation Corporation Limited
- ◆ **Growth Drivers:** The aviation and metro infrastructure sectors are set for significant growth, with plans for 100 new airports by 2024 under the UDAN program. Additionally, the privatization of 20-25 airports between 2022 and 2025 aims to enhance operational efficiency. Ongoing metro projects in 12 cities further amplify the demand for specialized facility management services. Krystal's established presence in this sector positions us well to benefit from these developments.

Krystal Integrated Services' dedicated approach across these sectors has enabled us to build a strong foundation for future growth. Our commitment to delivering high-quality facility management services, backed by a deep understanding of industry-specific requirements, continues to drive our success. We remain focused on expanding our footprint and enhancing our service offerings to meet the evolving needs of our clients.

WIDE GEOGRAPHIC PRESENCE

- 28 Branches
- 2 Warehouses
- 1 Training Academy



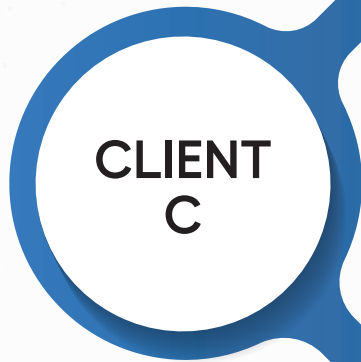
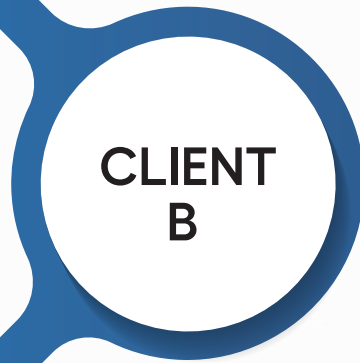
- Branch Office
- Corporate Officer
- Training Academy
- Warehouse

SERVICED OVER 250 LOCATIONS EACH FOR FOUR EXISTING CUSTOMERS



- Locations Serviced-292
- Sector-Private

Locations Serviced-333 •
Sector-Private •



- Locations Serviced-254
- Sector-Government

Locations Serviced-397 •
Sector-Government •



Servicing Extensive Client Locations

Krystal Integrated Services showcases its ability to manage operations across a wide geographical footprint. In the past year, we successfully serviced over 250 locations each for four major clients, encompassing both the private and government sectors. The total locations serviced span a diverse array of industries and regions, reflecting our adaptability and comprehensive service offerings.

We serviced 292 locations for one major private sector client, 333 for another, 254 for a prominent government client, and 397 for another government client. Our extensive reach underscores our commitment to being a reliable partner for clients who require consistent and high-quality facility management across multiple sites.

Our strategic presence, with 28 branches, 2 warehouses, and 1 training academy, positions us close to our customers' operations. This proximity not only enables us to offer timely and customized service but also enhances our understanding of local needs and operational nuances. By maintaining branches near client premises, we ensure a focused and attentive approach, leading to higher quality service delivery.

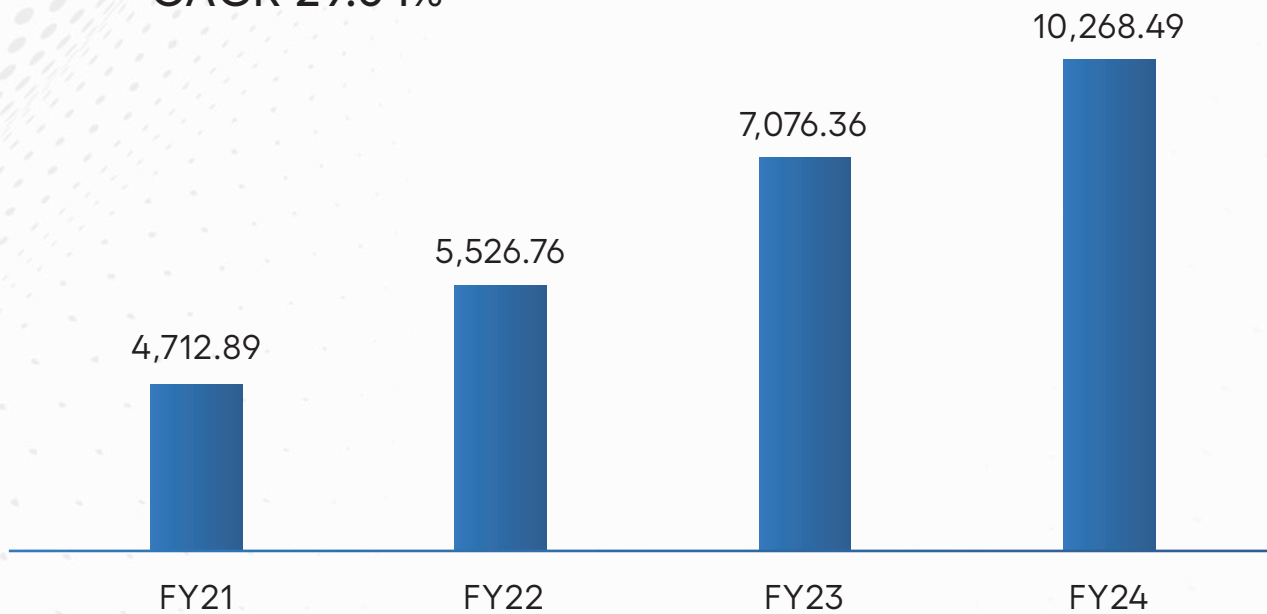
Krystal Integrated Services remains dedicated to leveraging our wide network to meet the diverse needs of our clients, offering them the convenience of a single service provider for their multi-location operations. Our ability to cater to such expansive requirements is a testament to our operational excellence and the trust our clients place in us.



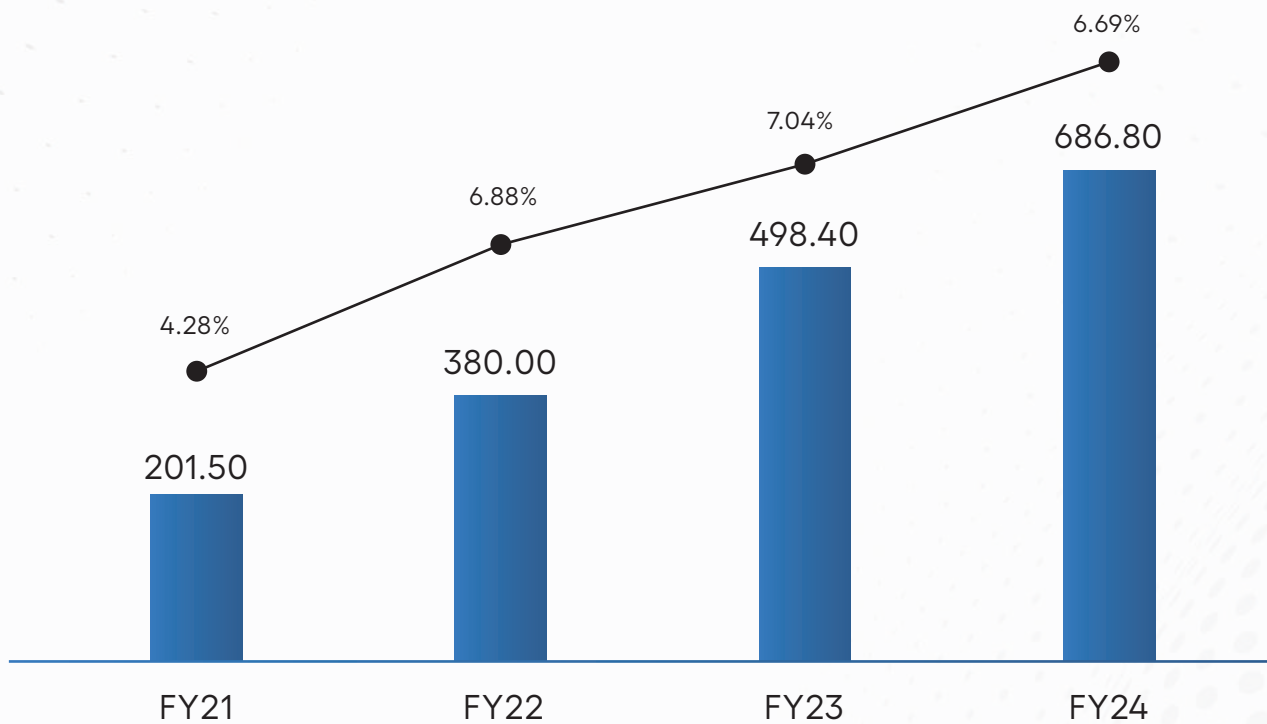
CONSISTENT GROWTH AND FINANCIAL PERFORMANCE (1/2)

Revenue from Operations

CAGR 29.64%

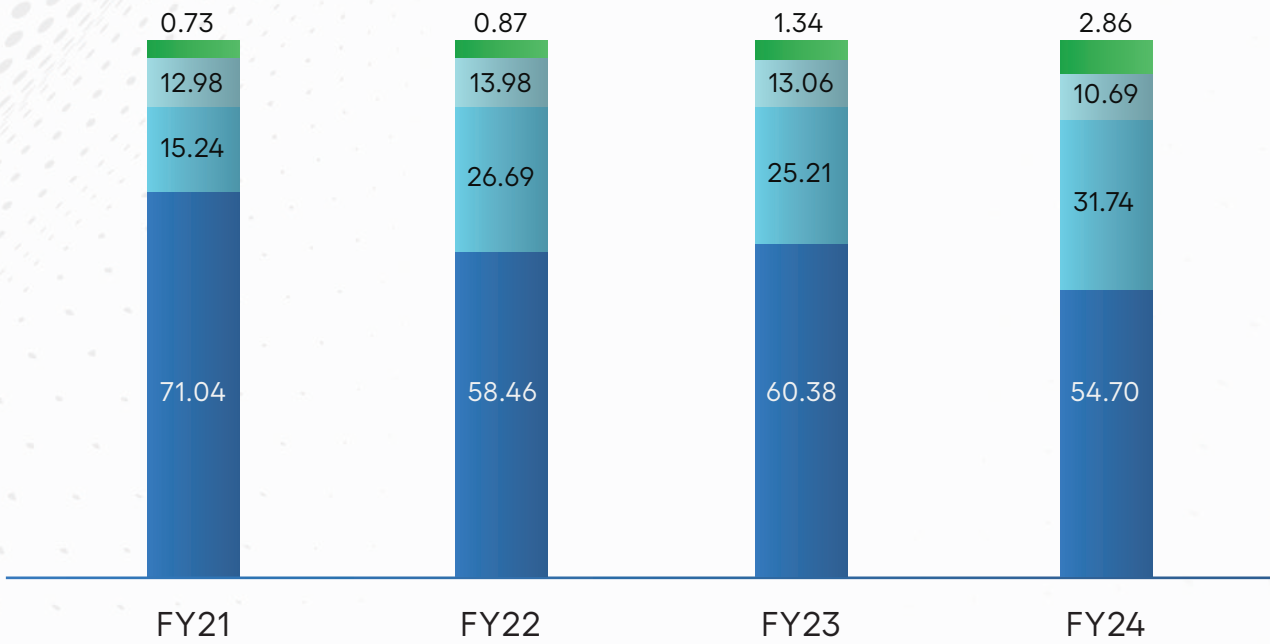


EBITDA & EBITDA Margin

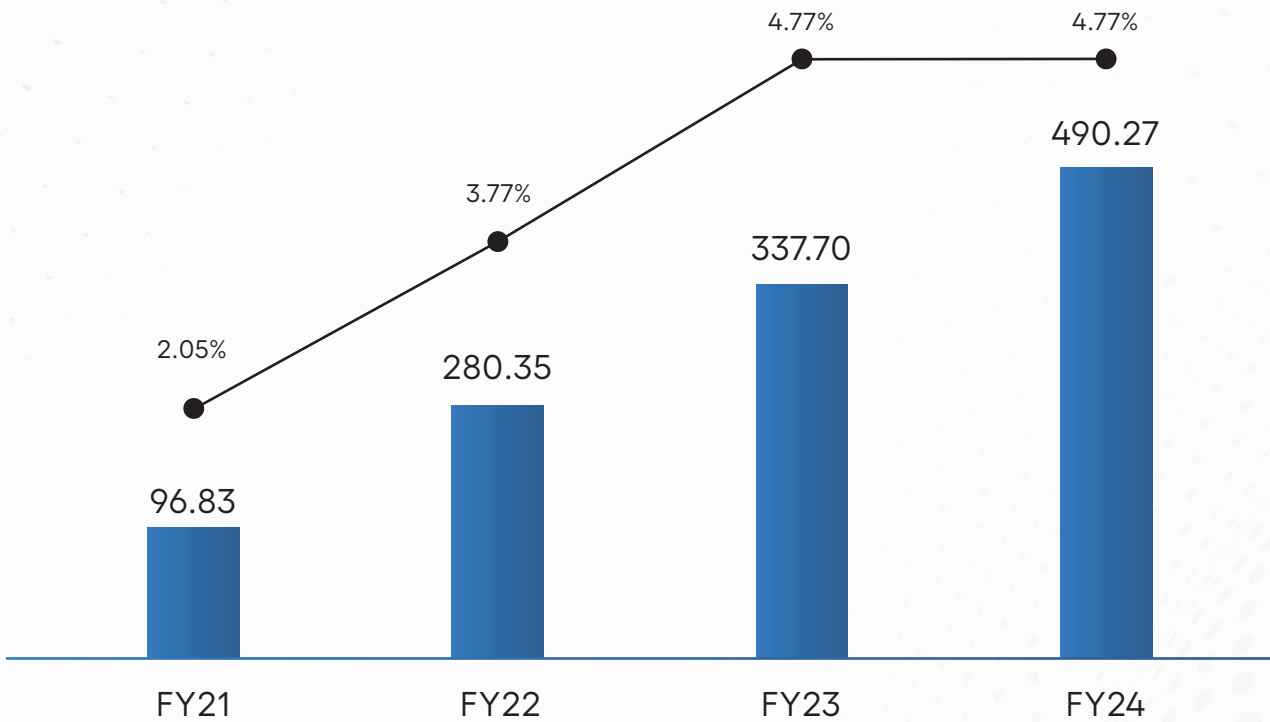


Revenue Mix

IFMS Staffing Security Catering



PAT & PAT Margin



BUSINESS HIGHLIGHTS OF FY24

New Clients Added

Krystal Integrated Services has consistently demonstrated growth and customer acquisition across fiscal years 2021, 2022, and 2023. During these periods, we served a total of 262 customers in FY21, 277 in FY22, and 326 in FY23, respectively. This growth trajectory reflects our commitment to expanding our service portfolio and meeting the diverse needs of our clients.

The number of customer locations serviced by Krystal has also seen a steady increase, rising from 1,962 as of March 31, 2021, to 2,240 as of March 31, 2022, and 2,427 as of March 31, 2023. This expansion is a testament to our operational capabilities and the trust placed in us by our clients.

In FY21, we onboarded 76 new customers, followed by 70 in FY22, and 89 in FY23. Our ability to maintain high-quality service standards while adapting to evolving industry requirements has fostered strong, long-term relationships with key customers. Notably, three of our top ten customers, based on revenue generated in Fiscal Year 2024, have been with us for over a decade. These longstanding partnerships contributed 17.03% of our revenue from operations in FY24.

As of March 31, 2024, Krystal Integrated Services is operating across 17 states and two union territories in India. Our 28 branch offices nationwide enable us to offer localized and efficient service delivery. This network allows us to offer localized and efficient service delivery, ensuring that we meet the specific needs of clients across diverse regions

No of Employees Added

Serviced over 250 locations each for four existing customers

41,061

ON-SITE EMPLOYEES*

339

BACK OFFICE STAFF*

Recruitment

- ◆ Leverage various channels like print media, digital advertisements and job fairs
- ◆ **Colonel (Retd.) Rajeev Ranjan** having experience of over 24 years with the Indian Army, heads the recruitment team

Employee Training Initiatives

- ◆ Established **Krystal Integrated Training Academy (KITA)**, at Vashi Maharashtra to train security guards, house-keepers and facility attendants
- ◆ **Colonel (Retd.) Tushar Joshi** having experience of over 18 years with the Indian Army, heads the training & development functions
- ◆ Specific training program based on customer needs and requirements
- ◆ Conducted in-house, on sites and also as a part of refresher course and based on training needs



Strong track record of high employee satisfaction and Improving retention rates

Employee Welfare Initiatives

- ◆ Provides fixed deposits to employees through a **registered credit cooperative society**
- ◆ Identification of high performing employees based on merit and quality of service
- ◆ Policy to provide recognitions through letters of appreciation to the employees based on their performance

Robust Workforce, Coupled with Strong Recruitment and Training Capabilities

At Krystal Integrated Services, we pride ourselves on our robust workforce, supported by our strong recruitment and training initiatives. As of the latest data, our dedicated team comprises **41,061 on-site employees** and **339 back-office staff**, each playing a crucial role in delivering exceptional service to our clients.

Recruitment

We leverage various recruitment channels, including print media, digital ads, and job fairs. Leading this effort is Colonel (Retd.) Rajeev Ranjan, who brings over 24 years of experience from the Indian Army. His expertise ensures that we attract and retain top talent, maintaining the high standards our clients expect.

Employee Training Initiatives

The Krystal Integrated Training Academy (KITA) in Vashi, Maharashtra, enhances our workforce capabilities. This academy is dedicated to training security guards, housekeepers, and facility attendants. Under the leadership of Colonel (Retd.) Tushar Joshi, who has over 18 years of experience in the Indian Army, our training and development programs are tailored to meet specific customer needs and requirements. Training is conducted in-house, on-site, and as part of refresher courses, ensuring our employees are always equipped with the latest skills and knowledge.

On-site Employees

Our workforce is divided into various segments to provide specialized services

- ◆ **22,915** IFMS
- ◆ **12,222** Staffing
- ◆ **5,810** Security
- ◆ **114** Catering

Employee Welfare Initiatives

Our welfare initiatives include providing fixed deposits through a registered credit cooperative society and recognizing high-performing employees.

Low Attrition Rate

One of the key indicators of our success in employee management is our low attrition rate of **19.17%**. This rate is a testament to our strong track record of high employee satisfaction and our ability to retain talent. We understand that retaining employees is critical to maintaining continuity and quality of service. Our comprehensive training programs, welfare initiatives, and recognition policies contribute significantly to this achievement. By fostering a supportive and rewarding work environment, we ensure that our employees are motivated, satisfied, and committed to their roles.

Krystal Integrated Services remains committed to investing in its workforce, recognizing that they are the backbone of our success. We will continue to implement and enhance our recruitment, training, and welfare strategies to maintain our position as an industry leader

CHAIRPERSON MESSAGE

Elevating Spaces with Comprehensive Facility Management Solutions

Dear Stakeholders,

It gives me immense pleasure to address you all at the beginning of the new financial year. It is our privilege to share with you our maiden annual report following the successful initial public offering (IPO) and subsequent listing of Krystal Integrated Services on the stock exchanges. We are grateful to our investors and shareholders for placing their invaluable faith in our vision and capabilities.

We are at a transformation phase in our journey. Since our inception in the year 2000, we have evolved from providing security services as single service offering for the rapidly developing real estate market in Mumbai, to becoming a full-spectrum provider of integrated facility management services across India. This expansion has been supported by significant macro-trends like privatisation of airports and development of commercial and retail hubs. The emergence of sprawling geographically dispersed supermarket, Among others. Our company has adeptly navigated a multifaceted diversification strategy, encompassing an array of verticals such as housekeeping, MEP services, waste management amongst others. This judicious expansion has yielded a remarkable operational crescendo, culminating in a formidable presence across 30 branches and 2,487 locations nationwide. Consequently, our market stature has been significantly augmented, and our service repertoire substantially enriched.

The relentless dedication of our 41,061 plus onsite team members, who represents the backbone of Krystal, has empowered us to achieve nearly 100% customer retention last year. Their commitment has been instrumental in enabling us to manage large-scale and multi-locational projects efficiently, such as the comprehensive management of district hospitals across Tamil Nadu.

This past year was particularly momentous due to our successful IPO, which was oversubscribed by 13 times, allowing us to raise Rs. 300.125 crores. This significant achievement has provided us with the capital to enhance our operational capabilities and set the stage for sustained growth. The IPO proceeds are being judiciously utilized towards funding working capital requirements, capital expenditure and other corporate purposes, reflecting our strategic intent to strengthen our market presence and service delivery.

Our journey from a niche service provider to a leader in integrated services has been driven by a commitment to excellence and adaptability. Today, we proudly cater to a broad spectrum of industries including pharmaceuticals, public administration, and banking, with tailored solutions that address the unique needs of each client and sector. Our ability to provide both standalone and bundled services has positioned us as a versatile and reliable partner in the industry.

I am delighted to recognize Krystal's steadfast commitment to giving back to the community through their CSR initiatives, which have made a significant difference in the lives of children, women, and students.

I am deeply grateful for your continued trust and support, which have been pivotal to our success. We are optimistic about the ongoing fiscal year and remain committed to delivering sustainable value to all our stakeholders.

Thank you once again for your unwavering support. I look forward to continuing our journey together, seizing new opportunities, and achieving greater heights in the years to come.

Thanks and regards,

Mrs. Neeta Lad
Chairperson & Managing Director
Krystal Integrated Services Limited



CEO LETTER

Dear Stakeholders,

It is my privilege to greet you as we embark on a new fiscal horizon. I am delighted to present our inaugural annual report, a testament to our company's resilience and prowess. This milestone marks a significant chapter in our journey as a publicly listed entity, and I am eager to share our achievements and vision for the future.

It has been an incredible year for us marked with several milestones. We have come a long way since inception, from a security services provider with limited footprint, to India's fastest growing facility management services company. An integrated end-to-end turnkey solutions provider. Today, we have a wide gamut of services in our portfolio, encompassing Housekeeping, Washroom Hygiene, Security man guarding, Staffing & Payroll management, Technical FM, AMC & Asset management, Solid & Liquid Waste Management, Concierge Services, Parking Management and catering. As per the industry report, we are the only Facility Management Company in India having the largest portfolio of service offerings. It is heartening to share that we have a strength of more than 41,000 on-site employees with 28 branches pan-India, through which we cater to 369 customers across 2,487 locations spread across the length and breadth of the country. We have an excellent senior management team, an extremely competent & passionate service delivery team a well-qualified & committed back office team.

Aligned with our aspiration to be the most preferred service provider in the country, we service a very diverse range of sectors, healthcare, education, public administration, transportation hubs (airports, rails, and metro-rails), retail, Entertainment, BFSI, manufacturing and warehousing, among others. Our unwavering commitment to deliver value for money has fostered strong, enduring relationships with our clients, resulting in a remarkable client retention rate and a loyal customer base.

This year witnessed a key milestone in our growth trajectory as we completed our IPO successfully and listed on the NSE and BSE stock exchanges. The IPO, which was oversubscribed 13 times, helped us raise Rs. 300 crores. This development celebrates our achievements, establishes us as a fully compliant & well governed organisation and opens the door to future opportunities.

The year has also been strong in terms of our financial performance. We crossed the Rs. 1,000 crore mark in top line for the first time, as revenue came in at Rs. 1,026.8 crores, a year-on-year growth of 45.1%. EBITDA and PAT also grew 37.8% and 45.2% year-on-year to Rs. 68.7 crores and Rs. 49.0 crores, respectively. The growth mainly came from a robust increase in our order book as we continued to secure new contracts. Some of our new contracts include those with Tenneco, Balco, PVR, Premier Energy, JIPMER and Shree Mahakaleshwar Temple.

The involvement of our valuable stakeholders is essential for our success. We take great pleasure in recommending a dividend of Rs. 1.50 per equity share, i.e., 15% of the face value of Rs. 10 each, subject to shareholders' approval. Our intention and plan are clear – to reward our shareholders from day one and build upwards from there.

Looking ahead, our goal is to remain at the forefront of the facilities management industry, providing superior services, which makes life convenient for our valuable customers. Intend to leverage innovative technologies to improve operational efficiencies. In line with this, we are looking forward to forge new alliances and associations, exploring the use of robotics, Techno Engineering and AI and IOT base products and services. We are confident that we will continue our good performance in the years to come.

We have entered the new fiscal year on a strong footing. I would like to take this opportunity to express our gratitude for your continued support and faith. We remain focused to build a sustainable, profitable and respectable organisation.

Thanks and regards,

Sanjay Dighe
Chief Executive Officer and Whole Time Director
Krystal Integrated Services Limited



BOARD OF DIRECTORS

- ◆ Neeta Prasad Lad - Chairperson and Managing Director
- ◆ Pravin Ramesh Lad - Whole-time Director
- ◆ Sanjay Suryakant Dighe - Chief Executive Officer and Whole-time Director
- ◆ Saily Prasad Lad - Whole-time Director
- ◆ Shubham Prasad Lad - Whole-time Director
- ◆ Vijay Kumar Agarwal - Independent Director (up to May 10, 2024)
- ◆ Professor Sunder Ram Govind Raghavan Korivi - Independent Director
- ◆ Dr. Yajyoti Digvijay Singh - Independent Director
- ◆ Lt. Colonel Kaninika Thakur - Independent Director
- ◆ Dr. Dhanya Pattahil - Independent Director
- ◆ Mr. Mahesh Vinayak Redkar - Additional (Independent) Director (w.e.f. June 25, 2024)

EXECUTIVE MANAGEMENT TEAM

- ◆ Sanjay Suryakant Dighe – CEO & Whole-time Director
- ◆ Rahul Kamble – President – Group Operations
- ◆ Barun Dey – CFO and President – Finance & Accounts
- ◆ Milind Jadhav – President – Group Business Development
- ◆ Chandrashekhar Kokate – VP – Finance & Commercial
- ◆ Col. Tushar Joshi – VP – Training & Quality
- ◆ Viral Sheth – VP – Finance & Accounts
- ◆ Col. Rajeev Ranjan – VP – Recruitment
- ◆ P. M. Sreeram – VP – Operations
- ◆ Stuti Maru – Company Secretary and Compliance Officer

DIRECTORS' REPORT

Dear Members,

The Directors are pleased to present their Twenty-Third Annual Report of Krystal Integrated Services Limited (Earlier known as Krystal Integrated Services Private Limited) ('the Company') along with the Audited Financial Statements (Standalone and Consolidated) for the financial year ended on March 31, 2024.

Financial Performance

Summary of the Company's financial performance for the Financial Year 2023-24 ("year under review") as compared to previous Financial Year 2022-23 ("previous year") is given below:

(INR in Crore)

Particulars	Consolidated		Standalone	
	As on March 31, 2024	As on March 31, 2023	As on March 31, 2024	As on March 31, 2023
Revenue from Operations	1,026.85	707.64	984.73	685.51
Other Income	8.00	3.33	8.07	2.76
Total Income	1,034.85	710.96	992.80	688.26
Operating Expenditure	958.17	657.80	918.14	635.85
Depreciation and Amortisation Expenses	7.15	4.66	6.60	4.34
Total Expenditure	965.31	662.46	924.74	640.18
Profit before Finance Cost & Tax	69.54	48.51	68.06	48.08
Finance Cost	11.98	9.49	11.88	9.48
Profit/(Loss) before Exceptional Items and Tax	57.55	39.02	56.18	38.60
Exceptional Items - Income/ (Expense)	-	4.64	-	4.64
Share in Profit and (Loss) of Associates /Joint Venture as per Equity method	0.04	0.03	-	-
Profit/(Loss) before tax	57.59	43.69	56.18	43.25
Tax Expense	8.52	5.24	7.95	5.04
Profit/(Loss) for the year	49.07	38.44	48.23	38.21
Other Comprehensive Income for the year, Net of Tax	0.37	0.32	0.39	0.25
Total Comprehensive Income for the year	49.44	38.77	48.62	38.46
Profit/ (Loss) Attributable to:				
• Shareholders of the Company	34.33	26.89	33.74	26.73
• Non-Controlling interest	14.74	11.55	14.49	11.48
Total Comprehensive Income attributable to:				
• Shareholders of the Company	34.59	27.12	34.01	26.90
• Non-Controlling interest	14.85	11.65	14.61	11.55
Opening Balance of Retained Earnings	154.29	155.06	151.58	152.58

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Particulars	Consolidated		Standalone	
	As on March 31, 2024	As on March 31, 2023	As on March 31, 2024	As on March 31, 2023
Appropriations	49.07	38.44	48.23	38.21
Less: Balances transferred pursuant to scheme of arrangement		(39.21)		(39.21)
Less: Issue of Bonus shares (from retained earnings)	(5.76)		(5.76)	
Dividend on Equity Shares	2.09	-	2.09	-
Closing Balance of Retained Earnings	197.60	154.29	194.04	151.58

Dividend

The Board has recommended a Dividend of INR. 1.50/- per share (15%) on 1,39,71,952 fully paid-up equity shares of INR 10/- each for the financial year ended March 31, 2024, subject to approval of the shareholders at the ensuing Annual General Meeting ('AGM').

The total Dividend on equity shares for FY 2023-24, if approved by the shareholders at the ensuing AGM, aggregates to INR. 2.09 Crore.

The said Dividend will be paid out of the Profits for the year.

The Dividend, subject to the approval of shareholders at the ensuing AGM will be paid to the Members whose names appear in the Register of Members as on the Record date fixed by the Company i.e. September 02, 2024, subject to deduction of tax at source, as applicable, on or before September 21, 2024.

Transfer to Reserves

During the year under review, the Company has transferred INR 203.78 Crore to reserves and other equity.

Unpaid Dividend & IEPF

The Company was not required to transfer any amount to the Investor Education & Protection Fund (IEPF) as there were no Unpaid Dividend balances with the Company.

Material changes and commitments, affecting financial position of the Company

Material changes and commitments which have occurred during the year under review and between the financial year ended March 31, 2024 and the date of this report affecting the financial position of the Company are given herein below:

i. Conversion of the Company from Private Limited Company to Public Limited Company

Effective from August 04, 2023, your Company got converted from private limited to public limited and the Company has received a fresh certificate of incorporation consequent upon conversion from private company to public company dated August 04, 2023 from the Registrar of Companies, Maharashtra, Mumbai.

Consequently, the name of our Company was changed from 'Krystal Integrated Services Private Limited' to 'Krystal Integrated Services Limited' pursuant to the resolution passed by the Board of Directors on June 30, 2023 and a special resolution passed by the Shareholders of the Company on July 04, 2023.

ii. Initial Public Offering (IPO) of Equity Shares of the Company

During the year under review, the Company made its Initial Public Offer ('the Offer') comprising of an Offer for Sale and Fresh Issue.

The offer had been authorised by a resolution of the Board of Directors on September 15, 2023 and by the Shareholders on September 18, 2023.

The Company filed Draft Red Herring Prospectus ("DRHP") on September 27, 2023 with Securities Exchange Board of India (SEBI) with respect to IPO of the equity shares of the Company. The Company received in-principal approval from National Stock Exchange of India Limited and BSE Limited on December 11, 2023 and December 12, 2023 respectively. Thereafter, the company filed Updated Draft Red Herring Prospectus ("UDRHP"), Red Herring Prospectus ("RHP") and Prospectus on February 19, 2024, March 04, 2024 and March 19, 2024 respectively with SEBI and Registrar of Companies, Maharashtra, Mumbai.

The issue opened for public on March 14, 2024 and closed on March 18, 2024 and for anchor investors, the offer opened and closed on March 13, 2024.

The Company successfully completed its IPO of 41,97,552 equity shares of INR 10/- through a Book-Building Offer and the equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on March 21, 2024.

The equity shares were issued at a price of INR 715/- per share (INR 10/- face value and a share premium of INR 705/-) totaling to INR 300,12,50,000/- (Rupees Three Hundred Crore Twelve Lakhs Fifty Thousand), which comprised an Offer for Sale of INR 125,12,50,000/- (Rupees One Hundred Twenty-Five Crore Twelve Lakhs Fifty Thousand) by the existing Investor Shareholder and the balance INR 175,00,00,000/- (Rupees One Hundred Seventy-Five Crore) by fresh issue of 24,47,552 Equity Shares by the Company.

The IPO was subscribed 13.49 x and received more than 2,64,072 applications with strong interest in all categories viz. Anchor Book, QIB, HNI and Retail. The Company allotted shares to 75,735 shareholders and this included marquee names like ITI Mutual Funds, Quant Mutual Fund, Nav Capital Fund, Bofa Securities and many others, thus evidencing their comfort with the business and corporate governance standards of the Company.

Inga Ventures Private Limited acted as the Sole Book Running Lead Manager (BRLM) to the IPO and INDUSLAW, Legal Counsel to the Company and BRLM for the IPO. The Company had appointed Link Intime India Private Limited as the Registrar to the Offer.

The Board expresses its sincere gratitude to the investors who reposed their faith in the business of the Company. The Board also expresses its thanks to SEBI, ROC and Stock Exchanges (BSE and NSE) for their expeditious approval of the DRHP, RHP and Prospectus for the Offer.

Utilisation of IPO Proceeds

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations') & SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the net proceeds of IPO have been utilized for:

1. Repayment/ prepayment, in full or part, of certain borrowings availed of by the Company
2. Funding working capital requirements of the Company
3. Funding capital expenditure for purchase of new machinery
4. General Corporate Purposes

There has been no deviation in the utilisation of the IPO proceeds of the Company.

Detailed Monitoring Agency Report received from CRISIL Ratings Limited for such utilization are received by the Company from its Monitoring Agency on quarterly basis till the date of this report, affirming no deviation in utilisation of the issue proceeds from the object stated in offer documents and submitted to Stock Exchanges in compliance with the aforesaid regulations.

iii. **Krystal Integrated Services Limited Employee Stock Option Plan, 2023**

On September 08, 2023 shareholders of your Company approved and adopted "Krystal Integrated Services Limited Employee Stock Option Plan, 2023" or "Krystal ESOP Plan, 2023" or "ESOP Plan", pursuant to the applicable provisions of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time, for the benefit of eligible employees of your Company or its holding company or any of its subsidiary company, at such price and on such terms and conditions as may be determined by the Board from time to time, SEBI Regulations and in accordance with the provisions of the Krystal ESOP Plan, 2023 or other applicable provisions of any law as may be prevailing at that time.

As on date of this report, the Company has not granted any stock options under the aforesaid scheme.

Nature of Business / Information on the State of Affairs of the Company

Your Company is engaged in the services of Integrated facilities management with a focus on healthcare, education, public administration (state government entities, municipal bodies and other government offices), airports, railways and metro infrastructure and retail sectors.

Your Company provides a comprehensive range of integrated facility management service offerings across multiple sectors. Range of service offerings include soft services such as housekeeping, sanitation, landscaping and gardening, and hard services such as mechanical, electrical and plumbing services, solid, liquid and biomedical waste management, pest control, façade cleaning and effluent treatment. Your Company also provides staffing solutions and payroll management to our customers, as well as private security and manned guarding services and catering services.

Your Company has expanded its domain and entered in to business of providing waste management services for Thane Municipal Corporation which holds significant importance as it aligns with company's commitment to addressing environmental, social and urban development challenges in the society. This Contract opens a window of opportunity to participate in such projects nationally.

Change in the nature of business

During the year under review, there was no change in the nature of business of the Company.

Operations Review

Standalone

Total income from continuing operations on a standalone basis for Financial Year 2024, increased by 44.25% to INR 992.80 crores as compared to INR 688.26 crores in Financial Year 2023. Earnings before interest, taxes, depreciation and amortisation ('EBITDA') for Financial Year 2024 on a standalone basis from continuing operations increased by 34.09 % to INR 66.58 crores as compared to INR 49.65 crores in Financial Year 2023. Net Profit for the year after exceptional items and taxes from continuing and discontinuing operations was INR 48.23 crores as compared to INR 38.21 crores in Financial Year 2023. Basic and Diluted Earnings per share from continuing and discontinuing operations was INR 41.61 and INR 41.61 respectively for the year as compared to INR 33.15 and INR 33.15 respectively per share during the previous year.

Consolidated

The Company's consolidated income increased by 45.56% to INR 1,034.85 crores in Financial Year 2024 as compared to INR 710.96 crores in Financial Year 2023. EBITDA for Financial Year 2024 on a consolidated basis from continuing operations increased by 37.81% to 68.72 crores as compared to INR 49.86 crores in Financial Year 2023. Net Profit for the year after exceptional items and taxes from continuing and discontinuing operations was INR 49.07 crores as compared to INR 38.44 crores in Financial Year 2023. Basic and Diluted Earnings per share from continuing and discontinuing operations was INR 42.30 and INR 42.30 respectively for the year as compared to INR 33.33 and INR 33.33 respectively per share during the previous year.

A detailed discussion on operations for the year ended March 31, 2024 is provided in the Management Discussion and Analysis Report, which is presented in a separate section forming part of this Annual Report.

Holding company, Subsidiary companies, Joint Venture or Associate companies

The Company is a subsidiary of Krystal Family Holdings Private Limited. As on March 31, 2024, the Company has two wholly owned subsidiaries viz. Krystal Gourmet Private Limited and Flame Facilities Private Limited and two Joint Ventures namely, Krystal Aquachem and Joint Venture of Nangia & Co LLP & Krystal Integrated Services Private Limited However, Joint Venture of Nangia & Co LLP & Krystal Integrated Services Private Limited is yet to commence any business.

Financial details of subsidiaries, joint ventures and associate companies

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ('the Act') read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of subsidiaries, joint venture and associates companies in **Form AOC-1** is attached to the financial statements.

Pursuant to the provisions of Section 136 of the Act, the Financial Statements of these subsidiaries are uploaded on the website of the Company i.e. <https://www.krystal-group.com>.

Consolidated Financial Statements

In accordance with the provisions of sub-section (3) of Section 129 of the Act and SEBI Listing Regulations the Consolidated Financial Statements of the Company, including the financial details of all the subsidiary companies, forms part of this Annual Report. The Consolidated Financial Statements have been prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act.

The performance highlights of wholly owned operating subsidiaries and joint ventures during the financial year ended March 31, 2024 are as under:

Wholly owned subsidiaries

(a) Krystal Gourmet Private Limited

The total income for Financial Year 2024 was at INR 30.11 Crore. Profit before interest, depreciation and tax for the year was at INR 1.49 crore. Krystal Gourmet Private Limited reported a net profit of INR 0.33 Crore for the year.

(b) Flame Facilities Private Limited

The total income for Financial Year 2024 was at INR 15.57 Crore. Profit before interest, depreciation and tax for the year was at INR 3.45 Crore. Flame Facilities Private Limited reported a net profit of INR 0.47 Crore for the year.

Joint ventures

(a) Krystal Aquachem

Krystal Aquachem recorded total income of INR 8.57 Crore for Financial Year 2024. Profit before depreciation & tax for the year was at INR 0.06 crore. Krystal Aquachem Private Limited reported a net profit of INR 0.04 crore for the year.

Share Capital

During the year under review, the following changes have taken place in the Authorised and Paid-up Share Capital of your Company:

- (a) The Board of Directors of the Company at their meeting held on September 06, 2023 and shareholders at their meeting held on September 08, 2023, approved the increase in authorized share capital of the Company from INR 10,00,00,000 (Rupees Ten crore only) divided into 100,00,000 (One crore) equity shares of INR 10 (Ten) each to INR 15,00,00,000 (Rupees Fifteen crore only) divided into 1,50,00,000 (One crore Fifty lakhs) equity shares of INR 10/- (Rupees Ten) each. Hence, the present Authorised Share Capital of the Company stands at INR 15,00,00,000 (Rupees Fifteen crore only).
- (b) The Board of Directors of the Company and the shareholders at their meeting held on September 26, 2023 approved the issue of 57,62,200 Bonus Equity Shares of INR 10/- (Rupees Ten) each credited as fully paid-up to eligible members of the Company in the proportion of 1 (One) new fully paid-up equity share of INR 10/- (Rupees Ten) each for every 1 (One) existing fully paid-up equity shares of INR 10/- (Rupees Ten) each held by them, by capitalizing a sum not exceeding INR 5,76,22,000/- (Rupees Five Crore Seventy-Six Lakhs Twenty-Two Thousand) from and out of the free reserves or such other accounts, as are permissible to be utilized for the purpose, as per the audited accounts of the Company for the financial year ended March 31, 2023.

Post allotment of 57,62,200 Bonus Equity Shares, the Issued, Subscribed and Paid-up Share Capital of the Company stood at INR 11,52,44,000/- (Rupees Eleven Crore Fifty-Two Lakhs Forty-Four Thousand) comprising of 1,15,24,400 Equity Shares (One Crore Fifteen Lakhs Twenty-Four Thousand Four Hundred) having face value of INR 10/- (Rupees Ten) each.

- (c) Pursuant to the Initial Public Offering, the Company made an allotment of 24,47,552 (Twenty Four Lakhs Forty Seven Thousand Five Hundred Fifty Two) equity shares of INR 10/- (Rupees Ten) each for cash at a premium of INR 705/- (Rupees Seven Hundred Five) per share aggregating to INR 175,00,00,000/- (Rupees One Hundred Seventy Five Crore) on March 19, 2024.

At the end of the financial year 2023-24, the issued, subscribed & paid-up Equity Share Capital of the Company stood at INR 13,97,19,520 comprising of 1,39,71,952 equity shares of INR 10/- each.

Non-Convertible Debentures

During the year under review, the Company has not issued and allotted any Non-Convertible Debentures.

Credit Rating

During the year under review, Rating Agencies reaffirmed / issued ratings to the Company, as under:

Rating Agency	Rating	Nature of Securities
CRISIL Ratings Limited	BBB+	Term Loan, Working Capital and Cash Credit Facilities

Details relating to deposits

During the period under review, the Company has not accepted or renewed any amount falling within the purview of the provisions of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

Thus, as on March 31, 2024, there were no deposits which were unpaid or unclaimed and due for repayment.

Details of Directors and Key Managerial Personnel

Following changes took place during the year under review:

1. Appointment of Mr. Vijay Kumar Agarwal (DIN: 00058548), Independent Director was approved by the members of the Company at their Extra Ordinary General Meeting held on September 08, 2023 with effect from June 21, 2023 for a period of 5 (five) consecutive years.
2. Appointment of Professor Sunder Ram Govind Raghavan Korivi (DIN: 01590692), Independent Director was approved by the members of the Company at their Extra Ordinary General Meeting held on September 08, 2023 with effect from June 30, 2023 for a period of 5 (five) consecutive years.
3. Appointment of Dr. Dhanya Pattathil (DIN: 00130569), Independent Director was approved by the members of the Company at their Extra Ordinary General Meeting held on September 08, 2023 with effect from August 03, 2023 for a period of 5 (five) consecutive years.
4. Appointment of Dr. Yajyoti Digvijay Singh (DIN: 07971678) and Lt. Colonel Kaninika Thakur (DIN: 10269540), Independent Directors was approved by the members of the Company at their Extra Ordinary General Meeting held on September 08, 2023 with effect from August 25, 2023 for a period of 5 (five) consecutive years.

- Shareholders of the Company at their Extra Ordinary General Meeting held on September 18, 2023 approved the re-designation of Ms. Neeta Prasad Lad (DIN: 01122234) as the Managing Director and Mr. Shubham Prasad Lad (DIN: 07557584), Ms. Saily Prasad Lad (DIN: 05336504), Mr. Pravin Ramesh Lad (DIN: 01710743) and Mr. Sanjay Suryakant Dighe (DIN 02042603), as Whole-time Directors on the Board of the Company, liable to retire by rotation, for a period of 3 years with effect from September 15, 2023 to September 14, 2026.

Following changes took place from the end of the financial year till the date of this report:

- Mr. Vijay Kumar Agarwal, Independent Director (DIN: 00058548) ceased to be the Director of the Company with effect from May 10, 2024 due to advancing age and health related issues. Your directors placed on record their appreciation for the contributions made by Mr. Vijay Kumar Agarwal during his tenure. Mr. Vijay Kumar Agarwal has confirmed that there was no material reason other than that mentioned above for his resignation.
- Based on the recommendation of the Nomination, Remuneration & Compensation Committee, the Board of Directors of the Company on June 25, 2024, approved the appointment of Mr. Mahesh Vinayak Redkar (DIN 10614348) as an Additional Director (Non-Executive, Independent) on the Board of the Company w.e.f. June 25, 2024, subject to approval of Members. Approval of the Members is being sought for appointment of Mr. Mahesh Vinayak Redkar as a Director and Independent Director at the ensuing AGM.

As on the date of this report, the composition of the Board of Directors of the Company is as stated below:

Sr. No.	Name	Designation
1	Neeta Prasad Lad	Chairperson & Managing Director
2	Saily Prasad Lad	Whole-time Director
3	Shubham Prasad Lad	Whole-time Director
4	Pravin Ramesh Lad	Whole-time Director
5	Sanjay Suryakant Dighe	CEO & Whole-time Director
6	Professor Sunder Ram Govind Raghavan Korivi	Independent Director
7	Dr. Yajyoti Digvijay Singh	Independent Director
8	Lt. Colonel Kaninika Thakur	Independent Director
9	Dr. Dhanya Pattahil	Independent Director
10	Mr. Mahesh Vinayak Redkar	Additional Director (Non-Executive, Independent)

3. Ms. Shalini Agrawal tendered her resignation as the Company Secretary of the Company w.e.f August 14, 2023. The Board at its Meeting held on August 25, 2023 based on the recommendation of the Nomination, Remuneration & Compensation Committee approved the appointment of Ms. Stuti Maru, an Associate Member of the Institute of Company Secretaries of India as the Company Secretary and Compliance Officer of the Company w.e.f. August 25, 2023.
4. The Board at its Meeting held on September 15, 2023 based on the recommendation of the Nomination, Remuneration and Compensation Committee approved the appointment of Mr. Sanjay Suryakant Dighe as the Chief Executive Officer of the Company w.e.f. September 15, 2023.
5. The Board at its Meeting held on September 15, 2023 based on the recommendation of the Audit Committee and Nomination, Remuneration and Compensation Committee approved the appointment of Mr. Barun Dey as the Chief Financial Officer of the Company with effect from September 15, 2023.

Pursuant to the provisions of sub-section (51) of Section 2 and Section 203 of the Act read with the Rules framed thereunder, the following persons are the Key Managerial Personnel (including Directors) of the Company as on March 31, 2024:

Sr. No.	Name	Designation
1	Neeta Prasad Lad	Chairperson & Managing Director
2	Shubham Prasad Lad	Whole-time Director
3	Saily Prasad Lad	Whole-time Director
4	Pravin Ramesh Lad	Whole-time Director
5	Sanjay Suryakant Dighe	Chief Executive Officer and Whole time Director
6	Barun Dey	Chief Financial Officer
7	Stuti Maru	Company Secretary and Compliance Officer

Retirement by Rotation

In terms of the provisions of the Act and the Articles of Association of the Company, Ms. Neeta Prasad Lad, (Chairperson & Managing Director , DIN: 01122234) of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment.

The Board of Directors on the recommendation of the Nomination, Remuneration and Compensation Committee recommends her re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

In compliance with sub-regulation (3) of Regulation 36 of SEBI Listing Regulations and Secretarial Standard – 2 on General Meetings, brief resume, expertise and other details of the Directors seeking appointment / re-appointment, as the case may be, are given in the Notice convening the ensuing Annual General Meeting.

Declaration of Independence

The Company has received declarations from all its Independent Directors, confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations.

Further, the Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Board/Committee(s) of the Company.

In the opinion of the Board, the Independent Directors appointed during the year under review, are persons with integrity and possess requisite experience, expertise and proficiency required under applicable laws and the policies of the Company.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs (IICA).

The Independent Directors are also required to undertake online proficiency self-assessment test conducted by the IICA, within a period of 2 (two) years from the date of inclusion of their names in the data bank, unless they meet the criteria specified for exemption.

Professor Sunder Ram Govind Raghavan Korivi, Lt. Colonel Kaninika Thakur and Mr. Mahesh Vinayak Redkar, Independent Directors of the Company will undertake the online proficiency self-assessment test within 2 (two) years from the date of their appointment. Dr. Yajyoti Digvijay Singh and Dr. Dhanya Pattahil have cleared the online proficiency self-assessment test.

A matrix demonstrating the skill and expertise of Directors of the Company including Independent Directors is provided in the Report on Corporate Governance forming part of this Annual Report.

Number of Meetings of the Board of Directors (“Board”)

During the period under review, the Board of your Company met 21 times, details of which are given herein below:

1. 13.04.2023	2. 13.05.2023	3. 26.05.2023	4. 12.06.2023	5. 21.06.2023
6. 28.06.2023	7. 30.06.2023	8. 17.07.2023	9. 25.07.2023	10. 03.08.2023
11. 25.08.2023	12. 06.09.2023	13. 15.09.2023	14. 26.09.2023	15. 27.09.2023
16. 26.12.2023	17. 15.02.2024	18. 04.03.2024	19. 18.03.2024	20. 19.03.2024 (Time 11.30 A.M.)
21. 19.03.2024 (Time 06.00 P.M.)				

The Company is in compliance with the requirements of the Act and Secretarial Standards issued by The Institute of Company Secretaries of India. The intervening gap between the two meetings was within the limits as prescribed under the applicable provisions of the Act. The details of attendance of each Director at the Board Meeting are as follows:

Name of the Director	DIN	Category/ Designation	Number of Board Meetings		AGM last attended on September 30, 2023
			Held during their tenure	Attended	
Ms. Neeta Prasad Lad	01122234	Promoter Director/Chairperson & Managing Director	21	17	Yes
Mr. Pravin Ramesh Lad	01710743	Executive Director/ Whole-time Director	21	21	Yes
Mr. Sanjay Suryakant Dighe	02042603	Executive Director/Whole-time Director	21	20	Yes
Ms. Saily Prasad Lad	05336504	Promoter Director/Whole-time Director	21	18	Yes
Mr. Shubham Prasad Lad	07557584	Promoter Director/ Whole-time Director	21	19	Yes
Mr. Vijay Kumar Agarwal*	00058548	Independent Director	16	12	No
Professor Sunder Ram Govind Raghavan Korivi #	01590692	Independent Director	14	13	Yes
Dr. Dhanya Pattahil~	00130569	Independent Director	11	11	Yes
Dr. Yajyoti Digvijay Singh^	07971678	Independent Director	10	10	No
Lt. Colonel Kaninika Thakur^	10269540	Independent Director	10	10	Yes
Mr. Mahesh Vinayak Redkar @	10614348	Additional (Independent Director)	-	-	-

*Mr. Vijay Kumar Agarwal was appointed as an Independent Director of the Company with effect from June 21, 2023. 16 Board Meetings were held from the date of his appointment till the financial year end. Further, Mr. Vijay Kumar Agarwal resigned as an Independent Director of the Company with effect from May 10, 2024

#Professor Sunder Ram Govind Raghavan Korivi was appointed as an Independent Director of the Company with effect from June 30, 2023. 14 Board Meetings was held from the date of his appointment till the financial year end.

~Dr. Dhanya Pattathil was appointed as an Independent Director of the Company with effect from August 03, 2023. 11 Board Meetings was held from the date of her appointment till the financial year end.

^Dr. Yajyoti Digvijay Singh and Lt. Colonel Kaninika Thakur were appointed as Independent Directors of the Company with effect from August 25, 2023. 10 Board Meetings were held from the date of their appointment till the financial year end.

@Mr. Mahesh Vinayak was appointed as an Additional Director (Non-Executive, Independent) of the Company with effect from June 25, 2024, subject to approval of members.

Committees of the Board

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework of delegated authority and make specific recommendations to the Board on matters within their areas or purview. The decisions and recommendations of the Committees are placed before the Board for information or for approval, as required.

The constitution, role, composition and functioning of the Audit Committee, Nomination, Remuneration and Compensation Committee, Corporate Social Responsibility Committee, Risk Management Committee and Stakeholder Relationship Committee are in compliance with the applicable provisions of the Act and SEBI Listing Regulations.

Further, the Company also has constituted Tender Committee and Finance Committee. IPO Committee and Committee of Independent Directors was constituted for the purpose of IPO.

The Company Secretary is the Secretary of all the Committees. The Board of Directors and Committees also take decisions by resolutions passed through circulation which are noted by the Board/respective Committees of the Board at their next meetings. The Minutes of meetings of all Committees of the Board are circulated to the Board of Directors for noting. During the year under review, all recommendations received from its committees were accepted by the Board.

Audit Committee

The Company has constituted an Audit Committee on August 25, 2023 in terms of the requirements of the Act and Regulation 18 of the SEBI Listing Regulations. The Committee comprises of the following members:

Sr. No.	Name of the Member	Designation	Status
1	Mr. Vijay Kumar Agarwal @	Chairperson/Member	Non- Executive, Independent Director
2	Professor Sunder Ram Govind Raghavan Korivi	Member	Non- Executive, Independent Director
3	Mr. Sanjay Suryakant Dighe	Member	Executive, CEO & Whole-time Director
4	Dr. Yajyoti Digvijay Singh	Member	Non- Executive, Independent Director
5	Mr. Mahesh Vinayak Redkar	Member	Non- Executive, Independent Director

@ Mr. Vijay Kumar Agarwal has ceased to be the Chairman and Member of the Committee w.e.f. May 10, 2024 due to resignation

The Committee was re-constituted on May 16, 2024 and Professor Sunder Ram Govind Raghavan Korivi, member of the Audit Committee was designated as the Chairperson of the Committee in place of Mr. Vijay Kumar Agarwal who resigned as a Director of the Company w.e.f. May 10, 2024. Dr. Yajyoti Digvijay Singh and Mr. Mahesh Vinayak Redkar were appointed as a Members of the Committee w.e.f. May 16, 2024 and August 12, 2024 respectively.

During the year under review, the Audit Committee met six times.

The Committee is vested with necessary powers, as per its terms of reference duly approved by the Board. Further details on the Audit Committee are provided in the Report on Corporate Governance forming part of this Annual Report.

Vigil mechanism / whistle blower policy for Directors and employees

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism, as envisaged under the provisions of sub-section (9) of Section 177 of the Act, the Rules framed thereunder and Regulation 22 of SEBI Listing Regulations for the Directors, its employees as well as external stakeholders (customers, vendors, suppliers, outsourcing partners, etc.) to raise their concerns or observations without fear, or report instances of any unethical or unacceptable business practice or event of misconduct/unethical behavior, actual or suspected fraud and violation of Company's Code of Conduct.

The Policy provides for protecting confidentiality of those reporting violation(s) as well as evidence submitted and restricts any discriminatory practices against complainants. The Policy also provides for adequate safeguards and protection against victimization of persons who avail such mechanism. To encourage employees to report any concerns and to maintain anonymity the Policy provides direct access for grievances or concerns to be reported to the Chairman of the Audit Committee.

The details of establishment of Vigil Mechanism/Whistle Blower Policy are posted on the website of the Company at <https://www.krystal-group.com>, and the weblink to the same at <https://krystal-group.com/wp-content/uploads/2019/09/7.-Whistle-Blower-policy.pdf>

Corporate Social Responsibility (CSR)

During the year under review, the Company has partnered with credible agencies like Anthyodaya Pratishtan and Mi Mumbai Abhiyan Abhiman Pratishtan for implementing socially responsible projects in the areas of education as part of its initiatives under CSR. The Company has undertaken the CSR activities and complied with the provisions of Section 135 of the Act. The CSR activities/projects undertaken by your Company are in accordance with Schedule VII of the Act and based on approved CSR policy which are available on Company's website: <https://www.krystal-group.com>

The Company has constituted CSR Committee on July 31, 2014 and the Committee comprises of the following members:

Sr. No.	Name of the Member	Designation	Status
1	Mrs. Neeta Prasad Lad	Chairperson	Executive, Chairperson & Managing Director
2	Dr. Yajyoti Digvijay Singh	Member	Non- Executive, Independent Director
3	Mr. Sanjay Suryakant Dighe	Member	Executive, CEO & Whole-time Director

During the year under review, the Committee met one time.

The Committee was re-constituted on August 25, 2023. Ms. Neeta Prasad Lad was appointed as the Chairperson of the Committee w.e.f. July 31, 2014 and Dr. Yajyoti Digvijay Singh was appointed as a member of the Committee in place of Mr. Pravin Ramesh Lad w.e.f. August 25, 2023.

The CSR Committee has been entrusted with the prime responsibility of implementation of the activities under the CSR policy. The Committee recommends the activities to be undertaken under the policy and amount to be spent on such CSR activities to the Board.

During the year under review, as per Section 135 of the Act, your Company was required to spend an amount of INR 56,96,569 equivalent to 2% of the 'average net profits' of the last three(3) financial years. During the year under review, your Company has spent an aggregate amount of INR 83,00,000 on CSR activities. The CSR initiatives undertaken by your Company along with other CSR related details form part of the Annual Report on CSR activities for FY 2023-24, which is annexed as **Annexure -1**.

Risk Management Committee

The Company has constituted a Risk Management Committee ("RMC") on August 25, 2023 in terms of the requirements of Regulation 21 of the SEBI Listing Regulations and also adopted a Risk Management Policy.

The Company is exposed to various risks in the areas it operates. The Company's Risk Management Policy outlines guidelines in identification, assessment, measurement, monitoring, mitigating, and reporting of key business risks associated with the activities conducted.

The risk management mechanism forms an integral part of the business planning and review cycle of the Company. It is designed to provide reasonable assurance towards achievement of its goals by integrating management control into daily operations, ensuring compliance with legal requirements and safeguarding the integrity of the Company's financial reporting and the related disclosures.

The Company has a mechanism in place to inform the Risk Management Committee and Board members about risk assessment, minimization procedures and periodical review thereof. The Risk Management Committee of the Company ensures that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company. The Committee periodically validates, evaluates, and monitors key risks and reviews the measures taken for risk management and mitigation. The key business risks faced by the Company and the various mitigation measures taken by the Company are detailed in the Management Discussion and Analysis section.

The Composition of the RMC Committee is as under:

Sr. No.	Name of the Member	Designation	Status
1	Mr. Vijay Kumar Agarwal @	Chairperson	Non- Executive, Independent Director
2	Lieutenant Colonel Kaninika Thakur	Member	Non- Executive, Independent Director
3	Mr. Sanjay Suryakant Dighe	Member	Executive, CEO & Whole-time Director
4	Dr. Yajyoti Digvijay Singh	Member	Non- Executive, Independent Director

@ Mr. Vijay Kumar Agarwal has ceased to be the Chairman and Member of the Committee w.e.f. May 10, 2024 due to resignation & Lieutenant Colonel Kaninika Thakur was designated as Chairperson of the Committee w.e.f. May 16, 2024

The Committee was re-constituted on May 16, 2024 and Lieutenant Colonel Kaninika Thakur, member of RMC was designated as Chairperson of RMC in place of Mr. Vijay Kumar Agarwal who resigned as a Director of the Company on May 10, 2024. Dr. Yajyoti Digvijay Singh was appointed as Member w.e.f. May 16, 2024.

During the year under review, the Committee met twice.

The Committee is vested with necessary powers, as per its Terms of Reference duly approved by the Board. Further details on the RMC are provided in the Report on Corporate Governance forming part of this Annual Report.

Nomination, Remuneration and Compensation Committee and Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel

The Board of Directors of the Company on August 19, 2023 constituted the Nomination, Remuneration and Compensation (NRC) Committee and the details of composition of the Committee are given herein below:

Sr. No.	Name of the Member	Designation	Status
1	Lieutenant Colonel Kaninika Thakur	Chairperson	Non- Executive, Independent Director
2	Dr. Yajyoti Digvijay Singh	Member	Non- Executive, Independent Director
3	Dr. Pattathil Dhanya	Member	Non- Executive, Independent Director
4	Mr. Mahesh Vinayak Redkar	Member	Non- Executive, Independent Director

The Committee was re-constituted on August 25, 2023 and Lieutenant Colonel Kaninika Thakur, member of NRC Committee was designated as Chairperson of Committee in place of Dr. Dhanya Pattathil. Dr. Yajyoti Digvijay Singh and Mr. Mahesh Vinayak Redkar were appointed as Members of the Committee w.e.f. August 25, 2023 and August 12, 2024 respectively.

During the year under review, the Committee met four times.

The Committee is vested with necessary powers, as per its Terms of Reference duly approved by the Board. Further details on the Nomination, Remuneration and Compensation Committee are provided in the Report on Corporate Governance forming part of this Annual Report.

The Board of Directors has adopted a Nomination and Remuneration Policy on September 15, 2023 in terms of the provisions of sub-section (3) of Section 178 of the Act and SEBI Listing Regulations dealing with appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel.

The policy covers criteria for determining qualifications, positive attributes, independence and remuneration of its Directors, Key Managerial Personnel and Senior Management Personnel. The said Policy is annexed to this Report as **Annexure -2** and is also available on the Company's website i.e. <https://krystal-group.com/wp-content/uploads/2019/09/2.-Nomination-and-Remuneration-Policy.pdf>

Stakeholders Relationship Committee

As required under the provisions of Regulation 20 of SEBI Listing Regulations, the Board of Directors of the Company on August 25, 2023 constituted the Stakeholder's Relationship Committee and the details of composition of the Committee are given herein below:

Sr. No.	Name of the Member	Designation	Status
1	Professor Sunder Ram Govind Raghavan Korivi	Chairperson	Non- Executive, Independent Director
2	Dr. Pattathil Dhanya	Member	Non- Executive, Independent Director
3	Mr. Sanjay Suryakant Dighe	Member	Executive, CEO & Whole-time Director
4	Mr. Mahesh Vinayak Redkar *	Member	Non- Executive, Independent Director

*Mr. Mahesh Vinayak Redkar was appointed as a Member of the Committee w.e.f. August 12, 2024.

During the year under review, the Committee met one time.

The Committee is vested with necessary powers, as per its Terms of Reference duly approved by the Board. Further details on the Stakeholder's Relationship Committee are provided in the Report on Corporate Governance forming part of this Annual Report.

Name and designation of the compliance officer

Ms. Stuti Maru, Company Secretary and Compliance Officer of the Company, is the Compliance Officer / Investor Relations Officer, who deals with matters pertaining to Shareholders' grievances.

Tender Committee

The Board of Directors of the Company on August 25, 2023 constituted the Tender Committee and the details of composition of the Committee are given herein below:

Sr. No.	Name of the Member	Designation	Status
1	Mr. Pravin Ramesh Lad	Chairperson	Executive, Whole-time Director
2	Ms. Saily Prasad Lad	Member	Executive, Whole-time Director
3	Mr. Sanjay Suryakant Dighe	Member	Executive, CEO & Whole-time Director

During the year under review, the Committee met thirteen times.

The Committee is vested with necessary powers, as per its Terms of Reference duly approved by the Board. Further details on the Tender Committee are provided in the Report on Corporate Governance forming part of this Annual Report.

Finance Committee

The Board of Directors of the Company on September 15, 2023 constituted the Finance Committee and the details of composition of the Committee are given herein below:

Sr. No.	Name of the Member	Designation	Status
1	Mr. Pravin Ramesh Lad	Chairperson	Executive, Whole-time Director
2	Ms. Saily Prasad Lad	Member	Executive, Whole-time Director
3	Mr. Sanjay Suryakant Dighe	Member	Executive, CEO & Whole-time Director

During the year under review, the Committee met twelve times.

The Committee is vested with necessary powers, as per its Terms of Reference duly approved by the Board. Further details on the Finance Committee are provided in the Report on Corporate Governance forming part of this Annual Report.

IPO Committee

The Board of Directors of the Company on September 15, 2023 constituted the IPO Committee solely for the purpose of Initial Public Offer of the Company and to decide other matters related to the said Offer and the details of composition of the Committee are given herein below:

Sr. No.	Name of the Member	Designation	Status
1	Mr. Pravin Ramesh Lad	Chairperson	Executive, Whole-time Director
2	Ms. Saily Prasad Lad	Member	Executive, Whole-time Director
3	Mr. Sanjay Suryakant Dighe	Member	Executive, CEO & Whole-time Director

During the year under review, the Committee met five times.

The Committee is vested with necessary powers, as per its Terms of Reference duly approved by the Board. Further details on the IPO Committee are provided in the Report on Corporate Governance forming part of this Annual Report.

Pursuant to listing of equity shares of the Company on the Stock Exchanges, the IPO related matters have concluded and therefore the IPO Committee will be dissolved.

Committee of Independent Director

A committee of Independent Directors of the Company was specifically constituted to recommend the price band in relation to the Initial Public Offer of the Company as per the requirement of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the details of composition of the Committee are given herein below:

Sr. No.	Name of the Member	Designation	Status
1	Professor Sunder Ram Govind Raghavan Korivi	Chairperson	Non- Executive, Independent Director
2	Dr. Dhanya Pattathil	Member	Non- Executive, Independent Director
3	Dr. Yajyoti Digvijay Singh	Member	Non- Executive, Independent Director
4	Lieutenant Colonel Kaninika Thakur	Member	Non- Executive, Independent Director
5	Mr. Vijay Kumar Agarwal	Member	Non- Executive, Independent Director

During the year under review, the Committee met one time.

The Committee was vested with necessary powers, as per its Terms of Reference duly approved by the Board of Directors. Further details on the Committee of Independent Directors are provided in the Report on Corporate Governance forming part of this Annual Report.

Mr. Vijay Kumar Agarwal has ceased to be the Member of Committee of Independent Directors w.e.f May 10, 2024, due to his resignation from the Board of Directors of the Company.

Pursuant to listing of equity shares of the Company on the Stock Exchanges, the IPO related matters have concluded and therefore the Committee of Independent Directors, will be dissolved.

Directors' Responsibility Statement

Pursuant to the provisions of Sections 134(3)(c) and 134(5) of the Act and based on the information provided by the management, the Board of Directors of the Company, to the best of their knowledge and belief, confirm that:

- in the preparation of the annual accounts for the period commencing from April 01, 2023 to March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the period under review and of the profit and loss of the Company for that period;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Familiarisation Programme

The Company has adopted a Policy on Familiarisation Programme on September 15, 2023. The Company has familiarized the Independent Directors with the Company, their roles, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, etc. The details relating to the familiarization programme are available on the website of the Company at <https://krystal-group.com/wp-content/uploads/2019/09/Familiarization-Programme-for-Independent-Directors.pdf>

Board Evaluation

Evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and the Non-Executive Directors (including Independent Directors) on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects. The performance of the Executive Directors is evaluated on the basis of achievement of their Key Result Areas.

The Board evaluation exercise for FY 2023-24 was carried out after the closure of financial year through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

In a separate meeting of Independent Directors held on March 28, 2024, performance of Non-independent Directors and performance of the Board as a whole was evaluated. The Independent Directors were satisfied with the overall functioning of the Board, its various committees and performance of other Non-Executive and Executive Directors.

The Board of Directors has expressed its satisfaction with the evaluation process.

Auditors

Statutory Audit & Statutory Auditors

In accordance with Section 139(2) of the Act, M/s. T. R. Chadha & Co LLP, Chartered Accountants (Firm Registration No. 006711N/ N500028) were appointed as Statutory Auditors by the members of the Company at the Nineteen Annual General Meeting held on December 30, 2020 for a term of 5 consecutive years to hold office until the conclusion of the Twenty Fourth Annual General Meeting to be held in the calendar year 2025, at such remuneration, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.

M/s. T. R. Chadha & Co LLP, Chartered Accountants (Firm Registration No. 006711N/ N500028) have resigned as the Statutory Auditors of the Company vide their letter dated August 11, 2024, before completion of their term. Their resignation has caused a casual vacancy in the office of Statutory Auditors.

Based on the recommendation of the Audit Committee and approval of the Board of Directors, M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W), Mumbai, have been appointed as the Statutory Auditors of the Company, to fill the casual vacancy caused due to the resignation of M/s. T R Chadha & Co LLP, Chartered Accountants (FRN: 006711N/N500028), Mumbai, to hold office from August 12, 2024 till the conclusion of the 23rd Annual General Meeting.

The Board of Directors of the Company at its meeting held on August 12, 2024, on recommendations of Audit Committee have further appointed M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W) for a period of 5 (Five) years, subject to approval of shareholders at ensuing Annual General Meeting, to hold office from the conclusion of Twenty Third Annual General Meeting till the conclusion of Twenty-Eight Annual General Meeting.

Your Company has received a letter from M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W) communicating their eligibility and consent to accept the office, if appointed, to act as the Statutory Auditors of the Company in place of M/s. T. R. Chadha & Co LLP, Chartered Accountants (Firm Registration No. 006711N/ N500028) with a confirmation that, their appointment, if made, would be within the limits prescribed under the Act.

The Auditors' Report "with an unmodified opinion", given by M/s. T. R. Chadha & Co LLP, Chartered Accountants, Statutory Auditors, on the Financial Statements of the Company for FY 2023-24, is disclosed in the Financial Statements forming part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditors in their Report and the same does not call for any further comments. The Notes to the Financial Statements are self-explanatory and do not call for any further comments.

Internal Auditor

J C Kabra & Associates were appointed as the Internal Auditors of the Company with effect from May 13, 2024.

Annual Audit Plans are prepared on the basis of the discussions between the Internal Auditor and Audit Committee. The Audit Committee periodically reviews such plans and modifies them as and when required. Internal Auditors independently conduct objective assessment of Company's financial and operational processes, risk management practices, regulatory compliances, and effectiveness of internal controls. Internal Audit Reports along with the Management response/action plans are reviewed by the Audit Committee, on a quarterly basis.

Secretarial Auditor and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act read with Rules made thereunder, the Board of Directors, on the recommendation of the Audit Committee had appointed Kajal Jakharia & Associates, Practising Company Secretaries (FCS No.:7922 COP :23149) to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2024.

The Secretarial Audit Report for the financial year ended March 31, 2024 is annexed herewith as **Annexure -3** to this Report. The Report contains the following qualifications:

1. The Company has not complied with the provisions of maintenance of Structured Digital Database (SDD) as on the year ended March 31, 2024 pursuant to the provisions of Regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015. However, the same has been complied with as on the date of this report.
2. Pursuant to various SEBI circulars on implementation of System Driven Disclosures under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015 - the database of promoters including members of promoter group, designated persons and directors was not updated as on the year ended March 31, 2024. However, the same has been complied with as on the date of this report.
3. Regulation 21(3C) of SEBI Listing Regulations was not complied as one hundred and eighty days elapsed by fifteen days between two consecutive meetings of the Risk Management Committee.
4. The Company has not maintained/updated MBP-4: Register of Contracts with Related Party and Contracts and Bodies etc., in which Directors are interested pursuant to Section 189 and Rule 16 of Companies (Meetings of Board and its Powers) Rules, 2014 of the Act.
5. The Company has not complied with Section 135(3)(b) of the Act with respect to recommending the amount of CSR expenditure to be incurred on the activities, however the Company has duly spent an amount of INR 83,00,000/- on CSR activities during the period under review.

Management response

- 1) The Company was in the process of evaluating system solution available to identify a sustainable database to ensure full compliance of this regulatory requirement. Hence, on the year ended March 31, 2024 the Company was not maintaining SDD. However, the Company has purchased a software for maintenance of SDD and has started maintaining data in the SDD Software w.e.f. June 20, 2024 and the same is now functional.
- 2) The Software for implementation of System Driven Disclosures under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015 is working and data is captured on the said software.
- 3) The Company has taken note of audit points mentioned at serial no. 3, 4 and 5 and will ensure compliance of the same in the current financial year.

Frauds

There have not been any frauds reported by the Auditors of the Company under Section 143(12) of the Act.

Particulars of loans given, investments made, guarantees given, or security provided by the Company

The loans given, investments made and guarantees given and securities provided during the year under review, are in compliance with the provisions of the Section 186 of the Act and Rules made thereunder and details thereof are given in Note No. 14 to the Standalone Financial Statements.

Loans from Directors or Directors' relatives

During the year, the Company had not obtained any loan from any of the Directors or their relatives.

Related Party Transactions

All related party transactions entered during the year were in the ordinary course of business and on arm's length basis. The Audit Committee grants an omnibus approval for the transactions that are in the ordinary course of business and repetitive in nature. For other transactions, the Company obtains specific approval of the Audit Committee before entering into any such transactions. For material related party transactions, the Company obtains prior approval of the Members of the Company. A statement giving details of all Related Party Transactions are placed before the Audit Committee on a quarterly basis for its review. There are no materially significant related party transactions entered into by the Company with its Directors/Key Managerial Personnel or their respective relatives, the Company's Promoter(s), its Subsidiaries/Joint Ventures/ Associates or any other related party, that may have a potential conflict with the interest of the Company at large.

Pursuant to SEBI Listing Regulations and basis the recommendation of the Audit Committee, the shareholders of the Company granted approval for Material Related Party Transaction(s) between the Company and Volksara Techno Solutions Private Limited and Navagunjara Finance Private Limited for a period of 3 years on January 11, 2024.

In terms of Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, the details of contracts or arrangements entered into with related parties in Form AOC-2 is appended as **Annexure -4** to this Annual Report.

Details of Related Party Transactions entered into by the Company for FY 2023-24, in terms of Ind AS 24 have been disclosed in the Note No. 37 to the Standalone/Consolidated Financial Statements forming part of this Report.

As required under Regulation 23(1) of the SEBI Listing Regulations, the Company has in place a 'Policy on Related Party Transactions' which is available on the website of the Company at <https://krystal-group.com/wp-content/uploads/2019/09/6.-Policy-on-dealing-with-related-party-transactions.pdf>

Further, pursuant to the SEBI Listing Regulations, the Company has filed half yearly reports on Related Party Transactions with BSE Limited and National Stock Exchange of India Limited.

Particulars of Employees

In terms of the requirements Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the disclosures pertaining to the remuneration and other details, are annexed to this Report as **Annexure-5**.

The statement containing names and other details of the employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of the Annual Report. In terms of Section 136(1) of the Act, the Annual Report is being sent to the Members and others entitled thereto, excluding the aforesaid information. The said information is open for inspection and any Member interested in obtaining a copy of the same may write to the Company.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to providing and promoting a safe and healthy work environment for all its employees. A 'Prevention of Sexual Harassment' Policy, which is in line with the statutory requirements, along with a structured reporting and redressal mechanism, including the constitution of Internal Complaints Committee in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the POSH Act"), is in place.

During FY 2023-24, there were no complaints received under the provisions of the POSH Act.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

- a) The provisions of Section 134(3)(m) of the Act and the Rules made there under relating to conservation of energy and technology absorption do not apply to your Company as it is not a manufacturing Company.
- b) Foreign Exchange Earnings during the year under review was INR NIL as against previous year INR NIL and Foreign Exchange Outgo during the year under review was INR NIL as against previous year INR NIL.

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 were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in the future. Further, no penalties have been levied by any regulator during the year under review.

Names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year

During the year under review, no company became/ceased to be a Subsidiary, Joint Venture, Associate Company of the Company.

Details in respect of adequacy of internal financial controls with reference to the Financial Statements

The Company has established a system of internal controls and business processes, comprising of policies and procedures, with regards to efficiency of operations, financial reporting and compliance with applicable laws and regulations etc. commensurate with its size and nature of the business. Regular checks are undertaken to ensure that systems and processes are followed effectively, and systems & procedures are periodically reviewed to keep pace with the growing size and complexity of your Company's operations. Company also has a well-defined process for an on-going management reporting and periodic review of operations to ensure effective decision-making. During the year under review, proper internal financial controls were in place and the financial controls were adequate and were operating effectively.

Annual Return

As required under the provisions of Sections 134(3)(a) and Section 92(3) of the Act and the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company in prescribed form MGT 7 has been placed on the website of the Company at Krystal Integrated Services Limited <https://www.krystal-group.com>.

Managing Director and Chief Financial Officer Certificate

In terms of the SEBI Listing Regulations the certificate, as prescribed in Part B of Schedule II of the SEBI Listing Regulations has been obtained from CEO and CFO, for the Financial Year 2023-24 with regard to the Financial Statements and other matters.

Secretarial Standards and Compliance

During the year under review, the Company has complied with the applicable provisions of Secretarial Standards issued by The Institute of Company Secretaries of India on Board Meetings and General Meetings.

Corporate Governance Report

The Company is committed to maintaining the highest standards of corporate governance and continues to be compliant with the requirements of corporate governance as enshrined in the SEBI Listing Regulations. The Report on Corporate Governance together with the Certificate from the Practising Company Secretary confirming compliance with conditions on Corporate Governance as stipulated in the SEBI Listing Regulations as on March 31, 2024 forms part of this Annual Report.

Management Discussion and Analysis Report

Management Discussion and Analysis Report for FY 2023-24, as stipulated under the SEBI Listing Regulations forms part of the Annual Report.

Other Disclosures

The Directors state that no disclosures or reporting is required in respect of the following items, as the same is either not applicable to the Company or relevant transactions/events have not taken place during the year under review:

- a) The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.
- b) The Company has not issued shares (including sweat equity shares) to employees under any scheme.
- c) There was no revision in the financial statements.
- d) The Company does not have any scheme or provision of money for the purchase of its own shares by employees or by trustees for the benefits of employees.
- e) There has been no change in the nature of business of the Company as on the date of this report.
- f) The Managing Director of the Company did not receive any remuneration or commission from any of its subsidiaries.
- g) There have been no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this report.
- h) There are no proceedings, pending under the Insolvency and Bankruptcy Code, 2016 corporate insolvency resolution for the end of financial year March 31, 2024.
- i) There was no instance of one-time settlement with any Bank or Financial Institution.
- j) Company is not required to maintain cost records under Section 148 of the Act.
- k) The Company has not issued any equity shares under Krystal Integrated Services Limited Employee Stock Option Plan, 2023 during the year under review and hence no information is provided as per provisions of Section 62(1)(b) of the Act.
- l) There are no agreements defined under clause 5A of paragraph A of Part A of Schedule III of SEBI Listing Regulations that are binding on the Company.

Acknowledgements / Appreciations

We take this opportunity to thank the employees for their dedicated service and contribution to the Company.

We also thank our banks, business associates, members and other stakeholders for their continued support to the Company.

**For and on behalf of the Board of Directors of Krystal Integrated Services Limited
(Previously known as Krystal Integrated Services Private Limited)**

**Date: August 12, 2024
Place: Mumbai**

**Neeta Lad
Chairperson & Managing Director
DIN: 01122234**

**Sanjay Dighe
CEO & Whole time Director
DIN: 02042603**

Annexure -1

Annual Report on CSR Activities of the Company

[Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014]

Brief outline on CSR Policy of the Company:

- 1) The CSR Policy of the Company includes the activities that can be undertaken by the Company for its CSR activities, composition of CSR Committee, areas of CSR projects, criteria for selection of CSR projects, modalities of execution/implementation of CSR activities and the monitoring mechanism of CSR activities / project.
- 2) Composition of CSR Committee:

Sr. 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	Mrs. Neeta Prasad Lad	Member & Chairperson	1	0
2	Dr Yajyoti Digvijay Singh	Member	1	1
3	Mr. Sanjay Suryakant Dighe	Member	1	1

Note: CSR Committee was constituted on July 31, 2014 and further, the Committee was re-constituted on August 25, 2023. Ms. Neeta Prasad Lad was appointed as the Chairperson of the Committee with effect from July 31, 2014 and Dr. Yajyoti Digvijay Singh was appointed as a member of the Committee in place of Mr. Pravin Ramesh Lad with effect from August 25, 2023.

- 3) Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: <https://krystal-group.com/wp-content/uploads/2019/09/1.Corporate-Social-Responsibility-Policy.pdf>
- 4) Executive Summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable - **Not Applicable**
- 5) (a) Average net profit of the company as per sub-section (5) of Section 135 – **INR 28,48,28,440**
(b) Two percent of average net profit of the company as per subsection (5) of Section 135: **INR 56,96,569**
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**
(d) Amount required to be set off for the financial year, if any: **Nil**
(e) Total CSR obligation for the financial year (b+c-d): **INR 56,96,569**

- 6) (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **INR 83,00,000/-**
- (b) Amount spent in Administrative Overheads: **Nil**
- (c) Amount spent on Impact Assessment, if applicable: **Not Applicable**
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **INR 83,00,000**
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
INR 83,00,000/-	Nil	Nil	Nil	Nil	Nil

- (f) Excess amount for set-off, if any: **Not applicable**

Sr. No	Particular	Amount (In Rs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

7) Details of Unspent Corporate Social Responsibility Committee amount for the preceding three financial years

1	2	3	4	5	6		7	8
Sr. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub section (6) of section 135 (in Rs.)	Balance Amount in Un spent CSR Account under sub section (6) of section 135 (in Rs.)	Amount spent in the Financial Year (in Rs)	Amount transferred to a fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding financial years (in Rs.)	Deficiency , if any
					Amount (in Rs)	Date of transfer		
1.	FY 2022- 23	Nil	Nil	71,30,000	NA	NA	Nil	Nil
2.	FY 2021- 22	Nil	Nil	65,00,000	NA	NA	Nil	Nil
3.	FY 2020- 21	Nil	Nil	88,00,000	NA	NA	Nil	Nil

8) Whether any capital assets have been created or acquired through Corporate Social Responsibility amount -spent in the Financial Year: **No**

If Yes, enter the number of Capital assets created / acquired – Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

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

For and on behalf of the Board of Directors

Sd/-
Neeta Lad
Chairperson and Managing Director &
Chairperson of CSR Committee
DIN: 01122234

Sd/-
Sanjay Dighe
Chief Executive Officer
& Whole-time Director
DIN: 02042603

Place: Mumbai
Date: May 27, 2024

Annexure-2

Krystal Integrated Services Limited Nomination and Remuneration Policy

Introduction

This policy on Nomination and Remuneration of Directors, Key Managerial Personnel ("KMP"), Senior Management Personnel ("SMP") and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, in order to appoint and pay equitable remuneration to Directors, KMPs, SMPs and other employees of the Company.

Legal framework and Objectives

Section 178 of the Companies Act, 2013 ("Act") read with the applicable Rules thereto, provisions of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('SEBI Listing Regulations') read with Part D of Schedule II of SEBI Listing Regulations (together referred to as "Applicable Laws") require the Nomination and Remuneration Committee ("NRC" or the "Committee") of the Board of Directors of every listed company, among other classes of companies, to

- 1) Identify persons who are qualified to become directors and who may be appointed in a KMP or SMP role in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- 2) Formulate the criteria for determining qualifications, positive attributes and independence of a director;
- 3) Devising a policy on diversity of board of directors;
- 4) Specify the manner and criteria for effective evaluation of the performance of the Board, its committees and individual directors. Basis the performance evaluation results of independent directors, decide whether to extend or continue their term of appointment or not;
- 5) Recommend to the Board of Directors a policy relating to the remuneration of the Directors, KMPs and other employees including SMPs;
- 6) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Constitution of the Nomination, Remuneration and Compensation Committee

The Board has constituted the Nomination, Remuneration and Compensation Committee (NRC) on August 19, 2023 as per Companies Act, 2013 and SEBI Listing Regulations.

Definitions

'Board' means Board of Directors of the Company.

'Directors' means Directors of the Company

'Committee' means Nomination, Remuneration and Compensation Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable SEBI Listing Regulations.

'Company' means Krystal Integrated Services Limited

'Independent Director' means a Director referred to in Section 149(6) Act and rules and SEBI Listing Regulations

"Key Managerial Personnel" or "KMP" means

- 1) the chief executive officer or the managing director or the manager;
- 2) the company secretary;
- 3) the whole-time director;
- 4) the chief financial officer
- 5) such other officer, not more than one level below the directors who is in whole- time employment, designated as key managerial personnel by the Board; and
- 6) such other officer as may be prescribed

"Policy" means the Nomination and Remuneration Policy

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by them and includes perquisites as defined under the Income- Tax Act, 1961

"SEBI Regulations" means the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time

"Senior Management" or "Senior Management Personnel" or "SMP" means officers/personnel of the Company that includes;

- (i) Key Managerial Personnel
- (ii) One level below the Chief Executive Officer and Managing Director who are members of the core management and functional heads
- (iii) Any other officer as determined by the NRC and the Board from time to time.

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Act and Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein

General

This Policy is divided in three parts: -

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;

Part – B covers the appointment and removal of Directors, KMP and Senior Management; and

Part – C covers remuneration for Directors, KMP and Senior Management

Part – A

Matters to be dealt with, perused and recommended to the Board by the Nomination, Remuneration and Compensation Committee (“NRC”)

The following matters shall be dealt with by the Committee: -

a) Size and composition of the Board

Periodically reviewing the size and composition of the Board to have an appropriate mix of executive, non-executive and independent Directors to maintain its independence and separate its functions of governance and management and to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company.

b) Directors

Formulate the criteria determining qualifications, positive attributes of a Director and recommend candidates to the Board when circumstances warrant the appointment of a new Director, having regard to qualifications, integrity, expertise and experience for the position.

c) Board Diversity

NRC shall ensure a transparent nomination process to the Board of Directors with the diversity of gender, thought, experience, qualification, knowledge, core skills, competencies, and perspective in the Board.

Diversity at the Board level shall be used as a tool for supporting the attainment of the strategic objectives of the Company and also to drive business results. Accordingly, while designing the composition of the Board, diversity shall be considered on all aspects and all appointments shall be based on the above parameters.

d) Succession plans

Establishing and reviewing Board, KMP and Senior Management succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management.

e) Evaluation of performance

- (i) Make recommendations to the Board on appropriate performance criteria for the Directors.
- (ii) Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company or engage with a third-party facilitator in doing so.
- (iii) Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

f) Familiarization

Identifying familiarization and training programs for the Board to ensure that Non-Executive Directors are provided adequate information regarding the operations of the business, the industry and their duties and legal responsibilities

g) Remuneration framework and policies

The Committee is responsible for reviewing and making recommendations to the Board on:

- 1) Remuneration of whole-time Directors to be presented for shareholders' approval including severance, if any.
- 2) Individual and total remuneration of non-executive Directors including any additional fees payable for membership of Board committees;
- 3) The remuneration and remuneration policies for KMP and Senior Management including base pay, incentive payments, equity awards, retirement rights, severance pay if any and service contracts having regard to the need to:
 - a. attract and motivate talent to pursue the Company's long-term growth;
 - b. demonstrate a clear relationship between executive compensation and performance;
 - c. be reasonable and fair, having regard to best governance practices and legal requirements and
 - d. balance between fixed and incentive pay reflecting short and long-term performance objectives as appropriate for the Company and its goals
- 4) the Company's incentive compensation and equity-based plans including a consideration of performance thresholds and regulatory and market requirements.

Part – B

Policy for appointment and removal of Directors, KMP and Senior Management

a) Appointment criteria and qualifications

- 1) The Committee shall ascertain the integrity, qualification, expertise and experience of the person identified for appointment as Director, KMP or Senior Management and recommend to the Board his/her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the position.
- 2) A person to be appointed as Director, KMP or Senior Management should possess adequate qualification, expertise and experience for the position he/she is considered for.
- 3) A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors/areas relevant to the Company, ability to contribute to the Company's growth and complementary skills in relation to the other Board members.
- 4) For every appointment of an Independent Director, the NRC shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended for such role shall meet the description.
- 5) For the purpose of identifying suitable candidates, the Committee may;
 - i.
 - ii. use the services of an external agencies, if required
 - ii. consider candidates from a wide range of backgrounds, having due regard to diversity and
 - iii. consider the time commitments of the candidates
- 6) The Company shall appoint or continue the employment of a person as Managing Director/Whole - time Director and Non-Executive Director who has not attained the maximum age of retirement as prescribed under relevant laws.
- 7) A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.
- 8) The Company shall not appoint any resigning independent director, as whole-time director, unless a period of one year has elapsed from the date of resignation as an independent director.

b) Term / Tenure

1) Managing Director / Whole-time Director

Term of appointment or re-appointment of Managing Director or CEO not to exceed five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2) Non-Executive Director

Non-executive director's office is subject to retirement by rotation at the Annual general meeting in the manner as specified under relevant laws.

3) Independent Director

An Independent Director shall hold office on the Board of the Company for a term as may be determined by the Board but in any case, not exceeding five years and shall not hold office for more than two consecutive terms. Such Independent Director shall be eligible for appointment after the expiry of such period as prescribed under the applicable law.

c) Removal

Due to reasons for any disqualification mentioned in the Act and rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

d) Retirement

The Directors, KMP and Senior Management shall retire as per the applicable provisions of the relevant laws. The Board will have the discretion to retain the Directors, KMP and Senior Management in the same position/remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company, subject to approvals as required under the relevant laws.

Part – C

Policy relating to the remuneration for Managing Director / CEO, Non-Executive Directors, KMPs and Senior Management

- **Managing Director / CEO**

- i. The remuneration to be paid to the MD/CEO at the time of his/her appointment shall be recommended by the NRC and approved by the Board of Directors and the shareholders of the Company.
- ii. Annual increment/subsequent variation in remuneration to the MD/CEO shall be approved by the NRC/Board of Directors, within the overall limits approved by the shareholders of the Company.

- **NEDs:**

- i. NEDs shall be entitled to sitting fees as may be decided by the Board of Directors from time to time for attending the Meeting of the Board and sub-Committees of the Board.
- ii. Remuneration (including Commission) as may be recommended by NRC and subsequently approved by the Board of Directors and shareholders of the Company, wherever required, and the same shall be paid in accordance with the applicable laws.
- iii. The NEDs shall be eligible for remuneration of professional services rendered if in the opinion of the NRC, the NED possesses the requisite qualification for rendering such professional services in accordance with applicable laws.

- **KMP & SMP**

- i. The remuneration to be paid to the KMP and SMP, at the time of his/her appointment shall be recommended by the NRC and approved by the Board considering relevant qualification, experience and performance of the individual as well as the prevailing market conditions. The remuneration may be combination of fixed and variable pay.
- ii. Annual increment /subsequent variation in remuneration to the KMP/SMP shall be approved by the NRC/Board of Directors.

- **Director and Officer Liability Insurance**

Where Insurance Policy is taken by the Company for its Directors, KMP, SMP and employees indemnifying them against any liability, the premium paid by the Company for such insurance cover shall not be treated as part of the remuneration payable to such personnel. However, if such person is proved to be guilty, the premium paid on such insurance shall be recovered from such persons.

- **Policy review**

- (a) This policy is framed based on the provisions of the Companies Act, 2013 and Rules framed thereunder and the requirements of SEBI Listing Regulations, as amended from time to time
- (b) In case of any subsequent changes in the provisions of the Act or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.
- (c) This policy shall be reviewed by the Nomination, Remuneration and Compensation Committee, periodically. Any changes or modification to the policy as recommended by the Committee would be placed before the Board of Directors for their approval.

Annexure-3

FORM NO. MR - 3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
KRYSTAL INTEGRATED SERVICES LIMITED
(Earlier known as **Krystal Integrated Services Private Limited**)
CIN: U74920MH2000PLC129827

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Krystal Integrated Services Limited** (Previously known as Krystal Integrated Services Private Limited) (hereinafter called “the Company” or “the listed entity”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Auditor’s responsibility

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/confirmation, in the manner and subject to the reporting made hereinafter.

The Company made an Initial Public Offering of 41,97,552 equity shares of Rs. 10/- each comprising of a) fresh issue of 24,47,552 equity shares at an issue price of Rs.715/- per equity share consisting of security premium of Rs.705/- per share and b) an offer for sale of 17,50,000 equity shares at an issue price of Rs.715/- per equity share. The Company got listed on National Stock Exchange of India Ltd. and BSE Limited on March 21, 2024.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 (‘period under review’) according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye - laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; *(not applicable to the Company during the period under review)*
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; *(not applicable to the Company during the period under review)*
 - h) The Securities and Exchange Board of India (Buy - back of Securities) Regulations, 2018; *(not applicable to the Company during the period under review)* and
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have also examined, on test-check basis, the relevant documents, records, files maintained by the Company according to the following laws applicable specifically to the Company, as identified by the management:

- a) Private Security Agencies (Regulation) Act, 2005 (PSARA) and applicable state rules made thereunder;
- b) Maharashtra Private Security Guard Act, 1981
- c) Information Technology Use of Electronic Records & Digital Signatures Rules, 2004
- d) The Information Technology Act, 2000, as amended
- e) Information Technology Reasonable Security Practices & Procedures & Sensitive Personal Data or Information Rules, 2011
- f) All other Labour, Employee and Industrial Laws to the extent applicable to the Company:
 - i. Contract Labour (Regulation and Abolition) Act, 1970
 - ii. Payment of Wages Act, 1936
 - iii. Minimum Wages Act, 1948
 - iv. Employees' Provident Funds and Miscellaneous Provisions Act, 1952
 - v. Employees' State Insurance Act, 1948
 - vi. The Workmen's Compensation Act, 1923
 - vii. Maharashtra Shops and Establishments (Regulation of Employment and Condition of Service) Act, 2017
 - viii. Professional Tax Act, 1987
 - ix. Payment of Gratuity Act, 1972
 - x. Payment of Bonus Act, 1965
 - xi. Equal Remuneration Act, 1976
 - xii. Maternity Benefit Act, 1961
 - xiii. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
 - xiv. The Child Labour Act, 1986

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

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

- i Secretarial Standards issued by the Institute of Company Secretaries of India wherein the Company is generally regular in complying with the standards; and
- ii The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned hereinabove, except to the extent as mentioned below:

- i *The Company has not complied with the provisions of maintenance of Structured Digital Database (SDD) as on the year ended March 31, 2024 pursuant to the provisions of Regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015. However, the same has been complied with as on the date of this report.*
- ii *Pursuant to various SEBI circulars on implementation of System Driven Disclosures under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015 - the database of promoters including members of promoter group, designated persons and directors was not updated as on the year ended March 31, 2024. However, the same has been complied with as on the date of this report.*
- iii *Regulation 21(3C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was not complied as one hundred and eighty days elapsed by fifteen days between two consecutive meetings of the Risk Management Committee.*
- iv *The Company has not maintained/updated MBP-4: Register of Contracts with Related Party and Contracts and Bodies etc., in which Directors are interested pursuant to Section 189 and Rule 16 of Companies (Meetings of Board and its Powers) Rules, 2014 of the Act.*
- v *The Company has not complied with Section 135(3)(b) of the Act with respect to recommending the amount of CSR expenditure to be incurred on the activities, however the Company has duly spent an amount of Rs. 83,00,000/- on CSR activities during the period under review.*

We further report that the Company is required to strengthen the mechanism of compliance of Secretarial Standards particularly circulation of draft and signed minutes of the Board / Committee meetings including mentioning date of entry of the minutes in the minutes book and compliances with respect to resolutions passed by circulation as per the requirement of Secretarial Standards issued by the Institute of Company Secretaries of India.

Recommendations as a matter of best practice

In the course of our audit, we have made certain recommendations for good corporate governance practices to the secretarial team, for its necessary consideration and implementation by the Company.

We further report that:

- I The Board of Directors of the Company is duly constituted with proper balance of Executive Director(s), Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- II Except in case of meetings convened at a shorter notice, adequate notice was given to all directors to schedule the Board and Committee Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, by hand delivery and email, except in cases where meetings were convened at a shorter notice. Further a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- III Majority decisions were carried through and there were no dissenting member's views during the year under review; hence, the same was not required to be captured and recorded as part of the minutes.
- IV There was no prosecution initiated and no fines (*except for additional fees paid by the Company for delay in filing of necessary e-Forms with the Ministry of Corporate Affairs*) or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against/on the Company, its Directors and officers.

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

We further report that during the audit period, the Company has undertaken following specific events/actions that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

- i Members at their Extra-ordinary General Meeting held on July 04, 2023 considered and approved:
 - a) conversion of the Company from 'Private Limited' to 'Public Limited';
 - b) change of name of the Company consequent to conversion; and
 - c) adoption of new set of Articles of Association of the Company.

- ii Effective August 04, 2023, the Company got converted from 'Private Limited' to 'Public Limited' and the Company, on August 04, 2023, received a fresh certificate of incorporation, consequent upon conversion, from the Registrar of Companies, Maharashtra, Mumbai;
- iii Shareholders at their Extra-ordinary General Meeting held on September 08, 2023 considered and approved:
- a increase in the Authorised Share Capital of the Company from Rs.10,00,00,000 (Rupees Ten crore only) divided into 100,00,000 (One crore) equity shares of Rs.10 (Ten) each to Rs.15,00,00,000 (Rupees Fifteen crore only) divided into 1,50,00,000 (One crore Fifty lakhs) equity shares of Rs.10 (Ten) each.
 - b 'Krystal Integrated Services Limited Employees Stock Option Plan, 2023' to and for the benefit of eligible employees of the Company or its holding or subsidiary company.
 - c appointment of Mr. Vijay Kumar Agarwal (DIN: 00058548), Mr. Sunder Ram Govind Raghavan Korivi (DIN: 01590692), Ms. Dhanya Pattathil (DIN: 00130569), Ms. Yajyoti Digvijay Singh (DIN: 07971678) and Ms. Kaninika Thakur (DIN: 10269540), as Independent Directors of the Company for a term of 5 years.
- iv Members at their Extra-ordinary General Meeting held on September 18, 2023 considered and approved:
- a re-designation of Ms. Neeta Prasad Lad (DIN: 01122234) as the Chairperson and Managing Director of the Company for a period of 3 years;
 - b re-designation of Mr. Sanjay Suryakant Dighe (DIN: 02042603), Mr. Pravin Ramesh Lad (DIN: 01710743), Mr. Shubham Prasad Lad (DIN: 07557584) and Ms. Saily Prasad Lad (DIN: 05336504) as Whole -time Directors of the Company for a period of 3 years;
 - c and authorised the Board of Directors to create charge, hypothecate, pledge or mortgage the Company's movable and/or immovable properties in terms of Section 180(1)(a) of the Act for securing loans, borrowings upto Rs.500/- crores (Rupee Five Hundred Crores Only);
 - d and authorised the Board of Directors to borrow such sum(s) of money(ies) to the extent of Rs.500/- crores (Rupee Five Hundred Crores Only) in terms of Section 180(1)(c) of the Act;
 - e and authorised the Board of Directors to give loans to/invest in shares, debentures and securities etc., to give corporate guarantees, on behalf of the Company, up to a sum not exceeding Rs. 500 crore (Rupees Five Hundred only) pursuant to Section 186 of the Act;
 - f and authorised keeping the Register of Members, Index of Members, and such other Registers as may be required to be maintained under Section 88 of the Act, at a place other than the Registered Office of the Company;

- g and authorised delivery of documents through a particular mode as may be sought by a member;
- h issue and offer of Equity Shares of the Company of Rs. 10/- (Rupees Ten Only) each by way of Initial Public Offering.
- v Pursuant to the shareholders' approval at their Extra-ordinary General Meeting held on September 26, 2023, there was an allotment of 57,62,200 Bonus Equity Shares to all the existing members of the Company by way of bonus issue on September 27, 2023 in the ratio of 1:1 i.e., 1 (One) bonus equity share of Rs. 10 each for every 1 (One) fully paid-up equity share held and the Company has duly complied with the provisions of the Act in this respect.
- vi Pursuant to the shareholders' approval at their Extra-Ordinary General Meeting held on 11th January, 2024, members approved entering into Material Related Party Transactions for a period of 3 years with Volksara Techno Solutions Private Limited and Navagunjara Finance Private Limited, group companies of the Company.
- vii With respect to the Initial Public Offering (IPO), the Company filed the Red Herring Prospectus and Prospectus with the Registrar of Companies, Maharashtra, Mumbai and the Securities and Exchange Board of India on March 04, 2024 and March 19, 2024, respectively. The issue opened on March 14, 2024 and closed on March 18, 2024 and for anchor investors, the offer opened and closed on March 13, 2024.

The issue size, under the said IPO, was Rs. 3,001.25 million, comprising of offer for sale of Rs.1,251.25 million and fresh issue of Rs. 1,750.00 million. The Company made an allotment of 24,47,552 equity shares of Rs.10/- each for cash at a premium of Rs.705/- per share aggregating to Rs. 1,750 million on March 19, 2024. Thereafter, the equity shares of the Company were listed on the recognised Stock Exchanges namely BSE Limited and National Stock Exchanges of India Limited on March 21, 2024.

- viii At the end of the financial year 2023-24, the paid-up Equity Share Capital of the Company stood at Rs. 13,97,19,520 comprising of 1,39,71,952 equity shares of Rs. 10/- each.

**For Kajal Jakharia & Associates
Company Secretaries**

Kajal Jakharia
Proprietor
FCS No.: 7922; COP No.: 23149
UDIN: F007922F000458317
PR No.: 2775/2022
Place: Mumbai
Date: May 27, 2024

Disclaimer: This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

Annexure-A

To,
The Members,
KRYSTAL INTEGRATED SERVICES LIMITED
(Earlier known as Krystal Integrated Services Private Limited)

Our Secretarial Audit Report of even date is to be read along with this letter:

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

For Kajal Jakharia & Associates
Company Secretaries

Kajal Jakharia
Proprietor
FCS No.: 7922; COP No.: 23149
UDIN: F007922F000458317
PR No.: 2775/2022

Place: Mumbai
Date: May 27, 2024

Annexure-4

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.:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL							

2. Details of material contracts or arrangements or transactions at Arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangement/t/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date of approval by Board, if any	Amount paid as advances, if any:
M/s. Volksara Techno Solutions Private Limited - Group Company	<ol style="list-style-type: none"> 1. entering into leave and license agreements 2. granting of loans, advances and providing guarantee 3. availing of services; 4. rendering of services; and 5. reimbursement of expenses 6. back to back service agreement 	Period of 3 Financial years up to FY 2025 -26	The Company has entered into contracts/arrangements/agreements/transactions with M/s. Volksara Techno Solutions Private Limited on arm's length basis and in the ordinary course of business, such that the maximum value of the Related Party Transactions with M/s. Volksara Techno Solutions Private Limited, in aggregate, does not exceed INR 750 crores per annum for each financial year	13.04.2023 & 26.12.2023	NIL
M/s. Navagunjara Finance Private Limited - Group Company	<ol style="list-style-type: none"> 1. availing of Loan 2. Interest payment 3. Loan repayment 4. Leave and license agreements 	Period of 3 Financial years up to FY 2025 -26	The Company has entered into contracts/arrangements/agreements/transactions with M/s. Navagunjara Finance Private Limited on arm's length basis and in the ordinary course of business, such that the maximum value of the Related Party Transactions with M/s. Navagunjara Finance Private Limited, in aggregate, does not exceed INR 50 crores per annum for each financial year	13.04.2023 & 26.12.2023	NIL

Name(s) of the related party and nature of relationship	Nature of contracts/arrangement/t/transactions	Duration of the contracts / arrangements/trans actions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date of approval by Board, if any	Amount paid as advances, if any:
M/s. Krystal Allied Services Private Limited - Group Company	<ol style="list-style-type: none"> 1. granting of loans, advances and providing guarantee 2. availing of services; 3. rendering of services; and 4. reimbursement of expenses 	Financial year 2023 - 24	The Company has entered into contracts/ arrangements/ agreements/ transactions with M/s. Krystal Allied Services Private Limited on arm's length basis and in the ordinary course of business, such that the maximum value of the Related Party Transactions with M/s. Krystal Allied Services Private Limited, in aggregate, does not exceed INR 25 crores per annum	13.04.2023 & 26.12.2023	NIL
M/s. Krystal Allied Services Private Limited - Group Company	1. Rent Income	Period of 60 Months from 31.01.2024	As per Leave and License Agreement dated 31.01.2024 with following Terms and condition a) Rent: INR 40,000/- per month. b) Rent to be increased by 10% after expiry of every 12 months of the agreement period. c) Security Deposit: INR 40,000/-	26.12.2023	NIL

M/s. Krystal Aviation Services Private Limited - Group Company	1. granting of loans, advances and providing guarantee 2. availing of services; 3. rendering of services; and 4. reimbursement of expenses	Financial year 2023 - 24	The Company has entered into contracts/ arrangements/ agreements/ transactions with M/s. Krystal Aviation Services Private Limited on arm's length basis and in the ordinary course of business, such that the maximum value of the Related Party Transactions with M/s. Krystal Aviation Services Private Limited, in aggregate, does not exceed INR 15 crores per annum	13.04.2023 & 26.12.2023	NIL
M/s. Krystal Aviation Services Private Limited - Group Company	1. Rent Income	Period of 60 Months from 31.01.2024	As per Leave and License Agreement dated 31.01.2024 with following Terms and condition a) Rent: INR 40,000/- per month. b) Rent to be increased by 10% after expiry of every 12 months of the agreement period. c) Security Deposit: INR 40,000/-	26.12.2023	NIL
M/s. Krystal Gourmet Private Limited - Subsidiary Company	1. granting of loans, advances and providing guarantee 2. availing of services; 3. rendering of services; and 4. reimbursement of expenses	Financial year 2023 - 24	The Company has entered into contracts/ arrangements/ agreements/ transactions with Krystal M/s. Gourmet Private Limited on arm's length basis and in the ordinary course of business, such that the maximum value of the Related Party Transactions with M/s. Krystal Gourmet Private Limited, in aggregate, does not exceed INR 20 crores per annum	13.04.2023 & 26.12.2023	NIL

M/s. Krystal Gourmet Private Limited - Subsidiary Company	1. Rent Income	Period of 60 Months from 31.01.2024	As per Leave and License Agreement dated 31.01.2024 with following Terms and condition a) Rent: INR 40,242/- per month. b) Rent to be increased by 10% after expiry of every 12 months of the agreement period. c) Security Deposit: INR 40,242/-	26.12.2023	NIL
M/s. Flame Facilities Private Limited - Subsidiary Company	1. granting of loans, advances and providing guarantee 2. availing of services; 3. rendering of services; and 4. reimbursement of expenses	Financial year 2023 - 24	The Company has entered into contracts/ arrangements/ agreements/ transactions with M/s. Flame Facilities Private Limited on arm's length basis and in the ordinary course of business, such that the maximum value of the Related Party Transactions with M/s. Flame Facilities Private Limited, in aggregate, does not exceed INR 50 crores per annum	13.04.2023 & 26.12.2023	NIL
M/s. Krystal Aquachem JV - Joint Venture	1. granting of loans, advances and providing guarantee 2. availing of services; 3. rendering of services; and 4. reimbursement of expenses	Financial year 2023 - 24	The Company has entered into contracts/ arrangements/ agreements/ transactions with M/s. Krystal Aquachem on arm's length basis and in the ordinary course of business, such that the maximum value of the Related Party Transactions with M/s. Krystal Aquachem, in aggregate, does not exceed INR 30 crores per annum	13.04.2023 & 26.12.2023	NIL

Mumbai District Central Co-operative Bank Ltd. - Co-operative Bank	1. receiving of loans, advances and providing guarantee	Financial year 2023-24	The Company has entered into Loan arrangements with M/s. Mumbai District Central Co-operative Bank Ltd. on arm's length basis and in the ordinary course of business, such that the maximum value of the Related Party Transactions with Mumbai District Central Co-operative Bank Ltd., in aggregate, does not exceed INR 15 crores per annum	13.04.2023 & 26.12.2023	NIL
Prasad Lad HUF - HUF	1. Rent Expenses	Financial year 2023 - 24	The Company has entered into Leave & license Agreement with Prasad Lad HUF on arm's length basis and in the ordinary course of business, such that the maximum value of the Related Party Transactions with Prasad Lad HUF in aggregate, does not exceed INR 10 Lakhs per annum	13.04.2023 & 26.12.2023	NIL

Neeta Lad
Chairperson & Managing Director
DIN: 01122234

Sanjay Dighe
CEO & Whole-time Director
DIN: 02042603

Place: Mumbai
Date: August 12, 2024

Annexure -5

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

Sr. no.	Particulars	Details	
1.	The ratio of the remuneration of each Director to the median employee's remuneration for the financial year 2023-24	Ms. Neeta Prasad Lad	71.67
		Ms. Saily Prasad Lad	4.76
		Mr. Shubham Prasad Lad	14.16
		Mr. Pravin Ramesh Lad	26.99
		Mr. Sanjay Suryakant Dighe	34.16
		Mr. Vijay Kumar Agarwal	2.64
		Professor Sunder Ram Govind Raghavan Korivi	3.26
		Dr. Dhanya Pattathil	3.97
		Dr. Yajyoti Digvijay Singh	4.37
		Lieutenant Colonel Kaninika Thakur	4.47
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2023-24	Ms. Neeta Prasad Lad	25.00%
		Ms. Saily Prasad Lad	25.00%
		Mr. Shubham Prasad Lad	25.00%
		Mr. Pravin Ramesh Lad	25.00%
		Mr. Sanjay Suryakant Dighe	25.00%
		*Mr. Vijay Kumar Agarwal	100%
		**Professor Sunder Ram Govind Raghavan Korivi	100%
		***Dr. Dhanya Pattathil	100%
		****Dr. Yajyoti Digvijay Singh	100%
		*****Lieutenant Colonel Kaninika Thakur	100%
		Mr. Barun Dey, Chief Financial Officer	37.09%
		*****Ms. Stuti Maru, Company Secretary & Compliance Officer	100%
3.	The percentage increase in the median remuneration of employees in the financial year 2023-24	8.79%	
4.	The number of permanent employees on the roll of company as on March 31, 2024	347	
5.	Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average Increase in the salary of the employees during the Financial year 2023-24 was 10% to 14% as against 25% in the salary of Managerial Personnel as defined under the act. The increment given to each employee is based on employees experience, performance, potential and contribution towards company's growth over period of time and also benchmark against industry standard.	
6.	Affirmation that the remuneration is as per the remuneration policy of the company	We hereby confirm that the remuneration is as per the remuneration policy adopted by the Company.	

* appointed w.e.f June 21, 2023. Hence, data for previous year is not available and therefore percentage increase in remuneration is shown as 100%

** appointed w.e.f June 30, 2023. Hence, data for previous year is not available and therefore percentage increase in remuneration is shown as 100%

*** appointed w.e.f August 03, 2024. Hence, data for previous year is not available and therefore percentage increase in remuneration is shown as 100%

**** appointed w.e.f August 25, 2024. Hence, data for previous year is not available and therefore percentage increase in remuneration is shown as 100%

***** appointed w.e.f August 25, 2024. Hence, data for previous year is not available and therefore percentage increase in remuneration is shown as 100%

***** appointed w.e.f August 25, 2024. Hence, data for previous year is not available and therefore percentage increase in remuneration is shown as 100%

For and on behalf of the Board of Directors

Neeta Lad
Chairperson & Managing Director
DIN: 01122234

Sanjay Dighe
CEO & Whole-time Director
DIN: 02042603

Place: Mumbai
Date: August 12, 2024

CORPORATE GOVERNANCE REPORT

A report for the financial year ended March 31, 2024 on compliance by the Company with the Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations'), is furnished below:

1. Corporate Governance Philosophy

Good Corporate Governance leads to enhanced long-term stakeholder value and enhances interests of all stakeholders.

The Company's core values include transparency, employee engagement, ethics, and stakeholder satisfaction, which guide its Corporate Governance practices. The Company has established a Code of Conduct for its employees and Directors, which includes a Code of Conduct for Independent Directors incorporating their duties under the Companies Act, 2013 ("the Act").

Your Company confirms compliance with the applicable Corporate Governance requirements set forth in the SEBI Listing Regulations.

2. Board of Directors

A) Composition and Size of the Board

The Board is entrusted with ultimate responsibility of the management, direction and performance of the Company. The Company's policy is to maintain an optimum combination of Executive and Non-Executive/Independent Directors. As on March 31, 2024, the composition of the Company's Board comprised of ten Directors, as given in the table below and was in conformity with Regulation 17(1) of the SEBI Listing Regulations and other applicable regulatory requirements. Chairperson of the Company is an Executive Director and Promoter of the Company. 50% of the Company's Board comprised of Independent Directors. There are no Nominee Directors representing any institution on the Board of the Company. The composition of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

Name of the Directors (with DIN and Category & Date of Appointment)	Directorships and Committee Memberships				
	Other Directorships as on March 31, 2024 (Note 1)		Membership of other Board Committees as on March 31, 2024 (Note 2)		Directorships in other listed companies and category of Directorship as on March 31, 2024 (Note 3)
	As Director	As Chairperson	As Member	As Chairperson	
Name: Ms. Neeta Prasad Lad DIN: 01122234 Category: Promoter Director Designation: Chairperson & Managing Director Date of Appointment: April 01, 2006	8	1	-	-	-

Name of the Directors (with DIN and Category & Date of Appointment)	Directorships and Committee Memberships				
	Other Directorships as on March 31, 2024 (Note 1)		Membership of other Board Committees as on March 31, 2024 (Note 2)		Directorships in other listed companies and category of Directorship as on March 31, 2024 (Note 3)
	As Director	As Chairperson	As Member	As Chairperson	
Name: Ms. Saily Prasad Lad DIN: 05336504 Category: Promoter Director Designation: Whole-time Director Date of Appointment: October 20, 2015	10	-	-	-	-
Name: Mr. Shubham Prasad Lad DIN: 07557584 Category: Promoter Director Designation: Whole-time Director Date of Appointment: March 05, 2019	9	-	-	-	-
Name: Mr. Pravin Ramesh Lad DIN: 01710743 Category: Executive Director Designation: Wholetime Director Date of Appointment: October 15, 2009	2	-	-	-	-
Name: Mr. Sanjay Suryakant Dighe DIN: 02042603 Category: Executive Director Designation: CEO & Whole-time Director Date of Appointment: December 08, 2010	5	-	2	-	-
Name: Mr. Vijay Kumar Agarwal * DIN: 00058548 Category / Designation Independent Director Date of Appointment: June 21, 2023	10	-	5	5	Gujarat Themis Biosyn Limited - Independent Director

Name of the Directors (with DIN and Category & Date of Appointment)	Directorships and Committee Memberships				
	Other Directorships as on March 31, 2024 (Note 1)		Membership of other Board Committees as on March 31, 2024 (Note 2)		Directorships in other listed companies and category of Directorship as on March 31, 2024 (Note 3)
	As Director	As Chairperson	As Member	As Chairperson	
Name: Professor Sunder Ram Govind Raghavan Korivi DIN: 01590692 Category/ Designation: Independent Director Date of Appointment: June 30, 2023	1	-	1	1	-
Name: Dr. Dhanya Pattathil DIN: 00130569 Category/ Designation: Independent Director Date of Appointment: August 03, 2023	2	-	1	-	-
Name: Dr. Yajyoti Digvijay Singh DIN: 07971678 Category/ Designation: Independent Director Date of Appointment: August 25, 2023	1	-	-	-	-
Name: Lieutenant Colonel Kaninika Thakur DIN: 10269540 Category/ Designation: Independent Director Date of Appointment: August 25, 2023	1	-	-	-	-
Name: Mr. Mahesh Vinayak Redkar # DIN: 10614348 Category/ Designation: Additional (Independent) Director Date of Appointment: June 25, 2024	1	-	1	-	-

* Mr. Vijay Kumar Agarwal resigned as an Independent Director of the Company w.e.f. May 10, 2024
Mr. Mahesh Vinayak Redkar was appointed as an Additional Director (Non-Executive, Independent) of the Company w.e.f. June 25, 2024, subject to approval of the members

Notes:

1. This excludes directorships in foreign companies and companies licensed under Section 8 of the Companies Act, 2013 ('the Act') /Section 25 of the Companies Act, 1956.

2. This relates to membership of Committees referred to in Regulation 26(1) of the SEBI Listing Regulations, viz. Audit Committee and Stakeholders Relationship Committee of all public limited companies, whether listed or not and excludes private limited companies, foreign companies and companies licensed under Section 8 of the Act/ Section 25 of the Companies Act, 1956.

3. Excludes directorship and committee positions in the Company.

Details of change in composition of the Board during the current and previous financial year:

Sr. No.	Name of Director	Capacity (Executive / Non Executive/ Chairman /Promoter/ Nominee/ Independent)	Nature of Change (Resignation/ Appointment)	Reason for resignation, if applicable	Effective Date
Change in composition in FY 2023					
1	No Change in composition of the Board during Financial year 2022 - 23				
2					
3					
Change in composition in FY 2024					
1	Mr. Vijay Kumar Agarwal	Independent	Appointment	-	June 21, 2023
2	Professor Sunder Ram Govind Raghavan Korivi	Independent	Appointment	-	June 30, 2023
3	Dr. Dhanya Pattathil	Independent	Appointment	-	August 03, 2023
4	Dr. Yajyoti Digvijay Singh	Independent	Appointment	-	August 25, 2023
5	Lieutenant Colonel Kaninika Thakur	Independent	Appointment	-	August 25, 2023

Sr. No.	Name of Director	Capacity (Executive / Non Executive/ Chairman /Promoter/ Nominee/ Independent)	Nature of Change (Resignation/ Appointment)	Reason for resignation, if applicable	Effective Date
6	Mrs. Neeta Prasad Lad	Promoter / Executive	Change in Designation	-	September 15, 2023
7	Ms. Saily Prasad Lad	Promoter / Executive	Change in Designation	-	September 15, 2023
8	Mr. Shubham Prasad Lad	Promoter / Executive	Change in Designation	-	September 15, 2023
9	Mr. Pravin Ramesh Lad	Executive	Change in Designation	-	September 15, 2023
10	Mr. Sanjay Suryakant Dighe	Executive	Change in Designation	-	September 15, 2023

I. Key Board qualifications, skills, expertise and attributes

In the context of the Company's business and activities, the Board has identified that skills/expertise/competencies in the areas of Industry experience and Macro Economics, Management and Corporate Governance, Account & Finance, Human Resource, Services Business Management, Technology-led transformation and corporate strategy and capital allocation are needed for it to function effectively.

The Company's Board is comprised of individuals who are reputed in these skills, competence and expertise that allow them to make effective contribution to the Board and its Committees.

The specific areas of expertise/skills of an individual Board Member, associated with the Company as of March 31, 2024 are as under:

Sr. No.	Name of Directors	Core skills / expertise / competencies						
		Industry experience and Macro Economics	Management and Corporate Governance	Understanding of Accounting & Financial statements	Leadership Development and Human Resource	Services Business Management	Technology-led transformation	Corporate strategy and capital allocation
1	Ms. Neeta Prasad Lad	Y	Y	Y	Y	Y	Y	Y
2	Ms. Saily Prasad Lad	Y	Y	Y	Y	Y	Y	Y

Sr. No	Name of Directors	Core skills / expertise / competencies						
		Industry experience and Macro Economics	Management and Corporate Governance	Understanding of Accounting & Financial statements	Leadership Development and Human Resource	Services Business Management	Technology-led transformation	Corporate strategy and capital allocation
3	Mr. Shubham Prasad Lad	Y	Y	Y	Y	Y	Y	Y
4	Mr. Pravin Ramesh Lad	Y	Y	Y	Y	Y	Y	Y
5	Mr. Sanjay Suryakant Dighe	Y	Y	Y	Y	Y	Y	Y
6	Professor Sunder Ram Govind Raghavan Korivi	X	Y	Y	Y	Y	X	Y
7	Dr. Dhanya Pattathil	Y	Y	Y	Y	Y	Y	Y
8	Dr. Yajyoti Digvijay Singh	X	Y	X	Y	Y	Y	Y
9	Lieutenant Colonel Kaninika Thakur	X	Y	X	Y	Y	X	Y
10	Mr. Vijay Agarwal *	X	Y	Y	X	Y	X	Y

* Mr. Vijay Kumar Agarwal resigned as an Independent Director of the Company with effect from May 10, 2024

Y- represents that the Director possess Particular Skills

X- represents that the Director does not possess particular Skills

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and competence required for it to function effectively

II. Role of Independent Directors

Independent Directors play a key role in the decision-making process of the Board and in shaping various strategic initiatives of the Company. The Independent Directors are committed to act in what they believe is in the best interests of the Company and its stakeholders. The wide knowledge in their respective fields of expertise and best-in-class boardroom practices helps foster varied, unbiased, independent and experienced perspective.

The Company benefits immensely from their inputs in achieving its strategic direction.

The Statutory Committees of the Board viz Audit Committee, Nomination, Remuneration and Compensation Committee, Stakeholders Relationship Committee and Risk Management Committee are chaired by an Independent Director and the Corporate Social Responsibility Committee is chaired by an Executive Director.

Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act and the SEBI Listing Regulations and are independent of the Management.

III. Meeting of Independent Directors

Schedule IV of the Act and Regulation 25(3) of the SEBI Listing Regulations, mandates the Independent Directors of the Company to hold at least one meeting in a financial year without the attendance of Non-Independent Directors and members of the management.

The Company's Independent Directors met on March 28, 2024 in the absence of Non-Independent Directors and Members of Management. At this meeting, the Independent Directors reviewed the following:

- 1) Performance of the Chairperson;
- 2) Performance of the Independent and Non- Independent Directors;
- 3) Performance of the Board as a whole.

They also assessed the quality, quantity and timeliness of flow of information between the Management and the Board.

IV. Familiarisation Programme for Independent Directors

The Company has established a Familiarisation Programme for Independent Directors. The framework together with the details of the Familiarisation Programme imparted during the year under review has been uploaded on the website of the Company and can be accessed at <https://krystal-group.com/wp-content/uploads/2019/09/Familiarization-Programme-for-Independent-Directors.pdf>

During the year under review, the newly inducted Independent Directors were familiarised with the Company, its businesses and the senior management.

Periodic presentations were made at the Board meetings apprising the Board Members about the finer aspects of the Company's businesses, the challenges posed and an overview of future business plans, including:

- a. Macro-economic view of the industry in which the Company operates;
- b. Budgets, operations and performance of the businesses and relevant regulatory/legal updates in the statutes applicable to the Company;
- c. Business model of the Company, risks and opportunities for the businesses and the growth levels for them; and
- d. Strategic future outlook and the way forward.

Further, as a part of Familiarization Programme, regular updates on relevant statutory and regulatory changes encompassing important laws are presented to the Directors.

As a part of deeper engagement, the Board Members also interact with the senior management team on various critical issues having impact on the Company's operations and performance.

V. Information placed before the Board

All the information that is required to be made available to the Directors in terms of provisions of the SEBI Listing Regulations and the Act, so far as applicable to the Company, is made available to the Board. The quarterly compliance report on Corporate Governance filed with Stock Exchanges and the Compliance certificate in respect of applicable laws are placed before the Board in terms of the SEBI Listing Regulations.

Key decisions taken by the Board and its Committees are promptly communicated to the concerned functions or divisions. Action taken/status reports on decisions of the previous meeting(s) are placed at the next meeting(s) for information and further recommended actions, if any.

VI. Resignation of Independent Directors

None of the Independent Directors of the Company resigned during the year under review.

However, Mr. Vijay Kumar Agarwal resigned as an Independent Director of the Company with effect from close of business hours of May 10, 2024 due to his advancing age and health related issue.

He further confirmed that there were no other material reasons for his resignation.

The above resignation of the Independent Director also aligns with the Company's succession plan for the Independent Directors to revamp the Board in a phased manner keeping in mind the imminent maximum tenure guidelines as per the statutory provisions.

VII. Inter-se relationships among Directors

Ms. Neeta Prasad Lad, Chairperson & Managing Director is the mother of Ms. Saily Prasad Lad, Whole-time Director and Mr. Shubham Prasad Lad, Whole-time Director. Ms. Saily Prasad Lad and Mr. Shubham Prasad Lad are siblings. Except for this, none of the other Directors of the Company are inter-se related to each other.

VIII. Board Evaluation

Evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors as a whole and of its Committees and Non-Executive Directors on the basis of a structured questionnaire which comprises evaluation criteria based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India ('SEBI'). The performance of the Executive Directors is evaluated on the basis of achievements of their Key Result Areas.

The Board of Directors had discussed the feedback and expressed its satisfaction with the evaluation process.

IX. Certification from Company Secretary in Practice

A certificate has been received from Kajal Jakharia & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI, Ministry of Corporate Affairs or any other statutory authority.

The Certificate is attached to the Corporate Governance Report forming part of the Annual Report.

B) Board Meetings and Procedures

Minimum four Board/Committee Meetings are required to be held every year (once every quarter). Additional Board Meetings are convened to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation, as permitted by law. Video conferencing facilities are provided to enable active participation by Directors who are unable to attend the meetings in person.

The Board has unrestricted access to all Company related information. Detailed presentations are made to the Board regularly which cover operations, business performance and finance. All necessary information including but not limited to those mentioned in Part A of Schedule II to the SEBI Listing Regulations, are placed before the Board.

The Members of the Board are at liberty to bring up any matter for discussions at the Board Meetings and the functioning of the Board is democratic. Members of the Senior Management team are invited to attend the Board Meetings, who provide additional inputs to the agenda items discussed by the Board. The Company has a well-established process in place for reporting compliance status of various laws applicable to the Company. Update(s) on matters arising from previous meetings are placed at the succeeding meeting of the Board/Committees for discussions, approvals, noting, etc.

There was no instance during the FY 2023-24, where the Board of Directors had not accepted the recommendation of any Committee of the Board which was mandatorily required.

1. Meetings Held

Twenty-One Board Meetings were held during the year. Necessary quorum was present at all meetings and the gap between two Board Meetings did not exceed one hundred and twenty days.

Dates of meetings held during the year and attendance of Directors therein is as follows:

Sr. No.	Date of Board Meetings	No. of Directors Present at the Meeting
1	April 13, 2023	5
2	May 13, 2023	5
3	May 26, 2023	2
4	June 12, 2023	5
5	June 21, 2023	5
6	June 28, 2023	6
7	June 30, 2023	6
8	July 17, 2023	7
9	July 25, 2023	7
10	August 03, 2023	7
11	August 25, 2023	7
12	September 06, 2023	10
13	September 15, 2023	7
14	September 26, 2023	9
15	September 27, 2023	9
16	December 26, 2023	9
17	February 15, 2024	10
18	March 04, 2024	8
19	March 18, 2024	10
20	March 19, 2024 (11.30 A.M.)	9
21	March 19, 2024 (6.00 P.M.)	8

2. Details of Directors attendance at Board Meetings held during the year as on March 31, 2024 and at the last Annual General Meeting ('AGM') held on September 30, 2023 are given in the following table:

Name of Directors	Board Meetings		Attended last AGM	
	Held during	their tenure		Attended
Ms. Neeta Prasad Lad	21		17	Yes
Ms. Saily Prasad Lad	21		18	Yes
Mr. Shubham Prasad Lad	21		19	Yes
Mr. Pravin Ramesh Lad	21		21	Yes
Mr. Sanjay Suryakant Dighe	21		20	Yes
Mr. Vijay Kumar Agarwal #	16		12	No
Professor Sunder Ram Govind Raghavan Korivi \$	14		13	Yes
Dr. Dhanya Pattathil ^	11		11	Yes
Dr. Yajyoti Digvijay Singh @	10		10	No
Lieutenant Colonel Kaninika Thakur @	10		10	Yes

Appointed as an Independent Director with effect from June 21, 2023 and resigned as an Independent Director with effect from May 10, 2024

\$ Appointed as an Independent Director with effect from June 30, 2023

^ Appointed as an Independent Director with effect from August 03, 2023

@ Appointed as an Independent Director with effect from August 25, 2023

C) Equity Shares held by Directors

Except as stated hereunder, none of the Directors hold any shares in the Company as on March 31, 2024:

Name of Directors	No. of shares held
Neeta Prasad Lad	2
Saily Prasad Lad	2
Shubham Prasad Lad	2
Pravin Ramesh Lad	2
Sanjay Suryakant Dighe	2

3. Statutory Board Committees

The Board Committees are set up by the Board and are governed by its terms of reference which exhibit the scope, composition, tenure, functioning and reporting parameters. The Board Committees play a crucial role in the governance structure of the Company and they deal with specific areas of concern for the Company that need a closer review. The Committees operate under the direct supervision of the Board and Chairpersons of the respective Committees report to the Board about the deliberations and decisions taken by the Committees. The recommendations of the Committees are submitted to the Board for approval. The minutes of the meetings of all Committees of the Board are placed before the Board for noting.

The Company has following Statutory Committees in terms of the Act and SEBI Listing Regulations:

- A. Audit Committee
- B. Nomination, Remuneration and Compensation Committee
- C. Stakeholders Relationship Committee
- D Corporate Social Responsibility Committee
- E. Risk Management Committee

Other Committees are as follows:

- F. Tender Committee
- G. Finance Committee
- H. IPO Committee
- I. Independent Directors Committee

A) Audit Committee

I. Constitution of the Committee:

The Audit Committee is comprised of 4 members as on date, as detailed in the following table:

Name	Designation in Committee	Nature of Directorship	Member of Committee since
Mr. Vijay Kumar Agarwal @	Chairperson/ Member	Independent Director	August 25, 2023
Professor Sunder Ram Govind Raghavan Korivi \$	Member	Independent Director	August 25, 2023
Mr. Sanjay Suryakant Dighe	Member	CEO & Whole time Director	August 25, 2023
Dr. Yajyoti Digvijay Singh *	Member	Independent Director	May 16, 2024
Mr. Mahesh Vinayak Redkar#	Member	Independent Director	August 12, 2024

@ Mr. Vijay Kumar Agarwal ceased to be the Chairman and Member of the Committee w.e.f. May 10, 2024 due to resignation

\$ Professor Sunder Ram Govind Raghavan Korivi has been appointed as the Chairman of the Committee w.e.f. May 16, 2024

* Dr. Yajyoti Digvijay Singh was appointed as a Member of the Committee w.e.f. May 16, 2024

Mr. Mahesh Vinayak Redkar was appointed as a Member of the Committee w.e.f. August 12, 2024

The Audit Committee was constituted on August 25, 2023. Further, the Committee was re-constituted on May 16, 2024 and Professor Sunder Ram Govind Raghavan Korivi, member of the Audit Committee was designated as the Chairperson of the Committee in place of Mr. Vijay Kumar Agarwal who resigned as a Director of the Company with effect from May 10, 2024. Dr. Yajyoti Digvijay Singh and Mr. Mahesh Vinayak Redkar were appointed as Members of the Committee with effect from May 16, 2024 and August 12, 2024 respectively.

All the members of the Audit Committee have sound knowledge of finance, accounts and business management. The Chairman of the Committee has extensive accounting and related financial management expertise.

The composition of this Committee is in compliance with the requirements of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

Ms. Stuti Maru, Company Secretary, is the Secretary to the Committee.

II. Terms of Reference

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

- (a) oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (b) recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor of the Company, and fixation of the audit fee;
- (c) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (d) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (i) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (ii) changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) major accounting entries involving estimates based on the exercise of judgment by management;
 - (iv) significant adjustments made in the financial statements arising out of audit findings;
 - (v) compliance with listing and other legal requirements relating to financial statements;
 - (vi) disclosure of any related party transactions;
 - (vii) modified opinion(s) in the draft audit report;
- (e) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (f) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (g) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (h) formulating a policy on related party transactions, which shall include materiality of related party transactions;
- (i) approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

- (j) scrutiny of inter-corporate loans and investments;
- (k) valuation of undertakings or assets of the Company, wherever it is necessary;
- (l) evaluation of internal financial controls and risk management systems;
- (m) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (n) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (o) discussion with internal auditors of any significant findings and follow up thereon;
- (p) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (q) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (r) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (s) to review the functioning of the whistle blower mechanism;
- (t) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (u) identification of list of key performance indicators and related disclosures in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, for the purpose of the Company's proposed initial public offering;
- (v) carrying out any other function as is mentioned in the terms of reference of the audit committee or as required as per the provisions of the SEBI Listing Regulations as amended, or any other applicable law, as and when amended from time to time;
- (w) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
- (x) consider the rationale, cost, benefits and impact of schemes involving merger, demerger, amalgamation etc. of the Company and provide comments to the Company and its shareholders;
- (y) recommending to the Board of Directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (z) laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature and for the period prescribed under applicable law;
- (aa) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- (bb) The Audit Committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis.
- (cc) to review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively.
- (dd) Review the financial statements, in particular, the investments made by the unlisted subsidiaries of the Company.

The Audit Committee shall mandatorily review the following information:

- (a) management discussion and analysis of financial condition and results of operations;
- (b) management letters/letters of internal control weaknesses issued by the statutory auditors;
- (c) internal audit reports relating to internal control weaknesses;
- (d) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
- (e) statement of deviations:
 - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations; and
 - (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.
 - (iii) review the financial statements, in particular, the investments made by any unlisted subsidiary; and
 - (iv) such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Audit Committee has the following powers:

- (a) to investigate any activity within its terms of reference;
- (b) to seek information from any employee of the Company;
- (c) to obtain outside legal or other professional advice;
- (d) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (e) such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

III. Meetings held and attendance

The Committee met six times during the financial year 2023-24 on September 15, 2023, September 26, 2023, September 27, 2023, December 26, 2023, February 15, 2024 and March 04, 2024 and the attendance of the members at the meeting was as follows:

Name of Member	No. of meetings held during the tenure	No. of Meetings attended
Mr. Vijay Kumar Agarwal @	6	5
Professor Sunder Ram Govind Raghavan Korivi \$	6	4
Mr. Sanjay Suryakant Dighe	6	6
Dr. Yajyot Digvijay Singh *	0	0
Mr. Mahesh Vinayak Redkar #	0	0

@ Mr. Vijay Kumar Agarwal ceased to be the Chairman and Member of the Committee w.e.f. May 10, 2024 due to resignation

\$ Professor Sunder Ram Govind Raghavan Korivi has been appointed as the Chairman of the Committee w.e.f. May 16, 2024

* Dr. Yajyoti Digvijay Singh was appointed as Member of the Committee w.e.f. May 16, 2024

Mr. Mahesh Vinayak Redkar was appointed as Member of the Committee w.e.f. August 12, 2024

The frequency of the Committee Meetings was more than the minimum limit prescribed under applicable regulatory requirements and the gap between two Committee Meetings was not more than one hundred and twenty days.

The functional/business representatives also attend the meetings periodically and provide such information and clarifications as required by the Committee, which provides a deeper insight into the respective business and functional areas of operations. The Internal/Statutory Auditors attend the respective Audit Committee Meetings, where internal/statutory audit reports are discussed.

Mr. Vijay Kumar Agarwal, the then Chairman of the Committee was not present at the last AGM held on September 30, 2023 due to his preoccupation.

B) Nomination, Remuneration and Compensation Committee

I. Constitution of the Committee

The Nomination, Remuneration and Compensation ('NRC') Committee is comprised of 4 members as on date, as detailed in the following table:

Name	Designation in Committee	Nature of Directorship	Member of Committee since
Lieutenant Colonel Kaninika Thakur *	Chairperson	Independent Director	August 25, 2023
Dr. Dhanya Pattathil	Member	Independent Director	August 19, 2023
Dr. Yajyoti Digvijay Singh#	Member	Independent Director	August 25, 2023
Professor Sunder Ram Govind Raghavan Korivi@	Member	Independent Director	August 19, 2023
Mr. Vijay Kumar Agarwal @	Member	Independent Director	August 19, 2023
Mr. Mahesh Vinayak Redkar^	Member	Independent Director	August 12, 2024

* Lieutenant Colonel Kaninika Thakur was appointed as a Member and Chairperson of the Committee w.e.f. August 25, 2023

Dr. Yajyoti Digvijay Singh was appointed as a Member of the Committee w.e.f. August 25, 2023

@ Professor Sunder Ram Govind Raghavan Korivi and Mr. Vijay Kumar Agarwal ceased to be Members of the Committee w.e.f. August 25, 2023

^Mr. Mahesh Vinayak Redkar was appointed as a Member of the Committee w.e.f. August 12, 2024

The NRC Committee was constituted on August 19, 2023. Further, the Committee was re-constituted on August 25, 2023 and Lieutenant Colonel Kaninika Thakur, member of NRC Committee was designated as Chairperson of Committee in place of Dr. Dhanya Pattathil. Dr. Yajyoti Digvijay Singh and Mr. Mahesh Vinayak Redkar were appointed as Members of the Committee with effect from August 25, 2023 and August 12, 2024 respectively.

The composition of this Committee is in compliance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

II. Terms of Reference

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

- a. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel, senior management personnel and other employees.
- b. for every appointment of an independent director, the Nomination, Remuneration and Compensation Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may
 - (i) use the services of an external agencies, if required;
 - (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - (iii) consider the time commitments of the candidates;

The Nomination, Remuneration and Compensation Committee (NRC), while formulating the above policy, should ensure that:

- a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
- b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- c. formulation of criteria for evaluation of performance of independent directors and the Board;
- d. The NRC shall specify the criteria / manner for effective evaluation of performance of Board, its Committees and individual Directors of the Company to be carried out either by the Board, by itself or by an independent external agency and review its implementation and compliance;
- e. devising a policy on diversity of Board;
- f. The NRC shall identify the core skills/expertise/competencies that are required amongst the Directors of the Company;
- g. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- h. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

- i. recommend to the board, all remuneration, in whatever form, payable to senior management;
- j. periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;
- k. ensuring proper induction program for new directors, key managerial personnel and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act, 2013;
- l. developing a succession plan for the Board and senior management and regularly reviewing the plan;
- m. carrying out any other activities as may be delegated by the Board of Directors and functions required to be carried out by the Nomination, Remuneration and Compensation Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

III. Meetings held and attendance

The Committee met four times during the financial year 2023- 24 on August 25, 2023, September 06, 2023, September 15, 2023 and December 26, 2023 and the attendance of the members at the meeting was as follows:

Name of Member	No. of meetings held during the tenure	No. of Meetings attended
Lieutenant Colonel Kaninika Thakur*	3	3
Dr. Dhanya Pattathil	4	4
Dr. Yajyoti Digvijay Singh#	3	3
Professor Sunder Ram Govind Raghavan Korivi@	1	1
Mr. Vijay Kumar Agarwal@	1	0
Mr. Mahesh Vinayak Redkar ^	0	0

@ Mr. Vijay Kumar Agarwal and Professor Sunder Ram Govind Raghavan Korivi ceased to be Members of the Committee w.e.f. August 25, 2023.

* Lieutenant Colonel Kaninika Thakur was appointed as a Chairperson and Member of the Committee w.e.f. August 25, 2023.

#Dr. Yajyoti Digvijay Singh was appointed as a Member of the Committee w.e.f. August 25, 2023

^ Mr. Mahesh Vinayak Redkar was appointed as a Member of the Committee w.e.f. August 12, 2024

Lieutenant Colonel Kaninika Thakur, Chairperson of the NRC was present at the last AGM of the Company held on September 30, 2023.

IV. Performance Evaluation Criteria for Independent Directors

The Performance Evaluation Criteria for Independent Directors is comprised of certain parameters like professional qualifications, experience, knowledge and competency, active participation at the Board/Committee meetings, ability to function as a team, initiative, availability and attendance at the meetings, commitment and contribution to the Board and the Company, integrity, independence from the Company and other Directors and whether there is any conflict of interest, voicing of opinions freely, etc.

These are in compliance with applicable laws, regulations and guidelines.

C) Stakeholders Relationship Committee

I. Constitution of the Committee

The Stakeholders Relationship Committee ('SRC') is comprised of 4 members as on date, as detailed in the following table:s.

Name	Designation in Committee	Nature of Directorship	Member of Committee since
Professor Sunder Ram Govind Raghavan Korivi	Chairman	Independent Director	August 25, 2023
Dr. Pattathil Dhanya	Member	Independent Director	August 25, 2023
Mr. Sanjay Suryakant Dighe	Member	CEO & Whole -time Director	August 25, 2023
Mr. Mahesh Vinayak Redkar [^]	Member	Independent Director	August 12, 2024

[^]Mr. Mahesh Vinayak Redkar was appointed as a Member of the Committee w.e.f. August 12, 2024

SRC was constituted on August 25, 2023 and Professor Sunder Ram Govind Raghavan Korivi was appointed as a Chairperson with effect from August 25, 2023. Mr. Mahesh Vinayak Redkar was appointed as a Member of the Committee w.e.f. August 12, 2024

The composition of SRC is in compliance with the requirements of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations

II. Terms of Reference

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

- (a) resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- (b) reviewing of adherence to the service standards adopted by the Company with respect of various services being rendered by the registrar and share transfer agent of our Company and to recommend measures of overall improvement in the quality of investor services;
- (c) review of measures taken for effective exercise of voting rights by shareholders;
- (d) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities and ensure proper and timely attendance and redressal of investor queries and grievances;
- (e) Giving effect to all transfer or transmission of shares and other securities, dematerialisation of shares and rematerialisation of shares, split and issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company, compliance with all requirements related to shares and other securities from time to time;
- (f) Considering and specifically looking into various aspects of interest of shareholders, debenture holders or holders of any other securities;
- (g) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- (h) review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- (i) Monitor and review any investor complaints received by the Company from the Investors, Stock Exchanges, Ministry of Corporate Affairs, SEBI, SCORES, etc. and to ensure its timely and speedy resolution, in consultation with the Company Secretary and Compliance Officer and Registrar and Share Transfer Agent of the Company and
- (j) Perform all functions relating to the interests of security holders of the Company and as assigned by the Board, as may be required by the provisions of the Companies Act, 2013 and Rules made thereunder, the SEBI Listing Regulations and various circulars / guidelines issued by SEBI or any other regulatory authority thereof, as amended from time to time.

III. Meetings held and attendance

The SRC met one time during the financial year 2023-24 on March 28, 2024 and the attendance of the members at the meeting was as follows:

Name of Member	No. of meetings held during the tenure	No. of Meetings attended
Professor Sunder Ram Govind Raghavan Korivi	1	1
Dr. Pattathil Dhanya	1	1
Mr. Sanjay Suryakant Dighe	1	1
Mr. Mahesh Vinayak Redkar ^	0	0

^Mr. Mahesh Vinayak Redkar was appointed as a Member of the Committee w.e.f. August 12, 2024

Professor Sunder Ram Govind Raghavan Korivi, Chairman of the SRC, was present at the last AGM of the Company held on September 30, 2023.

IV. Stakeholders Grievance Redressal:

There were no shareholder complaints pending at the beginning of the year. 29 complaints were received and 28 complaints were redressed to the satisfaction of shareholders during the year under review. 1 complaint was outstanding as on March 31, 2024.

The Registrar and Share Transfer Agent ('RTA'), Link Intime India Private Limited, attends to all grievances of shareholders received directly or through SEBI, Stock Exchanges or the Ministry of Corporate Affairs ('MCA').

The Company maintains continuous interaction with the RTA and takes proactive steps and actions for resolving shareholder complaints/queries.

V. Compliance Officer

Ms. Stuti Maru, Company Secretary, is the Compliance Officer, in accordance with the requirements of SEBI Listing Regulations. The Company has designated the email ID company.secretary@krystal-group.com to enable stakeholders to email their queries/grievances.

D) Corporate Social Responsibility Committee

I. Constitution of the Committee

The Corporate Social Responsibility ('CSR') Committee is comprised of 3 members as on date, as detailed in the following table:

Name	Designation in Committee	Nature of Directorship	Member of Committee since
Ms. Neeta Prasad Lad	Chairperson	Chairperson & Managing Director	July 31, 2014
Mr. Sanjay Suryakant Dighe	Member	CEO & Whole - time Director	July 31, 2014
Mr. Pravin Ramesh Lad *	Member	Whole -time Director	July 31, 2014
Dr. Yajyoti Digvijay Singh #	Member	Independent Director	August 25, 2023

* Mr. Pravin Ramesh Lad ceased to be a Member of the Committee w.e.f. August 25, 2023

Dr. Yajyoti Digvijay Singh was appointed as a Member of the Committee w.e.f. August 25, 2023

CSR Committee was constituted on July 31, 2014. Further, the Committee was re-constituted on August 25, 2023. Ms. Neeta Prasad Lad was appointed as the Chairperson with effect from July 31, 2014 and Dr. Yajyoti Digvijay Singh was appointed as member of the Committee effective August 25, 2023 in place of Mr. Pravin Ramesh Lad.

The composition of CSR Committee is in compliance with the requirements of Section 135 of the Act.

II. Terms of Reference

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

- (a) formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Committee as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;
- (b) formulate and recommend to the Board an annual action plan for each financial year in pursuance of its Corporate Social Responsibility Policy including any modifications thereof which shall inter-alia include a list of CSR projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects and details of need and impact assessment for CSR projects, as may be applicable;
- (c) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- (d) Review and recommend CSR projects or programmes to the Board, to be considered as ongoing projects, for whose duration has extended beyond one year;
- (e) Review the impact assessment of eligible CSR projects undertaken by the Company and/or the Foundation or other partner organization(s);
- (f) Recommend to the Board to transfer any Unspent CSR amount to a designated ‘Unspent CSR Account’, in the manner as prescribed under Section 135 of the Companies Act, 2013 and Rules made thereunder;
- (g) Approve the CSR report containing the disclosures as mandated under the CSR Rules, before it is presented to the Board for its approval and inclusion in the Directors’ report;
- (h) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- (i) review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- (j) assistance to the Board to ensure that the Company spends towards the corporate social responsibility activities in every Fiscal, such percentage of average net profit/ amount as may be prescribed in the Companies Act, 2013 and/ or rules made thereunder;
- (k) providing explanation to the Board if the Company fails to spend the prescribed amount within the financial year;
- (l) providing updates to the Board at regular intervals of six months on the corporate social responsibility activities;
- (m) to recommend the amount of expenditure to be incurred on the CSR activities, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy;
- (n) monitor the corporate social responsibility policy of the Company and its implementations from time to time; and

(o) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be decided by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

III. Meetings held and attendance

The CSR Committee met one time during the financial year 2023-24 on September 15, 2023 and the attendance of the members at the meeting was as follows:

Name of Member	No. of meetings held during the tenure	No. of Meetings attended
Ms. Neeta Prasad Lad	1	-
Mr. Sanjay Suryakant Dighe	1	1
Dr. Yajyoti Digvijay Singh	1	1

Ms. Neeta Prasad Lad, Chairperson of the CSR Committee, was present at the last AGM of the Company held on September 30, 2023.

E) Risk Management Committee

I. Constitution of the Committee

The Risk Management Committee ('RMC') is comprised of 3 members as on date, as detailed in the following table:

Name	Designation in Committee	Nature of Directorship	Member of Committee since
Mr. Vijay Kumar Agarwal@	Chairman/ Member	Independent Director	August 25, 2023
Lieutenant Colonel Kaninika Thakur	Member	Independent Director	August 25, 2023
Mr. Sanjay Suryakant Dighe	Member	CEO & Whole time Director	August 25, 2023
Dr. Yajyoti Digvijay Singh*	Member	Independent Director	May 16, 2024

@ Mr. Vijay Kumar Agarwal ceased to be the Chairman and Member of the Committee w.e.f. May 10, 2024 due to resignation

* Dr. Yajyoti Digvijay Singh was appointed as a Member of the Committee w.e.f. May 16, 2024

RMC was constituted on August 25, 2023. Further, the Committee was re-constituted on May 16, 2024 and Lieutenant Colonel Kaninika Thakur, member of RMC was designated as Chairperson of RMC in place of Mr. Vijay Kumar Agarwal who resigned with effect from May 10, 2024. Dr. Yajyoti Digvijay Singh was appointed as Member with effect from May 16, 2024.

The composition of this Committee is in compliance with the requirements of Regulation 21 of (Listing Obligations and Disclosure Requirements) Regulations, 2015.

II. Terms of Reference

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

(a) To formulate a detailed risk management policy which shall include:

(i) A framework for identification of internal and external risks specifically faced by the listed entities, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

(ii) Measures for risk mitigation including systems and processes for internal control of identified risks; and

(iii) Business continuity plan.

(b) to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(c) to monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(d) to periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(e) to keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

(f) to review the Company's risk-reward performance to align with the Company's overall policy objectives;

(g) monitor and review regular updates on business continuity;

(h) advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and

(i) the appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee;

(j) co-ordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors

(k) any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing Regulations.

III. Meetings held and attendance

The RMC met twice during the financial year 2023-24, on September 15, 2023 and March 28, 2024 and the attendance of the members at the meeting was as follows:

Name of Member	No. of meetings held during the tenure	No. of Meetings attended
Mr. Vijay Kumar Agarwal@	2	1
Lieutenant Colonel Kaninika Thakur	2	2
Mr. Sanjay Suryakant Dighe	2	2
Dr. Yajyoti Digvijay Singh*	0	0

@ Mr. Vijay Kumar Agarwal ceased to be the Chairman and Member of the Committee w.e.f. May 10, 2024 due to resignation

* Dr. Yajyoti Digvijay Singh was appointed as Member of the Committee w.e.f. May 16, 2024

Lieutenant Colonel Kaninika Thakur, Chairperson of the RMC, was present at the last AGM of the Company held on September 30, 2023.

F) Tender Committee

I. Constitution of the Committee

The Tender Committee ('TC') is comprised of 3 members as on date as detailed in the following table:

Name	Designation in Committee	Nature of Directorship	Member of Committee since
Mr. Pravin Ramesh Lad	Chairperson	Whole - time Director	August 25, 2023
Ms. Saily Prasad Lad	Member	Whole - time Director	August 25, 2023
Mr. Sanjay Suryakant Dighe	Member	CEO & Whole - time Director	August 25, 2023

The Tender Committee was constituted on August 25, 2023 and Mr. Pravin Ramesh Lad was appointed as Chairperson with effect from August 25, 2023.

II. Terms of Reference

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

1. Scrutinize all the tender related documents to ascertain eligibility to make an application for the same on behalf of the Company for tender in India or abroad.
2. Ensure that the necessary formalities as per guidelines issued from time to time have duly been observed by the team.

3. Check the technical criteria including the necessary credentials in order to ensure that the technical criteria are met by the Company.

4. to grant authority or issue power of attorney in favour of the Employee who shall be authorised to do all acts, deeds and things necessary in tender application process.

5. Place the matter for approval of the appropriate authority in the organisation after doing due diligence on the tenders.

6. Delegate power to CEO or any senior personnel by issuing Power of Attorney in his favour to deal in the matters pertaining to the Tender or sign and execute Agreements, documents or contracts in relation to Tender. Sub – delegate the authority in favour of employee any or all his/her powers in relation to the Tenders or legal agreements/contracts.

7. To avail the Digital Signature in applicable class in the name of the Senior Management Personnel for and on behalf of the Company for affixing the same in the Tender documents, RFPs and all other documents in this regards.

III. Meetings held and attendance

The TC met thirteen times during the financial year 2023-24, on October 23, 2023, November 08, 2023, November 27, 2023, December 05, 2023, December 11, 2023, January 04, 2024, January 09, 2024, January 15, 2024, January 24, 2024, January 31, 2024, February 12, 2024, March 09, 2024 and March 26, 2024 and the attendance of the members at the meeting was as follows:

Name of Member	No. of meetings held during the tenure	No. of Meetings attended
Mr. Pravin Ramesh Lad	13	13
Ms. Saily Prasad Lad	13	10
Mr. Sanjay Suryakant Dighe	13	10

G) Finance Committee

II. Constitution of the Committee

The Finance Committee ('FC') is comprised of 3 members as on date as detailed in the following table:

Name	Designation in Committee	Nature of Directorship	Member of Committee since
Mr. Pravin Ramesh Lad	Chairperson	Whole - time Director	September 15, 2023
Ms. Saily Prasad Lad	Member	Whole - time Director	September 15, 2023
Mr. Sanjay Suryakant Dighe	Member	CEO & Whole - time Director	September 15, 2023

The Finance Committee was constituted on September 15, 2023 and Mr. Pravin Ramesh Lad was appointed as Chairperson with effect from September 15, 2023.

II. Terms of Reference

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

1. Issue power of attorney(ies) to authorize the representatives/employees of the Company in relation to branch office(s) or project site office(s) operational requirements, execution and/ or operations of contracts/projects, financial and taxation matters, matters related to income tax, Goods and Services Tax, and other Central and State laws and such other purposes relating to day-to-day operations of the Company;
2. Approve issuance of corporate guarantees as may be required in the ordinary course of business of the Company;
3. Approve the opening/closure of Branch Office(s) of the Company in India or outside India in connection with the business of the Company and to do all such other acts in relation to the Branch Office(s) of the Company;
4. Establishing relationships with banks and other financial institutions and defining the terms and conditions under which the relationship will operate including opening, closing and operating of bank accounts;
5. Review and approve credit facilities, borrowings including guarantees, creating securities, within overall limit specified for the Board;
6. Review and approve temporary loans to subsidiary and associate companies including providing guarantees;
7. Authorising Company officials to represent the Company before the government, semi government, judiciary, quasi judiciary and other utilities;
8. To authorize use of the Company's technical and financial credentials by subsidiary or associate companies or consortium or joint ventures;
9. To enter into contracts / transactions such as sale, purchase, lease of moveable and immoveable properties;
10. To appoint agents, sub-contractors, consultants, advocates and representatives;
11. To file or defend cases arising out of execution of the project, to protect interest of the company;
12. Approve and pass necessary Resolutions relating to following matters:
 - a) To open, authorize to operate, modify the operating authorities, issue necessary instructions to banks and close various Bank Account(s) in the name of the Company as per the business requirements;
 - b) To approve borrowing by way of long term or short term loans, inter corporate deposits or any kind of financial assistance and fund and/or non-fund based working capital credit facility(ies) repayable on demand/temporary or otherwise, in any currency, from bank(s) and/or institution(s) and/or other lenders from time to time and to create charge/security/mortgage on the immovable/movable properties of the Company to secure such loans/inter corporate deposits/ financial assistance/credit facility (ies) as may be required in terms of each of the sanctions by the said bank(s) and/or financial institution(s) and/ or other lenders, subject to an overall limit of 500 Crore (Rupees Five Hundred Crore only);
 - c) To approve initial and subsequent investment in the shares of subsidiary(ies) (including stepdown subsidiary(ies)) and/or Joint Venture(s) of the Company, granting of loans to them, issuing guarantees or providing any security in respect of financial assistance availed by them, subject to recommendation of Managing Director or Chief Financial Officer, and to authorise employee(s)/representative(s) of the Company for executing various deeds, documents, papers, undertakings as may be required for the purpose of implementing the decisions in this regard.
 - d) To authorise the employee(s)/representative(s) for the purpose of bidding and execution of the project(s) undertaken in consortium, joint venture and also to authorise the employee(s)/ representative(s) to sign Memorandum of Understanding, Consortium Agreement, Joint Venture agreement, such other documents required to be signed on behalf of the Company and enter into liability against the Company and/ or do any other act on behalf of the Company, required for the above said purpose.
 - e) Approve all other matters & issues of urgent nature arising in the ordinary course of the business of the Company.

III. Meetings held and attendance

The FC met twelve times during the financial year 2023-24 on October 23, 2023, November 04, 2023, November 27, 2023, December 11, 2023, December 20, 2023, January 04, 2024, January 11, 2024, January 15, 2024, January 18, 2024, January 24, 2024, February 26, 2024 and March 28, 2024 the attendance of the members at the meeting was as follows:

Name of Member	No. of meetings held during the tenure	No. of Meetings attended
Mr. Pravin Ramesh Lad	12	12
Ms. Saily Prasad Lad	12	10
Mr. Sanjay Suryakant Dighe	12	09

H) IPO Committee

I. Constitution of the Committee

The IPO Committee was constituted solely for the purpose of Initial Public Offer of the Company and to decide other matters related to the said Offer.

The IPO Committee is comprised of 3 members as on date as detailed in the following table:

Name	Designation in Committee	Nature of Directorship	Member of Committee since
Mr. Pravin Ramesh Lad	Chairperson	Whole -time Director	September 15, 2023
Ms. Saily Prasad Lad	Member	Whole -time Director	September 15, 2023
Mr. Sanjay Suryakant Dighe	Member	CEO & Whole -time Director	September 15, 2023

The IPO Committee was constituted on September 15, 2023 and Mr. Pravin Ramesh Lad was appointed as Chairperson with effect from September 15, 2023.

II. Terms of Reference

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

- (a) To decide on other matters in connection with or incidental to the Offer, including the Pre-IPO placement, timing, pricing and terms of the Equity Shares to be allotted/ transferred pursuant to the Offer, the Offer price, the price band, the size and all other terms and conditions of the Offer including the number of Equity Shares to be offered and transferred in the Offer, the bid / Offer opening and bid/Offer closing date, discount (if any), reservation, determining the anchor investor portion, issue price for anchor investors and allocating such number of Equity Shares to anchor investors in consultation with the BLRMs and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”) and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including to make any amendments, modifications, variations or alterations in relation to the Offer and to constitute such other committees of the Board, as may be required under Applicable Laws, including as provided in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”);
- (b) To decide, negotiate and finalize, in consultation with the book running lead manager appointed in relation to the Offer (the “**BRLM**”), all matters regarding the Pre-IPO Placement, if any, out of the fresh issue of Equity Shares by the Company in the Offer, decided by the Board, including entering into discussions and execution of all relevant documents with Investors;
- (c) To amend the terms of participation by the Selling Shareholder in the Offer for Sale, including to allow revisions in the Offer for Sale portion, in accordance with Applicable Laws;
- (d) To approve amendments to the memorandum of association and the articles of association of the Company;
- (e) To take all actions as may be necessary and authorised in connection with the offer for sale and to approve and take on record the approval of the selling shareholder(s) for offering their Equity Shares in the offer for sale and the transfer of Equity Shares in the offer for sale including the quantum in terms of number of Equity Shares/amount offered by the Selling Shareholder(s) in the Offer, allowing revision of the offer for sale portion in case any Selling Shareholder decides to revise it, in accordance with the Applicable Laws;
- (f) To make applications, seek clarifications, obtain approvals and seek exemptions from, where necessary, SEBI, the RoC and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Company such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications / amendments as may be required in the draft red herring prospectus (the “**DRHP**”), the red herring prospectus (the “**RHP**”) and the prospectus (“**Prospectus**”) as applicable;
- (g) To finalize, settle, approve, adopt and file in consultation with the BRLM(s) where applicable, the DRHP, the RHP, the Prospectus, the preliminary and final international wrap and any amendments (including dating of such documents), supplements, notices, addenda or corrigenda thereto, together with any summaries thereof and take all such actions as may be necessary for the submission, filing, refiling and/or withdrawal of these documents including incorporating such alterations/corrections/modifications as may be required by SEBI, the RoC or any other relevant governmental and statutory authorities or in accordance with Applicable Laws;

(h) To appoint and enter into and terminate arrangements with the BRLM(s), and appoint and enter into and terminate arrangements, in consultation with the BRLM(s), with underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund banker(s) to the Offer, registrar(s) to the Offer, public offer account banker(s) to the Offer, sponsor bank(s), legal advisor(s), auditor(s), independent chartered accountant(s), advertising agency, depository(ies), custodian(s), grading agency, monitoring agency, industry expert, credit rating agency(ies), printers, and any other agencies or persons or intermediaries whose appointment is required in relation to the Offer including any successors or replacements thereof, and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the engagement letter with the BRLM(s) and negotiation, finalization, execution and, if required, amendment or termination of the Offer agreement with the BRLM(s) and the Selling Shareholder(s), if any;

(i) To decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any;

(j) To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the DRHP, the RHP, the Prospectus, Offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow and sponsor bank agreement, ad agency agreement, agreements with the registrar to the issue and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Offer, legal advisors, auditors, stock exchange(s), BRLM(s) and any other agencies/intermediaries in connection with the Offer with the power to authorise one or more officers of the Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;

(k) To authorise the maintenance of a register of holders of the Equity Shares;

(l) To seek, if required, the consent and/or waiver of the lenders of the Company, customers, suppliers, vendors, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Offer or any actions connected therewith;

(m) To open and operate bank accounts in terms of Section 40(3) of the Companies Act, 2013, as amended and the escrow agreement and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

(n) To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;

(o) To accept and appropriate the proceeds of the Offer in accordance with the Applicable Laws;

(p) To approve codes of conduct as may be considered necessary or as required under Applicable Laws, regulations or guidelines for the Board, officers of the Company and other employees of the Company;

(q) To approve the implementation of any corporate governance requirements that may be considered necessary by the Board or the any other committee or as may be required under the Applicable Laws, including the SEBI Listing Regulations and the uniform listing agreements to be entered into by the Company with the relevant stock exchanges, to the extent allowed under law;

(r) To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchanges, with power to authorize one or more officers of the Company or the Registrar to the Offer to sign all or any of the aforesaid documents;

(s) To authorize and approve notices, advertisements in relation to the Offer, in accordance with the SEBI ICDR Regulations and other Applicable Laws, in consultation with the relevant intermediaries appointed for the Offer;

(t) To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of allotment letters/confirmation of allotment notes, share certificates in accordance with the relevant rules, in consultation with the BRLM(s);

(u) To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and / or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Company to execute all or any of the afore-stated documents;

(v) To make applications for listing of the Equity Shares in one or more stock exchange(s) for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchanges in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary;

(w) To settle all questions, difficulties or doubts that may arise in regard to the Offer, including such issues or allotment, terms of the IPO, utilisation of the IPO proceeds and matters incidental thereto as it may deem fit;

(x) authorizing any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Offer;

(y) authorizing any officers (the “**Authorized Officers**”), for and on behalf of the Company, to negotiate, finalize, execute, deliver and terminate, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that any such Authorized Officer considers necessary, desirable or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the uniform listing agreements with the relevant stock exchanges, the registrar’s agreement, the depositories agreements, the offer agreement with the Selling Shareholder(s) and the book running lead managers (and other entities as appropriate), the underwriting agreement, the share escrow agreement, the syndicate agreement, the cash escrow and sponsor bank agreement, confirmation of allocation notes, the advertisement agency agreement, and any agreement or document in connection with any Pre-IPO Placement (including any placement agreement, escrow agreement and Offer documentation), with, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Offer by the book running lead managers, syndicate members, placement agents, registrar to the Offer, bankers to the Offer, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, credit rating agencies, advertising agencies, monitoring agencies, and all such persons or agencies as may be involved in or concerned with the Offer; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing;

(z) To submit undertaking/certificates or provide clarifications to the SEBI, the RoC and the relevant stock exchanges where the Equity Shares are to be listed;

(aa) To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under the SEBI Listing Regulations or any other Applicable Laws;

(bb) To approve the list of ‘group companies’ of the Company, identified pursuant to the materiality policy adopted by the Board, for the purposes of disclosure in the DRHP, RHP and Prospectus;

(cc) To refile or withdraw the DRHP or the RHP or to decide to not proceed with the Offer at any stage in accordance with Applicable Laws and in consultation with the BRLM(s); and

(dd) To utilise the Net Proceeds towards any objects specified in the Initial Public Offer of the Company, as approved periodically by the Committee, subject to compliance with applicable law.

(ee) To utilise the balance Net proceeds towards any other expenditure considered, expedient, and as approved periodically by the Committee, subject to compliance with applicable law.

(ff) To delegate any of its powers set out under (a) to (ee) hereinabove, as may be deemed necessary and permissible under Applicable Laws to the officials of the Company.”

III. Meetings held and attendance

The IPO Committee met five times during the financial year 2023- 24, on February 17, 2024, February 19, 2024, February 29, 2024, March 09, 2024 and March 13, 2024 the attendance of the members at the meeting was as follows:

Name of Member	No. of meetings held during the tenure	No. of Meetings attended
Mr. Pravin Ramesh Lad	5	5
Ms. Saily Prasad Lad	5	3
Mr. Sanjay Suryakant Dighe	5	5

I) Meeting of Committee of Independent Directors

I. Constitution of the Committee

The Committee of Independent Directors was constituted to recommend the price band in relation to the Initial Public Offer of the Company as per the requirement of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

The Committee of Independent Directors is comprised of 5 members as detailed in the following table:

Name	Designation in Committee	Nature of Directorship	Member of Committee since
Professor Sunder Ram Govind Raghavan Korivi	Chairperson	Independent Director	February 28, 2024
Mr. Vijay Kumar Agarwal@	Member	Independent Director	February 28, 2024
Dr. Dhanya Pattathil	Member	Independent Director	February 28, 2024
Dr. Yajyoti Digvijay Singh	Member	Independent Director	February 28, 2024
Lieutenant Colonel Kaninika Thakur	Member	Independent Director	February 28, 2024

@ Mr. Vijay Kumar Agarwal ceased to be Member of the Committee w.e.f. May 10, 2024 due to resignation

The Committee of Independent Directors was constituted on February 28, 2024 and Professor Sunder Ram Govind Raghavan Korivi was appointed as the Chairperson with effect from February 28, 2024.

II. Terms of Reference

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

- (a) To review or carry out all necessary activities, without requiring any further approval of the shareholders or the Board of Directors of the Company, relating to the draft price band advertisement (the “**Price Band Advertisement**”) to be issued by the Company in relation to the proposed initial public offering of its equity shares (the “**Offer**”) and issue a recommendation for inclusion in the Price Band Advertisement, that the price band is justified based on quantitative factors/key performance indicators disclosed in “Basis for Offer Price” chapter of the Offer Documents vis-à-vis the weighted average cost of acquisition of primary issuance/secondary transaction(s) disclosed in the “Basis for Offer Price” chapter of the Offer Documents; and
- (b) To perform such other duties and functions as may be specifically required to be performed by a committee of Independent Directors of the Company under applicable law, including the Companies Act, 2013 and the regulations, circulars, directives and notifications of the Securities and Exchange Board of India.

III. Meetings held and attendance

The Committee of Independent Directors met one time during the financial year 2023-24, on March 09, 2024 the attendance of the members at the meeting was as follows:

Name of Member	No. of meetings held during the tenure	No. of Meetings attended
Mr. Vijay Kumar Agarwal@	1	1
Professor Sunder Ram Govind Raghavan Korivi	1	1
Dr. Dhanya Pattathil	1	1
Dr. Yajyoti Digvijay Singh	1	1
Lieutenant Colonel Kaninika Thakur	1	1

@ Mr. Vijay Kumar Agarwal has ceased to be Member of the Committee w.e.f. May 10, 2024 due to resignation

4. Details of Key Managerial Personnel and Senior Management:

The Key Managerial Personnel and Senior Management of the Company as on March 31, 2024 are as under:

Sr. No.	Name	Designation
1	Ms. Neeta Prasad Lad	Chairperson & Managing Director
2	Mr. Pravin Ramesh Lad	Whole -time Director
3	Mr. Shubham Prasad Lad	Whole -time Director
4	Ms. Saily Prasad Lad	Whole -time Director
5	Mr. Sanjay Suryakant Dighe	CEO - Whole -time Director
6	Mr. Barun Dey	Chief Financial Officer
7	Ms. Stuti Maru	Company Secretary & Compliance Officer
8	Mr. Milind Jadhav	President – Group Business Development
9	Mr. Rahul Kamble	President – Group Operations
10	Mr. Chandrashekhar Kokate	Vice President - Finance & Commercial

Sr. No.	Name	Designation
11	Col. Tushar Joshi	Vice President – Training & Quality
12	Mr. Viral Sheth	Vice President – Finance & Accounts
13	Col. Rajeev Ranjan	Vice President – Recruitment
14	P M Sreeram	Vice President - Operation

During the year, Ms. Shalini Agarwal, resigned as the Company Secretary with effect from close of working hours on August 14, 2023. Ms. Stuti Maru is appointed in her place as the Company Secretary and Compliance Officer with effect from August 25, 2023.

5. Remuneration to Directors

A) Sitting fees paid to Independent Directors

Details of sitting fees paid/payable to the Independent Directors for the financial year 2023- 24 are given below. These are within the limits prescribed under the Act:

Sitting fees and commission paid for financial year 2023- 24:

Name of Director	Sitting Fees (INR in Crore)	Type of Meeting
Mr. Vijay Kumar Agarwal	0.09	(i) Board Meeting, (ii) Audit Committee Meeting (iii) Risk Management Committee (iv) Independent Directors Meeting and (v) Committee Meeting of Independent Director
Professor Sunder Ram Govind Raghavan Korivi	0.1075	(i) Board Meeting, (ii) Audit Committee Meeting (iii) Stakeholder's Relationship Committee Meeting (iv) Independent Directors Meeting and (v) Committee Meeting of Independent Director
Dr. Dhanya Pattathil	0.115	(i) Board Meeting, (ii) Nomination, Remuneration and Compensation Committee (iii) Stakeholder's Relationship Committee Meeting (iv) Independent Directors Meeting and (v) Committee Meeting of Independent Director
Dr. Yajyoti Digvijay Singh	0.115	(i) Board Meeting, (ii) Nomination, Remuneration and Compensation Committee (iii) Corporate Social Responsibility Committee Meeting (iv) Independent Directors Meeting and (v) Committee Meeting of Independent Director
Lieutenant Colonel Kaninika Thakur	0.1175	(i) Board Meeting, (ii) Nomination, Remuneration and Compensation Committee (iii) Risk Management Committee Meeting (iv) Independent Directors Meeting and (v) Committee Meeting of Independent Director

B) Remuneration payable to the Executive Directors

Remuneration payable to the Executive Directors is recommended by the NRC, approved by the Board and is subject to the overall limits approved by the shareholders.

Details of remuneration of the Executive Directors for the year ended March 31, 2024 are given below:

Name of Director	Designation	INR in Crore
Ms. Neeta Prasad Lad	Chairperson & Managing Director	3.14
Mr. Pravin Ramesh Lad	Whole -time Director	1.18
Mr. Shubham Prasad Lad	Whole -time Director	0.61
Ms. Saily Prasad Lad	Whole -time Director	0.20
Mr. Sanjay Suryakant Dighe	CEO & Whole -time Director	1.49

The variable component of remuneration (Performance Linked Incentive) for Executive Directors are determined on the basis of several criteria including their individual performance as measured by achievement of their respective key result areas, strategic initiatives taken and being implemented, their respective roles in the organisation, fulfilment of their responsibilities and performance of the Company. This is in accordance with the Company's Remuneration Policy.

Notes for Directors Remuneration:

- The terms of appointment of Executive Directors as approved by shareholders, are contained in their respective Agreements entered into with the Company. The tenure of office of the Managing Director and Whole-Time Directors is 3 years from their respective date of appointment.
- No amount by way of loan or advance has been given by the Company to any of its Directors.
- During the year ended March 31, 2024, no Stock Options were granted to the Executive Directors.
- There was no pecuniary relationship or transactions with Non – Executive Directors vis-à-vis the Company other than sitting fees that is paid to the Non – Executive Independent Directors.
- During the financial year Ms. Saily Prasad Lad has received Rs. 20,85,000 as professional fees.
- During the financial year ended March 31, 2024, Non- Executive Directors were paid sitting fees of Rs. 1,00,000/- for attending each meeting of the Board, and Rs. 25,000/- for attending each meeting of other Committees including meeting of Independent Directors

6. General Body Meetings

- A) Details of the AGMs held during the preceding 3 years and Special Resolutions passed there at are given below:

AGM	Day, Date	Time	Venue	Details of special resolution passed
22 nd AGM	Saturday, September 30, 2023	11.00 A.M.	Video Conferencing /Other Audio Visual means	None
21 st AGM	Thursday, September 29, 2022	11.00 A.M.	Krystal House, 15A/17, Shivaji Fort Co -Op Housing Society, Duncan Causeway Road, Mumbai - 400022	None
20 th AGM	Monday, November 29, 2021	11.00 A.M.	Krystal House, 15A/17, Shivaji Fort Co -Op Housing Society, Duncan Causeway Road, Mumbai - 400022	None

B) Details of the Extra Ordinary General Meetings (EGM) held during the year

EGM	Day, Date	Time	Venue	Details of special resolution passed
1 st EGM	Tuesday, July 04, 2023	11.00 A.M.	Video Conferencing /Other Audio Visual means	<ol style="list-style-type: none"> 1) Conversion of Company from Private Limited Company to Public Limited Company 2) Change of Name of the Company consequent to conversion into Public Company 3) Alteration in the Articles of Association of the Company by way of adoption of new set of Articles of Association in place of the existing Articles of Association of the Company
2 nd EGM	Friday, September 08 , 2023	11.00 A.M.	Video Conferencing /Other Audio Visual means	<ol style="list-style-type: none"> 1) Approval for Increase in Authorised Share Capital of the Company and alteration to Memorandum of Association 2) Approval for regularisation of appointment of Mr. Vijay Kumar Agarwal as an Independent Director 3) Approval for regularisation of appointment of Professor Sunder Ram Govind Raghavan Korivi as an Independent Director 4) Approval for regularisation of appointment of Dr. Dhanya Pattathil as an Independent Director 5) Approval for regularisation of appointment of Dr. Yajyoti Digvijay Singh as an Independent Director 6) Approval for regularisation of appointment of Lieutenant Colonel Kaninika Thakur as an Independent Director 7) Approval of Employees Stock Option Plan
3 rd EGM	Monday September 18 , 2023	11.30 A.M.	Video Conferencing /Other Audio Visual means	<ol style="list-style-type: none"> 1) Considered and approved re-designation of Ms. Neeta Prasad Lad as Chairperson and Managing Director of the Company for a period of 3 years with effect from September 15, 2023 to September 14, 2026, including remuneration 2) Considered and approved re-designation of Mr. Sanjay Suryakant Dighe as Whole-time Director of the Company for a period of 3 years with effect from September 15, 2023 to September 14, 2026, including remuneration 3) Considered and approved re-designation of Mr. Pravin Ramesh Lad as Whole-time Director of the Company for a period of 3 years with effect from September 15, 2023 to September 14, 2026, including remuneration

EGM	Day, Date	Time	Venue	Details of special resolution passed
				<p>4) Considered and approved re- designation of Mr. Shubham Prasad Lad as Whole-time Director of the Company for a period of 3 years with effect from September 15, 2023 to September 14, 2026, including remuneration</p> <p>5) Considered and approved re- designation of Ms. Saily Prasad Lad as Whole-time Director of the Company for a period of 3 years with effect from September 15, 2023 to September 14, 2026, including remuneration</p> <p>6) Appointment and payment of remuneration to Mr. Prasad Minesh Lad for holding office or place of profit under section 188 of the Companies Act 2013 as a Chief Mentor of the Company for a period of 3 years with effect from 15 September, 2023 to 14 September, 2026, including remuneration</p> <p>7) Appointment and payment of remuneration to Ms. Surekha Pravin Lad for holding office or place of profit In terms of section 188(1)(f) of the Companies Act, 2013 as a Manager- CMD Desk of the Company for a period of 3 years with effect from 15 September, 2023 to 14 September, 2026, including remuneration</p> <p>8) Borrowing in excess of paid-up capital & free reserve up to Rs. 500/- Crore</p> <p>9) Mortgage/ create charge on assets of the Company up to Rs. 500/- Crore</p> <p>10) Approval of limits for loans, guarantees and investment by the Company as per section 186 of the Companies Act, 2013 for an amount not exceeding Rs. 500/- crore</p> <p>11) Keeping of Registers, Returns etc. at a place other than the Registered Office of the Company</p> <p>12) Approval to deliver documents through particular mode as may be sought by the member</p> <p>13) Approval of Initial Public Offer of Equity Share of the Company</p>

EGM	Day, Date	Time	Venue	Details of special resolution passed
4 th EGM	Tuesday, September 26, 2023	04.30 P.M.	Video Conferencing /Other Audio Visual means	1) Approval of Issue of Bonus Shares to the shareholder of the Company
5 th EGM	Thursday, January 11, 2024	11.30 A.M	Video Conferencing /Other Audio Visual means	1) Approval for entering in to material related party transactions with M/s. Volksara Techno Solutions Private Limited 2) Approval for entering in to material related party transactions with M/s. Navagunjara Finance Private Limited

C) Postal Ballot:

There were no special resolutions passed by the Company through Postal Ballot. Further, at present, there is no proposal to pass resolution through Postal Ballot.

7. Disclosures

A) Related Party Transactions

- i. All transactions entered into with related parties in terms of provisions under the Act and Regulation 23 of the SEBI Listing Regulations during the financial year 2023-24 were undertaken in compliance with the aforesaid regulatory provisions;
- ii. There were no materially significant related party transactions with related parties during the financial year which were in conflict with the interest of the Company;
- iii. Suitable disclosures as required by the Indian Accounting Standards (IND AS) - 24 have been made in Note No. 37 of the standalone financial statements, which forms part of this Annual Report;
- iv. During the year, the Company obtained approval of its members at the EGM held on January 11, 2024, for entering into Material Related Party Transaction(s) up to INR 750 Crore and INR 50 crore during FY 2023-24 to FY 2025-26 with Volksara Techno Solutions Private Limited and Navagunjara Finance Private Limited, group companies of the Company.
 - i. The policy on Related Party Transactions is available on the website of the Company at <https://www.krystal-group.com/>
 - ii. The register of contracts/statement of related party transactions, is placed before the Board/Audit Committee regularly.

B) Details of non-compliance, penalties, strictures imposed by the Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets during the last 3 years

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets, to the extent applicable to the Company, from the date of listing. No penalty has been imposed by any stock exchange or SEBI nor has there been any instance of non-compliance with any legal requirements, or on matters relating to the capital market. There were no regulatory orders pertaining to the Company for the year under review.

The Company got listed on March 21, 2024.

C) The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27, sub paras (2) to (10) of Part C of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

D) Details of non-compliance with the requirements of the Companies Act, 2013

There was no default in compliance with the requirements of the Companies Act, 2013, including with respect to compliance with accounting and secretarial standards, except as stated in the Board Report.

E) Listing Fees

Listing fees for financial year 2024-25, have been paid within the due dates to the Stock Exchanges on which the securities of the Company are listed.

F) Vigil Mechanism / Whistle Blower Policy for Directors and Employees

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its directors, employees, customers and general public to provide a framework to facilitate responsible and secure reporting of concerns of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

The details of establishment of Vigil Mechanism/Whistle Blower Policy are posted on the website of the Company and can be accessed at <https://krystal-group.com/wp-content/uploads/2019/09/7.-Whistle-Blower-policy.pdf>

No director/employee/personnel has been denied access to the Audit Committee.

G) Compliance with mandatory/non-mandatory requirements

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance.

The status of compliance with the non-mandatory requirements is as under:

a) During the year under review, there is no audit qualification in your Company's financial statements. The Company continues to adopt best practices to ensure regime of financial statements with unmodified audit opinion.

b) The Internal Auditor reports to the Audit Committee.

H) In the preparation of Financial Statements, no differential treatment from that prescribed in the Accounting Standards has been followed.

I) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review as specified under Regulation 32(7A) of the SEBI Listing Regulations.

However, during the financial year 2023-24, the Company raised INR 300.125 Crore which comprised an Offer for Sale of INR 125.12 Crore and balance INR 175 Crore by way of fresh issue from public through Initial Public Offering ("IPO"). The utilisation of funds of INR 175 Crore (after deducting issue expense of INR 11.63 Crore) raised through IPO have been mentioned hereunder

(INR in Crores)

Object	Amount Allocated	Amount utilised as on March 31, 2024
Repayment/prepayment, in full or part, of certain borrowings availed of by our Company;	10	10
Funding working capital requirements of our Company;	100	20
Funding capital expenditure for purchase of new machinery; and	10	-
General corporate purposes	43.36	-
Total Net Proceeds	163.36	30

The Company has appointed CRISIL Ratings Limited as Monitoring Agency to monitor the utilisation of IPO proceeds and provide quarterly reports on the utilization of issue proceeds in line with the objects as stated in the prospectus of the Company. The Company has submitted the Monitoring Agency Report & statement of deviation/ variation as required under the SEBI Listing Regulations on timely basis to the Stock Exchanges. There has been no deviation in utilisation of funds.

J) In terms of requirement of Regulation 17(8) of the SEBI Listing Regulations, the Chief Executive Officer and Chief Financial Officer have made a certification inter alia on the accuracy of the financial statements and adequacy of internal controls for financial reporting, which has been reviewed by the Audit Committee and taken on record by the Board. The certification by Chief Executive Officer and Chief Financial Officer is enclosed to this report as **Annexure IV**.

K) The Company discloses to the Audit Committee the uses/applications of funds raised on a quarterly and annual basis, as and when applicable.

L) Basis, the disclosures made by the Senior Management to the Board, there were no material financial and commercial transactions entered by them where they have personal interest, and which could have potential conflict with the interest of the Company at large.

M) Details of loans and advances given by the company are provided in notes no. 14 to the Standalone Financial Statements, which forms part of this Annual Report.

During the year, the Company's Subsidiary have not made any loans and advances (in the nature of loans) to firms/companies in which Directors are interested.

Further, during the year under review, the company had not given any Corporate Guarantee on behalf of its wholly owned subsidiaries and a Company in which the promoter Directors are interested by virtue of their ultimate beneficial holding in the said subsidiary.

N) Details of total fees paid to Statutory Auditors

Fees paid to Statutory Auditors of the Company:

M/s. T. R. Chadha & Co LLP, Chartered Accountants (Firm Registration No. 006711N/ N500028) were appointed as Statutory Auditors by the members of the Company at the Nineteen Annual General Meeting held on December 30, 2020 for a term of 5 consecutive years to hold office until the conclusion of the Twenty-Fourth Annual General Meeting to be held in the calendar year 2025.

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditor is a part, for the financial year 2023-24, are as follows:

Particulars	M/s. T. R. Chadha & Associates LLP (INR in Crore)
Professional fees for carrying out audit for the year ended March, 2024	0.28
Professional fees for carrying out limited review for the quarter ended December, 2023	0.07
Tax Audit for FY 2023 -24	0.05
Certification	Based on event
Total	0.40

M/s. T. R. Chadha & Co LLP, Chartered Accountants (Firm Registration No. 006711N/ N500028) have resigned as the Statutory Auditors of the Company vide their letter dated August 11, 2024.

Based on the recommendation of the Audit Committee and approval of the Board of Directors, M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W), Mumbai, have been appointed as the Statutory Auditors of the Company, to fill the casual vacancy caused due to the resignation of M/s. T R Chadha & Co LLP, Chartered Accountants (FRN: 006711N/N500028), Mumbai, to hold office from August 12, 2024 till the conclusion of the 23rd Annual General Meeting.

O) Disclosures under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Status of complaints for the Financial Year 2023-24 is as follows:

Number of complaints filed during the financial year	Nil
Number of complaints disposed off during the financial year	Nil
Number of complaints pending as at end of the financial year	Nil

8. Means of Communication

The Company recognises the importance of two-way communication with shareholders and of giving a balanced reporting of results and progress and responds to questions and issues raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly throughout the year. They also have an opportunity to ask questions at the AGM. Some of the modes of communication are mentioned below:

A) Financial Results

The Company's quarterly/half-yearly/annual financial results are filed with the Stock Exchanges and are generally published in Financial Express (all editions) (English) and Mumbai Lakshadeep (Marathi), within forty-eight hours of the conclusion of the Board Meeting. They are also available on the website of the company <https://www.krystal-group.com/>

B) Press Releases and Investor Presentations

The Chief Executive Officer and Chief Financial Officer of the Company meet and interact with the Analysts and Institutional Investors as and when requested. The schedule of such meetings is disseminated to the Stock Exchanges in compliance with the SEBI Listing Regulations and is also made available on the website of the Company at <https://www.krystal-group.com/>

Official press releases and investor presentations made to the media, institutional investors/analysts, etc. are generally intimated to the Stock Exchanges and are simultaneously hosted on the website of the Company.

C) Website

The Company's website <https://www.krystal-group.com/> contains a separate dedicated section for Investors, the link to which is <https://www.krystal-group.com/investor/> where all information and relevant policies to be provided under applicable regulatory requirements, are available in a user-friendly form.

D) Annual Report

The Annual Report containing *inter-alia* the Audited Standalone and Consolidated Financial Statements, Board's Report, Auditors' Report, Report on Corporate Governance and other important information is circulated to Members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report. The Annual Report is also available on the website of the Company.

E) Designated Exclusive e-mail ID

The Company has designated e-mail ID company.secretary@krystal-group.com exclusively for investor servicing.

F) SEBI Complaints Redress System (SCORES)

A centralised web-based complaints redressal system, which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports by the Company, and facilitates online filing of the complaint by the investors and subsequently viewing of actions taken on the complaint and its current status.

G) NSE Electronic Application Processing System ('NEAPS') and BSE Corporate Compliance & Listing Centre ('BSE Listing Centre')

NEAPS and BSE Listing Centre are web-based application systems for enabling corporates to undertake electronic filing of various periodic compliances, *inter alia*, shareholding pattern, report on corporate governance, results, press releases, etc. Various compliances as required /prescribed under the SEBI Listing Regulations are filed through these systems.

9. GENERAL INFORMATION FOR SHAREHOLDERS

A) Company Registration Details

The Company is registered in the State of Maharashtra, India. The Corporate Identification Number allotted to the Company by MCA is L74920MH2000PLC129827.

B) Annual General Meeting

Day, Date and Time: Monday, September 16, 2024 at 02.30.p.m. (IST) through Video Conferencing / Other Audio-Visual Means.

Meeting is being conducted through VC/OAVM pursuant to the MCA General Circulars dated May 5, 2020, read with general circulars dated April 8, 2020, April 13, 2020, the latest being September 25, 2023. For details, please refer to the Notice of this AGM.

C) Financial Calendar

The financial year of the Company starts on April 01 and ends on March 31 of next year.

D) Record Date and Dividend Payment Date

The Company has fixed Monday, September 02, 2024 as the 'Record Date' for the final dividend. If approved by the shareholders at the AGM, would be paid/credited on or before Saturday, September 21, 2024.

E) Listing on Stock Exchanges

Equity Shares

Name and Address of Stock Exchanges	Scrip Code
BSE Limited ('BSE') Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	544149
National Stock Exchange of India Limited ('NSE') Exchange Plaza, Plot no. C/1, G Block, Bandra -Kurla Complex, Bandra (E), Mumbai - 400 051	KRYSTAL

ISIN: INEQN801017

The Equity Shares of the Company are listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") w.e.f. March 21, 2024. The annual listing fees for the FY 2024-25 have been paid to the respective Stock Exchanges

During the financial year under review, the equity shares of the Company have not been suspended from trading on any of the stock exchanges on which they are listed.

F) Stock Market Data

The Equity shares of the Company were listed on BSE and NSE w.e.f. March 21, 2024.

The Market Price data from date of listing is as under:

Month	BSE			NSE		
	High	Low	Monthly Volume	High	Low	Monthly Volume
From 21 st March, 2024 to 31 st March, 2024	795	688.35	67,17,68,876	793.80	687.60	74,73,769

G) Stock Performance vs S&P BSE Sensex and NSE Nifty

Performance of the Company's equity shares on BSE and NSE relative to the BSE Sensitive Index (S&P BSE Sensex) and CNX Nifty (NIFTY 50) respectively are graphically represented in the charts below:



The Company got listed on March 21, 2024. Hence, Comparison from March 21, 2024 to March 31, 2024 is given.

H) Contact Details for Investor Correspondence

a) Registrar and Share Transfer Agents

Link Intime India Pvt. Ltd. ('Link Intime'), are the RTA of the Company.

The contact details of Link Intime are given below:

Link Intime India Pvt. Ltd.

C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai - 400 083.

Tel: +91 22 4918 6000/4918 6270

Fax: +91 22 4918 6060

E-mail ID: rnt.helpdesk@linkintime.co.in

Investor Self-Service Portal:

'SWAYAM' is a secure, user-friendly web-based application, developed by "Link Intime India Pvt Ltd.", our Registrar and Share Transfer Agents, that empowers shareholders to effortlessly access various services. We request you to get registered and have first-hand experience of the portal.

This application can be accessed at <https://swayam.linkintime.co.in>

- Effective Resolution of Service Request -Generate and Track Service Requests/Complaints through SWAYAM.
- Features - A user-friendly GUI.
- Track Corporate Actions like Dividend/Interest/Bonus/split.
- PAN-based investments - Provides access to linked PAN accounts, Company wise holdings and security valuations.
- Effortlessly Raise request for Unpaid Amounts.
- Self-service portal – for securities held in demat mode and physical securities, whose folios are KYC compliant.
- Statements - View entire holdings and status of corporate benefits.
- Two-factor authentication (2FA) at Login - Enhances security for investors.

b) Contact details of the Company

Name: Stuti Maru

Designation: Company Secretary & Compliance Officer

Registered Office Address: Krystal House, 15A17 Shivaji Fort CHS, Duncans Causeway Road, Mumbai – 400022.

Tel. No.: +91 022-43531234

Corporate Office Address: 2001 & 2002, 20th floor, Kohinoor Square, Shivaji Park, Dadar West, Mumbai – 400028

Tel. No.: +91 022-4747 1234

E-mail ID: company.secretary@krystal-group.com

I) Share Transfer System / Other investor service request

As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed entities can be transferred only in dematerialised form, with effect from April 01, 2019. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Any Director of the Company or the Company Secretary is empowered to approve transfers.

Pursuant to SEBI circular dated January 25, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

Pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificate has been issued on an annual basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.

A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/listed capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

J) Distribution of Shareholding by size as on March 31, 2024

No. of shares held	No. of shareholders	% of total no. of shareholders	No. of shares	% of total no. of shares
1 to 100	29274	96.5661	5,94,391	4.2542
101 to 200	330	1.0886	53,290	0.3814
201 to 500	489	1.6131	1,52,498	1.0915
501 to 1000	90	0.2969	72,867	0.5215
1001 to 5000	75	0.2474	1,66,636	1.1926
5001 to 10000	11	0.0363	86,798	0.6212
10001 to 20000	14	0.0462	2,17,710	1.5582
20001 to 30000	8	0.0264	1,96,700	1.4078
30001 to 40000	0	0.0000	0	0.0000
40001 to 50000	6	0.0198	2,90,058	2.076
50001 to 100000	8	0.0264	5,83,280	4.1746
Above 100000	10	0.033	1,15,57,724	82.7209
Total	30315 **	100	1,39,71,952	100

** does not show Pan-clubbed holding.

K) Dematerialisation of shares

As on March 31, 2024, 100% equity shares of the Company are in dematerialized form.

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the Depositories in India viz., National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). 13,97,19,520 shares representing 100% of the issued capital are held in the dematerialized form.

L) Number of pending share transmission/ requests for dematerialization of shares as on March 31, 2024:

No requests for dematerialization were pending as on March 31, 2024. No transmission requests were pending as on March 31, 2024.

M) Statement showing shareholding pattern as on March 31, 2024

Sr. No	Category of Shareholder	No. of shareholders	Total no. of shares	% to total no. of shares
A	Promoter and Promoter Group	4	97,74,394	69.96
B	Public Shareholding			
B1	Institutions			
1	Mutual Funds	2	6,65,584	4.76
2	Alternative Investment Funds	3	1,46,554	1.05
3	NBFCs registered with RBI	2	30,000	0.21
Total B1		7	842138	6.02
B2	Institutions (Foreign)			
1	Foreign Portfolio Investors Category I	10	10,94,754	7.84
2	Foreign Portfolio Investors Category II	1	15,000	0.11
Total B2		11	11,09,754	7.95
B3	Non -Institutions			
1	Resident Individual holding nominal share capital up to Rs. 2 lakhs.	29,153	10,63,234	7.61
2	Resident individual holding nominal share capital in excess of Rs. 2 lakhs.	12	6,81,558	4.88
3	Directors and their relatives (excluding Independent Directors and nominee Directors)	2	4	0.00
4	Non -Resident Indians - Repatriable	-	-	-
5	Non -Resident Indians - Non - Repatriable	105	7,447	0.05
6	Body Corporate	47	2,96,739	2.12
7	Others (Specify)			
a)	Clearing Members	2	102	0.00
b)	Hindu Undivided Family	905	1,64,394	1.18
c)	Body Corp -Ltd Liability Partnership	5	28,580	0.20
d)	Trusts	3	3,608	0.02
Total B3		30,234	22,45,666	16.06
Total Public Shareholding		30,252	41,97,558	30.03
Total		30,256	1,39,71,952	100

N) Outstanding GDRs / ADRs / Warrants or any Convertible instruments conversion date and likely impact on Equity

The Company has not issued any GDRs/ADRs/Warrants/or any convertible instruments during the financial year under review and the Company does not have any outstanding GDRs/ADRs/Warrants/or any convertible instruments.

O) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company does not deal in any commodity and hence is not directly exposed to any commodity price risk. Foreign Exchange Risk and Hedging Activities.

P) Credit Ratings for Debt Instruments

The Credit Ratings reaffirmed/assigned to the debt instruments of the Company during the financial year 2023-24 are given below:

Rating Agency	Rating	Nature of Securities
CRISIL Ratings Limited	BBB+	Term Loan, Working Capital and Cash Credit Facilities

Details relating to these Credit Ratings are also available on the website of the Company.

Q) Plant Locations of the Company and its Subsidiaries

The Company is in to the business of providing facility Management services. Hence, the Company does not have any plant. However, the Company has following branch offices situated in various states.

Sr. No.	Address of the Branch Office	Location
1	No.13, Hari Singh Park, Rohtak Road, Delhi 110056	Delhi
2	Ground Floor, 51/88, Pratap Nagar, Sanganer, Jaipur, Rajasthan 302033	Jaipur
3	Plot -184, Khatian No -47/5, L No - 193, Chak Basu, Radhamohanpur, Kolkata	Kolkata
4	1 st Floor, 251, Saheed Nagar, PO - Saheed Nagar, Bhubaneswar, Khordha, Odisha 751007	Bhubaneswar
5	Junior MIG, Sector -29, Atal Nagar, Nava Raipur, Chhattisgarh	Raipur
6	North West (Front Portion) of 2nd Floor, Building 9M -326, 9M Main Road, 4 th cross, HRBR 1 st Block, Kalyan Nagar, Bangalore Karnataka 560043	Bangalore
7	TC, 17/ 2246, Murinjapalam Medical College PO, Thiruvananthapuram, Kerala 695011	Thiruvananthapuram
8	24/26, 2 nd Avenure, Defence Colony, Ekkattuthangal, Chennai -600032	Chennai
9	No 85, Ground Floor, Nanbargal Nagar, 8 th Cross, Reddiyarpalaiyam, Puducherry - 605010	Puducherry

Sr. No.	Address of the Branch Office	Location
10	404, 4 th Floor , Sonthali Emerald, Raj Bhavn Road, Somajiguda, Hyderabad	Hyderabad
11	208, Street No.4, Ground Floor, Bahadurgarh, Distt Patiala, Punjab 147021	Patiala
12	Plot 63, Chandiwala Baugh, Bharat Colony, Kheri road, Greater Faridabad, Faridabad, Haryana, 121002	Haryana
13	2 nd Floor, C48/5, Hindan Vihar, Kesar Garden, Sector 49, Baroula, Noida, Gautam Buddha Nagar, Uttar Pradesh, 201301	Uttarpradesh
14	Kazitar, Kazitar, P.O and P.S Namchi, Namchi, South Sikkim, Sikkim, 737126	Sikkim
15	House no. 166, Swasthya Nagar, Indore, Madhya Pradesh 452010	Madhya Pradesh
16	4 th Floor, Shop No 402, Binali Complex, Sola Road, Opp Torrent Zonal Office, Naranpura, Ahmedabad Gujrat 380013	Gujarat
17	Plot no. 14, House no. 1378, Shib Shakti Nagar, Amravati Road, Wadi, Nagpur 440001	Maharashtra
18	7 th , Regent Chambers, Opp. Garware College, Prabhat Road, Lane No. 5, Pune 411004	Maharashtra
19	622/47 & Plot Number :42, Road: Tidke Colony, Location: Near Raje Shivaji Margadarshan Kendra, Nashik	Maharashtra
20	118, Road: GAIKWADWASTI, Location: CHIMBALI, of Village: Chimbali	Maharashtra
21	Ground Floor, G -3, House No. 4/1520, Sarthak Apartments, Aquem, Margao, Salcete, Goa 403601	Goa
22	Site No. 212/2, Lakshmi Nagar, Balaji Nagar, Kalapatty, Coimbatore Tamilnadu - 641035	Tamilnadu
23	36, Tirupathi Villas Street, Near Jayanti Pickle Company, Thataneri, Madurai, Tamilnadu 625018	Tamilnadu
24	B7, Sri Venkateswara Complex, No -211/3A, Main Road, Mathur, Sriperumbudur, Kancheepuram, 602105	Tamilnadu
25	D -3/26, Kshripa Vihar, Ujjain	Ujjain
26	Shop No.33, plus basement No.428, Kharbanda Park, Pune Road, Nashik Maharashtra 422011	Maharashtra
27	5-1/2 , Tukkguda, Maheshwaram , Ranga Reddy , Pin Code - 501359 , Telangana State	Telangana
28	Flat No.1, Ground Floor, Lavakusa Apartment, situated at Door No. 33 -23 -28, Krishnarao Street, Kasturibaip eta, Vijayawada - 10, Andhra Pradesh 520010	Vijaywada

M/s. Krystal Gourmet Private Limited i.e. Company's Subsidiary is in to the business of providing catering services and they have centralised cloud kitchen situated at 19/4/1, Kalina Village, Old CST Road, Santacruz (E) Mumbai – 400 029.

R) Disclosures with respect to the Demat Suspense Account / Unclaimed Suspense Account

As on March 31, 2024, the Company does not have any share in the demat suspense account or unclaimed suspense account.

S) Disclosure of certain types of agreements binding listed entities

With reference to Regulation 30A of SEBI Listing Regulations, we confirm that there are no such agreements entered into by the Company which are binding and not in normal course of business.

T) Transfer of Unpaid / Unclaimed Dividend and Shares to Investor Education and Protection Fund

Pursuant to the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (hereinafter referred to as 'IEPF Rules'), the amount of dividend remaining unpaid/unclaimed for a period of seven consecutive years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund ('the IEPF').

Further, in terms of Section 124(6) of the Act, read with the IEPF Rules, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more from the date of transfer to the unpaid dividend account are required to be transferred to the demat account of the Investor Education and Protection Fund Authority ('IEPFA').

During the financial year 2023-24, there are no dividend amounts remaining unclaimed.

10. Subsidiary Companies

The subsidiaries of the Company function independently, with an adequately empowered Board of Directors.

Policy for Material Subsidiaries:

A Policy for determining Material Subsidiaries has been formulated in compliance with the requirements of Regulation 16 of the SEBI Listing Regulations. This Policy has been uploaded on the website of the Company and can be accessed at

<https://krystal-group.com/wp-content/uploads/2019/09/3.-Policy-for-determining-material-subsidiaries.pdf>

The Audit Committee of the Company reviews the financial statements, particularly, the investments made by the Company's unlisted subsidiary companies. The minutes of the Board meetings of the subsidiary companies along with significant transactions and arrangements entered into by the subsidiary companies are periodically placed before the Board of Directors of the Company.

The Company does not have any material subsidiary as on date.

11. Code of Conduct

The Board has laid down a Code of Conduct for the Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for financial year 2023-24. A declaration to this effect duly signed by the Managing Director and Chairperson of the Company forms part of this report.

Copies of the aforementioned Code have been put on the Company's website and can be accessed at

<https://krystal-group.com/wp-content/uploads/2019/09/Code-of-conduct-of-board-of-directors-and-senior-management-personnel.pdf>

12. Code for Prevention of Insider Trading

The Company has adopted a Code of Conduct to regulate, monitor and report trading by designated persons in securities of the Company and code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

The Company sends mailers periodically to educate the Designated Persons on the Insider Trading laws. Your Company has in place a structured digital database recording the details of UPSI shared with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database effective from June 20,2024.

All declarations, disclosures, notifications, approvals, are regulated through an automated system implemented for monitoring Insider Trading.

13. Directors & Officers Liability Insurance Coverage

The Company has in place Directors and Officers Liability Insurance coverage from Kotak Mahindra General Insurance Company Limited for an overall limit of INR. 20 Crores, along with risks coverage & individual limits thereunder, covering all the Directors of Krystal Group including Independent Directors of the Company.

14. Certificate on Corporate Governance

Certificate from Kajal Jakharia & Associates, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under the SEBI Listing Regulations, is attached to the Board's Report forming part of the Annual Report.

**For and on behalf of the Board of Directors of
Krystal Integrated Services Limited**

Neeta Lad
Chairperson & Managing Director
DIN: 01122234

Sanjay Dighe
CEO & Whole time Director
DIN: 02042603

Date: August 12,2024
Place: Mumbai

Annexure -1

DECLARATION UNDER PARA D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

In accordance with Para D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the 'Code of Conduct for Board Members and Senior Management Personnel', as applicable to them for the financial year ended 31st March 2024.

For Krystal Integrated Services Limited

Date: August 12, 2024
Place: Mumbai

Neeta Lad
Chairperson & Managing Director
DIN: 01122234

Annexure 2

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
KRYSTAL INTEGRATED SERVICES LIMITED
(Earlier known as Krystal Integrated Services Private Limited)
CIN L74920MH2000PLC129827
20th Floor, Kohinoor Square,
Shivaji Park, Dadar, Mumbai – 400028
Maharashtra, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Krystal Integrated Services Limited** having CIN L74920MH2000PLC129827 and having registered office at Krystal House 15A 17, Shivaji Fort CHS, Duncans Causeway Road, Mumbai – 400 022, Maharashtra, India (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment in Company*	Date of Cessation
1	Ms. Neeta Prasad Lad	01122234	01/04/2006	-
2	Ms. Saily Prasad Lad	05336504	20/10/2015	-
3	Mr. Shubham Prasad Lad	07557584	05/03/2019	-
4	Mr. Pravin Ramesh Lad	01710743	15/10/2009	-
5	Mr. Sanjay Suryakant Dighe	02042603	08/12/2010	-
6	Mr. Vijay Kumar Agarwal	00058548	21/06/2023	10/05/2024
7	Mr. Sunder Ram Govind Raghavan Korivi	01590692	30/06/2023	-
8	Ms. Yajyoti Digvijay Singh	07971678	25/08/2023	-
9	Ms. Kaninika Thakur	10269540	25/08/2023	-
10	Ms. Dhanya Pattathil	00130569	03/08/2023	-

* the date of appointment is as per the MCA Portal

Note: Mr. Mahesh Redkar (DIN 10614348) has been appointed as an Additional Director (Non-Executive, Independent) of the Company with effect from June 25, 2024

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

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report for the Financial Year ended March 31, 2024.

**For Kajal Jakharia & Associates
Practicing Company Secretaries**

**Place: Mumbai
Date: August 12, 2024**

**Kajal Jakharia
Proprietor
FCS – 7922; COP No. –23149
PR No.: 2775/2022
UDIN: F007922F000949049**

Annexure 3

CERTIFICATION UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

May 27, 2024

All Board Members
KRYSTAL INTEGRATED SERVICES LIMITED
(Earlier known as Krystal Integrated Services Private Limited)
2001 & 2002, 20th floor,
Kohinoor Square, Shivaji Park,
Dadar West, Mumbai – 400028

Sub: Compliance Certificate under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sirs,

Pursuant to Regulation 17(8) and Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we, Sanjay Suryakant Dighe, Chief Executive Officer & Whole-time Director and Barun Dey, Chief Financial Officer of the Company hereby certify and confirm the following:

a) We have reviewed the Financial Statements and the Cash Flow Statement for the quarter and Financial Year ended March 31, 2024, and that to the best of our knowledge and belief:

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

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the quarter and Financial Year ended March 31, 2024, which are fraudulent, illegal, or violative of the Company's code of conduct;

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

d) We have indicated to the Auditors and the Audit committee: - Not Applicable

- i. significant changes in internal control over financial reporting for the quarter and Financial Year ended March 31, 2024;
- ii. significant changes in accounting policies for the quarter and Financial Year ended March 31, 2024, and that the same have been disclosed in the notes to the financial statements; and
- iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Thanking You,

Yours faithfully
For Krystal Integrated Services Limited

Sanjay Suryakant Dighe
Chief Executive Officer & Whole-time Director

Barun Dey
Chief Financial Officer

¹ Not applicable as there are no such instances

Annexure 4

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
KRYSTAL INTEGRATED SERVICES LIMITED
(Earlier known as Krystal Integrated Services Private Limited)

CIN: L74920MH2000PLC129827

20th Floor, Kohinoor Square,

Shivaji Park, Dadar, Mumbai – 400028

Maharashtra, India

We have examined the compliance of the conditions of Corporate Governance by **Krystal Integrated Services Limited** ("the Company") for the year ended on March 31, 2024, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (hereinafter collectively referred to as "SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations for the period beginning from March 21, 2024 to March 31, 2024.

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

For Kajal Jakharia & Associates
Practicing Company Secretaries

Place: Mumbai
Date: August 12, 2024

Kajal Jakharia
Proprietor
FCS – 7922; COP No. –23149
PR No.: 2775/2022
UDIN: F007922F000949027

MANAGEMENT DISCUSSION & ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward looking statement -

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations describing the Company's objectives, expectations, or predictions may be considered forward-looking within the meaning of applicable securities laws and regulations. These statements are based on assumptions and expectations of future events.

The Company cannot guarantee the accuracy or realization of these assumptions and expectations. The Company assumes no responsibility to publicly amend, modify, or revise forward-looking statements based on subsequent developments or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include changes in government regulations, tax laws, economic developments within the country and such other factors globally.

The financial statements comply with IND AS guidelines and Accounting Standards under Section 211(3C) of the Act and the Companies (Accounting Standards) Rules, 2015. The management of Krystal Integrated Services Limited has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements, reflect in a true and fair manner, the state of affairs and profit for the year.

The following discussions on our financial condition and result of operations should be read together with our audited consolidated financial statements and the notes to these statements included in the annual report. Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company", "Krystal" "KISL" are to Krystal Integrated Services Ltd.

Industry

Global Economy

The global economic outlook for 2024 indicates moderating inflation and steady growth, suggesting a potential soft landing. The risks to global growth are seen as balanced, with a possibility of achieving a soft landing. Global growth rates are projected at 3.1% for 2024 and 3.2% for 2025, though these are below historical averages. The forecast reflects factors such as elevated central bank policy rates combating inflation, withdrawal of fiscal support amid high debt levels, and low productivity growth.

Global inflation rates are expected to decrease, with headline inflation projected to fall to 5.8% in 2024 and 4.4% in 2025. This trend of decreasing inflation, along with consistent growth, has diminished the chances of a severe economic downturn, with the risks to global growth now seen as generally balanced. Upside factors include potential easing of financial conditions due to faster disinflation. Downside risks involve commodity price spikes from geopolitical shocks, supply disruptions, or persistent inflation. Global policymakers face the challenge of managing inflation descent while adjusting monetary policies and focusing on fiscal consolidation to rebuild budgetary capacity.¹

The Global Purchasing Managers' Index (PMI) data signals improving economic conditions, with a rise in output indexes for manufacturing and services. However, concerns remain regarding uneven disinflation, particularly in services prices, despite gradual easing pressures on wages.²

Forecasts suggest initial rate cuts by the US Federal Reserve in June, with similar easing expected from the European Central Bank and the Bank of England. These adjustments align with market expectations and contribute to a favorable outlook for global trade dynamics and currency trends, favoring a depreciating trend for the US dollar.

Overall, the global economic landscape in 2024 presents a nuanced picture, with cautious optimism regarding growth prospects and ongoing efforts to manage inflation and policy adjustments effectively.



The global facility management market was valued at USD 1,260.0 billion in 2022 and is expected to grow from USD 1,291.6 billion in 2023 to USD 2,031.4 billion by 2030, with a compound annual growth rate (CAGR) of 6.7% during the forecast period.

The International Facility Management Association (IFMA) defines facility management as the integration of a physical workplace with the people and work of an organization. This field encompasses various tasks including equipment maintenance, space planning, and portfolio forecasting. Essential components of facility management include emergency preparation and business continuity, environmental sustainability, human factors, communication, project management, quality assurance, real estate and property management, leadership and strategy, among others. This report primarily concentrates on the technological aspects of management services, which involve software and services designed to enhance the efficiency and effectiveness of facility management operations.

The growth of this sector has been significantly influenced by rising urbanization and industrialization over the past two decades. As these trends continue, the demand for facility management solutions and services is expected to surge further. This increase in demand is driven by government investments in sectors like transportation, energy, and construction. Additionally, facility management service providers often enter into contracts with building management to offer their services, which includes managing the workforce, equipment, and other aspects of contract management.¹



Ten years ago, India stood as the 10th largest economy globally, boasting a GDP of USD 1.9 trillion at current market prices. Fast forward to today, it has ascended to the 5th position with a GDP of USD 3.7 trillion (estimated for FY24), overcoming challenges like the pandemic and inheriting an economy marred by macro imbalances and a fractured financial sector. This decade-long trajectory is marked by a series of reforms, both substantial and incremental, that have significantly propelled the country's economic advancement. These reforms have not only strengthened economic resilience but also positioned India to tackle unforeseen global shocks in the near future.

The economy's growth rate exceeding 7% in the last three years can be attributed to the impactful reforms implemented over the past decade, showcasing the robustness observed in domestic demand. Investments in physical and digital infrastructure, alongside measures to bolster manufacturing, have bolstered the supply side, stimulating economic activity across the nation.

Consequently, real GDP growth is anticipated to hover around 7% in FY25, with significant potential for the growth rate to surge beyond 7% by 2030. The rapid development of physical infrastructure is expected to lower investment requirements for output, facilitating quick translations of private investments into tangible results. Initiatives like the Insolvency and Bankruptcy Code (IBC) have fortified balance sheets, releasing economic capital previously tied up. Furthermore, strides in digital infrastructure are enhancing institutional efficiency, while technological advancements are gaining momentum through increased collaborations with international partners. Notably, steps to accelerate human capital formation and an increasingly favourable investment climate are further propelling growth prospects.

The unification of domestic markets via the Goods and Services Tax (GST) is incentivizing large-scale production while reducing logistical costs. This expansion of the tax base is set to strengthen both Union and state government finances, paving the way for growth-oriented public expenditures. Additionally, the Reserve Bank of India's (RBI) growing credibility in curbing inflation is anchoring inflationary expectations, ensuring a stable interest rate environment conducive to long-term investments and spending decisions.

However, geopolitical risks remain a concern. Future reform priorities encompass skill development, education outcomes, healthcare, energy security, easing compliance burdens for micro, small, and medium enterprises (MSMEs), and fostering gender balance in the labour force. Under favourable conditions, India can target becoming a USD 7 trillion economy within the next six to seven years (by 2030), a significant milestone toward enhancing quality of life and meeting the aspirations of its people.¹



The Indian Facility Management Market, valued at USD 148.65 billion in 2024, is anticipated to expand to USD 212.12 billion by 2029, with a compound annual growth rate (CAGR) of 7.37% over the forecast period from 2024 to 2029. The growth of this market is significantly driven by the management of a building's operations and maintenance, which has seen increased demand due to rapid urban development, a focus on sustainability, and the outsourcing of non-core business activities. The integration of technology, especially the Internet of Things (IoT), has revolutionized facility management services by enhancing decision-making capabilities and optimizing work processes across various industries. This shift is not only improving efficiency but is also providing a continuous, real-time data stream that supports advanced service offerings.

As cities like Delhi and Hyderabad experience growth in complex projects, there is a rising demand for sophisticated management solutions. Public sector clients are reducing their supplier numbers to cut costs, benefiting from bundled service contracts, while the private sector's ongoing demand for total facility management services allows firms to consolidate all non-core activities under a single provider, thus enhancing their focus on primary business areas. However, as IT and operational technology systems continue to converge, there is an increasing need for facility managers to develop robust cybersecurity strategies to protect critical infrastructure, which is becoming increasingly vulnerable to cyber threats.

Moreover, soft services such as cleaning, recycling, security, and pest control are driving the market's growth due to the increased complexity of managing facilities in major Indian cities. With the development of commercial real estate in emerging cities like Kolkata offers new opportunities, despite challenges like market congestion and limited current market penetration. This indicates a dynamic period ahead for the Indian Facility Management market, as it adapts to the changing needs and conditions.¹

Mumbai's growing real estate market. As market demands evolved, the company expanded its offerings to become a comprehensive provider of integrated facility solutions, now catering to various industry needs across India and positioning itself as a one-stop solution for integrated facility management.

Krystal offers a broad range of facility management services, including both soft services such as housekeeping, sanitation, landscaping, and gardening, and hard services like mechanical, electrical, and plumbing maintenance. Krystal also handles solid, liquid, and biomedical waste, pest control, and façade cleaning. We provide specialized services in production support, warehouse management,



COMPANY OVERVIEW

including multi-level parking and traffic control. Beyond these core services, Krystal extends staffing solutions and payroll management, private security, manned guarding services, and catering through a central kitchen that manages corporate cafeterias.

Our clients include major government sectors such as healthcare, education, airports, railways, and metro infrastructure. Notable clients are Maha Mumbai Metro Operation Corporation Limited and the Education Department of the Brihanmumbai Municipal Corporation. The company also caters to municipal bodies, state government entities, electricity boards, and district consumer forums, having provided IFMS, security, and staffing services at 116 municipal and government offices in FY24.

Over the years, Krystal has built a robust team of skilled professionals and developed a strong clientele, achieving nearly 100% customer retention last year, which underscores the effectiveness of its service delivery and client satisfaction. Our services extend across key industries including pharmaceutical and general manufacturing, public administration, retail, and BFSI. Krystal's ability to offer both standalone and bundled services meets the diverse needs of a broad client base, enhancing its risk mitigation strategies and market adaptability.

Krystal's growth trajectory includes significant milestones such as a highly successful IPO, which was oversubscribed by 13 times, raising Rs. 300 crores. This capital has been allocated towards debt repayment, funding working capital, CAPEX, and purchasing new machinery, among other general corporate purposes. The IPO's success reflects market confidence in Krystal's transparent and effective business model and financial management.

Krystal operates across 28 branches in India, servicing over 2,487 locations nationwide. Krystal's ability to efficiently roll out large, multi-location projects showcases its operational prowess. Additionally, the company manages significant healthcare infrastructure in Tamil Nadu, overseeing services across all 98 districts and more than 120 hospitals. This operational scale and scope highlight Krystal's competency in handling large-scale contracts and complex service delivery requirements. Krystal's expertise and investments in manpower and machinery allow us to competitively bid for projects upon their expiration, maintaining a strong track record in executing large contracts and qualifying for multi-location government projects.

Going forward, Krystal remains committed to building on its past achievements and continuing its growth trajectory. Being listed on stock exchanges like the BSE and NSE enhances its visibility in the financial markets and sets the stage for future expansion. With our commitment to innovation, quality service, and customer satisfaction, Krystal is well-positioned as a leader in the integrated facility management industry, ready for continued growth and success in the evolving Indian market.

Leadership

Krystal Integrated Services is guided by a highly experienced executive team that ensures the company's continued growth and strategic direction in the facility management industry.

Sanjay Suryakant Dighe, CEO and Whole-time Director, has played a crucial role in managing the company's core business activities and focusing on long-term growth and strategic planning. Mr. Dighe joined the company as a Director on December 8, 2010, bringing extensive experience from his previous role at Birla Sun Life Insurance Company Limited. He holds a degree in Mechanical Engineering from Abhinava Abhiyantriki Mahavidyalaya, Pune.

Barun Dey, CFO and President of Finance & Accounts, joined the company on July 4, 2019. His extensive financial expertise comes from his previous role at G4S Secure Solutions (India) Private Limited. Mr. Dey is an Associate Member of the Institute of Chartered Accountants of India, which reinforces his credentials and his role in guiding the company's financial strategies.

The senior management team is adept at anticipating and capitalizing on market trends, managing and expanding operations, and strengthening customer relationships.



BUSINESS SEGMENTS

KISL operations can be broadly classified under the following categories:

◆ **Integrated Facility Management Services (IFMS):**

This sector includes a range of services such as soft services (housekeeping, sanitation, and gardening), hard services (mechanical, electrical, and plumbing), and waste management (solid, liquid, and biomedical). Additional offerings include pest control, façade cleaning, production support, warehouse management, and airport management. Krystal ranks as the 6th largest Soft Services provider in FY2023, serving 117 customers across 1,063 locations.

◆ **Staffing Solutions and Payroll Management:**

This division manages recruitment, payroll, and HR services, providing skilled, semi-skilled, and unskilled labor based on client requirements. Key clients include HDFC Bank Limited, with services extended to 140 customers across 1,323 locations.

◆ **Private Security and Manned Guarding:**

This service provides comprehensive security solutions, including access control, surveillance, emergency services, and patrols. It is licensed under the PSARA in 12 states and one union territory, catering to 107 customers over 327 locations

◆ **Catering:**

Through its subsidiary Krystal Gourmet, this segment offers a full range of food and beverage services from a central kitchen in Kalina, Mumbai, providing breakfast, lunch, and dinner to employees at 77 clients across 218 locations.

In summary, KISL demonstrates a diverse portfolio of services, reflecting its strong strategic vision and adaptability to evolving market dynamics. By prioritizing high-margin businesses, leveraging core strengths, and offering compelling value propositions, Krystal Integrated Services consistently delivers value to its stakeholders.

FINANCIAL OVERVIEW

The consolidated performance of the Company for the financial year ended March 31, 2024, is as follows:

Revenue for the full year was **Rs. 1,026.8** Crores in FY24, a YoY increase of **45.1%**. The growth was driven by addition of new clients as well as more sites across India.

Total expenses (including raw materials, employee and other expenses) for the year were Rs. 958.2 Crores.

EBITDA stood at **Rs. 68.7** Crores for FY24, YoY increase of **26.1%**. EBITDA Margin was **6.7%**.

The **depreciation** during this financial year was **Rs. 7.1** Crores, compared with **Rs. 4.7** Crores in FY23.

Interest cost for the year was reported at **Rs. 12.0** Crores, as against **Rs. 9.5** Crores in FY23.

Profit before tax (PBT) came in at **Rs. 57.6** Crores, vis-à-vis **Rs. 39.0** Crores in the previous fiscal year.

The **PAT** during this year was **Rs. 49.0** Crores as against **Rs. 38.4** Crores in FY 2023. PAT margin stood at **4.8%**.

The Basic **EPS** for this year is **Rs. 42.30**.

The board has recommended **dividend** of **Rs. 1.50** per equity share, i.e., **15%** of the face value of Rs. 10/- each for FY24, subject to approval of shareholders.

RESOURCES AND LIQUIDITY

As on March 31, 2024, the consolidated net worth stood at Rs. 376.2 Crores and the consolidated debt was at Rs. 83.3 Crores.

The total Debt-to-Equity of the Company stands at 0.23 as on March 31, 2024.

OPPORTUNITIES AND RISKS

Opportunities

Krystal Integrated Facility Management, operating in India, has a plethora of opportunities to leverage, particularly in light of the country's evolving urban and economic landscape. Rapid urbanization and the government's commitment to developing smart cities are driving significant demand for integrated facility management services. As cities expand and infrastructure projects progress, Krystal is ideally positioned to manage complex facilities such as airports and metro stations, an expertise that can be directly applied to new urban development projects.

Furthermore, as the government increasingly focuses on enhancing public health and education sectors, Krystal can expand its services to address these critical areas. The company's comprehensive service suite, from staffing to maintenance and security, aligns well with the needs of large-scale projects in these growing sectors. The push for modernization within public services provides a prime opportunity for Krystal to deploy its technology-driven facility management solutions, enhancing operational efficiencies and service quality across various platforms.

Additionally, the rising emphasis on sustainability and environmental consciousness in India provides Krystal with opportunities to innovate and incorporate green technologies into its services. Such environmentally friendly facility management solutions are increasingly demanded in sectors like real estate and corporate facilities management, where sustainability is now a pivotal factor.

The growth of temple tourism in India represents another significant opportunity for Krystal. As the government and private sectors invest in enhancing the infrastructure around religious tourism destinations, Krystal can offer specialized services tailored to the unique needs of these sites, ensuring they are well-maintained, secure, and visitor-friendly.

Moreover, the Indian Railways' ongoing modernization of platforms and trains creates new opportunities for Krystal. As these transportation hubs and services are modernized, there will be a continuous need for comprehensive facility management solutions to maintain these spaces effectively, ensuring safety, cleanliness, and operational efficiency.

By capitalizing on these opportunities and adapting to the dynamic market conditions, Krystal is well-equipped to expand its presence and enhance its offerings, securing a strong position in the Indian integrated facility management industry.

Threats

While Krystal Integrated Facility Management has significant opportunities for growth within the Indian market, it also faces a number of challenges that could impact its operational success and growth trajectory. A major threat is intense market competition. The facility management industry in India is saturated with numerous players, including both local and international firms. As demand for integrated facility management services increases, more companies are entering the market, potentially leading to price wars and thinner profit margins for established companies like Krystal.

Furthermore, the regulatory environment in India presents another significant challenge. The regulatory environment is often complex and subject to frequent changes, impacting aspects such as labor laws, safety standards, and environmental compliance. Such changes could potentially increase operational costs or necessitate substantial adjustments to Krystal's business practices. Adapting to these regulatory changes requires vigilance and agility, ensuring compliance while maintaining operational efficiency and profitability.

To address these challenges, strategic planning and adaptable business practices are essential. By navigating the competitive landscape and regulatory framework effectively, Krystal can ensure continued success in the dynamic Indian market.

RISKS AND CONCERNS

Significant Factors / Risks Affecting Company's Operations and Financial Condition

The company's results of operations have been and will likely continue to be influenced by various events and actions, some of which are beyond its control. Certain specific factors are believed to affect the results of operations, and in some instances, may persist in impacting these results. Factors such as those mentioned may have had or could potentially have an impact on the company's results, as well as the methods employed to generate income and manage related expenses.

In terms of risk exposure, our operations entail market, liquidity, and credit risks. The board of directors is responsible for establishing and overseeing our risk management framework.

Customer Attrition / Managing Customer Relationships

Maintaining strong customer relationships is central to the company's success, with the ability to consistently meet quality standards and expand service offerings playing a crucial role. The Company excels in providing customized solutions tailored to meet the unique needs of its clients, ensuring their satisfaction and fostering long-term partnerships. The brand's strength in the market and commitment to delivering high-quality services across various sectors have solidified Krystal's position and reduced revenue and earnings uncertainty.

Krystal prides itself on its longstanding relationships with key customers, which attest to its reliable service delivery and customer-centric approach. Currently, the Company serves 369 customers, including three of its top ten customers who have been with the company for more than a decade. These three key customers alone contributed 17% of the revenue, highlighting the importance of these sustained partnerships in the Company's business strategy. The ongoing focus on maintaining these relationships ensures a stable revenue stream and positions the Company well for continued growth and success in the industry.

Loss of Orders

The company's order book position with its customers necessitates meeting specific standards and performance obligations. Failure to meet these specifications could lead to reduced business, order terminations, or additional costs and penalties, potentially negatively impacting the company's results of operations and financial condition.

Availability and cost of raw materials

The availability and cost of raw materials are influenced by the specific needs of each service category. For soft services like cleaning and sanitation, Krystal requires a steady supply of cleaning supplies, chemicals, and equipment, which are generally available but may experience price fluctuations due to changes in chemical pricing and global supply chain dynamics. For landscaping and gardening services, materials such as seeds, plants, fertilizers, and gardening tools are subject to seasonal availability and local supplier dynamics, which can affect both cost and access.

In the realm of hard services, such as Mechanical, Electrical, and Plumbing (MEP), Krystal depends on various construction and maintenance materials, including electrical components, plumbing fixtures, and HVAC systems. The costs for these materials can vary significantly based on market demand, innovations in technology, and global economic conditions that affect manufacturing and distribution. Moreover, as Krystal manages projects involving complex infrastructure setups like airports and metro stations, the company must navigate the logistics and costs of sourcing high-grade, specialized equipment and materials that meet stringent safety and quality standards.

The company's ability to manage these costs effectively is crucial, especially in competitive bidding situations for government contracts and large-scale projects. Efficient procurement strategies and strong supplier relationships are essential for maintaining cost control and ensuring a steady supply of necessary materials. This careful management of resources is key to Krystal's ability to deliver high-quality, reliable service across its diverse portfolio, maintaining its competitive edge in the integrated facility management market in India.

Contractual Obligations and Commitments

The Company does not have any long-term or material non-cancellable contractual commitments, including derivative contracts, with any foreseeable losses.

Credit Risk

Credit risk pertains to the potential financial loss our company may incur if a customer or counterparty fails to fulfill its contractual obligations. This risk primarily stems from our Company's receivables. Our exposure to credit risk is shaped by the unique characteristics of each customer and includes industry and country-specific default risks.

To manage credit risk effectively, our management employs strategies such as credit approvals, setting credit limits, and continuously monitoring of customer creditworthiness. We utilize the expected credit loss model, under Ind AS 109, to evaluate impairment losses or gains. This approach involves a provision matrix that considers external and internal credit risk factors, as well as our historical interactions with customers.

Currently, our company has not allocated provisions for expected credit losses on trade receivables and other financial assets, relying on management estimates. Additionally, we mitigate credit risk on cash and cash equivalents by investing in deposits with reputable banks and financial institutions that have high credit ratings from domestic agencies.

Liquidity Risk

Liquidity risk refers to the potential challenge our Company may face in fulfilling its financial obligations related to cash or other financial assets. Our liquidity management strategy focuses on maintaining adequate levels to meet obligations as they come due, even under stressful conditions, without incurring significant losses or reputational damage.

Responsibility for managing liquidity and funding falls under the purview of our treasury department, with oversight provided by our management through established policies and procedures. The primary sources of liquidity for our Company include cash and cash equivalents and cash flow generated from our operational activities

Interest Rate Risk

Interest rate risk refers to fluctuations in the fair value or future cash flows of a financial instrument due to changes in market interest rates. The company's exposure to this risk stems primarily from its debt obligations with floating interest rates. Interest rate management is achieved through selecting suitable borrowings and negotiating with bankers.

Changes in Accounting Policies

There were no changes in our accounting policies during Fiscal Year 2024.

Unusual or Infrequent Events or Transactions

To the best of our knowledge, apart from the mentioned scenarios, there have been no exceptional or irregular events or transactions impacting or potentially impacting business operations or future financial performance.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The company has an adequate internal control system and well-laid-down policies and procedures for all its operations and financial functions. The procedures are designed to maintain proper accounting controls, ensure efficient use of assets, and provide reliable financial and operational reports. The internal control system is supported by the Internal Audit Department, which conducts extensive audits of various functions throughout the company. The company's Board has an Audit Committee comprising three members, all of whom are independent directors. The Audit Committee reviews the significant findings of internal audits.

Human Resources and Industrial Relations

The company takes pride in the commitment, competence, and dedication shown by its employees in all business areas. Various human resource initiatives align HR policies with the growing requirements of the business. The Company has a structured induction process and management development programmes to upgrade skills of managers. Technical and safety training programmes are provided periodically to workers. Industrial relations in the organization continued to be cordial during the year under review.

As on 31st March 2024 the total number of on-site employees was 41,061.

Outlook

As Krystal Integrated Facility Management looks to the future, the company's outlook for the Indian market remains optimistic yet cautiously proactive. Armed with a robust portfolio of integrated facility management services and a deep understanding of the local market dynamics, Krystal is well-positioned to capitalize on India's urbanization, smart city initiatives, and infrastructural developments. The company's commitment to innovation and quality service delivery is expected to drive growth, particularly in sectors such as healthcare, education, and transportation infrastructure.

A key component of Krystal's strategy for maintaining competitive advantage and operational efficiency is adopting new-age technologies, including advanced machinery and robotics. These technologies are set to revolutionize facility management by making maintenance and operations more efficient. For instance, using robotics in cleaning and maintenance tasks can significantly reduce human error and increase productivity, allowing Krystal to handle larger projects with greater precision.

Krystal's strategic approach to embracing green technologies and sustainable practices aligns with the growing environmental awareness and sustainability trends across India. This focus enhances Krystal's service offerings and boosts its appeal to a broader client base that prioritizes eco-friendly operations.

However, the competitive landscape in the facility management sector requires Krystal to remain agile and proactive. The company must continue to innovate and diversify its service offerings to maintain a competitive edge. Integrating the latest technological advancements into its operations is crucial for enhancing efficiency and meeting the evolving needs of its clients.

Furthermore, navigating the regulatory landscape requires a vigilant approach to compliance and adaptability. As regulations evolve, particularly regarding labor laws and environmental standards, Krystal must invest in compliance mechanisms to stay ahead of potential legal challenges.

Overall, while challenges such as competition and regulatory complexities exist, Krystal's established market presence, comprehensive service capabilities, and strategic focus on growth areas bode well for its future. With careful management, strategic foresight, and a continued emphasis on technological integration, Krystal can continue to build on its successes and maintain its position as a leader in the integrated facility management industry in India.

INDEPENDENT AUDITOR'S REPORT

To the Members of
Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

Report on the Audit of the Consolidated Financial Statements

1. Opinion

We have audited the accompanying Consolidated Financial Statements of **Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)** (the “**Holding Company**”, “**Parent Company**”) and its subsidiaries and joint venture (the Company, its subsidiaries and joint venture together referred to as “**the Group**”), which comprise the Consolidated Balance Sheet as at March, 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Change in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as “the Consolidated Financial Statements”).

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

2. Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements Section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) read together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made 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 along with the consideration of the Consolidated Financial Statements referred to in the “Other Matters” paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Revenue Recognition and Trade Receivables:</p> <p>The company is primarily engaged in facility management service which majorly includes providing staffing for housekeeping services followed by manpower and security services. The company enters into contracts with customers, these contracts are recognized over a period of time in accordance with the requirement of Ind-As 115, "Revenue from Contracts with Customers" as and when the company satisfies performance obligation by rendering the promised services to its customer. The Company's invoicing cycle is on contractual pre-determined dates and recognized as receivables based on customer acceptances for delivery of work / attendance of resources. Revenue for the post billing period is recognized as unbilled revenues. Unbilled revenues are invoiced subsequent to the year-end based on customer acceptances.</p> <p>Inappropriate assessment of revenue can lead to risk of revenue being recognized before satisfaction of performance obligation or overstatement of revenue and hence the timing and recognition of revenue is considered Key audit matter.</p>	<p>Principal audit procedures performed:</p> <p>Our audit approach was a combination of test of controls and substantive procedures which included amongst others the following:</p> <ul style="list-style-type: none"> • Tested the effectiveness of controls relating to accuracy and occurrence of revenues. • For a sample of contracts, tested revenue recognition by agreeing key terms used for recording revenue with terms in the signed contracts and confirmation received from customers for efforts incurred / resources deployed. • We have verified the contract periods and margins earned from the top customers. • We have verified on sample basis the recognition of contract cost vis-à-vis revenue recognition • We have inspected the credit notes/reversal if any; of revenue during the period as well as in the subsequent period before the signing of audit report • Tested unbilled revenues with subsequent invoicing based on customer acceptances. • We have circulated the independent balance confirmation to debtors and in case of non-receipt of the responses, have carried out alternative procedures. • We have also tested the past trends of invoicing and recoverability

4. Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's management and those charged with governance are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. The Annual Report is expected to be made available to us after the date of auditor's report.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

The above information is not made available to us as at the date of this Auditor's report. We have nothing to report in this regard.

5. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The accompanying consolidated financial statements have been approved by the company's management and Those Charged with Governance. The Holding Company's Management and Those Charged with Governance are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated state of affairs and consolidated profit (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Management and Those Charged with Governance of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of the preparation of the Consolidated Financial Statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, Management and respective Those Charged With Governance of the Companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective Management and Those Charged With Governance either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those Charged with Governance included in the Group are also responsible for overseeing the financial reporting process of each company.

6. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Consolidated Financial Statements.

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

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

- Obtain an understanding of internal financial 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 Holding Company and its subsidiary companies which are companies incorporated in India, if any, has internal financial controls with reference to Consolidated Financial Statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Those Charged with Governance.
- Conclude on the appropriateness of Management and Those Charged with Governance use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Consolidated Financial Statements of such entities included in the Consolidated Financial Statements of which we are independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company, 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. OTHER MATTERS

- (a) We did not audit the financial statements of a subsidiary; whose financial statements include total asset of Rs. 272.65 million, total revenues of Rs. 155.71 million, total comprehensive income of Rs. 4.67 million and net cash outflow of Rs. 1.08 million for the year ended March 31, 2024, as considered in the Consolidated Financial Statements. The aforesaid financial statement has been audited by other auditor whose report has been furnished to us by the Management and our opinion on the Consolidated Financial Statements in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of the sub Section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.
- (b) The consolidated financial statements also include the group's share of net profit after tax of Rs. 0.43 million for the year ended 31 March 2024, as considered in consolidated financial statement in respect of one joint venture whose financial statements, other financial information have been audited by other auditor and whose report have been furnished to us by the management. Our opinion on consolidated financial statement in so far as it relates to amount and disclosure in respect of this joint venture and our report in terms of Section 143(3) of the Act, and so far, as it relates to the aforesaid joint venture is based solely on report of the other auditor.

Our above opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

8. Report on Other Legal and Regulatory Requirements

- a. As required by the Companies (Auditor's Report) Order, 2016 ("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.
- b. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on Separate financial statements and other financial information of subsidiary, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - i. We/the other auditors whose report we have relied upon, have sought and obtained, all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and reports of the other auditors:
 - iii. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss (including the statement of other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - iv. In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

- v. On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2024, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- vi. With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B' which is based on the auditor's reports of the Holding Company and its subsidiary companies incorporated in India.
- vii. With respect to other matters to be included in Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'other matter' paragraph:
- i. The Consolidated Financial Statements discloses the impact of pending litigations on the consolidated financial position of the Group (Refer Note 44 of Consolidated Financial Statements).
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding company and its Subsidiary company incorporated in India for the year ended 31st March 2024.
 - iv. (a) 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 Holding Company and its Subsidiary Companies incorporated in India 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company and its Subsidiary Companies incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its Subsidiary Companies incorporated in India shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) 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 (i) and (ii) contain any material mis-statement.

- v. The Board of Directors of the Company has proposed dividend for the year in the meeting dated 27th May 2024 which is subject to the approval of the members at the ensuing annual general meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
 - vi. Based on our examination which included test checks, and that performed by respective auditor of the subsidiary company incorporated in India, have used accounting software for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with.
- c. With respect to the matter to be included in the Auditor's Report under Section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations give to us, the remuneration paid by the Holding Company and its subsidiary which are incorporated in India, to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No. 006711N/N500028

Alka Hinge
Partner
Membership No. 104574
UDIN: 24104574BKASNG8472

Place of Signature: Mumbai
Date: May 27, 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE

The annexure referred to in Independent Auditors' Report to the member of the Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited) ("the Company") on the Consolidated Financial Statements for the year ended March 31, 2024, we report that;

With reference to matters specified in clause (xxi) of paragraph (3) and paragraph 4 of Companies (auditor's Report) Order, 2020 ("CARO"/"the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanation given to us, and based on CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the management of the Parent, we report that in respect of those companies where audits have been completed under Section 143 of the Act, there are no qualification or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except the following:

Name of Company	CIN	Nature of relationship	Clause number of the CARO report which is qualified or adverse
Krystal Integrated Services Limited	U74920MH2000PLC129827	Holding	Clause 3(ii)(b), clause 3(iii)(e), clause 3(iii)(f), clause 3(vii)(a), clause 3(vii)(b)
Krystal Gourmet Private Limited	U15400MH2009PTC195359	Subsidiary	Clause 3(vii)(b)
Flame Facilities Private Limited	U74990MH2008PTC188793	Subsidiary	Clause 3(vii)(a)

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No. 006711N/N500028

Alka Hinge
Partner
Membership No. 104574
UDIN: 24104574BKASNG8472

Place of Signature: Mumbai
Date: May 27, 2024

Annexure B to the Independent Auditor’s Report of even date to the member of Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited) (“the Company”) on the Consolidated Financial Statements for the year ended March 31, 2024, we report that;

Report on the Internal Financial Controls with reference to Consolidated Financial Statements, under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

Opinion

We have audited the internal financial controls with reference to Consolidated Financial Statements of **Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited) (‘the Holding Company’)** and its subsidiary companies, which are companies incorporated in India, as of March 31, 2024, in conjunction with our audit of the Consolidated Financial Statements of the Group for the year ended on that date.

In our opinion, based on the consideration of the reports of the other auditors as referred to in other matters paragraph below, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal financial control with reference to Consolidated Financial Statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the ‘Guidance Note’) issued by the Institute of Chartered Accountants of India (ICAI).

Management’s Responsibility for Internal Financial Controls

The Management and Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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 respective 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 (‘the Act’).

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. 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 with reference to Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements includes obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, 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 Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiary companies, which are companies incorporate in India.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, 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 with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to financial statements of a subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India. Our opinion is not modified in respect of this matter.

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No. 006711N/N500028

Place of Signature: Mumbai
Date: May 27, 2024

Alka Hinge
Partner
Membership No. 104574
UDIN: 24104574BKASNG8472

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Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Consolidated Balance sheet as at 31st March 2024

Particulars	Note	As at	
		31st March 2024	31st March 2023
Assets			
Non-Current Assets			
Property, plant and equipment	3a	788.95	782.18
Right-of-use assets	3b	40.17	23.33
Intangible assets	4	0.61	0.91
Financial Assets			
(a) Investments	5	30.65	28.95
(b) Other financial assets	6	172.89	399.69
Deferred tax assets (net)	7	43.68	74.50
Income tax assets (net)	8	127.58	69.86
Other Non-current assets	9	292.53	-
Total Non-Current Assets		1,497.07	1,379.42
Current Assets			
Inventories		6.35	6.11
Financial Assets			
(a) Trade receivables	11	2,323.64	1,496.09
(b) Cash and cash equivalents	12	885.21	93.71
(c) Bank Balances other than cash and cash equivalents above	13	914.95	97.94
(d) Loans	14	726.72	251.51
(e) Other financial assets	15	48.95	40.96
Income tax assets (net)	16	6.24	15.63
Other current assets	17	60.96	53.31
Total Current Assets		4,973.01	2,055.26
Total Assets		6,470.08	3,434.68
Equity and Liabilities			
Equity			
Equity share capital	18	139.72	57.62
Other Equity	19	3,622.50	1,576.49
Total Equity		3,762.22	1,634.11
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(a) Borrowings	20	68.21	197.54
(b) Lease liabilities	21	32.45	16.45
Provisions	22	4.56	2.67
Total Non-Current Liabilities		105.22	216.66
Current Liabilities			
Financial Liabilities			
(a) Borrowings	23	764.38	282.38
(b) Lease liabilities	21	11.90	9.01
(c) Trade payables			
i) Total outstanding dues of micro enterprises and small enterprises	24	30.63	0.56
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	24	531.48	157.93
(d) Other financial liabilities	25	813.04	555.08
Other current liabilities	26	323.92	449.34
Provisions	27	127.29	129.61
Total Current Liabilities		2,602.64	1,583.91
Total Liabilities		2,707.86	1,800.57
Total Equity and Liabilities		6,470.08	3,434.68

The accompanying notes form an integral part of the Consolidated Financial Statements.

As per our attached report of even date
T R Chadha & Co LLP
Chartered Accountants
Firm Registration Number : 006711N / N500028

Alka Hinge
Partner
Membership No. 104574
Place : Mumbai
Date : 27/05/2024

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

Neeta Lad
Chairperson and Managing
Director
(DIN-01122234)

Sanjay Dighe
CEO and Whole Time
Director
(DIN-02042603)

Barun Dey
Chief Financial Officer

Stuti Maru
Company Secretary and
Compliance Officer
Membership No.: A45257

Place: Mumbai
Date: 27/05/2024

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Consolidated Statement of Profit And Loss for the year ended 31st March 2024

Particulars	Note	For the Year Ended	
		31st March 2024	31st March 2023
Income			
Revenue from operations	28	10,268.49	7,076.36
Other income	29	80.01	33.29
Total Income		10,348.49	7,109.65
Expenses			
Cost of material and store and spare consumed	30	1,623.14	323.04
Employee benefit expense	31	7,678.80	5,919.04
Finance costs	32	119.84	94.92
Depreciation and amortisation expense	33	71.45	46.57
Other expenses	34	279.74	335.93
Total Expenses		9,772.97	6,719.50
Profit / (loss) before exceptional items and tax from continuing operations		575.52	390.15
Exceptional Items		-	-
Profit / (loss) before tax from continuing operations		575.52	390.15
Tax expense:			
Current tax	40	58.40	72.24
Short/(Excess) Provisions of earlier years	40	(2.73)	-
Deferred tax	40	29.57	(19.79)
Total Tax Expenses		85.25	52.45
Profit / (loss) for the year from continuing operation after Taxes		490.27	337.70
Profit / (loss) from discontinued operation before Taxes		-	46.42
Income tax expenses of discontinued operations		-	-
Profit from discontinued operation (after taxes)		-	46.42
Profit / (loss) for the year		490.27	384.12
Share of profit of joint venture		0.42	0.31
Profit / (loss) for the year		490.69	46.42
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss	41	4.99	4.52
Re-measurement losses on defined benefit plans			
(ii) Deferred tax relating to items that will not be reclassified to profit or loss		(1.24)	(1.29)
Other Comprehensive Income/ (loss) for the year, net of tax		3.74	3.24
Total Comprehensive Income for the year		494.43	387.66
Profits attributable to :			
Equity holders of the parent		343.27	268.93
Non-controlling interests		147.42	115.50
Total profit for the year		490.69	384.43
Other comprehensive income attributable to :			
Equity holders of the parent		2.62	2.27
Non-controlling interests		1.12	0.97
Total of other comprehensive income for the year		3.74	3.24
Total comprehensive income attributable to :			
Equity holders of the parent		345.89	271.20
Non-controlling interests		148.54	116.46
Total comprehensive income for the year		494.43	387.66
Earnings per equity share (nominal value ₹10/- per share)			
Basic (in INR)	35	42.30	33.33
Diluted (in INR)	35	42.30	33.33

The accompanying notes form an integral part of the Consolidated Financial Statements.

As per our attached report of even date
T R Chadha & Co LLP
 Chartered Accountants
 Firm Registration Number : 006711N / N500028

Alka Hinge
 Partner
 Membership No. 104574
 Place : Mumbai
 Date : 27/05/2024

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 CEO and Whole Time
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 (DIN-02042603)

Barun Dey
 Chief Financial Officer

Stuti Maru
 Company Secretary and
 Compliance Officer
 Membership No.: A45257

Place: Mumbai
 Date: 27/05/2024

2023-24

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Consolidated Statement of changes in Equity for the year ended 31st March 2024**(A) Equity share capital (Issued and Subscribed)**

Particulars	Note	Amounts
Balance as at 31st March 2022		57.62
Changes in equity share capital		-
Balance as at 31st March 2023	18	57.62
Issue of Bonus Shares during the year		57.62
Shares issued during the year		24.48
Balance as at 31st March 2024		139.72

(B) Other equity

Particulars	Reserves and Surplus			Items of other comprehensive income	Other Equity attributable to Equity
	Securities Premium	Capital Reserves on Consolidation	Retained earnings	Remeasurement of the net defined benefit liability/asset	
Balance as at 31st March 2022	8.00	1.80	1,550.58	20.52	1,580.89
Profit for the year ended March 2023	-	-	384.43	-	384.43
Other comprehensive income for the year	-	-	-	3.24	3.24
Less: Balances transferred pursuant to scheme of arrangement (Refer Note 42)	-	-	(392.12)	-	(392.12)
Balance as at 31st March 2023	8.00	1.80	1,542.90	23.76	1,576.44
Profit for the year ended March 2024	-	-	490.69	-	490.69
Other comprehensive income for the year	-	-	-	3.74	3.74
Less: Issue of Bonus shares (from retained earnings)	-	-	(57.62)	-	(57.62)
Add : Securities Premium on Fresh Issue	1,609.22	-	-	-	1,609.22
Balance as at 31st March 2024	1,617.22	1.80	1,975.97	27.50	3,622.50

The accompanying notes form an integral part of the Consolidated Financial Statements.

As per our attached report of even date
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Alka Hinge
Partner
Membership No. 104574
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Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Consolidated Statement Of Cash Flows for year ended 31st March 2024

Particulars	For the year ended	
	31st March 2024	31st March 2023
Cash flows from operating activities		
Profit before tax from Continuing Operation	575.94	390.47
Profit before tax from Discontinuing Operation	-	46.42
Net profit before tax	575.94	436.89
Depreciation and amortisation	71.45	46.57
Finance costs	119.84	94.91
Interest income	(22.69)	(20.77)
Balance written off	0.77	0.03
Allowance for expected credit loss	(43.44)	1.23
Balance write back	(10.94)	(11.50)
Gain / (Loss) on fair valuation of investments	-	0.00
(Profit) / loss on sale of Assets	(1.58)	-
Operating profit before change in working capital	689.36	547.36
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(0.24)	(12.02)
Trade receivables, loans, other financial assets and other assets	(784.88)	368.65
Financial and other asset	(329.18)	(61.21)
Trade payables, other financial liabilities, other liabilities and provisions	547.10	(122.25)
Provisions	(0.42)	15.84
Changes in working capital	(567.63)	189.00
Less : Tax paid	(99.01)	(18.56)
Cash flows from operating activities	22.71	717.80
Cash flows from investing activities		
(Purchase) / sales of property, plant and equipments	(123.06)	(36.32)
Bank deposits (having original maturity of more than 3 years) (net)	(569.19)	(60.64)
Loan (given) / repaid - related parties and others (net)	(475.21)	(233.49)
(Purchase) / Sales of Investment	(1.70)	(10.41)
Interest received	22.69	20.77
Cash flows from/(used in) investing activities	(1,146.47)	(320.08)
Cash flows from financing activities		
Proceeds from/(repayments of) long-term borrowings	(129.33)	(44.59)
Proceeds from/(repayments of) short-term borrowings	482.00	(154.96)
Proceed from fresh issue of shares	3,001.25	-
Payment to selling shareholders (Net of Share Issue Expenses)	(1,165.59)	-
Share issue expenses (including share of selling shareholders)	(201.97)	-
Payment of lease liabilities	44.62	(16.93)
Interest payment	(115.71)	(92.42)
Cash flows from financing activities	1,915.27	(308.90)
Net changes in cash and cash equivalents	791.51	88.81
Cash and cash equivalents as at the beginning of the year (refer note 12)	93.71	4.90
Cash and cash equivalents as at the end of the year	885.22	93.71
Components of cash and cash equivalents (refer note 12)		
Cash on hand	0.92	1.20
In current account with Banks	884.29	92.51
Cash and cash equivalents as per consolidated statement of cash flows	885.21	93.71

Note: Values with ₹0.00 denotes amounts Less than million

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard:7 on "Statement of Cash Flows".

As per our attached report of even date
T R Chadha & Co LLP
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Alka Hinge
 Partner
 Membership No. 104574
 Place : Mumbai
 Date : 27/05/2024

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 Company Secretary and
 Compliance Officer
 Membership No.: A45257

Place: Mumbai
 Date: 27/05/2024

2023-24

Material Accounting Policies To Consolidated Financial Statements

1. Corporate Information

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited) (the Company or the Holding Company) was incorporated under the provisions of the companies Act, 1956 on 1st December, 2000. The Company has converted from Private Limited Company to Public Limited Company with effect from 4th August 2023. The Company, together with its subsidiaries, collective referred to as the "Group". These consolidated Ind AS financial statements comprise the financial statements of the Company and its subsidiaries and the Group's interest in joint venture. The group has a team of over 40000 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, etc.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on July 4, 2023 and consequently the name of the Company has changed to Krystal Integrated Services Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies on July 25, 2023. Its shares got listed on two recognised stock exchange in India i.e. BSE and NSE on March 21, 2024.

2. Basis for Preparation, Measurement, Consolidation and Material Accounting Policies

A Statement of compliance

These consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use. The consolidated Ind AS financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency and all amounts have been rounded off to the nearest millions, unless otherwise stated.

B Basis for Preparation

The Consolidated Financial Statements of the Group comprise the Consolidated Balance Sheet as at 31st March 2024 and 31st March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) for the year ended 31st March 2024 and 31st March 2023, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the years ended 31st March 2024 and 31st March 2023, the summary of significant accounting policies and explanatory notes (collectively "the Consolidated Financial Statements").

The consolidated Ind AS financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency and all amounts have been rounded off to the nearest millions, unless otherwise stated.

C Basis for Measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following:

- i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments);
- ii. employee benefits where plan asset is measured at fair value less present value of defined benefit obligations ("DBO").
- iii. Expenses relating to share based payments are measured at fair value on the date of grant.

D Basis of Consolidation:

The Consolidated Financial Statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) as disclosed hereinbelow. Control exists when the parent has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases. The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The financial statements of subsidiaries are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. The financial statements are prepared by applying uniform policies in use at the Group. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Non-controlling interest:

Non-controlling interest ("NCI") which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded. NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non controlling interests having a deficit balance.

In case where the Group has written a put option with NCI in an existing subsidiary on their equity interest in that subsidiary then the Group evaluates access to the returns associated with the ownership interest. In case NCI still have present access to returns associated with the underlying ownership interest, then the Group has elected to account for put option as per the anticipated acquisition method. Under the anticipated acquisition method the put option is accounted for as an anticipated acquisition of the underlying NCI. This is independent of how the exercise price is determined (e.g. fixed or variable) and how likely it is that the option will be exercised. Subsequent to initial recognition, any changes in the carrying amount of the put liability is accounted through consolidated statement of profit and loss account.

Change in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Equity accounted investees:

The Group's interests in equity accounted investees comprise interests in associates and joint ventures:

Associates are entities over which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method of accounting. The investment is initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated Ind AS financial statements include the Group's share of profit until the date on which significant influence or joint control ceases. The Group's investment in equity accounted investees includes goodwill/capital reserve identified on acquisition. When the Company transacts with an associate or joint venture of the Company, unrealised profits and losses are eliminated to the extent of the Company's interest in its associate or joint venture. Dividends are recognised when the right to receive payment is established.

The details of subsidiaries consolidated in these Consolidated Financial Statements are as given below:

Particulars	Country of Domicile	Holding as at	
		31st March 2024	31st March 2023
Krystal Gourmet Private Limited	India	100%	100%
Flame Facilities Private Limited	India	100%	100%

The group's interest in the joint venture namely Krystal-Aquachem JV is accounted for using equity method as prescribed in relevant Indian Accounting Standard.

E Material Accounting Policies

1 Use of estimates and judgements

The preparation of the Consolidated Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- i. **Impairment of non-financial assets** - Non-financial assets are tested for impairment by determining the recoverable amount. Determination of recoverable amount is based on value in use, which is present value of future cash flows. The key inputs used in the present value calculations include the expected future growth in operating revenues and margins in the forecast period, terminal growth rates and discount rates which are subject to significant judgement.

- ii. **Contingent liabilities** - Contingent liabilities are not recognised in the Consolidated Financial Statements but are disclosed in the notes. They are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the consolidated financial statements of the period in which the change in probability occurs (except in the extremely rare circumstances where no reliable estimate can be made).
- iii. **Income taxes** - Significant judgments are involved in determining provision for income taxes, including
- (a) the amounts claimed for certain deductions under the Income Tax Act, 1961 and (b) the amount expected to be paid or recovered in connection with uncertain tax positions.
- The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities and the projected future taxable income in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced. (Refer note 40)
- iv. **Impairment of financial assets** - The Company recognises loss allowances using the Expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables (billed and unbilled) with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The loss rates for the trade receivables considers past collection history from the customers, the credit risk of the customers and have been adjusted to reflect the Management's view of economic conditions over the expected collection period of the receivables (billed and unbilled). (Refer note 41)
- v. **Measurement of defined benefit obligations** - For defined benefit obligations, the cost of providing benefits is determined based on actuarial valuation. An actuarial valuation is based on significant assumptions which are reviewed on a yearly basis. (Refer note 36).
- vi. **Property, plant and equipment** - The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired and reviewed periodically. Ind AS 103 requires the identifiable intangible assets acquired in business combinations to be fair valued and significant estimates are required to be made in determining the value of intangible assets. These valuations are conducted by external experts. (Refer note 3(a))
- vii. **Other estimates** - The preparation of consolidated financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of consolidated financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Group estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer creditworthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

2 Measurement of Fair Value

Some of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

3 Current and non-current classification

Current and non-current classification: The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

Operating cycle for the business activities of the Company covers the duration of the specific project or contract and extends up to the realisation of receivables within the agreed credit period normally applicable to the respective lines of business. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months except for Training and skill development business. For Training and skill development business, the duration of operating cycle has been concluded as 15 - 18 months, depending on the projects, considering the time from mobilisation of candidates till funds are released by relevant government authorities.

4 Business Combinations

- i. **Business combinations (common control business combinations):** Business combination involving entities that are controlled by the company are accounted for using the pooling of interest method as follows:

In accordance with Ind AS 103, the Group accounts for common control transaction using pooling of interests method. It is accounted for at carrying value of the assets and liabilities in the Group's consolidated financial statements. The transaction does not have any impact on the consolidated financial statement.

ii. Business combination (other than common control business combinations):

In accordance with Ind AS 103, the Group accounts for the business combinations (other than common control business combinations) using the acquisition method when control is transferred to the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Contingent consideration

Ind AS 103 requires contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration. This valuation is conducted by external valuation expert.

5 Property, plant and equipment

(I) **Recognition and measurement:** Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the statement of profit and loss when incurred. Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other noncurrent assets and the cost of the assets not ready for intended use are disclosed under 'Capital work-in-progress'.

(II) **Depreciation methods, estimated useful lives and residual value**

Depreciation is provided on a Straight Line Method ('SLM') over estimated useful life of the fixed assets estimated by the Management. The management believes that the useful lives as given below best represent the period over which management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for these assets is different from the useful lives as prescribed under part C of Schedule II of the Companies Act, 2013. Depreciation for assets purchased/ sold during the year is proportionately charged. The Company estimated the useful lives for fixed assets as follows:

Category	Useful Life
Building	30 Years
Plant & Machinery	3- 10 Years
Furniture & Fixtures	3- 10 Years
Servers & Networks	6 Years
Vehicles	8 Years
Computer Peripherals	3 Years
Leasehold Improvements	Over the lease term

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Leasehold improvements are depreciated over lease term or estimated useful life whichever is lower. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed periodically, including at each financial year end.

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. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss. The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss.

6 Intangible Assets

(i) **Recognition and measurement Internally generated:** Research and development Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalised include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use. Separately acquired Intangible assets: Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired in a business combination Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost). Others Other purchased intangible assets are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) **Subsequent expenditure:** Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated software is recognised in the statement of profit and loss as and when incurred.

(iii) **Amortisation:** Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortisation methods and useful lives are reviewed periodically including at each financial year end. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Amortisation methods, estimated useful lives and residual value

Intangible assets are amortised in statement of Profit and Loss over their estimated useful lives based on underlying contracts where applicable. The useful life so determined are as follows:

Assets	Amortisation Period
Computer Software	3 Years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

7 Impairment of intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

8 Leases

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short term and low-value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognised at cost, which comprises the in he commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortised cost at the present value of the future lease

payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases of buildings (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

9 Investments in subsidiaries and joint ventures

Investment in equity instruments issued by subsidiaries and associates are measured at cost less impairment. Dividend income from subsidiaries and associates is recognised when its right to receive the dividend is established. The acquired investment in subsidiaries and associates are measured at acquisition date fair value. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss. Investment in debentures of the subsidiaries and associate are treated as equity instruments if they meet the definition of equity as per Ind AS 32 and are measured at cost. Investment in debentures not meeting the aforesaid conditions are classified as debt instruments and are accounted for under Ind AS 109.

10 Inventories

Inventories (raw materials, consumables and stores and spares) are valued at lower of cost and net realisable value. Cost of inventories comprises purchase price and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs to sell.

11 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and in banks, demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash on hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

12 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

A Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

1. Financial assets at amortised cost
2. Financial assets at fair value through other comprehensive income (FVTOCI)
3. Financial assets at fair value through profit or loss (FVTPL)
4. Equity instruments measured at fair value through other comprehensive income ('FVTOCI')

Financial asset at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

1. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
2. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial asset at FVOCI

A financial asset is classified as at the FVTOCI if both of the following criteria are met:

1. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
2. The asset's contractual cash flows represent SPPI

Financial asset at FVTPL

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

In addition, a Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

Equity investments Other than Investments in subsidiaries, associates and joint ventures

All equity investments in scope of Ind AS 109 are measured at fair value and are classified as FVTPL.

De-recognition

The Group derecognises financial assets when:

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

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

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

Impairment of Financial Assets

The Group assesses impairment based on expected credit loss (ECL) model to the following:

1. Financial assets measured at amortised cost;
2. Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

1. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
2. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The Group follows the simplified approach permitted by Ind AS 109 – Financial Instruments- for recognition of impairment loss allowance. The application of simplified approach does not require the Group to track changes in credit risk of trade receivable. The Group calculates the expected credit losses on trade receivables on the basis of its historical credit loss experience. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

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

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

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

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

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

B Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Initial recognition and measurement

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

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

1. Financial liabilities at fair value through profit or loss
2. Loans and borrowings measured on amortised cost basis
3. Financial guarantee contracts

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to the Statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at FVTPL.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

C Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

D Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

Premium/Discount, in respect of forward foreign exchange contract, is recognised over the life of the contracts. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the period in which the exchange rate changes. Profit/Loss on cancellation / renewal of forward exchange contract is recognized as income/expense.

13 Provisions, Contingent liabilities, Contingent assets and Commitments:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

1. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
2. A present obligation arising from the past events, when no reliable estimate is possible;
3. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

14 Taxes

Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the entity operates and generates taxable income.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their corresponding carrying amounts for the financial reporting purposes.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

1. deductible temporary differences;
2. the carry forward of unused tax losses; and
3. the carry forward of unused tax credits.

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

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

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

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

15 Revenue recognition

The Group derives revenue primarily from manpower services comprises of facility management service, security service and other manpower based solutions.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services (“performance obligations”) to customers in an amount that reflects the consideration the Group has received or expects to receive in exchange for these products or services (“transaction price”). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The contract with customer for staffing services, generally contains a single performance obligation and revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Group's contracts may include variable consideration including discounts and penalties which are reduced from revenues and recognised based on an estimate of the expected payout relating to these considerations.

Revenue from manpower services is recognised over time since the customer simultaneously receives and consumes the benefits. The invoicing for these services is either based on cost plus a service fee or fixed fee model.

The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor and has pricing latitude which establishes control before transferring products and services to the customer.

The Group's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of invoicing are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time. Unbilled revenues are presented under Trade receivables, while invoicing in excess of revenues are classified as unearned revenue.

Other Income

Other income comprises primarily interest income on deposits, dividend income and gain/ (loss) on disposal of financial assets and non-financial assets. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

16 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. All the grants related to an expense item are recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

17 Employee Benefits

A Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Short-term employee benefits are measured on an undiscounted basis as the related service is provided.

B Compensated absences

The employees of the Group are entitled to compensated absences. For the purpose, the group follows Calendar Year and not Financial Year. In-house employees can not carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is determined by management assessment of amount payable at each balance sheet date. In case of, on site employees, the compensated advances are part of their Compensation Package and the same is provided to them on demand/at the time of Full and Final Settlement.

Accumulated compensated absences, considering the nature, are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits.

C Defined contribution plan

Under a defined contribution plan, the Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The Group makes specified monthly contributions towards Employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The expenditure for defined contribution plan is recognised as expense during the period when the employee provides service.

D Defined benefit plan

In accordance with the Payment of Gratuity Act, 1972, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group. The Group's gratuity fund is managed by Life Insurance Corporation of India (LIC). The present value of gratuity obligation under such defined benefit plan is determined based on actuarial valuations carried out by an external actuary using the Projected Unit Credit Method. The Group recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability.

The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Actuarial gains or losses are recognised in other comprehensive income. Further, the statement of profit and loss does not include an expected return on plan assets. Instead, net interest recognised in the statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of remeasurement of net defined liability or asset through other comprehensive income.

Re-measurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to the statement of profit and loss in subsequent periods.

18 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

19 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

20 Segment Reporting

Based on the “management approach” as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Group’s performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz. Manpower and related Services, Catering Services and Information Technology Enabled Services.

21 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the respective transactions. Foreign currency denominated monetary assets and liabilities are translated into the functional currency at exchange rates in effect at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and such translation of monetary assets and liabilities denominated in foreign currencies are generally recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

22 Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

23 Non-current assets (or disposal group) held for sale and discontinued operations:

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value.

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

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

24 New and amended Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2024, MCA has not notified any new standard or amendments to the existing standards applicable to the company.

As per our attached report of even date
T R Chadha & Co LLP
Chartered Accountants
Firm Registration Number : 006711N / N500028

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

Alka Hinge
Partner
Membership No. 104574
Place : Mumbai
Date : 27/05/2024

Neeta Lad
Chairperson and Managing
Director
(DIN-01122234)

Sanjay Dighe
CEO and Whole Time
Director
(DIN-02042603)

Barun Dey
Chief Financial Officer

Stuti Maru
Company Secretary and
Compliance Officer
Membership No.: A45257

Place: Mumbai
Date: 27/05/2024

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)

Notes to Consolidated financial statements for the year ended 31st March 2024

March - 2024

Note 3 (a): Property, Plant and Equipments and Capital work-in-progress

ASSETS	GROSS BLOCK					DEPRECIATION / AMORTISATION / IMPAIRMENT					NET BLOCK	
	As at 01st April 2023	Additions during the year	Deductions* / Transfers	As at 31st March 2024	As at 01st April 2023	On Opening Balance	For the year		As at 31st March 2024	As at 31st March 2024	As at 31st March 2023	
							On Addition					
							Addition	Deletion*				
Tangible assets	644.30	34.99	-	679.29	7.42	21.51	0.30	-	29.33	650.06	636.88	
Building	239.97	19.09	0.11	258.96	174.67	18.49	1.81	-	194.97	63.99	65.30	
Plant & Machinery	57.95	5.31	0.81	62.45	19.69	4.92	0.33	-	24.94	37.52	38.26	
Furniture & Fixture	50.73	3.30	13.24	40.80	23.58	5.15	0.26	8.78	20.20	20.59	27.15	
Vehicles	45.00	6.54	-	51.55	38.85	2.29	1.49	-	43.27	8.28	6.16	
Computer Peripherals	3.22	-	-	3.22	0.15	-	-	-	0.15	3.07	3.07	
Leasehold Improvements	7.16	0.75	-	7.91	1.77	0.62	0.05	-	2.44	5.47	5.39	
Office Equipment	1,048.33	69.99	14.16	1,104.18	266.13	53.61	4.23	8.78	315.20	788.95	782.18	
Total of Tangible assets	1,048.33	69.99	14.16	1,104.18	266.13	53.61	4.23	8.78	315.20	788.95	782.18	
Grand total												

March - 2023

Note 3 (a): Property, Plant and Equipments and Capital work-in-progress

ASSETS	GROSS BLOCK					DEPRECIATION / AMORTISATION / IMPAIRMENT					NET BLOCK	
	As at 01st April 2022	Additions during the year	Deductions* / Transfers	As at 31st March 2023	As at 01st April 2022	On Opening Balance	For the year		As at 31st March 2023	As at 31st March 2023	As at 31st March 2022	
							On Addition					
							Addition	Deletion*				
Tangible assets	2.89	641.41	-	644.30	1.42	5.67	0.33	-	7.42	636.88	1.47	
Building	213.10	26.93	0.06	239.97	156.43	16.95	1.30	0.01	174.67	65.30	56.66	
Plant & Machinery	21.41	36.65	0.11	57.95	17.35	1.80	0.55	0.01	19.69	38.26	4.06	
Furniture & Fixture	47.19	3.54	-	50.73	18.60	4.95	0.03	-	23.58	27.15	28.59	
Vehicles	39.63	5.51	0.14	45.00	35.86	2.47	0.54	0.03	38.84	6.16	3.77	
Computer Peripherals	1.58	3.22	-	3.22	-	-	0.15	-	0.15	3.07	-	
Leasehold Improvements		5.58	-	7.16	1.42	0.35	-	-	1.77	5.39	0.16	
Office Equipment	325.80	722.84	0.31	1,048.33	231.09	32.19	2.91	0.04	266.13	782.18	94.71	
Total of Tangible assets	325.80	722.84	0.31	1,048.33	231.09	32.19	2.91	0.04	266.13	782.18	94.71	
Capital work-in-Progress (Office Premises)	600.06	-	600.06	-	-	-	-	-	-	-	600.06	
Total of Tangible assets	600.06	-	600.06	-	-	-	-	-	-	-	600.06	
Total of Tangible assets	925.86	722.84	600.38	1,048.33	231.09	32.19	2.91	0.04	266.13	782.18	694.77	

Note

- The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company. Further, no property, plant and equipment or right-to-use assets have been revalued.
- Property, Plant and Equipment are subject to first charge on secured loans. Refer note 20 and 23.

Note 3 (b): Right-of-use Assets (Refer Note 39)

Description	Building	Total Right-of-use Asset
Cost as at 31st March 2023 (A)	64.91	64.91
Additions	29.87	29.87
Deletions	-	-
Cost as at 31st March 2024 (B)	94.78	94.78
Accumulated depreciation as at 31st March 2023 (C)	41.57	41.57
Depreciation for the year	13.04	13.04
Deletions	(0.00)	(0.00)
Accumulated depreciation as at 31st March 2024 (D)	54.61	54.61
Net carrying amount as at 31st March 2024 (B) - (D)	40.17	40.17
Net carrying amount as at 31st March 2023 (A) - (C)	23.34	23.34

Note 4: Other Intangible Assets

Description	Computer Software	Total
Cost as at 31st March 2023 (A)	9.23	9.23
Additions	0.28	0.28
Deletions	-	-
Cost as at 31st March 2024 (B)	9.49	9.49
Accumulated amortisation as at 31st March 2023 (C)	8.31	8.31
Amortisation for the year	0.57	0.57
Deletions	-	-
Accumulated amortisation as at 31st March 2024 (D)	8.88	8.88
Net carrying amount as at 31st March 2024 (B) - (D)	0.61	0.61
Net carrying amount as at 31st March 2023 (A) - (C)	0.91	0.91

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to Consolidated financial statements for the year ended 31st March 2024**5 Investments**

Particulars	31st March 2024	31st March 2023
Investment in Joint Venture (Equity method)		
Krystal-Aquachem JV	5.21	4.82
Krystal-Aquachem JV: Loan in the nature of Equity	10.06	8.75
BVG Krystal Joint Venture**	-	-
Investment in equity shares - unquoted (FVTPL)		
<u>Others - in Co-operative banks</u>		
13,875 (31st March 2023- 13,875) equity shares of Mumbai District Central Co-operative Bank Ltd of ₹ 1000 each	13.88	13.88
Other Investments		
Gold Pooja Jewellery (At cost)	1.50	1.50
Total	30.65	28.95
Aggregate amount of unquoted investments	30.65	28.95
Aggregate amount of impairment in the value of investments	-	-

**BVG Krystal Joint Venture (BVG Krystal) is a joint arrangement in which the Company has a right of 49% share in profits. BVG Krystal is a partnership firm registered on 2nd June 2009, having its principal place of business at Mumbai. The firm was set up for providing all types of security solutions, including supply of security personnel, protection of property, house-keeping and all other relevant and incidental work. As the business operations did not take off for the joint venture and hence the capital invested by the company amounting to Rs.0.005 million was impaired in the Financial Year 2015-16. The JV has Negative net asset of Rs. 0.13 Million, the operation expenses are borne by other JV Partner and has not been claimed by said JV Partner from Company, as such no accounting in this regard has been made by the Company in its books of accounts. The Management does not foresee any liability in this regard.

6 Other non-current financial Assets

Particulars	31st March 2024	31st March 2023
Security Deposits*		
- considered good	108.23	87.22
Bank deposits with maturity more than 12 months**	64.66	312.47
Total	172.89	399.69

* Security deposits include deposit given for premises taken on lease, retention deposits, license deposits, electricity deposits and deposits in form of EMD.

** Bank deposit of ₹ 64.66 million (31 March 2023 : ₹ 312.47 million) are lien marked against borrowings, bank guarantees and Loan for EMD.

7 Deferred Tax asset / (liabilities) (net)

Particulars	31st March 2024	31st March 2023
On difference between book balance and tax balance of property, plant and equipment and intangible assets	(2.18)	11.86
On disallowances	35.17	63.18
Others	10.69	(0.54)
Total	43.68	74.50

8 Income tax assets (net) - Non-current

Particulars	31st March 2024	31st March 2023
Advance Income Tax & TDS (net of Provision CY- ₹58.40 Mn, PY- ₹72.24 Mn)	127.58	69.86
Total	127.58	69.86

9 Other Non-current Assets

Particulars	31st March 2024	31st March 2023
Capital advances (Unsecured, Considered good) (refer Note 37)	292.53	-
Total	292.53	-

Advance payment made to a related party for negotiating the acquisition of property intended for use as a company guest house.

10 Inventories

Particulars	31st March 2024	31st March 2023
(Valued at cost or Net Realisable Value whichever is lower)		
Consumable items	6.35	6.11
Total	6.35	6.11

11 Trade Receivables

Particulars	31st March 2024	31st March 2023
(i) Trade Receivables - Billed		
Unsecured, considered good	1,672.78	914.47
Less: Allowance for expected credit loss	(113.75)	(158.37)
Total Trade Receivables - Billed	1,559.03	756.10
(ii) Trade Receivables - Unbilled		
Unbilled	780.78	759.67
Less: Allowance for expected credit loss	(16.18)	(19.67)
Total Trade Receivables - Unbilled	764.60	740.00
Total	2,323.64	1,496.09
Trade receivables includes :		
- Dues from related parties (refer note 37)	46.05	31.24
- Other receivables	2,277.59	1,464.85
1. The Group's exposure to credit and loss allowances related to trade receivables are disclosed in Note 41.		
2. Working Capital facilities is also secured against first charge on book-debts.		
3. The amount of loss allowance (lifetime expected credit loss) has been recognized under the Simplified approach for trade receivable and hence break-up of trade receivable into 'significant increase in credit risk' and 'credit impaired' has not been disclosed separately.		

Trade Receivables Ageing FY 2023-24

Category	Outstanding for following periods from due date of payment							Total
	Unbilled	Not Due	< 6 months	6 mths - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – Considered Goods	793.28	940.70	447.74	45.01	14.19	42.03	170.61	2,453.56
(ii) Undisputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables – Considered Goods	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-	-	-
Less: Allowance for expected credit loss								(129.93)
Net receivables								2,323.64

FY 2023-24

Category	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	< 6 months	6 mths - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – Considered Goods	759.67	441.87	176.95	45.01	8.26	51.96	36.39	1,674.14
(ii) Undisputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables – Considered Goods	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-	-	-
Less: Allowance for expected credit loss								(178.03)
Net receivables								1,496.09

12 Cash and Cash Equivalents

Particulars	31st March 2024	31st March 2023
In current accounts with Banks	884.29	92.51
Cash on hand	0.92	1.20
Total	885.21	93.71

13 Bank Balances other than Cash and Cash Equivalents above

Particulars	31st March 2024	31st March 2023
Bank deposits with maturity within 12 months from the reporting date*	908.79	91.23
Balances with banks for liability against Govt Schemes**	6.15	6.71
Total	914.95	97.94

*Bank deposits are maintained as margin money for bank guarantees, as collateral for a loan to cover Earnest Money Deposits (EMD), for securing term loans, and some fixed deposits (FDs) are associated with the unused IPO proceeds.

**Government schemes is related to Aajeevika Project. Aajeevika Skills is a project by the Ministry of Rural Development aims to diversify incomes of the rural poor and to cater to the occupational aspirations of their youth.

14 Current Loans

Particulars	31st March 2024	31st March 2023
Unsecured, considered good - repayable on demand		
Loan to Others	57.93	-
Unsecured, considered good - repayable on demand		
Loan to Related Party	363.67	-
Loan to Others	305.12	251.51
Total	726.72	251.51

15 Other Current Financial Assets

Particulars	31st March 2024	31st March 2023
Advances to Employees	1.21	1.54
Security Deposits given *		
- Other than related parties	37.04	29.43
Other Receivables	10.70	9.99
Total	48.95	40.96

* Security deposits given include deposit given premises taken on lease, retention deposits, license deposits, electricity deposits and deposits in form EMD.

16 Income tax assets (net) - Non-current

Particulars	31st March 2024	31st March 2023
Advance Income Tax & TDS	6.24	15.64
Total	6.24	15.64

17 Other Current Assets

Particulars	31st March 2024	31st March 2023
Advances to Supplier	13.26	13.02
Receivable from government authority	-	0.03
Prepaid expenses	47.70	40.26
Total	60.96	53.31

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to consolidated financial statements for the year ended 31st March 2024**18 Equity Share capital**

Particulars	31st March 2024	31st March 2023
(a) Authorised *		
1,50,00,000 (31 March 2023: 1,00,00,000) Equity Shares of ₹ 10/-each	150.00	100.00
	150.00	100.00
(b) Issued, subscribed and fully paid-up **		
1,39,71,952 (31 March 2023: 57,62,200) Equity Shares of ₹10/- each	139.72	57.62
Total	139.72	57.62

*Subsequent to the year ended 31 March 2023, the authorized share capital was increased from 1,00,00,000 equity shares of ₹10 each amounting to ₹100 million to 1,50,00,000 equity shares of ₹10 each amounting to ₹150 million which was duly approved by the board in meeting dated 26 September 2023 and by the shareholders of the Company by means of an special resolution dated 26 September 2023.

**Post increase of the existing authorised share capital of the company, the Board of Directors at its meeting held on 26 September 2023 had approved the bonus issue of one new equity share for every one share held on record date which was approved by the shareholders by means of a special resolution resolution dated 26 September 2023. Through a Board resolution dated 26 September 2023, the Company has allotted 57,62,200 equity shares of ₹ 10 each as bonus shares to the existing equity shareholders of the Company. The Company has completed an Initial Public Offer ("IPO") by way of fresh issue of 24,47,552 equity shares of face value of INR 10 each and an offer for sale of 17,50,000 equity shares of face value of INR 10 each of the Company at an issue price of INR 715 per equity share aggregating to INR 3001.25 million (comprising fresh issue of equity shares of INR 1750 million and payable to selling shareholders towards offer for sale of INR 1251.25 million).

The Company allotted 24,47,552 fresh equity shares of INR 10 each at a premium of INR 705 per equity share on 19th March, 2024. Consequent to allotment of fresh issue, the paid-up equity share capital of the Company stands increased from INR 115.24 Mn consisting of 11,524,400 Equity Shares of INR 10 each to INR 139.72 Mn consisting of 13,971,952 Equity Shares of INR 10 each. The total share premium arising on IPO amounting to INR 1725.52 million had been accounted under securities premium reserve and the IPO related expenses amounting to INR 116.31 million, being Company's share of total estimated IPO expense had been adjusted against the premium amount.

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

Particulars	31st March 2024		31st March 2023	
	No. of Equity Shares	Amount	No. of Equity Shares	Amount
Equity shares outstanding as at the beginning of the year	57,62,200	57.62	57,62,200	57.62
Add : Bonus share issued during the year	57,62,200	57.62	-	-
Add : Shares Issued during the year	24,47,552	24.48	-	-
Equity shares outstanding as at the end of the year	1,39,71,952	115.24	57,62,200	57.62

(ii) Shares held by holding company & promoter group

Name of the shareholder	31st March 2024		31st March 2023	
	Number of Shares	Amount	Number of Shares	Amount
Krystal Family Holdings Private Limited	97,74,388	97.74	57,62,200	57.62
Neeta Prasad Lad	2	0.00	-	-
Saily Prasad Lad	2	0.00	-	-
Shubham Prasad Lad	2	0.00	-	-
	97,74,394	97.74	57,62,200	57.62

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

Name of the shareholder	31st March 2024		31st March 2023	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Krystal Family Holdings Private Limited	97,74,388	69.96%	57,62,200	100%
	97,74,388	69.96%	57,62,200	100%

(iv) Terms / rights attached to equity shares

The Group 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 received the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

Note: Values with ₹0.00 denotes amounts Less than million

19 Other Equity

Particulars	Amount
(a) Securities Premium Reserve	
As at 31st March 2022	8.00
Add/(Less): Addition/(deletion) during the year	-
As at 31st March 2023	8.00
Add/(Less): Addition/(deletion) during the year	1,609.22
As at 31st March 2024	1,617.22
(b) Retained Earnings	
As at 31st March 2022	1,571.12
Add: Profit for the year	384.44
Add: Other comprehensive income	3.24
Less: Balances transferred pursuant to scheme of arrangement	(392.12)
As at 31st March 2023	1,566.69
Add: Profit for the year	490.69
Less: Issue of Bonus Shares	(57.62)
Add: Other comprehensive income	3.74
As at 31st March 2024	2,003.50
Capital Reserve on consolidation	1.80
	1.80

Brief description of other equity:

a. Securities Premium: This reserve represents amounts received in addition to the par value of shares. The utilisation of the securities premium will be in accordance with the provisions of The Companies Act, 2013.

b. Retained Earnings: This Reserve represents the cumulative profits of the company. This reserve is free reserves and can be utilised for any purpose as may be required. All Adjustments arising on account of transition to Ind AS are recorded under this reserve.

20 Borrowings - Non-current

Particulars	31st March 2024	31st March 2023
Secured		
<u>From Banks</u>		
Vehicle Loans (Refer note (i) (a) and (ii) (a) below)	17.15	20.53
<u>Loan from Related Party</u>		
Loan against Property (Mumbai District Central Co-operative Bank Ltd) (Refer note (i) (b) and (ii) (b) below)	-	150.14
<u>From Others</u>		
Term Loans from financial Institutions (Refer note (i) (c) and (ii) (c) below)	-	5.60
Total secured borrowings	17.15	176.27
Unsecured		
<u>Loan from related party</u>		
Navagunjara Finance Pvt.Ltd. (NBFC) (Refer note (iii) below)	55.46	98.87
Total unsecured borrowings	55.46	98.87
Less: Current maturities of long term loans (refer table below)	(4.40)	(77.60)
Total	68.21	197.54

*Information about the Companys' exposure to interest and liquidity risk is included in Note 41

Breakup of current maturities of long term borrowings

Particulars	31st March 2024	31st March 2023
Secured		
From Banks	4.40	51.91
From Others	-	25.69
Total	4.40	77.60

SECURED

(i) Nature of Security

- (a) Vehicle loans from banks are secured against specific charge on the respective vehicle
- (b) Loan For Property are secured against charge on the Kohinoor Property.
- (c) Term loans from financial institutions are secured against Hypothecation of machinery purchased out of Tata Capital Financial Services Limited Fund.

(ii) Maturity Profile and Rate of Interest

- (a) Vehicle loan from Bank are repayable in equated monthly instalments, maturity date and Rate of Interest is highlighted in the following table.

Rate of Interest (p.a)	Maturity Date
8.21	10-Aug-25
8.75	15-Aug-23
8.95	15-Dec-23
8.35	07-Aug-25
8.35	05-Sep-25
8.35	05-Sep-25
9.05	01-Aug-26
9.05	01-Aug-26
7.40	07-Sep-26
7.40	09-Feb-29
9.05	23-Feb-30

(b) Loan against Property are repayable in 7 years in monthly instalments as per the sanction letter, Maturity is due in March-25. The rate of interest is 11% pa.

(c) Term Loan from Financial Institution: Loan against Equipments are repayable in 3 years in monthly instalments, with 3 months moratorium, as per the sanction letter, Maturity is due in September 2023. The rate of interest is 12% pa.

UNSECURED

- (iii) Term Loan from NBFC are repayable in 36 months, Maturity date is April-25. The rate of Interest is 10 % p.a

The company has not defaulted on its debt obligation during the year ended 31st March 2024 and 31st March 2023.

21 Lease liabilities

Particulars	31st March 2024	31st March 2023
Lease liabilities (Refer - Note 39)	44.35	25.46
Total	44.35	25.46
Current	11.90	9.01
Non-current	32.45	16.45

22 Provisions

Particulars	31st March 2024	31st March 2023
Provision for employee benefits		
Provision for Gratuity (Refer - Note 36)	4.56	2.67
Total	4.56	2.67

23 Borrowings - Current

Particulars	31st March 2024	31st March 2023
Secured		
From Banks		
Cash Credit (Refer note (i) below)	710.37	70.29
From Related Party		
Cash Credit (Mumbai District Central Co-operative Bank Ltd) (Refer note (i) below)	-	112.20
From Others		
Working capital loan	49.62	20.09
Unsecured		
From Related Party	-	-
Loan Others	-	2.20
Current Maturities of long term debt :		
From Bank	4.40	6.91
From Related Party (Mumbai District Central Co-operative Bank Ltd)	-	45.00
From Others	-	25.69
Total	764.38	282.38

Note

Nature of Security

- (i) Pari Pasu first charge by way of hypothecation of company's present and future book debts, receivable etc., equitable mortgage of certain immovable properties of promoters and Personal guarantee of Mr. Prasad Lad, Mrs. Neeta Lad, Miss. Saily Lad and Mr. Shubham Lad.
- (ii) Information about the company's exposure to interest rate, foreign currency and liquidity risks is included in Note 41.

The company has not defaulted on its debt obligation during the year ended 31st March 2024 and 2023.

The summary of differences noted in quarterly statements filed by the Holding Company with banks are as follows:

FY 2023-24

Name of banks	Quarter Ended	Particulars	Disclosed as per Statement	As per Books of Accounts	Difference	Reason for Material Variances
Union Bank of India	Q1 - 30th June 2023	Inventory	3.98	3.98	0%	
		Trade Payable	162.40	342.64	-53%	Note 1
		Trade Receivable	1,591.29	1,738.62	-8%	Note 1
Union Bank of India	Q2 - 30th Sept 2023	Inventory	4.50	4.50	0%	
		Trade Payable	288.22	487.70	-41%	Note 1
		Trade Receivable	2,145.21	2,250.53	-5%	Note 2
Union Bank of India	Q3 - 31st Dec 2023	Inventory	4.72	4.72	0%	
		Trade Payable	395.63	303.49	30%	Note 1
		Trade Receivable	2,374.45	2,507.20	-5%	Note 2
Union Bank of India	Q4 - 31st Mar 2024	Inventory	4.82	4.82	0%	
		Trade Payable	532.25	435.23	22%	Note 1
		Trade Receivable	2,196.02	2,260.02	-3%	Note 2

Note 1

For quarters June 2023, September 2023, December 2023 and March 2024, difference is on account of Smart City Business Inventory which is taken mistakenly while submitting Trade Receivable & Trade Payables Statement to Bank.

Note 2

For Quarter ending September 2023, December 2023 and March 2024, apart from the above, there is a difference on account of Unbilled revenue recognised at the quarter end which is taken mistakenly while submitting Trade Receivables Statement to bank.

FY 2022-23

Name of banks	Quarter Ended	Particulars	Disclosed as per Statement	As per Books of Accounts	Difference	Reason for Material Variances
MDCB Bank State Bank of India Union Bank of India	Q1 - 30th June 2022	Inventory	2.79	2.79	0%	
		Trade Payable	281.96	265.49	6%	
		Trade Receivable	2,549.46	2,514.67	1%	Note 1
MDCB Bank State Bank of India Union Bank of India	Q2 - 30th Sept 2022	Inventory	3.89	3.89	0%	
		Trade Payable	202.18	199.57	1%	
		Trade Receivable	1,964.00	1,961.51	0%	Note 1
Union Bank of India	Q3 - 31st Dec 2022	Inventory	3.27	3.27	0%	
		Trade Payable	185.16	203.70	-9%	
		Trade Receivable	2,024.20	2,022.88	0%	Note 1
Union Bank of India	Q4 - 31st Mar 2023	Inventory	4.95	4.95	0%	
		Trade Payable	237.22	129.34	83%	
		Trade Receivable	1,731.32	1,621.28	7%	Note 2

Note 1

For quarters June 2022, September 2022 and December 2022, difference is on account of income tax deducted at source ('TDS') by clients from running account bills and considered as trade receivables pending receipt of TDS certificate for the purposes of submission of quarterly statements to banks. There are some minor differences on account of GST as well.

Note 2

For Quarter ending March 2023, apart from the above two there is a difference on account of Unbilled revenue recognised at the year end and Smart City Business Inventory which is taken mistakenly while submitting Trade Receivables Statement to bank.

24 Trade Payables

Particulars	31st March 2024	31st March 2023
Total outstanding dues of micro enterprises and small enterprises	30.63	0.56
Total outstanding dues of creditors other than micro enterprises and small enterprises	531.48	157.93
Total	562.11	158.49

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	31st March 2024	31st March 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year*	-	-
- Principal amount due to micro and small enterprises	30.63	0.56
- Interest due to Micro, Small And Medium Enterprises	0.39	0.05
- 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.	0.39	0.05
- 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 disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	1.21	0.82

*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.

Trade Payables Ageing

FY 2023-24

Category	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	30.31	0.12	0.13	0.08	30.63
(ii) Others	497.59	12.25	18.13	3.50	531.48
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	527.90	12.37	18.26	3.58	562.11

FY 2022-23

Category	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.56	-	-	-	0.56
(ii) Others	124.22	20.87	9.96	2.89	157.93
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	124.79	20.87	9.96	2.89	158.50

25 Other financial liabilities

Particulars	31st March 2024	31st March 2023
Security Deposits	26.33	47.18
Outstanding Liabilities	692.47	468.68
Offer Expenses (IPO Proceeds for Offer Expenses)	55.02	-
Other payables pursuant to scheme of arrangement (Refer note 42)	39.22	39.22
Total	813.04	555.08

* Payable to Volksara Techno Solutions Pvt Ltd due to demerger

26 Other Current Liabilities

Particulars	31st March 2024	31st March 2023
Advance from customer	4.44	1.51
Statutory liabilities	319.48	447.82
Total	323.92	449.34

27 Provisions

Particulars	31st March 2024	31st March 2023
Provision for Gratuity (Refer - Note 36)	50.80	42.42
Other Provisions	3.82	0.95
Provision for compensated absences	72.67	86.25
Total	127.29	129.61

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to Consolidated financial statements for the year ended 31st March 2024**28 Revenue from operations**

Particulars	31st March 2024	31st March 2023
Sale of Services		
Manpower and related services (Refer Note 38)	9,988.72	6,981.55
Catering Services	279.76	94.81
Total	10,268.49	7,076.36

29 Other Income

Particulars	31st March 2024	31st March 2023
Interest income on:		
- Deposits with banks	13.89	14.89
- Interest on Loans	44.15	5.37
- Interest on Income Tax Refund	6.74	0.05
Dividend Income		
-Dividend Receipts from related party	0.58	-
Other Non-operating Income		
Profit on sale of property plant and equipment	1.58	-
Balance write back	10.94	11.50
Finance Income	1.48	-
Rental Receipts	0.43	-
Miscellaneous income	0.22	1.48
Total	80.01	33.29

30 Cost of material and store and spare consumed

Particulars	31st March 2024	31st March 2023
Inventories of materials, store and spares as at the beginning of the year	6.11	3.66
Add : Purchases of materials	1,623.38	325.49
	1,629.49	329.15
Less : Inventories of materials, store and spares as at the end of the year	6.35	6.11
Total	1,623.14	323.04

31 Employee Benefit Expenses

Particulars	31st March 2024	31st March 2023
Salaries and wages	6,867.42	5,267.05
Contributions to provident and other funds	804.46	648.93
Staff welfare expenses	6.91	3.06
Total	7,678.80	5,919.04

32 Finance Cost

Particulars	31st March 2024	31st March 2023
Interest expenses	101.32	81.56
Interest on lease liabilities	4.13	2.49
Other borrowing costs	14.39	10.87
Total	119.84	94.92

33 Depreciation and Amortisation

Particulars	31st March 2024	31st March 2023
Depreciation on tangible assets (refer note 3(a))	57.84	35.10
Depreciation of right-of-use assets (refer note 3(b))	13.04	10.74
Amortisation of intangible assets (refer note 4)	0.57	0.73
Total	71.45	46.57

34 Other Expenses

Particulars	31st March 2024	31st March 2023
Consumption of stores and spare parts	4.06	4.31
Office Expenses	6.82	4.69
Bank Charges	2.59	4.97
Facility Services	2.28	2.07
Power and fuel	17.03	15.19
Rent (Short term leases)	6.71	10.93
Repairs and Maintenance	19.15	17.88
Insurance	11.72	10.57
Rates and taxes	27.16	18.91
Donation	0.16	0.01
Property Tax	2.87	-
Hire Charges	5.69	5.16
Travelling expenses (including foreign travelling)	17.61	23.62
Lodging & Boarding Expenses	2.29	-
Loss allowance on financial assets, net		
- Impairment loss recognized / (reversed) under expected credit loss mode (Refer Note 41)	(43.44)	1.23
Conveyance expenses	14.43	4.88
Communication Expenses	4.70	4.39
Postage and Courier	1.35	1.05
Balance Write off	0.77	0.03
Tender Expenses	7.00	2.08
Printing and stationery	3.62	3.37
Director's Sitting Fees	5.45	-
Legal and professional fees	52.48	42.22
Payment to auditor's [refer note (i) below]	6.08	5.08
Corporate Social Responsibility Expenses [refer note (ii) below]	6.30	9.23
Advertisement Expenses	3.13	0.64
Business Promotion Expenses	0.72	1.22
Loss on fair valuation of investments carried at FVTPL	-	0.00
Ineligible GST Expenses	46.50	43.73
Interest & damages on delayed payment of statutory dues	22.78	77.84
Miscellaneous Expenses	21.74	20.63
Total	279.74	335.93

Note - (i) : Payment to Auditor's (excluding GST)

Particulars	31st March 2024	31st March 2023
- Statutory audit fees	3.95	3.77
- Tax Audit Fees	0.65	0.28
- Taxation matters	0.96	0.45
- Other matters	0.52	0.59

The above audit fee excludes ₹3 Million towards fees paid/payable to the auditors on account of Initial Public Offering of equity shares as these expenses would be recovered from selling shareholders.

Note - (ii) : Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. Pursuant to said provision, the Company has constituted the CSR committee in earlier years (CSR committee has been formed by the Company as per the Act). The funds are utilized throughout the year on the activities which are specified in Schedule VII of the Act.

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(a) Amount required to be spent by the company during the year	5.70	7.06
(b) Amount Of expenditure incurred on	-	-
(i) Construction / acquisition of asset	-	-
(ii) On purpose other than (i) above	6.30	9.23
(c) Shortfall at the end Of the year	(0.60)	(2.17)
(d) Total Of previous years shortfall Reason for shortfall	-	-
(e) Reason for shortfall	-	-
(f) Nature Of CSR activities	Promoting, education,healthcare, sanitation, skill development and other livelihood enhancement.	
(g) Details Of related party transactions	-	-
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

Particulars	31st March 2024	31st March 2023
Gross amount required to be spent and approved by the board of the Company during the year	5.70	7.06

Amount spent during the year ending on March 31, 2024 :

Particulars	In Bank	Yet to be Paid	Total
Construction / acquisition of asset	-	-	-
On purpose other than above	6.30	-	6.30

Amount spent during the year ending on March 31, 2023 :

Particulars	In Bank	Yet to be Paid	Total
Construction / acquisition of asset	-	-	-
On purpose other than above	9.23	-	9.23

Notes to Consolidated financial statements for the year ended 31st March 2024**Note 35****Earnings per equity share**

Basic earning per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	31st March 2024	31st March 2023
i. Profit attributable to Equity holders		
Profit attributable to equity holders :		
Profit attributable to equity holders for basic earnings	490.27	384.12
Profit attributable to equity holders adjusted for the effect of dilution	490.27	384.12
ii. Weighted average number of ordinary shares		
Issued ordinary shares as at	1,15,91,273	57,62,200
Weighted average number of shares at March 31 for EPS	1,15,91,273	57,62,200
Basic and diluted earnings per share*		
Basic earnings per share	42.30	33.33
Diluted earnings per share	42.30	33.33

*On 26 September 2023, Company has issued 57,62,200 equity shares of ₹10 each as bonus shares in ratio of 1:1 to the existing equity shareholders. This has been approved by Board and Shareholders on 26 September 2023. Impact of the same has been considered in the calculation of Basic and Diluted EPS for the year ended 31st March 2023 have been retrospectively adjusted, refer note 53.

2447552 fresh equity shares of ₹10 each has been issued on 21st March 2024 through IPO. On the basis of same weighted average no. of shares has been considered to calculate the Basic and Diluted EPS for the year ended 31st March 2024.

Notes to Consolidated financial statements for the year ended 31st March 2024

Note 36 : Employee benefit expense

The Company contributes to the following post-employment defined benefit plans in India.

A. (i) Defined Contribution Plans:

The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

The Company recognised ₹804 Millions (₹626 Millions 31 March 2023) for provident and other fund contributions in the Statement of Profit and Loss.

(ii) Defined Benefit Plan :

*The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act,1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

The Company's gratuity scheme for core and associates employees is administered through a third party manager the Life Insurance Corporation of India. The company expects to pay INR 30 millions contributions to its defined benefit plans in FY 2024-25.

A. Assets and liabilities related to employee benefits

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Particulars	31st March 2024	31st March 2023
Fair value of plan asset	28.03	10.46
Present value of obligations	(83.40)	(55.54)
Asset / (Liability) recognised in Balance Sheet	(55.37)	(45.08)
Non-current	4.56	2.67
Current	50.80	42.42

B. Movement in net defined benefit liability

Particulars		Defined benefit obligation	
		31st March 2024	31st March 2023
Opening balance		55.54	52.56
Included in profit or loss			
Current service cost		25.29	25.89
Interest cost (income)		4.05	2.74
	A	84.88	81.18
Included in OCI			
Remeasurement loss (gain):			
Actuarial loss (gain) arising from:			
Financial assumptions		1.05	12.15
Experience adjustment		4.97	(17.57)
	B	6.01	(5.42)
Other			
Benefits paid	C	(7.86)	(20.21)
Closing balance	(A+B+C)	83.03	55.54

Maturity Analysis of Projected Benefit Obligation from the reporting year:

Particulars	1st Following Year	2nd Following Year	3rd Following Year	4th Following Year	5th Following Year	Sum of Years 6 To 10
31st March 2024	2.37	2.26	2.27	2.17	1.99	14.26
31st March 2023	0.39	0.60	0.68	0.70	0.62	2.26

C. Movement in Fair value of plan assets

The following table shows a reconciliation from the opening balances to the closing balances for fair value of asset and its components:

Particulars	Fair Value of Assets	
	31st March 2024	31st March 2023
Opening balance	10.46	17.75
Transfer in/(out) plan assets		
Expenses deducted from the fund	-	-
Interest Income	1.41	1.58
Return on plan assets excluding amounts included in interest income	0.51	(0.90)
Contributions by employer	-	-
Benefits paid	(7.68)	(18.13)
Closing balance	4.70	0.30

D. (i) Expenses recognised in the statement of profit and loss

Particulars	31st March 2024	31st March 2023
Current service cost	25.29	25.89
Interest cost	4.05	2.74
Interest income	(1.41)	(1.58)
Net gratuity cost	27.92	27.04

(ii) Re-measurement recognised in other comprehensive income

Particulars	31st March 2024	31st March 2023
Re-measurement net defined benefit liability	6.01	(5.42)
Re-measurement net defined benefit asset	(0.51)	0.90
	5.51	(4.52)

D. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	31st March 2024	31st March 2023
Discount rate	7.20%	7.35%
Salary escalation rate	6.50%	6.50%

The attrition rate varies from 1% to 55% (PY: 1% to 50%) for various age groups.

Mortality rate varies from 0.09% to 1.12%, Published rates under Indian Assured Lives Mortality Ult Table.

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	31st March 2024		31st March 2023	
	Increase	Decrease	Increase	Decrease
Rate of discounting (0.5% movement)	65.80	77.48	51.22	61.39
Rate of salary increase (0.5% movement)	77.04	66.01	61.02	51.35
Rate of employee turnover (10% movement)	63.90	79.56	49.97	62.49

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to Consolidated financial statements for the year ended 31st March 2024

Note 37 : Related Party Disclosure

Disclosures as required by the Indian Accounting Standard 24 (Ind AS 24) on “Related Party Disclosures” are given below:

Holding Company

Krystal Family Holdings Private Limited

List of Subsidiaries and Joint Ventures

Particulars	Country of Domicile	Holding as at	
Flame Facilities Private Limited	India	100%	100%
Krystal Gourmet Private Limited	India	100%	100%
BVG Krystal Joint Venture	India	49%	49%
Krystal-Aquachem JV	India	97%	97%

Enterprises over which Key Management Personnel and their relatives exercise significant influences or control with whom transaction have been entered during the year

Krystal Aviation Services Private Limited

UR Deil Private Limited

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

Krystal Allied Services Private Limited

Navagunjara Financial Pvt Ltd

Newline Inno-Source Pvt Ltd

Shoubham Cine Vision Private Limited

Healthlog Services and Applications

Healthlog & Care Services LLP

Blue Knight Capital Private Limited

Mumbai District Central Co-operative Bank Ltd.

Key Management Personnel and Non-executive

Directors

Mrs. Neeta Lad
Mr. Pravin Lad
Mr. Sanjay Dighe
Ms. Saily Lad
Mr. Shubham Lad
Mr. Barun Dey
Mr. Vijay Kumar Agarwal
Mr. Sunder Ram Govind Raghavan Korivi
Mr. Dhanya Pattathil
Ms. Kaninika Thakur
Ms. Yajyoti Digvijay Singh
Ms. Shalini Agarwal
Ms. Stuti Maru

Nature of Relationship

Chairperson and Managing Director
Whole Time Director
CEO and Whole Time Director
Whole Time Director
Whole Time Director
Chief Financial Officer and President
Independent Director w.e.f. 21 June 2023
Independent Director w.e.f. 30 June 2023
Independent Director w.e.f. 03 Aug 2023
Independent Director w.e.f. 25 Aug 2023
Independent Director w.e.f. 25 Aug 2023
Company Secretary (until 14 Aug 2023)
Company Secretary and Compliance Officer

Relative of Key Management Personnel

Mr. Prasad Lad
Mr. Prasad Lad HUF
Mrs. Surekha Lad

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to Consolidated financial statements for the year ended 31st March 2024**Note 37 : Related Party Disclosure (Continued)****B. Transactions and closing balance with the Related Parties are as under**

Sr. No	Particulars	31st March 2024	31st March 2023
1	Sale of Service		
	- Volksara Techno Solutions Private Limited	0.01	-
	- Krystal Allied Services Private Limited	129.78	26.51
	- Krystal Aviation Services Private Limited	-	9.88
	- Krystal-Aquachem JV	56.99	81.73
	- Prasad Lad	0.02	0.29
2	Rent Income		
	- Krystal Allied Services Private Limited	0.12	-
	- Krystal Aviation Services Private Limited	0.12	-
	- Volksara Techno Solutions Private Limited	1.05	-
3	Interest Income		
	- Krystal Allied Services Private Limited	5.30	-
	- Newline Inno-Source Pvt Ltd	4.17	-
4	Rent expense paid to		
	- Neeta Lad	2.52	2.52
	- Prasad Lad	2.52	2.52
	- Prasad Lad HUF	0.43	0.43
5	Professional fees paid to		
	- Krystal Family Holding Private Limited	0.56	0.56
	- Saily Lad	2.09	1.67
6	Site expenses		
	- Volksara Techno Solutions Private Limited (Formerly : Krystal Techno Engineering services Private Limited)	856.51	-
7	Manpower expenses		
	- Krystal Aviation Services Private Limited	7.40	7.89
8	Cleaning charges		
	- Krystal Allied Services Private Limited	-	0.08
9	Interest expenses		
	- Mumbai District Central Co-operative Bank Ltd. (Overdraft 1)	13.05	9.27
	- Mumbai District Central Co-operative Bank Ltd. (Overdraft 2)	18.48	12.72
	- Mumbai District Central Co-operative Bank Ltd. (Covid Funding)	-	0.73
	- Mumbai District Central Co-operative Bank Ltd. (Term Loan)	14.00	18.54
	- Navagunjara Financial Pvt Ltd	10.16	3.45

10	Remuneration		
	- Prasad Minesh Lad	74.54	59.63
	- Neeta Lad	31.41	25.13
	- Praveen Lad	11.83	9.46
	- Sanjay Dighe	14.97	20.86
	- Shubham Lad	6.20	4.95
	- Saily Lad	2.09	-
	- Surekha Lad	2.47	2.26
	- Shalini Agrawal	0.13	0.35
	- Barun Dey	4.95	3.95
	- Stuti Maru	0.55	-
11	Director's Sitting Fees		
	- Dhanya Pattathil	1.15	-
	- Kaninika Thakur	1.18	-
	- Sunder Ram Govind Raghavan Korivi	1.08	-
	- Vijay Kumar Agarwal	0.90	-
	- Yajyoti Digvijay Singh	1.15	-
12	Loan Given		
	- Krystal Allied Services Private Limited	22.96	32.59
	- Krystal Family Holding Private Limited	49.30	-
	- Krystal Aviation Services Private Limited	6.71	-
	- Prasad Lad	18.87	-
	- Newline Inno-Source Pvt Ltd	383.50	-
13	Loan Received back		
	- Krystal Allied Services Private Limited	2.39	-
	- Krystal Family Holding Private Limited	49.30	-
	- Krystal Aviation Services Private Limited	6.71	-
	- Prasad Lad	18.87	-
	- Newline Inno-Source Pvt Ltd	24.00	-
14	Other Payables		
	- Volksara Techno Solutions Private Limited (Payable Pursuant to scheme of arrangement, Refer note 43)	39.22	39.22
15	Loan taken		
	- Navagunjara Financial Pvt Ltd	75.23	139.25
	- Neeta Lad	-	18.30
16	Reimbursement of expenses		
	- Prasad Lad	16.57	0.35
	- Neeta Lad	-	0.35
	- Volksara Techno Solutions Private Limited	410.71	52.87
17	Loan repaid		
	- Navagunjara Financial Pvt Ltd	127.79	43.48
	- Neeta Lad	-	10.55
	- Prasad Lad	-	23.23
	Balance outstanding at the end of year:		
1	Loan Given		
	- Krystal Allied Services Private Limited	57.93	32.59
	- Prasad Lad	-	0.12
	- Newline Inno-Source Pvt Ltd	363.67	-

2	Loan Taken		
	- Navagunjara Financial Pvt Ltd	55.46	98.84
	- Mumbai District Central Co-operative Bank Ltd.	-	150.14
3	Investment in Subsidiary/JV		
	- Krystal-Aquachem JV	10.16	8.85
	- Mumbai District Central Co-operative Bank Ltd.	13.88	13.88
4	Other Receivable		
	- Volksara Techno Solutions Private Limited	12.02	-
5	Capital Advances		
	- Newline Inno-Source Pvt Ltd	292.53	-
6	Account Payable		
	- Krystal Aviation Services Private Limited	2.00	3.37
	- Krystal Family Holding Private Limited	0.04	0.49
	- Mumbai District Co-operative Bank(Overdraft-1)-Sanctioned Amount- 160 millions	-	(5.28)
	- Mumbai District Co-operative Bank(Overdraft-2)-Sanctioned Amount- 120 millions	-	117.48
	- Prasad Lad	0.23	4.40
	- Neeta Lad	0.23	1.11
	- Saily Lad	0.16	0.40
	- Prasad Lad HUF	-	0.03
	- Praveen Lad	0.69	0.55
	- Sanjay Dhige	0.63	0.55
	- Shubham Lad	0.36	0.29
	- Surekha Lad	0.19	0.13
	- Shalini Agrawal	-	0.03
	- Barun Dey	0.36	0.28
	- Stuti Maru	0.07	-
	- Yajyoti Digvijay Singh	0.02	-
7	Account Receivables		
	- Krystal Allied Services Private Limited	31.13	7.67
	- Krystal-Aquachem JV	14.92	28.37

Note 38 - Disclosure under Ind AS 115 - Revenue from contracts with customers

The Company is engaged into manpower and related service. There is no impact on the Company's revenue on applying Ind AS 115 from the contract with customers.

The following table presents the disaggregated revenue from contracts with customers:

Sales by type of service

Particulars	31st March 2024	31st March 2023
Integrated Facility Management Services	4,336.63	4,272.98
Staffing and Payroll Management	3,273.76	1,784.11
Private Security and Mangaurding	1,097.86	924.46
Information Technology Enabled Services	1,280.47	-
Catering Service	279.76	94.81
Total	10,268.49	7,076.36

* CETP Included in Integrated Facility Management Services.

(i) Disaggregation of revenue

The above break up presents disaggregated revenues from contracts with customers by each of the business segments. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Sales by performance obligations

Particulars	Manpower and related Service	
	31st March 2024	31st March 2023
Revenue by time of recognition		
At a point in time	1,631.22	193.71
Over the period of time	8,637.27	6,882.65
Total Revenue	10,268.49	7,076.36
Revenue by geographical market		
India*	10,268.49	7,076.36
	10,268.49	7,076.36

Reconciliation of revenue from contract with customer

Particulars	Manpower and related Service	
	31st March 2024	31st March 2023
Revenue from contract with customer as per the contract price	10,268.49	7,076.36
Adjustments made to contract price on account of :-		
a) Discounts / Rebates / Incentives	-	-
b) Sales Returns /Credits / Reversals	-	-
Revenue from contract with customer	10,268.49	7,076.36

Contract balances:

The following table provides information about category of trade receivables:

Particulars	31st March 2024	31st March 2023
Billed	1,559.03	736.44
Unbilled	764.60	759.67
Total	2,323.64	1,496.11

The following table provides information about unbilled revenue from contract with customers

Particulars	31st March 2024	31st March 2023
Balance as at the beginning of the year	759.67	803.73
Add: Revenue recognised during the year	747.15	675.23
Less: Invoiced during the year	(726.03)	(718.88)
Less : Loss allowance recognised during the year	(16.18)	(0.41)
Balance as at the end of the year	764.60	759.67

Contract liabilities

Advance collections are recognised when payment is received before the related performance obligation is satisfied.

This includes advances received from the customer towards sale of goods. Revenue is recognised once the performance obligation is met i.e. upon transfer of control of promised goods to customers.

Movements in Contract liabilities

Particulars	31st March 2024	31st March 2023
Opening contract liabilities	1.51	19.88
Less: Amount recognised in revenue	(0.08)	(19.35)
Add: Amount received in advance during the year	3.01	0.98
Closing contract liabilities	4.44	1.51

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to Consolidated financial statements for the year ended 31st March 2024**Note 39 : Leases**

The Company's lease asset primarily consist of leases for buildings having various lease terms. The Company also has certain leases of with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

Following is carrying value of right of use assets and the movements thereof :

Right-of-use assets

Description	For the year ended	
	31st March 2024	31st March 2023
	Building	
Opening Gross Block	64.92	45.26
Addition	29.87	25.82
Deletion	-	(6.16)
Closing Gross Block	94.79	64.92
Opening Accumulated amortisation	41.59	30.85
Addition	13.04	11.75
Deletion	-0.00	-1.01
Closing Accumulated amortisation	54.63	41.59
Net Block as on	40.17	23.33

Following is carrying value of Lease Liability and the movements thereof :

Lease Liability

Description	For the year ended	
	31st March 2024	31st March 2023
	Building	
Opening Balance	25.46	14.08
Addition	29.87	24.52
Interest Cost accrued during the year	4.13	2.49
Lease liability payment	(15.12)	(9.46)
Deletion	-	(6.16)
Closing Balance	44.35	25.46
Current lease liability	11.90	9.01
Non - Current lease liability	32.45	16.45
Total lease liability	44.35	25.46

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	For the year ended	
	31st March 2024	31st March 2023
Not later than one year	11.90	9.01
Later than one year and not later than five years	32.45	17.05
Later than five years	-	-

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Consolidated Balance sheet as at 31st March 2024**Note 40 : Tax expense****(a) Amounts recognised in profit and loss**

	For the year ended	
	31st March 2024	31st March 2023
Current income tax	58.40	72.24
Changes in tax estimates of prior years	(2.73)	-
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	29.57	(27.06)
Change in tax rate		7.27
Deferred tax expense	29.57	(19.79)
Tax expense for the year	85.25	52.45

(b) Amounts recognised in other comprehensive income

	For the year ended 31st March 2024			For the year ended 31st March 2023		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	4.99	(1.24)	3.74	4.52	(1.29)	3.23
	4.99	(1.24)	3.74	4.52	(1.29)	3.23

(c) Reconciliation of effective tax rate

	For the year ended	
	31st March 2024	31st March 2023
Profit before tax	575.52	436.57
Statutory income tax rate		
Tax using the Company's domestic tax rate	145.16	152.19
Tax effect of:		
Non-deductible tax expenses	454.97	226.49
80JJA Tax (utilised) / incentive	(581.53)	(414.47)
Others	67.19	88.25
	85.79	52.45
Effective Rate of Income Tax	14.91%	12.01%

(d) Movement in deferred tax balances

	Net balance 1st April 2023	Recognised in profit or loss	Recognised in OCI	31st March 2024	
				Net	Deferred tax asset/ (Deferred tax liability)
Deferred tax asset					
Property, plant and equipment	11.87	(13.03)	-	(1.16)	(1.16)
Security deposits	(0.59)	0.14	-	(0.45)	(0.45)
Compensated absences, gratuity and equity valuation	11.08	21.86	(1.24)	31.70	31.70
Trade receivables	52.10	(38.60)	-	13.49	13.49
Other current liabilities & borrowings	0.05	0.07	-	0.12	0.12
Tax assets (Liabilities) (net)	74.50	(29.57)	(1.24)	43.69	43.69

(e) Movement in deferred tax balances

	Net balance 1st April 2022	Recognised in profit or loss	Recognised in OCI	31st March 2023	
				Net	Deferred tax asset/ (Deferred tax liability)
Deferred tax asset					
Property, plant and equipment	16.45	(4.58)	-	11.87	11.87
Security deposits	(0.35)	(0.24)	-	(0.59)	(0.59)
Compensated absences, gratuity and equity valuation	(11.88)	24.25	(1.29)	11.08	11.08
Trade receivables	51.84	0.26	-	52.10	52.10
Other current liabilities & borrowings	(0.06)	0.11	-	0.05	0.05
Tax assets (Liabilities) (net)	56.00	19.80	(1.29)	74.51	74.51

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Tax losses for which no deferred tax asset was recognised

In respect of capital loss :

31st March 2024	31st March 2023
-	-

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Consolidated Balance sheet as at 31st March 2024

Note 41 : Disclosures on Financial Instrument

Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31st March 2024	Note	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Cash and cash equivalents and	12	-	-	1,800.16	1,800.16	-	-	1,800.16	1,800.16
Investments	5	13.88	-	16.77	30.65	-	-	16.77	16.77
Non-current financial Assets	6	-	-	172.89	172.89	-	-	172.89	172.89
Trade receivables	11	-	-	2,323.64	2,323.64	-	-	2,323.64	2,323.64
Current financial Assets - Loans	14	-	-	726.72	726.72	-	-	726.72	726.72
Other financial assets	15	-	-	48.95	48.95	-	-	48.95	48.95
		13.88	-	5,089.13	5,089.13	-	-	5,089.13	5,089.13
Financial liabilities									
Non Current Borrowings	20	-	-	68.21	68.21	-	-	68.21	68.21
Current borrowings	23	-	-	764.38	764.38	-	-	764.38	764.38
Lease Liabilities	21	-	-	44.35	44.35	-	-	44.35	44.35
Trade payables	24	-	-	562.11	562.11	-	-	562.11	562.11
Other financial liabilities	25	-	-	813.04	813.04	-	-	813.04	813.04
		-	-	2,252.08	2,252.08	-	-	2,252.08	2,252.08

31st March 2023	Note	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Cash and cash equivalents and	12	-	-	191.65	191.65	-	-	191.65	191.65
Investments	5	13.88	-	15.07	28.94	-	-	15.07	15.07
Non-current financial Assets	6	-	-	399.69	399.69	-	-	399.69	399.69
Trade receivables	11	-	-	1,496.10	1,496.10	-	-	1,496.10	1,496.10
Current financial Assets - Loans	14	-	-	251.51	251.51	-	-	251.51	251.51
Other financial assets	15	-	-	40.96	40.96	-	-	40.96	40.96
		13.88	-	2,394.98	2,408.85	-	-	2,394.98	2,394.98
Financial liabilities									
Non Current Borrowings	20	-	-	197.54	197.54	-	-	197.54	197.54
Current borrowings	23	-	-	282.37	282.37	-	-	282.37	282.37
Lease Liabilities	21	-	-	25.46	25.46	-	-	25.46	25.46
Trade payables	24	-	-	158.50	158.50	-	-	158.50	158.50
Other financial liabilities	25	-	-	555.08	555.08	-	-	555.08	555.08
		-	-	1,218.95	1,218.95	-	-	1,218.95	1,218.95

B. Measurement of fair values (Key inputs for valuation techniques) :

1. Listed Equity Investments (other than Subsidiaries and Joint Venture) : Quoted Bid Price on Stock Exchange (Level 1)
2. Valuation techniques and significant unobservable inputs: Not applicable (Level 3)

C. Transfers between Levels 1 and 2

There were no transfer from Level 1 to Level 2 or vice versa in any of the reporting periods.

D. Financial risk management

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

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

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available and in some cases bank references. Sale limits are established for each customer.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables in accordance of the requirement of Ind AS 109.

As at reporting date, the maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

	Carrying amount	
	31st March 2024	31st March 2023
India	2,323.64	1,496.10
Other regions*	-	-
	2,323.64	1,496.10

Management believes that the unimpaired amounts that are past dues are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk conducted by management.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

	31st March 2024	31st March 2023
Opening balance	158.37	157.48
Provision for receivables impairment	(44.62)	0.89
Closing balance	113.75	158.37

Cash and cash equivalents

The Company maintains its Cash and cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

Derivatives

The derivatives deals are done with AD category banks in OTC market and registered brokers in ETCD market.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company uses product-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimizing its cash return on investments. The Company monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

31st March 2024	Note	Carrying amount	Contractual cash flows			
			12 months or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non-Current Borrowings	20	68.21	-	68.21	-	-
Current borrowings	23	764.38	764.38	-	-	-
Lease Liabilities	21	44.35	11.90	32.45	-	-
Trade payables	24	562.11	562.11	-	-	-
Other financial liabilities	25	813.04	813.04	-	-	-

31st March 2023	Note	Carrying amount	Contractual cash flows			
			12 months or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non-Current Borrowings	20	197.54	-	197.54	-	-
Current borrowings	23	282.37	282.37	-	-	-
Lease Liabilities	21	25.46	16.45	9.01	-	-
Trade payables	24	158.50	158.50	-	-	-
Other financial liabilities	25	555.08	555.08	-	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cashsettled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

iv. Market risk

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

Currency risk

The Company is exposed to currency risk on account of its borrowings, Trade payable, other payables and receivables in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The Company does not use derivative financial instruments for trading or speculative purposes.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial instruments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing financial instruments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings and fixed income financial instruments. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

	31st March 2024	31st March 2023
Fixed-rate instruments		
Financial assets	791.38	563.98
Financial liabilities	72.61	230.14
	718.77	333.84
Variable-rate instruments		
Financial assets		
Financial liabilities	759.99	249.77
	(759.99)	(249.77)
Total	(41.22)	84.06

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Company does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in Millions)	Profit or (loss) before tax	
	100 bp increase	100 bp decrease
Cash flow sensitivity (net)		
31st March 2024		
Variable-rate instruments	7.60	(7.60)
Cash flow sensitivity (net)	7.60	(7.60)
31st March 2023		
Variable-rate instruments	2.50	(2.50)
Cash flow sensitivity (net)	2.50	(2.50)

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to Consolidated financial statements for the year ended 31st March 2024**Note 42 : Capital Management**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio at 31st March 2024 and 31st March 2023 was as follows.

	31st March 2024	31st March 2023
Long term borrowings	68.21	197.54
Short term Borrowings	764.38	282.37
Lease liabilities (current and non-current)	44.35	25.46
Less : Cash and cash equivalent including bank balances other than cash and cash equivalents	1,864.82	504.12
Adjusted net debt	(987.89)	1.25
Total equity	3,762.22	1,634.12
Adjusted equity	3,762.22	1,634.12
Adjusted net debt to adjusted equity ratio	(0.26)	0.00

In addition the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA etc. which is maintained by the Company.

The Company has undrawn borrowing facilities (excluding non-fund based facilities) aggregating to ₹ 169.0 Million (₹ 21.7 Millions 31 March 2023).

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to Consolidated financial statements for the year ended 31st March 2024**Note 43 : Segment Reporting**

The Company is required to disclose segment information based on the 'management approach' as defined in Ind AS 108 - Operating Segments, which in how the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on the analysis of the various performance indicators. In the case of the Company, the CODM reviews the results of the Company as a whole as the Company is primarily engaged in the business of rendering security services in India. Accordingly, the Company is a single CGU, hence single segment Company. The information as required under Ind AS 108 is available directly from the financial statements, hence no separate disclosures have been made.

Operating segment

The Group's business is concentrated in various service offerings like temporary staffing services, executive search, contingency recruitment, housekeeping and facility management services, food services, skill development and training services and accordingly primary segment information is presented on the following service offerings:

Reportable segment:

- Manpower and related service
- Catering service
- Information Technology Enabled Services

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) Operating segment information for the period from 1st April 2023 to 31st March 2024 is as follows: (by Business Segments)

Particulars	Manpower and related Service	Catering Service	Information Technology Enabled Services	Consolidated for year ended 31st March 2024
Income				
Revenue from operations	8,694.27	293.75	1,280.47	10,268.49
Other income	79.74	0.27	-	80.01
Total Revenue	8,774.00	294.03	1,280.47	10,348.49
Expenses				
Material consumed	221.17	198.34	1,203.64	1,623.14
Employee benefit expenses	7,647.46	31.33	-	7,678.80
Finance costs	118.85	1.00	-	119.84
Depreciation and amortization expenses	66.04	5.42	-	71.45
Other expenses	223.27	56.47	-	279.74
Total Expenses	8,276.79	292.55	1,203.64	9,772.97
Profit before tax	497.22	1.48	76.83	575.52

Other Information

Total Carrying amount of asset	6,022.08	221.16	226.84
Total Carrying amount of liability	2,280.70	151.90	275.25

B) Operating segment information for the period from 1st April 2022 to 31st March 2023 is as follows: (by Business Segments)

Particulars	Manpower and related Service	Catering Service	Information Technology Enabled Services	Consolidated for year ended 31st March 2023
Income				
Revenue from operations	6,981.55	94.81	-	7,076.36
Other income	25.55	7.73	-	33.28
Total Revenue	7,007.10	102.54	-	7,109.64
Expenses				
Material consumed	263.35	59.70	-	323.05
Employee benefit expenses	5,893.33	25.70	-	5,919.03
Finance costs	94.80	0.10	-	94.91
Depreciation and amortization expenses	43.44	3.13	-	46.57
Other expenses	313.11	22.82	-	335.93
Total Expenses	6,608.03	111.45	-	6,719.48
Profit before tax	399.07	(8.90)	-	390.16

Other Information

Total Carrying amount of asset	3,299.30	135.38	-
Total Carrying amount of liability	1,683.57	116.99	-

C) 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 Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to Consolidated financial statements for the year ended 31st March 2024**Note 44 - Contingent liabilities and commitments (to the extent not provided for)**

	31st March 2024	31st March 2023
a. Contingent liabilities		
Demands raised by Income tax authorities**	203.54	203.14
Provident fund dues***	142.37	142.37
Interest liability on GST/Service Tax	79.95	31.49
Demands raised by Service tax authorities	6.37	6.37
Claims against the company not acknowledged as Debts	-	-

** Out of above, Company has already deposited Rs. 4 millions (Previous Year ₹4 million) with the Income tax authorities.

***Out of above, the Company has already deposited ₹20.00 million as per the high court order with the PF authority. The matter is currently pending before the Central Government Industrial Tribunal. The Management is of the view that it has valid grounds to defend the demand raised by Provident Fund Department for Damages and Interest Liabilities and consequently no effect was given in the accounts.

b. Commitments	31st March 2024	31st March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

- (i) Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timing of the cash outflows, if any, in respect of the above as it is determinable only on receipt of judgement/decisions pending with various forums/authorities.
- (ii) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. Based on the opinion received, the company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

c. Capital and other commitments

As on 31st March 2024, the Company has committed to a capital advance for an amount of ₹67.47 million. This capital advance is intended for purchase of property for purpose of company guest house.

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(All Amounts are ₹ in Millions unless otherwise stated)

Notes to Consolidated financial statements for the year ended 31st March 2024**Note - 45**

Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements.

31st March 2024

Name of entity	Net assets, i.e total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as percentage of consolidated net assets	Amount	as percentage of consolidated net assets	Amount	as percentage of consolidated net assets	Amount	as percentage of consolidated net assets	Amount
Parent								
Krystal Integrated Services Limited	99%	3,724.05	98%	482.29	105%	3.93	98%	486.22
Subsidiaries								
Flame Facilities Private Limited	0%	9.73	1%	4.66	0%	0.02	1%	4.67
Krystal Gourmet Private Limited	1%	39.14	1%	3.33	-5%	(0.20)	1%	3.13
Total		3,762.22		490.27		3.74		494.43

31st March 2023

Name of entity	Net assets, i.e total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	as percentage of consolidated net assets	Amount	as percentage of consolidated net assets	Amount	as percentage of consolidated net assets	Amount	as percentage of consolidated net assets	Amount
Parent								
Krystal Integrated Services Limited	98%	1,604.15	99%	382.06	78%	2.51	99%	384.56
Subsidiaries								
Flame Facilities Private Limited	0%	5.06	0%	1.16	14%	0.47	0%	1.63
Krystal Gourmet Private Limited	2%	38.87	1%	3.77	8%	0.27	1%	4.03
Total		1,634.11		384.43		3.23		387.66

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to Consolidated financial statements for the year ended 31st March 2024**Note 46 - Utilisation of Initial Public Offer Fund**

The Company has completed an Initial Public Offer (“IPO”) by way of fresh issue of 24,47,552 equity shares of face value of Rs. 10 each and an offer for sale of 17,50,000 equity shares of face value of Rs. 10 each of the Company at an issue price of Rs. 715 per equity share aggregating to Rs. 3,001.25 million (comprising fresh issue of equity shares of Rs. 1,749.99 million and payable to selling shareholders towards offer for sale of Rs. 1,251.25 million). The Company allotted 24,47,552 fresh equity shares of Rs. 10 each at a premium of Rs. 705 per equity share on March 19, 2024. The total share premium arising on IPO amounting to Rs. 1,725.52 million had been accounted under securities premium reserve and the IPO related expenses amounting to Rs. 116.31 million, being Company’s share of total estimated IPO expense had been adjusted against the premium amount as above. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited on March 21, 2024. Details of utilisation of IPO proceeds are tabulated below:

Object(S)	Amount as per final offer document (In millions)	Amount utilised during the reported quarter	Total unutilized amount as at the end of the reported quarter	Reason for idle funds	Proposed course of actions
Repayment/prepayment, in full or part, of certain borrowings availed of by our Company	100	100	NIL	NA	Fully Utilised
Funding working capital requirements of our Company	1,000	200	800		Balance of Rs.800 million be utilized in FY 2024-25
Funding capital expenditure for purchase of new machinery	100	NIL	100		Balance of Rs.100 million to be utilized in FY 2024-25
General corporate purposes	433.69	NIL	433.69		Balance of Rs.433.69 million be utilized in FY 2024-25

Net IPO proceeds which were un-utilised as at March 31, 2024 were temporarily invested in fixed deposits with banks, Monitoring Agency bank account and IPO Public issue account.

In this regard, the unutilised IPO fund balance has been carried forward for utilisation in FY 2024-25 in accordance with applicable laws, based on approval obtained from the Board of Directors.

Note - 47**Bonus issue of equity shares**

The Board of Directors of the Company, at its meeting held on Sept 26, 2023 had approved the bonus issue of one new equity share for every one share held on record date. The record date for the bonus issue was Sept 26, 2023.

Note - 48**Dividends**

The Board of Directors of the company has recommended a Final dividend of Rs. 1.50/- per equity share (i.e 15%) of the Face Value of Rs.10/- each for the financial year ended March 31st 2024, subject to the approval of the members at the ensuing Annual General Meeting.

Note - 49

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note - 50

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

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note - 51

The Code on Social Security, 2020 (“Code”) relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note - 52**Other Statutory Information:**

- (i) The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The company does not have any transactions with companies struck off.
- (iii) The company has not traded or invested in Crypto currency or Virtual currency during the financial year.
- (iv) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (v) 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)
- (vi) The company has not been declared as Wilful defaulter by any Banks, Financial institution or Other lenders.
- (vii) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).

Note - 53

3As per the MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, Companies are required to maintain back-up of the 'books of account and other relevant books and papers' ('books of account') in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of accounts on servers physically located in India on a daily basis.

The books of account of the Company is maintained in electronic mode on servers physically located in India and are readily accessible in India at all times. The Company is maintaining backup of books of account on a daily basis.

Note - 54

In the opinion of the management, the current asset, loan and advances and current liabilities are approximately of the value stated, if realised / paid in ordinary course of business. The provision for all known liabilities is adequate and is not in excess of amounts considered reasonably necessary.

Note - 55

Balances of advances, deposits, trade receivables, trade payables and other debit and credit balances are subject to confirmation and reconciliation in certain cases. Adjustments, if any, in this regard would be carried out as and when ascertained, which in view of the management would not be material.

Note - 56**(i) Current Ratio = Current Assets divided by Current Liabilities**

	Particulars	31st March 2024	31st March 2023
A	Current Assets	4,973.01	2,055.27
B	Current Liabilities	2,602.64	1,583.91
	Ratio (A/B)	1.91	1.30
	% change from previous year	47.25%	-5.18%

Reason for change of more than 25%: Variances is mainly due to following reasons-

- Receipts in banks from IPO proceeds.

(ii) Debt Equity Ratio = Total Debt divided by Total Equity

	Particulars	31st March 2024	
		31st March 2024	31st March 2023
A	Total Debt*	876.94	505.38
B	Total Equity	3,762.22	1,634.12
	Ratio (A/B)	0.23	0.31
	% change from previous year	-24.63%	-31.48%

* It includes current and non-current Borrowings and Lease Liabilities.

Reason for change of more than 25%: Variances is mainly due to following reasons-

- Fresh Loan taken during the year however, Repayment of borrowings is comparatively high as per the sanction terms.
- Better collection towards the end of year which is routed through Cash Credit account.
- Transfer of loans related to Demerged Business(Smart City).

For the year ended 31st March 2024

Increase in equity share capital as company has made initial public offer during the year

- (iii) **Debt service coverage ratio = Earnings available for debt services divided by total interest and principal repayments**

Particulars	31st March 2024	31st March 2023
A Earnings available for debt services	695.36	531.49
B Total interest and principal repayments*	168.86	189.44
Ratio (A/B)	4.12	2.81
% change from previous year	46.78%	92.16%

* It includes Finance cost, Principal repayment of long term loans and Lease payments.

Reason for change of more than 25%:

For the year ended 31st March 2024: Interest cost decreased due to repayment of Term Loan

For the year ended 31st March 2023: Finance cost increased due to increase in bank guarantee commission and increased loan processing charges on fresh loans taken.

- (iv) **Return on equity ratio = Net profit after tax divided by Average Equity**

Particulars	31st March 2024	31st March 2023
A Profit after tax (attributable to owners)	490.69	384.43
B Average net worth	2,625.10	1,658.48
Ratio (A/B)	18.69%	23.18%
% change from previous year	-19.36%	33.21%

Reason for change of more than 25%:

For the year ended 31st March 2023: The Group's overall business have improved which has resulted in Increase in PAT.

- (v) **Inventory Turnover Ratio = Cost of Material Consumed divided by Average Inventory**

Particulars	31st March 2024	31st March 2023
A Cost of Material Consumed	1,623.14	323.05
B Average Inventory	6.23	32.46
Ratio (A/B)	260.59	9.95
% change from previous year	2518.54%	66.87%

Reason for change of more than 25%:

For the year ended 31st March 2024: Company has started business in the segment of IT enabled services which involves high value material purchases with very low/no inventory holding.

For the year ended 31st March 2023: Reduction in Inventory due to transfer of inventory related to Demerged Business (Smart City).

- (vi) **Trade receivable turnover ratio = Revenue From Operation divided by Average Trade Receivables**

Particulars	31st March 2024	31st March 2023
A Revenue from operation	10,268.49	7,076.36
B Average trade receivables	1,909.87	1,953.85
Ratio (A/B)	5.38	3.62
% change from previous year	48.45%	44.63%

Reason for change of more than 25%:

For the year ended 31st March 2024: The variance is owing to better recoverability from receivables.

For the year ended 31st March 2023: The variance is owing to better recoverability and transfer of receivables of smart city business.

(vii) Trade payable turnover ratio = Cost of Material Consumed divided by Average Trade Payable

	Particulars	31st March 2024	31st March 2023
A	Cost of material consumed	1,623.14	323.05
B	Average trade payable	360.30	336.74
	Ratio (A/B)	4.50	0.96
	% change from previous year	369.58%	77.08%

Reason for change of more than 25%:

For the year ended 31st March 2024: The variance is owing high value purchases of new business of IT enabled services.

For the year ended 31st March 2023: The variance is owing to transfer of payables related to Demerged business (Smart City).

(viii) Net Capital Turnover Ratio = Revenue From Operation divided by Average Working Capital

	Particulars	31st March 2024	31st March 2023
A	Revenue from operation	10,268.49	7,076.36
B	Current assets	4,973.01	2,055.27
C	Current liabilities	2,602.64	1,583.91
D	Net working capital (D = B - C)	2,370.38	471.37
E	Average working capital	1,420.87	624.55
	Ratio (A/E)	7.23	11.33
	% change from previous year	-36.22%	52.63%

Reason for change of more than 25%:

For the year ended 31st March 2024: The variance is due to increase in current assets by IPO receipts.

For the year ended 31st March 2023: Overall increase is on account of increased revenue from operations.

(ix) Net Profit Ratio = Profit After Tax divided by Revenue From Operation

	Particulars	31st March 2024	31st March 2023
A	Profit after tax	490.69	384.44
B	Revenue from operation	10,268.49	7,076.36
	Ratio (A/B)	4.78%	5.43%
	% change from previous year	-12.04%	14.28%

(x) Return on capital employed = Earing Before Interest & Tax divided by Average Capital Employed

	Particulars	31st March 2024	31st March 2023
A	Tangible Net Worth*	3,745.43	1,582.48
B	Long term debt**	100.66	213.99
C	Total capital employed (C = A + B)	3,846.09	1,796.47
D	Average capital employed	2,821.28	1,845.38
E	EBIT	695.78	531.80
	Ratio (E/D)	24.66%	28.82%
	% change from previous year	-14.42%	17.82%

* Tangible net worth = Net worth (total equity excluding other comprehensive income)- Intangible assets-

Deferred Tax Assets

** Long term debt = Total Long Term Borrowings + Non-current Lease Liabilities

(xi) Return on Investment

	Particulars	31st March 2024	31st March 2023
A	Profit on sale / FV of investments	-	-
B	Value of investments	-	0.00
C	Average Investments	-	0.00
	Ratio (A/C)	0.00%	0.00%
	% change from previous year	0.00%	-100.00%

Other Financial Information

The accounting ratios required under Paragraph 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below.

S. No.	Particulars	As at 31st March 2024	As at 31st March 2023
1	Restated earnings per Equity Shares - Basic (in ₹)	42.30	33.33
2	Restated earnings per Equity Shares - Diluted (in ₹)	42.30	33.33
3	Return on Net Worth (%)	13.04%	23.53%
4	Net Asset Value per Equity Share (in ₹)	324.57	141.80
5	EBITDA	687.22	545.08

Note - 57

Scheme of arrangement note

The Hon'ble National Company Law Tribunal ("NCLT"), Mumbai, on June 20, 2022, sanctioned the Scheme of Arrangement ("Scheme") between Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited) ("Company" or "KISPL") and Volksara Techno Solutions Private Limited ("Resulting Company" or "Volksara") and their respective shareholders and creditors for the demerger of the Smart city units (collectively referred to as "Demerged undertaking") of the Company to Volksara. The Scheme became effective on July 19, 2022, upon filing of the certified copies of the NCLT Order sanctioning the Scheme, by both the companies, with the Registrar of Companies, Mumbai. Pursuant to the Scheme becoming effective, the Demerged undertaking has been transferred to and vested in Volksara with effect from April 1, 2020. The invoicing of such business has been continued in the Company (Demerged Business) as per the advice / mandate of

the Customers even after Appointed date i.e. 19th July'2022 on behalf of the Volksara Techno Solutions Private Limited. The income / expenses relating to the same has however been transferred to the resulting company by Demerged company and hence there is no impact in the books of accounts of the company. The net payable to Resulting company as on the appointed date is INR 39.22 Mn which is still unpaid and the net demerged business payable as on 31st march 2024 is INR 12.02 Mn which is transferred to Resulting company at face value.

Note - 58

Subsequent events

There are no significant subsequent events that have occurred after the reporting period till the date of this consolidated financial statement.

Note - 59

Previous years figures have been regrouped and reclassified wherever necessary.

As per our attached report of even date
T R Chadha & Co LLP
Chartered Accountants
Firm Registration Number : 006711N / N500028

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

Alka Hinge
Partner
Membership No. 104574
Place : Mumbai
Date : 27/05/2024

Neeta Lad
Chairperson and Managing
Director
(DIN-01122234)

Sanjay Dighe
CEO and Whole Time
Director
(DIN-02042603)

Barun Dey
Chief Financial Officer

Stuti Maru
Company Secretary and
Compliance Officer
Membership No.: A45257

Place: Mumbai
Date: 27/05/2024

ANNEXURE – 1

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 Million)

Amounts in Million

Sr. No.	Particulars	1	2
1	Name of the subsidiary	Flame Facilities Private Limited	Krystal Gourmet Private Limited
2	The date since when subsidiary was acquired	NA	NA
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR
5	Share capital	6.43	0.10
6	Reserves & surplus	32.71	9.63
7	Total assets	222.54	272.64
8	Total Liabilities	183.40	262.92
9	Investments	-	-
10	Turnover	300.84	127.48
11	Profit before taxation	5.83	7.94
12	Provision for taxation	2.50	3.29
13	Profit after taxation	3.33	4.66
14	Proposed Dividend	-	-
15	% of shareholding	100	100

2023-24

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 st March, 2024
2. Date on which the Associate or Joint Venture was associated or acquired	NA
3. Shares of Associate/Joint Ventures held by the company on the year end	No
Amount of Investment in Associates/Joint Venture	10.16
Extend of Holding %	97%
4. Description of how there is significant influence	Krystal Integrated Services Limited holds 97% share in profits of Krystal Aquachem JV.
5. Reason why the associate/joint venture is not consolidated	NA
6. Net worth attributable to Shareholding as per latest audited Balance Sheet	5.23
Profit / Loss for the year	0.43
i. Considered in Consolidation	0.42
i. Not Considered in Consolidation	0.01

Names of associates or joint ventures which are yet to commence operations. - Joint Venture of Nangia & Co LLP & Krystal Integrated Services Pvt. Ltd.

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 Lad
Chairperson and Managing Director
DIN: 01122234

Sanjay Dighe
CEO & Whole-time Director
DIN: 02042603

Date: May 27, 2024
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To,
The Members of Krystal Integrated Services Limited
(Formerly Krystal Integrated Services Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited) ("the Company"), which comprise Standalone Balance Sheet as at March 31, 2024, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

2023 - 24

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Revenue Recognition</p> <p>The Company is primarily engaged in facility management service which majorly includes providing staffing for housekeeping services followed by manpower and security services. The Company enters into contracts with customers, these contracts are recognized over a period of time in accordance with the requirement of Ind-As 115, "Revenue from Contracts with Customers" as and when the company satisfies performance obligation by rendering the promised services to its customer. The Company's invoicing cycle is on contractual pre-determined dates and recognized as receivables based on customer acceptances for delivery of work / attendance of resources. Revenue for the post billing period is recognized as unbilled revenues. Unbilled revenues are invoiced subsequent to the year-end based on customer acceptances.</p> <p>Inappropriate assessment of revenue can lead to risk of revenue being recognized before satisfaction of performance obligation or overstatement of revenue and hence the timing and recognition of revenue is considered Key audit matter.</p>	<p>Principal audit procedures performed:</p> <p>Our audit approach was a combination of test of controls and substantive procedures which included amongst others the following:</p> <ul style="list-style-type: none"> • Tested the effectiveness of controls relating to accuracy and occurrence of revenues. • For a sample of contracts, tested revenue recognition by agreeing key terms used for recording revenue with terms in the signed contracts and confirmation received from customers for efforts incurred / resources deployed. • We have verified the contract periods and margins earned from the top customers. • We have verified on sample basis the recognition of contract cost vis-à-vis revenue recognition • We have inspected the credit notes/reversal if any; of revenue during the period as well as in the subsequent period before the signing of audit report • Tested unbilled revenues with subsequent invoicing based on customer acceptances. • We have circulated the independent balance confirmation to debtors and in case of non-receipt of the responses, have carried out alternative procedures. • We have also tested the past trends of invoicing and recoverability

Information Other than the Standalone 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 Standalone financial statements and our auditor's report thereon. Our opinion on the Standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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.
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2015.

- (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**” to this report.
3. 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:
- (a) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 44 to the Standalone Financial Statements.
- (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (d) (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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 (Refer Note 14 to the Standalone Financial Statements);
- (ii) The 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 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 audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- (e) The Board of Directors of the Company has proposed dividend for the year in the meeting dated 27th May 2024 which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable
- (f) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

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

4. With respect to the matter to be included in the Auditor's Report under section 197 (16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations give to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

Date: 27.05.2024

Place: Mumbai

**For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028**

**Alka Hinge
(Partner)
Membership No. 104574
UDIN: 24104574BKASNF4912**

ANNEXURE-A

Annexure to the Independent Auditors' Report of even date to the members of the Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited) ("the Company") on the Standalone Financial Statements for the year ended March 31, 2024

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that;

(i) In respect of the Company's Property, Plant and Equipment , Right-of-use assets and Intangible assets

- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of Use Assets.
(B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) The Company has a regular program, of physical verification of its Property, Plant and Equipment and Right of Use assets so to cover all the assets 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 program, certain Property, Plant and Equipment 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) The Company has maintained proper record of immovable properties as appears from the books of accounts. 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 (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) as disclosed under the Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) 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, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) Inventories

- (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, during the year, from banks on the basis of security of current assets. The quarterly returns and statements comprising stock and creditors statements, book debt statement filed by the Company with such banks are having following differences with the books of accounts, of the respective quarters: - Also refer Note No. 23 of Standalone Financial Statements.

Name of Banks	Quarter Ended	Particulars	Amount in INR Millions		
			Disclosed as per Statement	As per Books of Accounts	Difference
Union Bank of India	Q1 - 30 th June 2023	Inventory	3.98	3.98	-
		Trade Payable	162.40	342.64	(180.23)
		Trade Receivable	1,591.29	1,738.62	(147.33)
Union Bank of India	Q2 - 30 th Sept 2023	Inventory	4.50	4.50	-
		Trade Payable	288.22	487.70	(199.48)
		Trade Receivable	2,145.21	2,250.53	(105.32)
Union Bank of India	Q3 - 31 st Dec 2023	Inventory	4.72	4.72	-
		Trade Payable	395.63	303.49	92.13
		Trade Receivable	2,374.45	2,507.20	(132.75)
Union Bank of India	Q4 - 31 st Mar 2024	Inventory	4.82	4.82	-
		Trade Payable	532.25	435.23	97.01
		Trade Receivable	2,196.02	2,260.02	(64.00)

(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. Millions)
	Particulars	Loans
	Aggregate amount granted/ provided during the year	596.15
	Particulars	Loans
1	Subsidiaries	56.48
2	Joint Ventures	-
3	Others	539.67
	Balance outstanding as at balance sheet date in respect of above cases	
1	Subsidiaries	275.54
2	Joint Ventures	-
3	Others	493.45

- (b) In our opinion, 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 except in respect of below mentioned loan repayable on demand.
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) According to information and explanation given to us and on the basis of our examination of records of company there is no loan or advance in nature of loan granted fallen due during the year, which has been renewed or extended or fresh loan granted to settle the overdue of existing loans given to same parties.
- (f) The Company has granted loans / advances in the nature of loans repayable on demand or without specifying any terms or period of repayment during the year to its subsidiaries details of which has been provided in the table below:

Amount in
INR Mn

Particulars	All Parties	Promoter	Related Parties
Aggregate amounts of Loans / Advances in nature of Loan			
- Repayable on Demand (A)	460.70	-	383.50
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	460.70	-	383.50
Percentage of Loans / Advances in nature of Loans to the total Loans	77%		64%

- (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(1) of the Companies Act for the business activities carried out by the Company. 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 records of the Company, it is noted that the Company has demonstrated irregularity in the timely deposit of statutory dues. However, as of 31 March 2024, there are no undisputed amounts for Goods and Service Tax, Provident Fund, Employees State Insurance, Income Tax, Customs Duty, Cess, or other statutory dues that have been overdue for more than six months, except for the instances detailed below.

Sr. No.	Statutory Liability*	Amounts (Rs in Millions)	As On date
1	Provident fund	18.36	As on 31 st March 2024
2	ESIC	3.43	As on 31 st March 2024
3	Professional Tax	3.43	As on 31 st March 2024
4	MLWF	0.63	As on 31 st March 2024

*The company is following up with labour to update KYC for payment of pending dues.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of the statute	Assessment Year/ (Financial Year)	Amount (Rs. In Million)	Amount (Rs. In Million)	Forum where dispute is pending
The Income Tax Act, 1961	2017-18	38.62	ITAT	Order received from ITAT. The company is planning to file appeal in High Court
The Income Tax Act, 1961	2017-18	20.95	ITAT	Order received from ITAT. The company is planning to file appeal in High Court
The Income Tax Act, 1961	2012-13	59.79	High Court	Order awaiting disposal at High Court
The Income Tax Act, 1961	2013-14	35.17	High Court	Order awaiting disposal at High Court
The Income Tax Act, 1961	2014-15	48.61	High Court	Order awaiting disposal at High Court
Provident Fund	(2014-15)	63.94	Tribunal Court	Appeal
Provident Fund	(2015-16)	55.68	Tribunal Court	Appeal
Provident Fund	(2022-23)	29.17	Tribunal Court	Appeal
ESIC	(2020-21)	2.75	High Court	Appeal

(viii) Unrecorded Income

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) Application and repayment of Loans and Borrowing

- (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 Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (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) Application of funds raised through public offer

- (a) In our opinion and according to the information and explanations given to us, the Company has utilised the money raised by way of initial public offer for the purposes for which they were raised. The Company has raised funds by way of initial public offer in the month of March 2024 and the unutilized amounts as at the year ended March 31, 2024 were deposited in fixed deposits and bank account with the monitoring agency. There were no funds raised by way of further public offer (including debt instruments).

Nature of the fund raised	Purpose for which funds were raised	Total Amount Raised	Amount utilized	Unutilized balance as at balance sheet date
Initial Public offer	Repayment/prepayment, in full or part, of certain borrowings availed of by the Company	100	100	-
	Funding working capital requirements of the Company	1000	200	800*
	Funding capital expenditure for purchase of new machinery	100	0	100**
	General Corporate purposes	433.69	0	433.69*

*Estimated for utilization by FY 2024-25

**There were expected contracts that got delayed due to government tendering activity and the said utilization for machinery will be done in FY 24-25

- (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) Fraud

- (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 are no whistle blower complaints received during the year.

(xii) Nidhi company

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) Related party Transaction

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. (Refer note 37)

(xiv) Internal Audit

- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (a) 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) Non-Cash Transaction with Directors

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) Registration U/S 45-IA of RBI Act

- (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) Cash Losses:

The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year

(xviii) Auditor's Resignation

There has been no resignation of the statutory auditors of the Company during the year.

(xix) Material Uncertainty in Payment of Liabilities:

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) Corporate Social responsibility:

(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 proviso 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 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)(b) of the Order is not applicable for the year.

Date: 27.05.2024

Place: Mumbai

**For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028**

**Alka Hinge
(Partner)
Membership No. 104574
UDIN: 24104574BKASNF4912**

ANNEXURE-B

THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF KRYSTAL INTEGRATED SERVICES LIMITED (FORMERLY KRYSTAL INTEGRATED SERVICES PRIVATE LIMITED)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited) ("the Company") as of March 31, 2024, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2024, based on, the internal control with reference to Standalone 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI')

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 with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit.

We conducted our audit in accordance with 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 ICAI. 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 with reference to Standalone 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 system with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone financial statements

A Company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of 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 Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to stand-alone financial statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Date: 27.05.2024

Place: Mumbai

**For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028**

**Alka Hinge
(Partner)
Membership No. 104574
UDIN: 24104574BKASNF4912**

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Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Standalone Balance Sheet for the year ended 31st March 2024

Particulars	Note	As at 31st March 2024	As at 31st March 2023
Assets			
Non-Current Assets			
Property, plant and equipment	3a	766.64	758.24
Right-of-use assets	3b	31.37	15.19
Intangible assets	4	0.61	0.91
Financial Assets			
(a) Investments	5	41.34	40.04
(b) Other financial assets	6	164.15	392.40
Deferred tax assets (net)	7	40.08	70.75
Income tax assets (net)	8	127.43	67.58
Other Non-current assets	9	292.53	-
Total Non-Current Assets		1,464.16	1,345.11
Current Assets			
Inventories	10	4.82	4.95
Financial Assets			
(a) Trade receivables	11	2,137.76	1,452.24
(b) Cash and cash equivalents	12	872.58	88.28
(c) Bank Balances other than cash and cash equivalents above	13	914.66	97.78
(d) Loans	14	768.99	276.17
(e) Other financial assets	15	44.33	30.35
Income tax assets (net)	16	-	12.61
Other current assets	17	55.25	45.97
Total Current Assets		4,798.39	2,008.35
Total Assets		6,262.56	3,353.46
Equity and Liabilities			
Equity			
Equity share capital	18	139.72	57.62
Other equity	19	3,584.33	1,546.52
Total Equity		3,724.05	1,604.14
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(a) Borrowings	20	67.68	196.91
(b) Lease liabilities	21	24.99	10.21
Provisions	22	2.65	1.49
Total Non-Current Liabilities		95.32	208.61
Current Liabilities			
Financial Liabilities			
(a) Borrowings	23	764.26	282.16
(b) Lease liabilities	21	9.75	6.80
(c) Trade payables			
i) Total outstanding dues of micro enterprises and small enterprises	24	29.22	0.56
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	24	430.55	138.99
(d) Other financial liabilities	25	768.96	540.97
Other current liabilities	26	314.24	443.45
Provisions	27	126.21	127.77
Total current liabilities		2,443.19	1,540.70
Total Liabilities		2,538.51	1,749.31
Total Equity and Liabilities		6,262.56	3,353.46

The accompanying notes form an integral part of the standalone financial statements.

The accompanying notes form an integral part of the standalone financial statements.

As per our attached report of even date

T R Chadha & Co LLP

Chartered Accountants

Firm Registration Number : 006711N / N500028

Alka Hinge

Partner

Membership No. 104574

Place : Mumbai

Date : 27 May 2024

For and on Behalf of Board of Directors of

Krystal Integrated Services Limited

(Formerly Krystal Integrated Services Private Limited)

Neeta Lad

 Chairperson and
Managing Director

(DIN-01122234)

Place : Mumbai

Barun Dey

Chief Financial Officer

Place : Mumbai

Date : 27 May 2024

Sanjay Dighe

 CEO and
Whole Time Director

(DIN-02042603)

Place : Mumbai

Stuti Maru

 Company Secretary
and Compliance Officer

Membership No.: A45257

Place : Mumbai

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Standalone Statement of Profit And Loss for the year ended 31st March 2024

Particulars	Note	As at 31st March 2024	As at 31st March 2023
Income	28	9,847.26	6,855.05
Revenue from operations	29	80.74	27.59
Other income		9,927.99	6,882.64
Total Income			
Expenses	30	1,424.71	263.34
Cost of material and store and spare consumed	31	7,534.29	5,783.24
Employee benefit expense	32	118.85	94.77
Finance costs	33	66.02	43.36
Depreciation and amortisation expense	34	222.38	311.85
Other expenses		9,366.24	6,496.56
Total Expenses			
Profit / (loss) before exceptional items and tax from continuing operations		561.75	386.08
Exceptional Items		-	-
Profit / (loss) before tax from continuing operations		561.75	386.08
Tax expense:			
Current tax		53.21	70.20
Short/(Excess) Provisions of earlier years	40	(3.09)	-
Deferred tax		29.34	(19.80)
Total Tax Expenses		79.46	50.40
Profit/ (Loss) for the year from continuing operation after Taxes		482.29	335.68
Profit/ (Loss) from discontinued operation before Taxes		-	46.42
Income tax expenses of discontinued operations		-	-
Profit/ (loss) from discontinued operation (after taxes)		-	46.42
Profit / (loss) for the year		482.29	382.10
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement losses on defined benefit plans	36	5.25	3.54
Deferred tax relating to items that will not be reclassified to profit or loss		(1.32)	(1.03)
Other Comprehensive Income/(loss) for the year, net of tax		3.93	2.51
Total Comprehensive Income for the year		486.22	384.61
Earnings per equity share (nominal value 10/- per share)			
Basic (in INR)	35	41.61	33.15
Diluted (in INR)		41.61	33.15

The accompanying notes form an integral part of the standalone financial statements.

As per our attached report of even date
T R Chadha & Co LLP
 Chartered Accountants
 Firm Registration Number : 006711N / N500028

Alka Hinge
 Partner
 Membership No. 104574
 Place : Mumbai
 Date : 27 May 2024

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

Neeta Lad
 Chairperson and
 Managing Director
 (DIN-01122234)
 Place : Mumbai

Barun Dey
 Chief Financial Officer
 Place : Mumbai
 Date : 27 May 2024

Sanjay Dighe
 CEO and
 Whole Time Director
 (DIN-02042603)
 Place : Mumbai

Stuti Maru
 Company Secretary
 and Compliance Officer
 Membership No.: A45257
 Place : Mumbai

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Statement of changes in Equity for the year ended 31st March 2024**(A) Equity share capital (Issued and Subscribed)**

Particulars	Note	Amounts
Balance as at 31st March 2022		57.62
Changes in equity share capital		-
Balance as at 31st March 2023		57.62
Issue of Bonus Shares during the year	18	57.62
Shares issued during the year		24.48
Balance as at 31st March 2024		139.72

(B) Other equity

Particulars	Reserves and Surplus		Items of other comprehensive income	Other Equity attributable to Equity
	Securities Premium	Retained earnings	Remeasurement of the net defined benefit liability/asset	
Balance as at 31st March 2022	8.00	1,525.81	20.27	1,554.08
Profit for the year ended March 2023	-	382.06	-	382.06
Other comprehensive income for the year	-	-	2.51	2.51
Less: Balances transferred pursuant to scheme of arrangement	-	(392.12)	-	(392.12)
Balance as at 31st March 2023	8.00	1,515.75	22.77	1,546.52
Profit for the year ended March 2024	-	482.29	-	482.29
Other comprehensive income for the year	-	-	3.93	3.93
Less: Issue of Bonus shares (from retained earnings)	-	(57.62)	-	(57.62)
Add : Securities Premium on Fresh Issue	1,609.22	-	-	1,609.22
Balance as at 31st March 2024	1,617.22	1,940.42	26.70	3,584.33

The accompanying notes form an integral part of the standalone financial statements.

As per our attached report of even date
T R Chadha & Co LLP
Chartered Accountants
Firm Registration Number : 006711N / N500028

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

Alka Hinge
Partner
Membership No. 104574
Place : Mumbai
Date : 27 May 2024

Neeta Lad
Chairperson and
Managing director
(DIN-01122234)
Place : Mumbai

Sanjay Dighe
CEO and
Whole Time Director
(DIN-02042603)
Place : Mumbai

Barun Dey
Chief Financial Officer
Place : Mumbai
Date : 27 May 2024

Stuti Maru
Company Secretary and
Compliance Officer
Membership No.: A45257
Place : Mumbai

Particulars	For the year ended	
	31st March 2024	31st March 2023
	Audited	Audited
Cash flows from operating activities		
Profit before tax from Continuing Operation	561.75	386.03
Profit before tax from Discontinuing Operation	-	46.42
Net profit before tax	561.75	432.45
Depreciation and amortisation	66.02	43.36
Finance costs	118.85	94.77
Interest income	(67.15)	(22.56)
Balance written off	-	-
Allowance for expected credit loss	(43.88)	2.48
Balance write back	(9.79)	(4.06)
(Profit) / loss on sale of Assets	(1.58)	-
Operating profit before change in working capital	624.21	546.44
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	0.13	(11.26)
Trade receivables, loans, other financial assets and other assets	(641.64)	360.63
Financial and other asset	(335.36)	23.01
Trade payables, other financial liabilities, other liabilities and provisions	428.39	(99.25)
Changes in working capital	(548.49)	273.13
Less : Tax paid	(92.11)	(17.96)
Cash flows from operating activities	(16.38)	801.61
Cash flows from investing activities		
(Purchase) / sales of property, plant and equipments	(115.86)	(127.09)
Bank deposits (net)	(569.07)	(65.84)
Loan (given) / repaid - related parties and others (net)	(492.82)	(258.61)
(Purchase) / Sales of Investment	(1.30)	(10.10)
Interest received	67.15	22.56
Cash flows from Investing Activities	(1,111.89)	(439.08)
Cash flows from financing activities		
Proceeds from/(repayments of) long-term borrowings	(129.23)	(45.12)
Proceeds from/(repayments of) short-term borrowings	482.10	(155.07)
Proceed from fresh issue of shares	3,001.25	-
Payment to selling shareholders (Net of Share Issue Expenses)	(1,165.59)	-
Share issue expenses (including share of selling shareholders)	(201.97)	-
Payment of lease liabilities	41.65	17.61
Interest payment	(115.63)	(92.84)
Cash flows from Financing activities	1,912.59	(275.42)
Net changes in cash and cash equivalents	784.30	87.11
Cash and cash equivalents as at the beginning of the year (refer note 12)	88.28	1.17
Cash and cash equivalents as at the end of the year	872.58	88.28
Components of cash and cash equivalents (refer note 12)		
Cash on hand	0.16	1.08
In current account with Banks	872.41	87.20
Cash and cash equivalents as per standalone statement of cash flows	872.58	88.28

Note:

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard:7 on "Statement of Cash Flows".

As per our attached report of even date
T R Chadha & Co LLP
 Chartered Accountants
 Firm Registration Number : 006711N / N500028

For and on Behalf of Board of Directors of **Krystal Integrated Services Limited**
 (Formerly Krystal Integrated Services Private Limited)

Neeta Lad
 Chairperson and Managing director
 (DIN-01122234)
 Place : Mumbai

Sanjay Dighe
 CEO and Whole Time Director
 (DIN-02042603)
 Place : Mumbai

Alka Hinge
 Partner
 Membership No. 104574
 Place : Mumbai
 Date : 27 May 2024

Barun Dey
 Chief Financial Officer
 Place : Mumbai
 Date : 27 May 2024

Stuti Maru
 Company Secretary and Compliance Officer
 Membership No.: A45257
 Place : Mumbai

Notes

To the Standalone Financial Statements for the year ended March 31, 2024 Material 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 1st 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.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on July 4, 2023 and consequently the name of the Company has changed to Krystal Integrated Services Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies on July 25, 2023. Its shares got listed on two recognised stock exchange in India i.e. BSE and NSE on March 21, 2024.

Mumbai Bench of the NCLT, through its order dated June 20, 2022 (the "Order"), which became effective from 1st April'2020 has approved the Scheme of Arrangement ("the Scheme") between KRYSTAL INTEGRATED SERVICE PRIVATE LIMITED (KISPL) ("DSM" or "Demerged Company") and VOLKSARA TECHNO SOLUTION PVT LIMITED (VTSPL) ("Resulting Company"/"The Company") and their respective shareholders and creditors. The scheme has been approved by Board of Directors of both the Companies on March 30, 2021 for Demerger of IT enabled unit of the Demerged company situated at 15A/17, Shivaji Fort Co-op HSG. Soc., Duncun Causeway Road, Near Sion Talao, Sion, Mumbai 400022 (Collectively referred to as "Demerged Undertakings") from Demerged Company into Resulting Company with effect from Appointed Date i.e. July 19, 2022 and the effective date of demerger was April 1, 2020 with regard to Smart City Business providing Supply, Installation, Testing and Commissioning Services. The assets and liabilities related to this business has been shown as Assets held for Sale and profit related to said business is disclosed as profit from discontinued business in the Statement of Profit and Loss.

2 Material Accounting Policies:

This note provides a list of the significant accounting policies adopted in the preparation of these standalone Ind AS financial statements. Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

2.1 Basis of Preparation

Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The standalone Ind AS financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency and all amounts have been rounded off to the nearest millions, unless otherwise stated.

Basis of Preparation

The standalone financial statements have been prepared on the historical cost basis, except for the following:

- i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments),
- ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations ("DBO") and historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Going Concerns

The directors have, at the time of approving the standalone financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the standalone financial statements

2.2 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

i) **Contingent liabilities:** Contingent liabilities are not recognised in the financial statements but are disclosed in the notes. They are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs (except in the extremely rare circumstances where no reliable estimate can be made).

ii) **Income taxes:** Significant judgments are involved in determining provision for income taxes, including

- (a) the amounts claimed for certain deductions under the Income Tax Act, 1961 and
- (b) the amount expected to be paid or recovered in connection with uncertain tax positions.

The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities and the projected future taxable income in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced. (Refer note 40)

iii) **Impairment of financial assets:** The Company recognises loss allowances using the Expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables (billed and unbilled) with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The loss rates for the trade receivables considers past collection history from the customers, the credit risk of the customers and have been adjusted to reflect the Management's view of economic conditions over the expected collection period of the receivables (billed and unbilled). (Refer note 42))

iv) **Impairment of non-financial assets:** Non-financial assets are tested for impairment by determining the recoverable amount. Determination of recoverable amount is based on value in use, which is present value of future cash flows. The key inputs used in the present value calculations include the expected future growth in operating revenues and margins in the forecast period, long-term growth rates and discount rates which are subject to significant judgement.

v) **Measurement of defined benefit obligations:** For defined benefit obligations, the cost of providing benefits is determined based on actuarial valuation. An actuarial valuation is based on significant assumptions which are reviewed on a yearly basis. (Refer note 36)

vi) **Property, plant and equipment:** The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired and

reviewed periodically. Ind AS 103 requires the identifiable intangible assets acquired in business combinations to be fair valued and significant estimates are required to be made in determining the value of intangible assets. These valuations are conducted by external experts. (Refer note 3(a))

- (vii) **Other estimates:** The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer creditworthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

2.3 Measurement of Fair Value

Some of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and nonfinancial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.4 Current and non-current classification

Current and non-current classification: The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle

- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

Operating cycle for the business activities of the Company covers the duration of the specific project or contract and extends up to the realisation of receivables within the agreed credit period normally applicable to the respective lines of business. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months except for Training and skill development business. For Training and skill development business, the duration of operating cycle has been concluded as 15 - 18 months, depending on the projects, considering the time from mobilisation of candidates till funds are released by relevant government authorities.

2.5 Business Combinations

(i) Business combinations (common control business combinations): Business combination involving entities that are controlled by the company are accounted for using the pooling of interest method as follows

The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.

The financial information in the standalone financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date. The balance of the retained earnings appearing in the standalone financial statements of the transferor is aggregated with the corresponding balance appearing in the standalone financial statements of the transferee or is adjusted against general reserve. The identity of the reserve are preserved and the reserves of the transferor becomes the reserves of the transferee. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

(ii) Business combination (other than common control business combinations):

In accordance with Ind AS 103, the company accounts for the business combinations (other than common control business combinations) using acquisition method when control is transferred to the company. The cost of acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

Contingent consideration

Ind AS 103 requires contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration. This valuation is conducted by external valuation expert.

2.6 Property, Plant and equipment

- (I) **Recognition and measurement:** Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the statement of profit and loss when incurred. Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other noncurrent assets and the cost of the assets not ready for intended use are disclosed under 'Capital work-in-progress'.
- (II) **Depreciation:** The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Category	Useful Life
Building	30 Years
Plant & Machinery	3 - 10 Years
Furniture & Fixtures	3 - 10 Years
Servers & Networks	6 Years
Vehicles	8 Years
Computer Peripherals	3 Years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Leasehold improvements are depreciated over lease term or estimated useful life whichever is lower. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed periodically, including at each financial year end.

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. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss. The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss.

2.7 Intangible Assets

1. Recognition and measurement Internally generated: Research and development Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalised include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use. Separately acquired Intangible assets: Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired in a business combination Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost). Others Other purchased intangible assets are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.
2. Subsequent expenditure Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated software is recognised in the statement of profit and loss as and when incurred.
3. Amortisation Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortisation methods and useful lives are reviewed periodically including at each financial year end. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. The estimated useful lives of intangible assets are as follows:

Assets	Amortisation Period
Computer Software	3 Years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2.8 Impairment of intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.9 Leases

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short term and low-value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases of buildings (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease

2.10 Investments in subsidiaries and joint ventures

Investment in equity instruments issued by subsidiaries and associates are measured at cost less impairment. Dividend income from subsidiaries and associates is recognised when its right to receive the dividend is established. The acquired investment in subsidiaries and associates are measured at acquisition date fair value. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss. Investment in debentures of the subsidiaries and associate are treated as equity instruments if they meet the definition of equity as per Ind AS 32 and are measured at cost. Investment in debentures not meeting the aforesaid conditions are classified as debt instruments and are accounted for under Ind AS 109.

2.11 Inventories

Inventories (raw materials, consumables and stores and spares) are valued at lower of cost and net realisable value. Cost of inventories comprises purchase price and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs to sell.

2.12 Cash and equivalents

Cash and cash equivalents comprise cash in hand and in banks, demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash on hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.13 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument

A Financial Assets

Initial Recognition and Management

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

1. Financial assets at amortised cost
2. Financial assets at fair value through other comprehensive income (FVTOCI)
3. Financial assets at fair value through profit or loss (FVTPL)
4. Equity instruments measured at fair value through other comprehensive income ('FVTOCI')

Financial Asset at amortised cost

A financial asset is measured at the amortised cost if both the following conditions are met:

1. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
2. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial asset at FVOCI

A financial asset is classified as at the FVTOCI if both of the following criteria are met:

1. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
2. The asset's contractual cash flows represent SPPI

Financial asset at FVTPL

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

In addition, a company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

Equity investments Other than Investments in subsidiaries, associates and joint ventures

All equity investments in scope of Ind AS 109 are measured at fair value and are classified as FVTPL.

De-recognition

The Company derecognises financial assets when:

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

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

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

Impairment of Financial Assets

The Company assesses impairment based on expected credit loss (ECL) model to the following:

1. Financial assets measured at amortised cost;
2. Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

1. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
2. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables

The Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments- for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk of trade receivable. The Company calculates the expected credit losses on trade receivables on the basis of its historical credit loss experience. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

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

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

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

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

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

B Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities:

Initial recognition and measurement

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

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

Subsequent measurement

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

1. Financial liabilities at fair value through profit or loss
2. Loans and borrowings measured on amortised cost basis
3. Financial guarantee contracts

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to the Statement of profit and loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at FVTPL.

Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

C Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

D Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Premium/Discount, in respect of forward foreign exchange contract, is recognised over the life of the contracts. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the period in which the exchange rate changes. Profit/Loss on cancellation / renewal of forward exchange contract is recognized as income/expense.

2.14 Provisions, Contingent liabilities, Contingent assets and Commitments:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

1. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
2. A present obligation arising from the past events, when no reliable estimate is possible;
3. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.15 Taxes

Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the entity operates and generates taxable income.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their corresponding carrying amounts for the financial reporting purposes.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

1. deductible temporary differences;
2. the carry forward of unused tax losses; and
3. the carry forward of unused tax credits.

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

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

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

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

2.16 Revenue recognition

The Group derives revenue primarily from manpower services comprises of facility management service, security service and other manpower based solutions.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services (“performance obligations”) to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services (“transaction price”). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The contract with customer for staffing services, generally contains a single performance obligation and revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company’s contracts may include variable consideration including discounts and penalties which are reduced from revenues and recognised based on an estimate of the expected payout relating to these considerations.

Revenue from manpower services is recognised over time since the customer simultaneously receives and consumes the benefits. The invoicing for these services is either based on cost pa service fee or fixed fee model.

The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor and has pricing latitude which establishes control before transferring products and services to the customer.

The Company's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of invoicing are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time. Unbilled revenues are presented under Trade receivables, while invoicing in excess of revenues are classified as unearned revenue.

Other income

Other income comprises primarily interest income on deposits, dividend income and gain/ (loss) on disposal of financial assets and non-financial assets. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

2.17 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. All the grants related to an expense item are recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

2.18 Employee Benefits

A Short-term Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Short term employee benefits are measured on an undiscounted basis as the related service is provided.

B Compensated absences

The employees of the Company are entitled to compensated absences. For the purpose, the group follows calendar year and not financial year. In-house employees cannot carry forward a portion of the unutilized accumulating compensated absences beyond calendar year and utilize it in future periods or receive cash at retirement or termination of employment. The group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is determined by management assessment of amount payable at each balance sheet date. In case of, on-site employees, the compensated advances are part of their compensation package and the same is provided to them on demand/at the time of full and final settlement.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits and those expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits.

C Defined contribution plan

Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The Company makes specified monthly contributions towards Employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The expenditure for defined contribution plan is recognised as expense during the period when the employee provides service.

D Defined benefit plan

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The Company's gratuity fund is managed by Life Insurance Corporation of India (LIC). The present value of gratuity obligation under such defined benefit plan is determined based on actuarial valuations carried out by an external actuary using the Projected Unit Credit Method. The Company recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and Net interest expense or income.

Actuarial gains or losses are recognised in other comprehensive income. Further, the statement of profit and loss does not include an expected return on plan assets. Instead, net interest recognised in the statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income.

Re-measurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to the statement of profit and loss in subsequent periods.

2.19 Borrowing Cost

"Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred."

2.20 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.21 Segment Reporting

In accordance with Ind AS 108, Operating segments, segment information has been disclosed in the consolidated financial statements of the Company and no separate disclosure on segment information is given in these standalone financial statements.

2.22 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the respective transactions. Foreign-currency denominated monetary assets and liabilities are translated into the functional currency at exchange rates in effect at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and such translation of monetary assets and liabilities denominated in foreign currencies are generally recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

2.23 Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

2.24 Non-current assets (or disposal group) held for sale and discontinued operations:

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value.

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

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

2.25 New and amended Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2024, MCA has not notified any new standard or amendments to the existing standards applicable to the company.

As per our attached report of even date
T R Chadha & Co LLP
Chartered Accountants
Firm Registration Number : 006711N / N500028

For and on Behalf of Board of Directors of **Krystal Integrated Services Limited**
(Formerly Krystal Integrated Services Private Limited)

Neeta Lad
Chairperson and Managing director
(DIN-01122234)
Place : Mumbai

Sanjay Dighe
CEO and Whole Time Director
(DIN-02042603)
Place : Mumbai

Alka Hinge
Partner
Membership No. 104574
Place : Mumbai
Date : 27 May 2024

Barun Dey
Chief Financial Officer
Place : Mumbai
Date : 27 May 2024

Stuti Maru
Company Secretary and Compliance Officer
Membership No.: A45257
Place : Mumbai

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

Notes to standalone financial statements for the year ended 31st March 2024

Note 3 (a): Property, Plant and Equipments and Capital work-in-progress

ASSETS	GROSS BLOCK			DEPRECIATION / AMORTISATION / IMPAIRMENT				NET BLOCK	
	As at 01st April 2023	Additions during the year	Deductions * / Transfers	As at 01st April 2023	As at 31st March 2024	For the year		As at 31st March 2024	As at 31st March 2023
						On Opening Balance	On Addition		
Tangible assets									
Building	644.26	34.99	-	7.42	679.25	21.51	0.30	29.23	636.85
Plant & Machinery	238.55	19.00	0.11	173.64	257.44	18.34	1.80	193.78	64.91
Furniture & Fixture	42.88	4.58	0.81	18.02	46.64	2.80	0.28	21.09	24.86
Vehicles	45.04	3.30	13.24	19.29	35.11	4.95	0.26	15.71	25.75
Computer Peripherals	44.33	6.39	-	38.50	50.72	2.78	1.48	42.76	5.86
Total of Tangible assets	1,015.06	68.26	14.16	256.86	1,069.16	50.38	4.11	302.57	758.23
Capital work-in-Progress (Office Premises)	-	-	-	-	-	-	-	-	-
Total of Capital work-in-progress	-	-	-	-	-	-	-	-	-
Grand total	1,015.09	68.26	14.16	256.86	1,069.16	50.38	4.11	302.57	758.23

March - 2023

Note 3 (a): Property, Plant and Equipments and Capital work-in-progress

ASSETS	GROSS BLOCK			DEPRECIATION / AMORTISATION / IMPAIRMENT				NET BLOCK	
	As at 01st April 2023	Additions during the year	Deductions * / Transfers	As at 01st April 2022	As at 31st March 2023	For the year		As at 31st March 2023	As at 31st March 2022
						On Opening Balance	On Addition		
Tangible assets									
Building	2.89	641.39	-	1.42	644.26	5.66	0.34	7.42	1.47
Plant & Machinery	211.68	26.93	0.06	155.54	238.55	16.80	1.30	173.64	56.14
Furniture & Fixture	19.26	23.73	0.11	16.90	42.88	0.58	0.55	18.02	2.36
Vehicles	42.40	2.64	-	14.48	45.04	4.77	0.03	19.29	27.92
Computer Peripherals	39.34	5.13	0.14	35.60	44.33	2.39	0.54	38.50	3.75
Total of Tangible assets	315.57	699.82	0.31	256.86	1,015.08	50.38	4.11	302.57	758.23
Capital work-in-Progress (Office Premises)	600.06	-	600.06	-	-	-	-	-	600.06
Total of Capital work-in-progress	600.06	-	600.06	-	-	-	-	-	600.06
Grand total	915.64	699.82	600.38	223.95	1,015.08	30.20	2.76	256.84	691.70

Note

1. The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.
2. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
3. The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company. Further, no property, plant and equipment or right-to-use assets have been revalued.
4. Property, Plant and Equipment are subject to first charge on secured loans. Refer note 20 and 23

Note 3 (b): Right-of-use Assets

Description	Building	Total Right-of-use Asset
Cost as at 31st March 2023 (A)	55.70	55.70
Additions	27.14	27.14
Deletions		
Cost as at 31st March 2024 (B)	82.83	82.83
Accumulated depreciation as at 31st March 2023 (C)	40.50	40.50
Depreciation for the year	10.96	10.96
Deletions		
Accumulated depreciation as at 31st March 2024 (D)	51.46	51.46
Net carrying amount as at 31st March 2023 (A) - (C)	15.19	15.19
Net carrying amount as at 31st March 2024 (B) - (D)	31.37	31.37

Note 3 (b): Other Intangible Assets

Description	Computer Software	Total
Cost as at 31st March 2023 (A)	9.22	9.22
Additions	0.28	0.28
Deletions		
Cost as at 31st March 2024 (B)	9.49	9.49
Accumulated depreciation as at 31st March 2023 (C)	8.31	8.31
Depreciation for the year	0.57	0.57
Deletions		
Accumulated depreciation as at 31st March 2024 (D)	8.88	8.88
Net carrying amount as at 31st March 2023 (A) - (C)	0.91	0.91
Net carrying amount as at 31st March 2024 (B) - (D)	0.61	0.61

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are in Millions unless otherwise stated)

Notes to standalone financial statements for the year ended 31.03.2024

Particulars	31st March 2024	31st March 2023
Investment in equity shares - unquoted (at amortized cost)		
<u>Equity share</u>		
<u>Subsidiaries Companies</u>		
6,42,655 (31st March 2023- 6,42,655) equity shares of Krystal Gourmet Private Ltd of ₹ 10 each	15.71	15.71
9,999 (31st March 2023- 9,999) equity shares of Flame Facilities Private Limited of ₹ 10 each	0.10	0.10
Investment carried at (FVTPL)		
Others - in Co-operative banks		
13,875 (31st March 2023- 13,875) equity shares of Mumbai District Central Co-operative Bank Ltd of ₹ 1000 each	13.88	13.88
Investment carried at (FVTPL)		
Krystal Aquachem JV	0.10	0.10
Krystal Aquachem JV - Loan in the nature of Equity	10.06	10.06
BVG Krystal JV*	-	-
Other Investments		
Gold Pooja Jewellery (At cost)	1.50	1.50
Total	41.34	40.04
Aggregate amount of unquoted investments	41.34	40.04
Aggregate amount of impairment in the value of investments	-	-

*BVG Krystal Joint Venture (BVG Krystal) is a joint arrangement in which the Company has a right of 49% share in profits. BVG Krystal is a partnership firm registered on 2 June 2009, having its principal place of business at Mumbai. The firm was set up for providing all types of security solutions, including supply of security personnel, protection of property, house-keeping and all other relevant and incidental work. As the business operations did not take off for the joint venture and hence the capital invested by the company amounting to Rs.0.005 million was impaired in the Financial Year 2015-16. The JV has Negative net asset of Rs. 0.13 Million, the operation expenses are borne by other JV Partner and has not been claimed by said JV Partner from Company, as such no accounting in this regard has been made by the Company in its books of accounts. The Management does not foresee any liability in this regard.

6. Other non-current financial Assets

Particulars	31st March 2024	31st March 2023
Security Deposits*		
- considered good	99.50	79.93
Bank deposits with maturity more than 12 months**	64.66	312.47
Total	164.15	392.40

* Security deposit include deposit given premises taken on lease, retention deposits, license deposits, electricity deposits and deposits in form EMD.

** Bank deposit of ₹ 64.66 million (31 March 2023 : ₹ 312.47 million) are lien marked against borrowings, bank guarantees and Loan for EMD.

7. Deferred Tax asset / (liabilities) (net)

Particulars	31st March 2024	31st March 2023
On difference between book balance and tax balance of property, plant and equipment and intangible assets	(2.76)	10.88
On disallowances	32.14	60.41
Others	10.69	(0.54)
Total	40.08	70.75

8. Income tax assets (net) - Non-current

Particulars	31st March 2024	31st March 2023
Advance Income Tax & TDS (net of Provision CY- ₹53.21 Mn , PY- ₹70.20 Mn)*	127.43	67.58
Total	127.43	67.58

*The above figure has been adjusted against TDS receivable transferred to Volksara Techno Solutions Private Limited amounting to ₹ 3.49 Mn with regards to Demerger transaction.

9. Other Non-current Assets

Particulars	31st March 2024	31st March 2023
Capital advances (Unsecured, Considered good) (Refer Note 37)	292.53	-
Total	292.53	-

Advance payment made to a related party for negotiating the acquisition of property intended for use as a company guest house.

10. Inventories

Particulars	31st March 2024	31st March 2023
(Valued at cost or Net Realisable Value whichever is lower)		
Consumable items	4.82	4.95
Total	4.82	4.95

11. Trade Receivables

Particulars	31st March 2024	31st March 2023
(i) Trade Receivables - Billed		
Unsecured, considered good	1,483.35	862.82
Less: Allowance for expected credit loss	(110.19)	(150.58)
Total Trade Receivables - Billed	1,373.16	712.24
(i) Trade Receivables - Billed		
Unbilled	780.78	759.67
Less: Allowance for expected credit loss	(16.18)	(19.67)
Total Trade Receivables - Unbilled	764.60	740.00
Total Trade Receivables - Unbilled	2,137.76	1,452.24
Trade receivables includes :		
- Dues from related parties (refer note 37)	46.05	36.03
- Other receivables	2,091.72	1,416.21

1. The Group's exposure to credit and loss allowances related to trade receivables are disclosed in Note 41.

2. Working Capital facilities is also secured against first charge on book-debts.

3. The amount of loss allowance (lifetime expected credit loss) has been recognized under the Simplified approach for trade receivable and hence break-up of trade receivable into 'significant increase in credit risk' and 'credit impaired' has not been disclosed separately.

11. Trade Receivables Ageing

FY 2023-24

Category	Outstanding for following periods from due date of payment							Total
	Unbilled	Not Due	< 6 months	6 mths - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – Considered Goods	780.78	940.70	279.22	39.33	13.62	40.74	169.74	2,264.12
(ii) Undisputed Trade Receivables – Considered Doubtful								-
(iii) Disputed Trade Receivables – Considered Goods								-
(iv) Disputed Trade Receivables – Considered Doubtful								
Less: Allowance for expected credit loss								(126.37)
Net receivables								2,137.76

FY 2022-23

Category	Outstanding for following periods from due date of payment										Total
	Unbilled	Not Due	< 6 months	6 mths - 1 year	1-2 years	2-3 years	More than 3 years	More than 3 years	More than 3 years	More than 3 years	
(i) Undisputed Trade Receivables – Considered Goods	759.67	441.87	139.48	4.80	50.53	33.24	192.89				1,622.48
(ii) Undisputed Trade Receivables – Considered Doubtful											-
(iii) Disputed Trade Receivables – Considered Goods		-									-
(iv) Disputed Trade Receivables – Considered Doubtful											-
Less: Allowance for expected credit loss											(170.25)
Net receivables											1,452.24

12. Cash and Cash Equivalents

Particulars	31st March 2024	31st March 2023
In current account with Banks	872.41	87.20
Cash on hand	0.16	1.08
Total	872.58	88.28

13. Bank Balances other than Cash and Cash Equivalents above

Particulars	31st March 2024	31st March 2023
Bank deposits with maturity within 12 months from the reporting date*	908.50	91.07
Balances with banks for liability against Govt Schemes	6.15	6.71
Total	914.66	97.78

* Bank deposits are maintained as margin money for bank guarantee, as collateral for a loan to cover Earnest Money deposits (EMD), for securing term loans and some fixed deposits (FDs) are associated with the unused IPO proceeds.

**Government schemes is related to Aajeevika Project. Aajeevika Skills is a project by the Ministry of Rural Development aims to diversify incomes of the rural poor and to cater to the occupational aspirations of their youth.

14. Current Loans

Particulars	31st March 2024	31st March 2023
Unsecured, considered good		
Loan to Related Party (Refer Note 37)		
- to Subsidiaries	275.54	233.57
- to Others	57.93	-
Unsecured, considered good - repayable on demand		
Loan to Related Party (Refer Note 37)	363.67	-
Loan to Others	71.84	42.60
Total	768.99	276.16

Details of loans and advances given during the year under Section 186(4) of the Act:

Movement for the year ended 31 March 2024

Particulars	Rate of Interest	Secured/ Unsecured	Balance as at 31st March 2023	Balance as at 31st March 2024
Krystal Gourmet Private Limited (subsidiary)	12%	Unsecured	12.97	31.45
Flame Facilities Private Limited (subsidiary)	12%	Unsecured	220.60	244.09
Krystal Allied Services Private Limited	12%	Unsecured	32.59	57.93
Pegasus Diam	12%	Unsecured	10.01	-
Dolphine Impex	12%	Unsecured	-	71.84
Newline Inno-source Pvt Ltd	12%	Unsecured	-	363.67

Movement for the year ended 31 March 2023

Particulars	Rate of Interest	Secured/ Unsecured	Balance as at 31st March 2023	Balance as at 31st March 2024
Krystal Gourmet Private Limited (subsidiary)	12%	Unsecured	7.43	12.97
Flame Facilities Private Limited (subsidiary)	12%	Unsecured	10.13	220.60
Krystal Allied Services Private Limited	12%	Unsecured	-	32.59
PEGASUS DIAM	12%	Unsecured		10.01

Loans granted to promoters, directors, KMP and related parties (repayable on demand):

Particulars	Gross Amount	% to total loans	Allowances	Net Amount
As at 31st March 2024				
Promoter	-		-	
Directors	-		-	
KMP's	-		-	
Related Parties	363.67	47%		363.67
As at 31st March 2023				
Promoter	-		-	
Directors	-		-	
KPMs	-		-	
Related Parties	233.57	85%		233.57

15. Other Current Financial Assets

Particulars	31st March 2024	31st March 2023
Advances to Employees	1.21	1.54
Security Deposits*		
- related parties	-	-
- Other than related parties	32.43	19.05
Other Receivables	10.70	9.76
Total	44.33	30.35

*security deposit include deposit given for premises taken under leases, labour licenses and tenders.

16. Income tax assets (net) - Non-current

Particulars	31st March 2024	31st March 2023
Advance Income Tax & TDS	-	12.61
Total	-	12.61

17. Other Current Assets

Particulars	31st March 2024	31st March 2023
Advance to Supplier	12.60	10.66
Prepaid expenses	42.66	35.31
Total	55.25	45.97

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to standalone financial statements for the year ended 31.03.2024

18 Equity Share capital

Particulars	31st March 2024	31st March 2023
(a) Authorised		
1,50,00,000 (31 March 2023: 1,00,00,000) Equity Shares of ₹ 10/-each	150.00	100.00
	150.00	100.00
(b) Issued, subscribed and fully paid-up		
1,39,71,952 (31 March 2023: 57,62,200) Equity Shares of ₹10/- each	139.72	57.62
Total	139.72	57.62

*Subsequent to the year ended 31 March 2023, the authorized share capital was increased from 1,00,00,000 equity shares of ₹ 10 each amounting to ₹ 100 million to 1,50,00,000 equity shares of ₹ 10 each amounting to ₹ 150 million which was duly approved by the board in meeting dated 26 September 2023 and by the shareholders of the Company by means of an special resolution dated 26 September 2023.

**Post increase of the existing authorised share capital of the company, the Board of Directors at its meeting held on 26 September 2023 had approved the bonus issue of one new equity share for every one share held on record date which was approved by the shareholders by means of a special resolution resolution dated 26 September 2023. Through a Board resolution dated 26 September 2023, the Company has allotted 57,62,200 equity shares of ₹ 10 each as bonus shares to the existing equity shareholders of the Company.

Notes :

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

Particulars	31st March 2024		31st March 2023	
	No. of Equity Shares	Amount	No. of Equity Shares	Amount
Equity shares outstanding as at the beginning of the year	5,762,200	57.62	5,762,200	57.62
Add : Bonus share issued during the year	5,762,200	57.62	-	-
Add : Shares Issued during the year	2,447,552	24.48	-	-
Equity shares outstanding as at the end of the year	13,971,952	139.72	5,762,200	57.62

(ii) Shares held by holding company & promoter group

Name of the Shareholder	31st March 2024		31st March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Krystal Family Holdings Private Limited	9,774,388	97.74	5,762,200	57.62
Neeta Prasad Lad	2	0.00	-	-
Saily Prasad Lad	2	0.00	-	-
Shubham Prasad Lad	2	0.00	-	-
	9,774,394	97.74	5,762,200	57.62

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

Name of the Share	31st March 2024		31st March 2023	
	No. of Shares	% of holding	No. of Shares	% of holding
Krystal Family Holdings Private Limited	9,774,388	69.96%	5,762,200	100.00 %
	9,774,388	69.96%	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 received the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note: Values with ₹ 0.00 denotes amounts less than million.

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to standalone financial statements for the year ended 31.03.2024

19 Other Equity

Particulars	Amount
(a) Securities Premium Reserve	
As at 31st March 2022	8.00
Add/(Less): Addition/(deletion) during the year	-
As at 31st March 2022	8.00
Add/(Less): Addition/(deletion) during the year	1,609.22
As at 31st March 2022	1,617.22
(b) Retained Earnings	
As at 31st March 2022	1,546.08
Add: Profit for the year	382.06
Add: Other comprehensive income	2.51
Less: Balances transferred pursuant to scheme of arrangement	(392.12)
As at 31st March 2023	1,538.53
Add: Profit for the year	482.29
Add: Other comprehensive income	-
Less: Issue of Bonus Shares out of free reserves	(57.62)
As at 31st March 2024	1,963.20

Brief description of other equity:

a. Securities Premium: This reserve represents amounts received in addition to the par value of shares. The utilisation of the securities premium will be in accordance with the provisions of The Companies Act, 2013.

b. Retained Earnings: This Reserve represents the cumulative profits of the company. This reserve is free reserves and can be utilised for any purpose as may be required. All Adjustments arising on account of transition to Ind AS and bonus issue of share are recorded under this reserve.

20 Borrowings - Non-current

Particulars	31st March 2024	31st March 2023
Secured		
<u>From Banks</u>		
Vehicle Loans (Refer note (i) (a) and (ii) (a) below)	16.50	19.66
<u>Loan from Related Party</u>		
Loan against Property (Mumbai District Central Co-operative Bank Ltd) (Refer note (i) (b) and (ii) (b) below)	-	150.14
<u>From Others</u>		
Term Loans from financial Institutions (Refer note (i) (c) and (ii) (c) below)	-	5.60
Total secured borrowings	16.50	175.40
Unsecured		
<u>Loan from Non Banking Financial Institution</u>		
Loan from Related Party Navapunjara Finance Pvt.Ltd. (Refer note (iii))	55.46	98.87
Total unsecured borrowings	55.46	98.87
Less: Current maturities of long term loans (refer table below)	(4.28)	(77.37)
Total	67.68	196.91

*Information about the Company's exposure to interest and liquidity risk is included in Note 41

Breakup of current maturities of long term borrowings

Particulars	31st March 2024	31st March 2023
Secured		
From Banks	4.28	51.69
From Others	-	25.69
Total	4.28	77.37

SECURED

(i) Nature of Security

- a. Vehicle loans from banks are secured against specific charge on the respective vehicle
- b. Loan For Property are secured against charge on the Kohinoor Property. issue of share are recorded under this reserve.
- c. Term loans from financial institutions are secured against Hypothecation of machinery purchased out of Tata Capital Financial Services Limited Fund.

ii) Maturity Profile and Rate of Interest

- a. Vehicle loan from Bank are repayable in equated monthly instalments, maturity date and Rate of Interest is highlighted in the following table.

Rate of Interest (p.a.)	Maturity Date
8.21	10-Aug-25
8.75	15-Nov-23
8.95	15-Dec-23
8.35	7-Aug-25
8.35	5-Sep-25
8.35	5-Sep-25
7.40	7-Sep-26
7.40	9-Feb-29
9.05	23-Feb-30
9.05	1-Aug-26
9.05	1-Aug-26

- b. Loan against Property are repayable in 7 years in monthly instalments as per the sanction letter, Maturity is due in March-25. The rate of interest is 11% pa.

- c. Term Loan from Financial Institution: Loan against Equipments are repayable in 3 years in monthly instalments, with 3 months moratorium, as per the sanction letter, Maturity is due in September 2023. The rate of interest is 12% pa.

UNSECURED

- iii) Term Loan from NBFC are repayable in 36 months, Maturity date is April-25. The rate of Interest is 10 % p.a

The company has not defaulted on its debt obligation during the year ended 31st March 2024 and 31st March 2023

21 Lease liabilities

Particulars	31st March 2024	31st March 2023
Lease liabilities (Refer note 39)	34.74	17.01
Total	34.74	17.01
Current	9.75	6.80
Non-current	24.99	10.21

22 Provisions

Particulars	31st March 2024	31st March 2023
Provision for employee benefits		
Provision for Gratuity (Refer Note 36)	2.65	1.49
Total	2.65	1.49

23 Borrowings - Current

Particulars	31st March 2024	31st March 2023
Secured		
<u>From Banks</u>		
Cash Credit (Refer note (i) below)	710.37	70.29
<u>From Related Party</u>		
Cash Credit (Mumbai District Central Co-operative Bank Ltd) (Refer note (i) below)	-	112.20
<u>From Others</u>		
Working capital loan	49.62	20.09
Unsecured		
Loan Others	-	2.20
Current Maturities of long term debt :		
From Bank	4.28	6.69
From Related Party (Mumbai District Central Co-operative Bank Ltd)	-	45.00
From Others	-	25.69
Total	764.26	282.16

Nature of Security

Note

- i) Pari Pasu first charge by way of hypothecation of company's present and future book debts, receivable etc., equitable mortgage of certain immovable properties of promoters and Personal guarantee of Mr. Prasad Lad, Mrs. Neeta Lad, Miss. Saily Lad and Mr. Shubham Lad.
- ii) Information about the company's exposure to interest rate, foreign currency and liquidity risks is included in Note 41.

The company has not defaulted on its debt obligation during the year ended 31st March 2024 and 2023.

The summary of differences noted in quarterly statements filed by the Holding Company with banks are as follows:

Name of banks	Quarter Ended	Particulars	Disclosed as per Statement	As per Books of Accounts	Difference	Reason for Material Variances
Union Bank of India	Q1 - 30th June 2023	Inventory	4	4	0%	
		Trade Payable	162	343	-53%	Note 1
		Trade Receivable	1,591	1,739	-8%	Note 1
Union Bank of India	Q2 - 30th Sept 2023	Inventory	4	4	0%	
		Trade Payable	288	488	-41%	Note 1
		Trade Receivable	2,145	2,251	-5%	Note 2
Union Bank of India	Q3 - 31st Dec 2023	Inventory	5	5	0%	
		Trade Payable	396	303	30%	Note 1
		Trade Receivable	2,374	2,507	-5%	Note 2
Union Bank of India	Q4 - 31st Mar 2024	Inventory	5	5	0%	
		Trade Payable	532	435	22%	Note 1
		Trade Receivable	2,196	2,260	-3%	Note 2

Note 1

For quarters June 2023, September 2023, December 2023 and March 2024, difference is on account of Smart City Business Inventory which is taken mistakenly while submitting Trade Receivable & Trade Payables Statement to Bank

Note 2

For Quarter ending September 2023, December 2023 and March 2024, apart from the above, there is a difference on account of Unbilled revenue recognised at the quarter end which is taken mistakenly while submitting Trade Receivables Statement to bank.

FY 2022-23

Name of banks	Quarter Ended	Particulars	Disclosed as per Statement	As per Books of Accounts	Difference	Reason for Material Variances
MDCB Bank State Bank of India Union Bank of India	Q1 - 30th June 2022	Inventory	2.79	2.79	0%	
		Trade Payable	281.96	265.49	6%	
		Trade Receivable	2,549.46	2,514.67	1%	Note 1
MDCB Bank State Bank of India Union Bank of India	Q2 - 30th Sept 2022	Inventory	3.89	3.89	0%	
		Trade Payable	202.18	199.57	1%	
		Trade Receivable	1,964.00	1,961.51	0%	Note 1
Union Bank of India	Q3 - 31st Dec 2022	Inventory	3.27	3.27	0%	
		Trade Payable	185.16	203.70	-9%	
		Trade Receivable	2,024.20	2,022.88	0%	Note 1
Union Bank of India	Q4 - 31st Mar 2023	Inventory	4.95	4.95	0%	
		Trade Payable	237.22	129.34	83%	
		Trade Receivable	1,731.32	1,621.28	7%	Note 2

Note 1

For quarters June 2022, September 2022 and December 2022, difference is on account of income tax deducted at source ('TDS') by clients from running account bills and considered as trade receivables pending receipt of TDS certificate for the purposes of submission of quarterly statements to banks. There are some minor differences on account of GST as well.

Note 2

For Quarter ending March 2023, apart from the above two there is a difference on account of Unbilled revenue recognised at the year end and Smart City Business Inventory which is taken mistakenly while submitting Trade Receivables Statement to bank.

24 Trade Payables

Particulars	31st March 2024	31st March 2023
Total outstanding dues of micro enterprises and small enterprises	29.22	0.56
Total outstanding dues of creditors other than micro enterprises and small enterprises	430.55	138.99
Total	459.77	139.55

The information as required to be disclosed pursuant under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	31st March 2024	31st March 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year*		
- Principal amount due to micro and small enterprises	29.22	0.56
- Interest due to Micro, Small And Medium Enterprises	0.39	0.05
- 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.	0.39	0.05
- 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 disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	1.21	0.82

*'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.

**Trade Payables Ageing
FY 2023-24**

Category	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
(i) MSME	28.90	0.12	0.13	0.08	29.22	
(ii) Others	398.25	11.03	18.13	3.13	430.55	
(iii) Disputed dues – MSME					-	
(iv) Disputed dues - Others					-	
Total	427.16	11.15	18.26	3.20	459.77	

FY 2022-23

Category	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
(i) MSME	0.56				0.56	
(ii) Others	105.93	20.87	9.38	2.81	138.99	
(iii) Disputed dues – MSME					-	
(iv) Disputed dues - Others					-	
Total	106.49	20.87	9.38	2.81	139.55	

25 Other Current financial liabilities

Particulars	31st March 2024	31st March 2023
Security Deposits	26.36	47.16
Outstanding Liabilities	648.36	454.59
Offer Expenses (IPO Proceeds for Offer Expenses)	55.02	-
*Other payables pursuant to scheme of arrangement (Refer note 54)	39.22	39.22
Total	768.96	540.98

* Payable to Volksara Techno Solutions Private Limited due to demerger liabilities

26 Other Current Liabilities

Particulars	31st March 2024	31st March 2023
Advance from customer	4.34	1.44
Statutory liabilities	309.90	442.01
Total	314.24	443.45

27 Provisions

Particulars	31st March 2024	31st March 2023
Provision for Gratuity (Refer Note 36)	50.32	42.19
Provision Others	3.82	-
Provision for compensated absences	72.07	85.58
Total	126.21	127.77

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to standalone financial statements for the year ended 31.03.2024**28 Revenue from operations**

Particulars	31st March 2024	31st March 2023
Sale of Services		
Manpower and related services (Refer Note 38)	9,847.26	6,855.05
Total	9,847.26	6,855.05

29 Other Income

Particulars	31st March 2024	31st March 2023
Interest income on:		
- Deposits with banks	13.67	17.63
- Interest on Loans	46.19	4.44
- Interest on Income Tax Refund	6.74	-
Dividend Income		
- Dividend Receipts from related party	0.58	-
Other Non-operating Income		
Profit on sale of property plant and equipment	1.58	-
Balance write back	9.79	4.06
Rent Income	1.41	-
Finance Income	0.55	-
Miscellaneous income	0.22	1.46
Total	80.74	27.59

30 Cost of material and store and spare

Particulars	31st March 2024	31st March 2023
Inventories of materials, store and spares as at the beginning of the year	4.95	3.26
Add : Purchases of materials	1,424.58	265.03
	1,429.53	268.29
Less : Inventories of materials, store and spares as at the end of the year	4.82	4.95
Total	1,424.71	263.34

31 Employee Benefit Expenses consumed

Particulars	31st March 2024	31st March 2023
Salaries and wages	6,734.52	5,144.94
Contributions to provident and other funds	788.04	633.80
Staff welfare expenses	11.73	4.50
Total	7,534.29	5,783.24

32 Finance Cost

Particulars	31st March 2024	31st March 2023
Interest expenses	101.25	81.98
Interest on lease liabilities	3.21	1.92
Other borrowing costs	14.39	10.87
Total	118.85	94.77

33 Depreciation and Amortisation

Particulars	31st March 2024	31st March 2023
Depreciation on tangible assets (refer note 3(a))	54.49	32.97
Depreciation of right-of-use assets (refer note 3(b))	10.96	9.66
Amortisation of intangible assets (refer note 4)	0.57	0.73
Total	66.02	43.36

34 Other Expenses

Particulars	31st March 2024	31st March 2023
Consumption of stores and spare parts	4.06	4.31
Office Expenses	6.24	4.07
Bank Charges	2.48	4.97
Facility Services	2.28	2.07
Power and fuel	13.39	11.98
Rent (Short term leases)	5.65	9.30
Repairs and Maintenance	17.70	16.67
Insurance	11.15	10.45
Rates and taxes	5.07	13.38
Donation	0.16	-
Property Tax	2.87	-
Hire Charges	5.40	4.52
Travelling expenses (including foreign travelling)	17.29	23.54

Loss allowance on financial assets, net		
" - Impairment loss recognized / (reversed) under expected credit loss mode (Refer Note 41)"	(43.88)	2.48
Conveyance expenses	4.96	4.21
Communication Expenses	4.66	4.29
Postage and Courier	1.35	1.05
Tender Expenses	7.00	2.08
Printing and stationery	3.20	3.11
Director's Sitting Fees	5.45	-
Legal and professional fees	50.94	41.48
Payment to auditor's [refer note (i) below]	5.50	4.86
Corporate Social Responsibility Expenses [refer note (ii) below]	6.30	9.23
Advertisement Expenses	1.96	0.64
Business Promotion Expenses	0.19	0.11
Ineligible GST Expenses	38.61	39.22
Interest & damages on delayed payment of statutory dues	22.74	77.76
Miscellaneous Expenses	19.66	16.07
Total	222.38	311.85

Note - (i) : Payment to Auditor's (excluding GST)

Particulars	31st March 2024	31st March 2023
- Statutory audit fees	3.50	3.60
- Tax Audit Fees	0.55	0.25
- Taxation matters	0.93	0.45
- Other matters	0.52	0.57

*The above audit fee excludes ₹ 3 Million towards fees paid/payable to the auditors on account of Initial Public Offering of equity shares as these expenses would be recovered from selling shareholders.

Note - (ii) : Corporate social responsibility)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. Pursuant to said provision, the Company has constituted the CSR committee in earlier years (CSR committee has been formed by the Company as per the Act). The funds are utilized throughout the year on the activities which are specified in Schedule VII of the Act.

The utilization is primarily done by way of contribution to a trusts, the details are given below:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(a) Amount required to be spent by the company during the year	5.70	7.06
(b) Amount Of expenditure incurred on	-	-
(i) Construction / acquisition of asset	-	-
(ii) On purpose other than (i) above	6.30	9.23
(c) Shortfall at the end Of the year	(0.60)	(2.17)
(d) Total Of previous years shortfall Reason for shortfall	-	-
(e) Reason for shortfall	-	-
(f) Nature Of CSR activities	Promoting education, healthcare, sanitation, skill development and other livelihood enhancement.	
(g) Details Of related party transactions	-	-
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

Particulars	31st March 2024	31st March 2023
Gross amount required to be spent and approved by the board of the Company during the year	5.70	7.06

Amount spent during the year ending on March 31, 2024 :

Particulars	In Bank	Yet to be Paid	Total
Construction / acquisition of asset	-	-	-
On purpose other than above	6.30	-	6.30

Amount spent during the year ending on March 31, 2023 :

Particulars	In Bank	Yet to be Paid	Total
Construction / acquisition of asset	-	-	-
On purpose other than above	9.23	-	9.23

Note 35

Earnings per equity share

Basic earning per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	31st March 2024	31st March 2023
i. Profit attributable to Equity holders		
Profit attributable to equity holders :		
Profit attributable to equity holders for basic earnings	482.29	382.10
Profit attributable to equity holders adjusted for the effect of dilution	482.29	382.10
ii. Weighted average number of ordinary shares		
Issued ordinary shares as at	11,591,273	5,762,200
Weighted average number of shares at March 31 for EPS	11,591,273	5,762,200
Basic and diluted earnings per share		
Basic earnings per share	41.61	33.15
Diluted earnings per share	41.61	33.15

"*On 26 September 2023, Company has issued 57,62,200 equity shares of ₹ 10 each as bonus shares in ratio of 1:1 to the existing equity shareholders. This has been approved by Board and Shareholders on 26 September 2023. Impact of the same has been considered in the calculation of Basic and Diluted EPS for the year ended 31st March 2023 have been retrospectively adjusted, refer note 53.

2447552 fresh equity shares of ₹ 10 each has been issued on 21st March 2024 through IPO. On the basis of same weighted average no. of shares has been considered to calculate the Basic and Diluted EPS for the year ended 31st March 2024."

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to standalone financial statements for the year ended 31st March 2024

Note 36 : Employee benefit expense

The Company contributes to the following post-employment defined benefit plans in India.

A. (i) Defined Contribution Plans:

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

The Company recognised ₹ 752 Millions (₹ 612 Millions 31st March 2023) for provident and other fund contributions in the Statement of Profit and Loss.

(ii) Defined Benefit Plan :

*The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

The Company's gratuity scheme for core and associates employees is administered through a third party manager the Life Insurance Corporation of India. The company expects to pay INR 30 millions contributions to its defined benefit plans in FY 2024-25.

A. Assets and liabilities related to employee benefits

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	31st March 2024	31st March 2023
Fair value of plan asset	28.03	10.46
Present value of obligations	(81.00)	(54.50)
Asset / (Liability) recognised in Balance Sheet	(52.96)	(44.04)
Non-current	(2.65)	(2.20)
Current	(50.32)	(41.84)

B. Movement in net defined benefit liability

	Defined benefit obligation	
	31st March 2024	31st March 2023
Opening balance	54.50	51.47
Included in profit or loss		
Current service cost	24.65	24.94
Interest cost (income)	3.95	2.65
	A	79.05
Included in OCI		
Remeasurement loss (gain):		
Actuarial loss (gain) arising from:		
Financial assumptions	1.01	12.23
Experience adjustment	4.74	-16.67
	B	-4.44
Other		
Benefits paid	(7.86)	-20.11
Closing balance	(A +B+ C)	54.50

Maturity Analysis of Projected Benefit Obligation from the reporting year:

	1st Following Year	2nd Following Year	3rd Following Year	4th Following Year	5th Following Year	Sum of Years 6 To 10
31st March 2024	1.88	2.03	2.05	1.96	1.78	13.47
31st March 2023	0.17	0.41	0.53	0.55	0.49	1.77

C. Movement in Fair value of plan assets

The following table shows a reconciliation from the opening balances to the closing balances for fair value of asset and its components:

	Fair Value of Assets	
	31st March 2024	31st March 2023
Opening balance	10.46	17.75
Transfer in/(out) plan assets		
Expenses deducted from the fund	1.41	1.58
Interest Income	0.51	(0.90)
Return on plan assets excluding amounts included in interest income	23.33	10.16
Contributions by employer	(7.68)	(18.13)
Benefits paid		
Closing balance	28.03	10.46
D. (i) Expenses recognised in the statement of profit and loss		
Current service cost	24.65	24.94
Interest cost	3.95	2.65
Interest income	(1.41)	(1.58)
Net gratuity cost	27.19	26.00
(ii) Re-measurement recognised in other comprehensive income		
Re-measurement net defined benefit liability	5.75	(4.44)
Re-measurement net defined benefit asset	(0.51)	0.90
	5.25	(3.54)

D. Defined benefit obligations

i. Actuarial assumptions

The following were the princip	31st March 2024	31st March 2023
Discount rate	7.20%	7.35%
Salary escalation rate	6.50%	6.50%
<p>The attrition rate varies from 1% to 55% (PY: 1% to 50%) for various age groups. Mortality rate varies from 0.09% to 1.12%, Published rates under Indian Assured Lives Mortality Ult Table.</p>		
<p>ii. Sensitivity analysis Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.</p>		
	31st March 2024	31st March 2023
	Increase	Increase
	Decrease	Decrease
Rate of discounting (1% movement)	74.69	88.36
Rate of salary increase (1% movement)	87.44	75.20
Rate of employee turnover (10% movement)	73.55	89.58
		Increase
		Decrease
		49.91
		59.51
		48.59
		59.87
		50.04
		61.06

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to standalone financial statements for the year ended 31.03.2024

Note 37 : Related Party Disclosure

Disclosures as required by the Indian Accounting Standard 24 (Ind AS 24) on “Related Party Disclosures” are given below:

Related party relationships, transactions and balances (as identified by the management)

A. Nature of relationship

Holding Company

Krystal Family Holdings Private Limited

Subsidiaries

Flame Facilities Private Limited

Krystal Gourmet Private Limited

Joint Ventures

Krystal Aquachem JV

BVG Krystal JV

Enterprises over which Key Management Personnel and their relatives exercise significant influences or control with whom transaction have been entered during the year

Krystal Aviation Services Private Limited

UR Deil Private Limited

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

Krystal Allied Services Private Limited

Navagunjara Financial Pvt Ltd

Shoubham Cine Vision Private Limited

Healthlog Services and Applications
Healthlog & Care Services LLP
Blue Knight Capital Private Limited
Mumbai District Central Co-operative
Bank Ltd.
Newline Inno-Source Pvt Ltd

Key Management Personnel and Non-executive Directors

Nature of Relationship

Mrs. Neeta Lad	Chairperson and Managing Director
Mr. Pravin Lad	Whole Time Director
Mr. Sanjay Dighe	CEO and Whole Time Director
Ms. Saily Lad	Whole Time Director
Mr. Shubham Lad	Whole Time Director
Mr. Barun Dey	Chief Financial Officer and President
Mr. Vijay Kumar Agarwal	Independent Director w.e.f. 21 June 2023
Mr. Sunder Ram Govind Raghavan Korivi	Independent Director w.e.f. 30 June 2023
Mr. Dhanya Pattathil	Independent Director w.e.f. 03 Aug 2023
Ms. Kaninika Thakur	Independent Director w.e.f. 25 Aug 2023
Ms. Yajyoti Digvijay Singh	Independent Director w.e.f. 25 Aug 2023
Ms. Shalini Agarwal	Company Secretary (until 14 Aug 2023)
Ms. Stuti Maru	Company Secretary and Compliance Officer

Relative of Key Management Personnel

Mr. Prasad Lad
Mr. Prasad Lad HUF
Mrs. Surekha Lad

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to standalone financial statements for the year ended 31st March 2024.

Note 37 : Related Party Disclosure (Continued)

B. Transactions and closing balance with the Related Parties are as under:

Sr. No	Particulars	KISPL - Standalone	
		31st March 2024	31st March 2023
1	Sale of Service		
	- Krystal Allied Services Private Limited	129.78	26.49
	- Krystal Aviation Services Private Limited	-	9.88
	- Krystal Aquachem JV	56.99	81.73
2	Interest Income		
	- Flame Facilities Private Limited	26.49	2.46
	- Krystal Allied Services Private Limited	5.30	-
	- Krystal Gourmet Private Limited	2.62	0.52
	- Newline Inno-Source Pvt Ltd	4.17	-
3	Rent Income		
	- Krystal Allied Services Private Limited	0.12	-
	- Krystal Aviation Services Private Limited	0.12	-
	- Volksara Techno Solutions Private Limited	1.05	-
	- Krystal Gourmet Private Limited	0.12	-
3	Rent expense paid to		
	- Neeta Lad	2.52	2.52
	- Prasad Lad	2.52	2.52
	- Prasad Lad HUF	0.43	0.43
4	Catering Cost paid to		
	- Krystal Gourmet Private Limited	7.09	1.58
5	Professional fees paid to		
	- Krystal Family Holding Private Limited	0.56	0.56
	- Saily Lad	2.09	1.67
6	Site expenses		
	- Volksara Techno Solutions Private Limited	856.51	-
7	Manpower expenses		
	- Krystal Aviation Services Private Limited	7.40	7.89
9	Cleaning charges		
	- Krystal Allied Services Private Limited	-	0.08
10	Interest expenses		
	- Mumbai District Central Co-operative Bank Ltd. (Overdraft 1)	13.05	9.27
	- Mumbai District Central Co-operative Bank Ltd. (Overdraft 2)	18.48	12.72
	- Mumbai District Central Co-operative Bank Ltd. (Covid Funding)	-	0.73
	- Mumbai District Central Co-operative Bank Ltd. (Term Loan)	14.00	18.54
	- Navagunjara Financial Pvt Ltd	10.16	3.45

12	Remuneration		
	- Prasad Minesh Lad	74.54	59.63
	- Neeta Lad	31.41	25.13
	- Praveen Lad	11.83	9.46
	- Sanjay Dighe	14.97	20.86
	- Shubham Lad	6.20	4.95
	- Saily Lad	2.09	-
	- Surekha Lad	-	2.26
	- Barun Dey	4.95	-
	- Stuti Maru	0.55	-
	- Shalini Agrawal	0.13	0.35
13	Loan Given		
	- Flame Facilities Private Limited	29.61	251.10
	- Krystal Allied Services Private Limited	22.96	32.59
	- Krystal Gourmet Private Limited	26.87	32.45
	- Krystal Family Holding Private Limited	49.30	-
	- Krystal Aviation Services Private Limited	6.71	-
	- Prasad Lad	18.87	-
	- Newline Inno-Source Pvt Ltd	383.50	-
14	Loan Received back		
	- Krystal Allied Services Private Limited	2.39	-
	- Flame Facilities Private Limited	29.97	40.63
	- Krystal Gourmet Private Limited	10.74	26.92
	- Krystal Family Holding Private Limited	49.30	-
	- Krystal Aviation Services Private Limited	6.71	-
	- Prasad Lad	18.87	-
	- Newline Inno-Source Pvt Ltd	24.00	-
15	Other Payables		
	- Volksara Techno Solutions Private Limited	-	39.22
16	Loan taken		
	- Navagunjara Financial Pvt Ltd	75.23	139.25
	- Neeta Lad	-	18.30
17	Reimbursement of expenses		
	- Prasad Lad	16.57	0.35
	- Neeta Lad	-	0.35
	- Volksara Techno Solutions Private Limited (Refer note 54)	410.71	52.87
18	Loan repaid		
	- Navagunjara Financial Pvt Ltd	127.79	43.48
	- Neeta Lad	-	10.55
	- Prasad Lad	-	23.23
19	Director's Sitting Fees		
	- Dhanya Pattathil	1.15	-
	- Kaninika Thakur	1.18	-
	- Sunder Ram Govind Raghavan Korivi	1.08	-
	- Vijay Kumar Agarwal	0.90	-
	- Yajyoti Digvijay Singh	1.15	-

	Balance outstanding at the end of year:		
1	Loan Given		
	- Flame Facilities Private Limited	244.09	220.60
	- Krystal Gourmet Private Limited	31.45	12.97
	- Krystal Allied Services Private Limited	57.93	32.59
	- Newline Inno-Source Pvt Ltd	363.67	-
2	Loan Taken		
	- Navagunjara Financial Pvt Ltd	55.46	98.84
	- Mumbai District Central Co-operative Bank Ltd.	-	150.14
3	Investment in Subsidiary/JV		
	- Krystal Aquachem JV	10.16	8.85
	- Mumbai District Central Co-operative Bank Ltd.	-	13.88
4	Account Payable		
	- Krystal Aviation Services Private Limited	2.00	3.37
	- Krystal Gourmet Private Limited	1.40	0.22
	- Krystal Family Holding Private Limited	0.04	0.49
	- Mumbai District Co-operative Bank(Overdraft-1)-Sanctioned Amount- 160 millions		(5.28)
	- Mumbai District Co-operative Bank(Overdraft-2)-Sanctioned Amount- 120 millions		117.48
	- Prasad Lad	0.23	4.40
	- Neeta Lad	0.23	1.11
	- Saily Lad	0.16	0.40
	- Prasad Lad HUF	-	0.03
	- Praveen Lad	0.69	0.55
	- Sanjay Dhige	0.63	0.55
	- Shubham Lad	0.36	0.29
	- Surekha Lad	-	0.13
	- Shalini Agrawal	-	0.03
	- Barun Dey	0.36	-
	- Stuti Maru	0.07	-
	- Yajyoti Digvijay Singh	0.02	-
5	Account Receivables		
	- Krystal Allied Services Private Limited	31.13	7.67
	- Krystal Aquachem JV	14.92	28.37
6	Other Receivables		
	- Volksara Techno Solutions Private Limited	12.02	-
6	Capital Advances		
	- Newline Inno-Source Pvt Ltd	292.53	-

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(All Amounts are ₹ in Millions unless otherwise stated)

Notes to standalone financial statements for the year ended 31st March 2024

Note 38

Note - Disclosure under Ind AS 115 - Revenue from contracts with customers

The Group is engaged into manpower, catering and related services. There is no impact on the Group's revenue on applying Ind AS 115 from the contract with customers.

The following table presents the disaggregated revenue from contracts with customers:

Sales by type of service

Particulars	31st March 2024	31st March 2023
Security Agency Services	553.94	427.97
Manpower Services	3,131.48	2,393.50
Housekeeping Services	4,802.39	3,951.61
SITC Services	1,280.47	-
CETP Services	78.07	81.73
Other Services	0.90	0.24
Total	9,847.26	6,855.05

Particulars	31st March 2024	31st March 2023
Integrated Facility Management Services*	4,336.63	4,192.98
Staffing and Payroll Management	3,132.30	1,760.15
Private Security and Mangaurding	1,097.86	901.92
Information Technology Enabled Services	1,280.47	-
Total	9,847.26	6,855.05

* CETP Included in Integrated Facility Management Services

Sales by performance obligations

Particulars	Manpower and related Service	
	31st March 2024	31st March 2023
Revenue by time of recognition		
At a point in time	1,358.54	81.73
Over the period of time	8,488.72	6,773.32
Total Revenue	9,847.26	6,855.05
Revenue by geographical market		
India*	9,847.26	6,855.05
Total	9,847.26	6,855.05

*Company operates into single geographical market, i.e. India.

Reconciliation of revenue from contract with customer

Particulars	Manpower and related Service	
	31st March 2024	31st March 2023
Revenue from contract with customer as per the contract price	9,847.26	6,855.05
Adjustments made to contract price on account of :-		
a) Discounts / Rebates / Incentives	-	-
b) Sales Returns /Credits / Reversals	-	-
Revenue from contract with customer	9,847.26	6,855.05

Contract balances:

The following table provides information about category of trade receivables:

Particulars	31st March 2024	31st March 2023
Billed	1,373.16	692.57
Unbilled	764.60	759.67
Total	2,137.76	1,452.24

The following table provides information about unbilled revenue from contract with customers

Particulars	31st March 2024	31st March 2023
Balance as at the beginning of the year	759.67	803.73
Add: Revenue recognised during the year	747.15	675.23
Less: Invoiced during the year	(726.03)	(718.88)
Less : Loss allowance recognised during the year	(16.18)	(0.41)
Balance as at the end of the year	764.60	759.67

Contract liabilities

Advance collections are recognised when payment is received before the related performance obligation is satisfied.

This includes advances received from the customer towards sale of goods. Revenue is recognised once the performance obligation is met i.e. upon transfer of control of promised goods to customers.

Movements in Contract liabilities:

Particulars	31st March 2024	31st March 2023
Opening contract liabilities	1.44	19.87
Less: amount recognised in revenue	(0.08)	(19.34)
Add: amount received in advance during the year	3.01	0.92
Closing contract liabilities	4.37	1.44

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to standalone financial statements for the year ended 31st March 2024

Note 39 : Leases

The Company's lease asset consist of leases for buildings having various lease terms. The Company also has certain leases of with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

Following is carrying value of right of use assets and the movements thereof :

Right-of-use assets

Particulars	For the year ended	
	31st March 2024	31st March 2023
	Building	
Opening Gross Block	55.70	45.26
Addition	27.14	16.60
Deletion	-	-6.16
Closing Gross Block	82.83	55.70
Opening Accumulated amortisation	40.50	30.84
Addition	10.96	10.67
Deletion	(0.00)	-1.01
Closing Accumulated amortisation	51.46	40.50
Net Block as on	31.37	15.20

Following is carrying value of Lease Liability and the movements thereof :

Lease Liability

Particulars	For the year ended	
	31st March 2024	31 March 2023
Opening Balance	17.01	14.08
Addition	26.17	15.41
Interest Cost accrued during the year	3.21	1.92
Lease liability payment	(11.65)	(8.24)
Deletion	-	(6.16)
Closing Balance	34.74	17.01
Current lease liability	9.75	6.80
Non - Current lease liability	24.99	10.21
Total lease liability	34.74	17.01

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	For the year ended	
	31st March 2024	31 March 2023
Not later than one year	9.75	6.80
Later than one year and not later than five years	24.99	10.21
Later than five years	-	-

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
 (All Amounts are ₹ in Millions unless otherwise stated)
Notes to standalone financial statements for the year ended 31.03.2024

Note 40 : Tax expense

(a) Amounts recognised in profit and loss

Particulars	For the year ended	
	31st March 2024	31st March 2023
Current income tax	53.21	70.20
Changes in tax estimates of prior years	(3.09)	
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	29.34	(27.07)
Change in tax rate	-	7.27
Deferred tax expense	29.34	(19.80)
Tax expense for the year	79.46	50.40

(b) Amounts recognised in other comprehensive incomes

Particulars	For the year ended 31st March 2024		For the year ended 31st March 2023	
	Before tax	Tax (expense) benefit	Before tax	Net of tax
Items that will not be reclassified to profit or loss				
Remeasurements of the defined benefit plans	5.25	(1.32)	3.54	2.51
	5.25	(1.32)	3.54	2.51

(c) Reconciliation of effective tax rate

Particulars	For the year ended	
	31st March 2024	31st March 2023
Profit before tax	561.75	432.45
Statutory income tax rate	29.12%	29.12%
Tax using the Company's domestic tax rate	163.58	125.93
Tax effect of:		
Non-deductible tax expenses	289.46	223.45
80JJA Tax (utilised) / incentive	(581.53)	(414.47)
Others	207.96	115.49
	79.46	50.40
Effective Rate of Income Tax	14.15%	11.65%

(d) Movement in deferred tax balances

Particulars	Net balance 1st April 2023	Recognised in profit or loss	Recognised in OCI	31st March 2024	
				Net	Deferred tax asset/(Deferred tax liability)
Deferred tax asset					
Property, plant and equipment	10.88	(13.65)		(2.77)	(2.77)
Security deposits	(0.59)	0.14		(0.45)	(0.45)
Compensated absences, gratuity and equity valuation	18.74	21.33	(1.32)	38.75	38.75
Trade receivables	41.67	(38.52)		3.15	3.15
Other current liabilities & borrowings	0.05	0.05		0.10	0.10
Tax assets (Liabilities) (net)	70.76	(30.66)	(1.32)	38.78	38.78

Particulars	Net balance 1 April, 2022	Recognised in profit or loss	Recognised in OCI	31 March 2023	
				Net	Deferred tax asset/(Deferred tax liability)
Deferred tax asset					
Property, plant and equipment	15.45	(4.56)	-	10.88	10.88
Security deposits	(0.36)	(0.24)	-	(0.59)	(0.59)
Compensated absences, gratuity and equity valuation	16.29	3.48	(1.03)	18.74	18.74
Trade receivables	20.65	21.02	-	41.67	41.67
Other current liabilities & borrowings	(0.06)	0.11	-	0.05	0.05
Tax assets (Liabilities) (net)	51.98	19.80	(1.03)	70.75	70.76

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Tax losses for which no deferred tax asset was recognised

In respect of capital loss :

31 March 2024 **31st March 2023**

Note 41 : Disclosures on Financial Instrument

Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31st March 2024	Notes	Carrying amount			Fair value				
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Cash and cash equivalents and Bank Investments	12	-	-	1,787.23	1,787.23	-	-	1,787.23	1,787.23
Non-current financial Assets	5	13.88	-	27.47	41.34	-	-	41.34	41.34
Trade receivables	6	-	-	164.15	164.15	-	-	164.15	164.15
Current financial Assets - Loans	11	-	-	2,137.76	2,137.76	-	-	2,137.76	2,137.76
Other financial assets	14	-	-	768.99	768.99	-	-	768.99	768.99
	15	-	-	44.33	44.33	-	-	44.33	44.33
		13.88	-	4,929.94	4,943.81	-	-	4,943.81	4,943.81
Financial liabilities									
Non Current Borrowings	20	-	-	67.68	67.68	-	-	67.68	67.68
Current borrowings	23	-	-	764.26	764.26	-	-	764.26	764.26
Lease Liabilities	21	-	-	24.99	24.99	-	-	24.99	24.99
Trade payables	24	-	-	459.77	459.77	-	-	459.77	459.77
Other financial liabilities	25	-	-	768.96	768.96	-	-	768.96	768.96
		-	-	2,085.66	2,085.66	-	-	2,085.66	2,085.66

31st March 2023	Notes	Carrying amount			Fair value				
		FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Cash and cash equivalents and Bank Investments	12	-	-	186.07	186.07	-	-	186.07	186.07
Non-current financial Assets	5	13.88	-	26.15	40.03	-	-	40.03	40.03
Trade receivables	6	-	-	392.40	392.40	-	-	392.40	392.40
Current financial Assets - Loans	11	-	-	1,452.23	1,452.23	-	-	1,452.23	1,452.23
Other financial assets	14	-	-	276.16	276.16	-	-	276.16	276.16
	15	-	-	30.35	30.35	-	-	30.35	30.35
		13.88	-	2,363.36	2,377.24	-	-	2,377.24	2,377.24
Financial liabilities									
Non Current Borrowings	20	-	-	196.90	196.90	-	-	196.90	196.90
Current borrowings	23	-	-	282.15	282.15	-	-	282.15	282.15
Lease Liabilities	21	-	-	17.01	17.01	-	-	17.01	17.01
Trade payables	24	-	-	139.55	139.55	-	-	139.55	139.55
Other financial liabilities	25	-	-	540.98	540.98	-	-	540.98	540.98
		-	-	1,176.59	1,176.59	-	-	1,176.59	1,176.59

Financial instruments – Fair values and risk management (continued)

B. Measurement of fair values (Key inputs for valuation techniques) :

1. Listed Equity Investments (other than Subsidiaries and Joint Venture) : Quoted Bid Price on Stock Exchange (Level 1)
2. Valuation techniques and significant unobservable inputs: Not applicable (Level 3)

C. Transfers between Levels 1 and 2

There were no transfer from Level 1 to Level 2 or vice versa in any of the reporting periods.

Note 42. Financial risk management

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

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

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

Trade receivables as on 31 March 2024 is ₹ 2137.76 Mn (31 March 2023 : ₹ 1452.23 Mn). The Company has disclosed concentration of customer under segment reporting in Consolidated Financial Statement.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available and in some cases bank references. Sale limits are established for each customer.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables in accordance of the requirement of Ind AS 109.

As at reporting date, the maximum exposure to credit risk for trade and other receivables by geographic region was as follows:

	Carrying amount	
	31st March 2024	31st March 2023
India	2,137.76	1,452.23
Other regions*	-	-
Total	2,137.76	1,452.23

Management believes that the unimpaired amounts that are past dues are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk conducted by management.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

	31st March 2024	31st March 2023
Opening balance	170.25	168.51
Provision for receivables impairment	(43.88)	1.74
Closing balance	126.37	170.25

Cash and cash equivalents

The Company maintains its Cash and cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

Derivatives

The derivatives deals are done with AD category banks in OTC market and registered brokers in ETCD market.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company uses product-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimizing its cash return on investments. The Company monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

31st March 2024	Carrying amount	Contractual cash flows			
		12 months or less	1-2 years	2-5 years	More than 5 Years
Non-derivative financial liabilities					
Non-Current Borrowings	67.68	-	67.68	-	-
Current borrowings	764.26	764.26	-	-	-
Lease Liabilities	34.74	9.75	24.99	-	-
Trade payables	459.77	459.77	-	-	-
Other financial liabilities	768.96	768.96	-	-	-
Financial guarantees					
Derivative financial liabilities					
Forward exchange contracts					

31st March 2023	Carrying amount	Contractual cash flows			
		12 months or less	1-2 years	2-5 years	More than 5 Years
Non-derivative financial liabilities					
Non-Current Borrowings	196.90	-	196.90	-	-
Current borrowings	282.15	282.15	-	-	-
Lease Liabilities	17.01	6.80	10.21	-	-
Trade payables	139.55	139.55	-	-	-
Other financial liabilities	540.98	540.98	-	-	-
Financial guarantees					
Derivative financial liabilities					
Forward exchange contracts					

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

Financial instruments – Fair values and risk management (continued)

iv. Market risk

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

Currency risk

The Company is exposed to currency risk on account of its borrowings, Trade payable, other payables and receivables in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The Company does not use derivative financial instruments for trading or speculative purposes.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial instruments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing financial instruments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings and fixed income financial instruments. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Particulars	Year ended 31.03.24	Year ended 31.03.23
Fixed-rate instruments	833.65	637.11
Financial assets	71.96	229.28
Financial liabilities	761.68	407.83
Variable-rate instruments		42.60
Financial assets	759.99	204.77
Financial liabilities	(759.99)	(162.18)
Total	1.70	245.66

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Company does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(` in Millions)	Profit or (loss) before tax	
	100 bp increase	100 bp decrease
Cash flow sensitivity (net) For the year ended 31.03.2024		
Variable-rate instruments	7.60	(7.60)
Cash flow sensitivity (net) For the year ended 31.03.2023	7.60	(7.60)
Variable-rate instruments	2.05	(2.05)

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to standalone financial statements for the year ended 31st March 2024

Note 43: Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio at 31st March 2024 and 31st March 2023 as follows.

Particulars	31st March 2024	31st March 2023
Total borrowings		
Long term borrowings	67.68	196.90
Short term Borrowings	764.26	282.15
Lease liabilities (current and non-current)	34.74	17.01
Less : Cash and cash equivalent including bank balance other than cash and cash equivalents	1,787.23	498.54
Adjusted net debt	(920.55)	(2.48)
Total equity	3,724.05	1,604.15
Less : Hedging reserve		
Adjusted equity	3,724.05	1,604.15
Adjusted net debt to adjusted equity ratio	(0.25)	(0.00)

In addition the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA etc. which is maintained by the Company.

The Company has undrawn borrowing facilities (excluding non-fund based facilities) aggregating to ₹ 169 Millions (31st March 2023 : ₹ 21.7 Millions).

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to standalone financial statements for the year ended 31.03.2024

Note 44 - Contingent liabilities and commitments (to the extent not provided for)

	31st March 2024	31st March 2023
a. Contingent liabilities		
Demands raised by Income tax authorities**	203.54	203.14
Provident fund - Damages and Interest	142.37	142.37
Interest liability on GST/Service Tax	79.95	31.49
Claims against the company not acknowledged as Debts	-	-

** Out of above, Company has already deposited Rs. 4 Million (Previous Year 4 million) with the Income tax authorities.

The Management is of the view that it has valid grounds to defend the demand raised by Provident Fund Department for Damages and Interest Liabilities and consequently no effect was given in the account

b. Commitments

(i) Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timing of the cash outflows, if any, in respect of the above as it is determinable only on receipt of judgement/decisions pending with various forums/authorities.

(ii) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. Based on the opinion received, the company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

(ii) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. Based on the opinion received, the company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

c. Capital and other commitments

As on 31st March 2024, the Company has committed to a capital advance for an amount of ₹ 67.47 million. This capital advance is intended for purchase of property for purpose of company guest house.

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to standalone financial statements for the year ended 31.03.2024

Note 45 : Utilisation of Initial Public Offer Fund

The Company has completed an Initial Public Offer (“IPO”) by way of fresh issue of 24,47,552 equity shares of face value of Rs. 10 each and an offer for sale of 17,50,000 equity shares of face value of Rs. 10 each of the Company at an issue price of Rs. 715 per equity share aggregating to Rs. 3,001.25 million (comprising fresh issue of equity shares of Rs. 1,749.99 million and payable to selling shareholders towards offer for sale of Rs. 1,251.25 million). The Company allotted 24,47,552 fresh equity shares of Rs. 10 each at a premium of Rs. 705 per equity share on March 19, 2024. The total share premium arising on IPO amounting to Rs. 1,725.52 million had been accounted under securities premium reserve and the IPO related expenses amounting to Rs. 116.31 million, being Company’s share of total estimated IPO expense had been adjusted against the premium amount as above. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited on March 21, 2024. Details of utilisation of IPO proceeds are tabulated below:

(Amount in million)

Object(S)	Amount as per final offer document (In millions)	Amount utilised during the reported quarter	Total unutilized amount as at the end of the reported quarter	Reason for idle funds	Proposed course of actions
Repayment/prepayment, in full or part, of certain borrowings availed of by our Company	100	100	NIL	NA	Fully Utilised
Funding working capital requirements of our Company	1,000	200	800		Balance of Rs.800 million to be utilized in FY 2024-25
Funding capital expenditure for purchase of new machinery	100	NIL	100		Balance of Rs.100 million to be utilized in FY 2024-25
General corporate purposes	433.69	NIL	433.69		Balance of Rs.433.69 million to be utilized in FY 2024-25

Net IPO proceeds which were un-utilised as at March 31, 2024 were temporarily invested in fixed deposits with banks, Monitoring Agency bank account and IPO Public issue account.

In this regard, the unutilised IPO fund balance has been carried forward for utilisation in FY 2024-25 in accordance with applicable laws, based on approval obtained from the Board of Directors.

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to standalone financial statements for the year ended 31.03.2024

Note 46 : Segment Reporting

The Company is required to disclose segment information based on the 'management approach' as defined in Ind AS 108 - Operating Segments, which in how the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on the analysis of the various performance indicators. In the case of the Company, the CODM reviews the results of the Company as a whole as the Company is primarily engaged in the business of rendering security services in India. Accordingly, the Company is a single CGU, hence single segment Company. The information as required under Ind AS 108 is available directly from the financial statements, hence no separate disclosures have been made.

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to standalone financial statements for the year ended 31.03.2024

Note 47 :

Ratio analysis and its elements

(i) **Current Ratio = Current Assets divided by Current Liabilities**

Particulars	31st March 2024	31st March 2023
A Current Assets	4,798.39	2,008.34
B Current Liabilities	2,443.19	1,540.69
Ratio (A/B)	1.96	1.30
% change from previous year	50.67%	-4.70%

Reason for change of more than 25%: Variances is mainly due to following reasons-

- Receipts in banks from IPO proceeds.

(ii) **Debt Equity Ratio = Total Debt divided by Total Equity**

Particulars	31st March 2024	31st March 2023
A Total Debt*	866.68	496.06
B Total Equity	3,724.05	1,604.15
Ratio (A/B)	0.23	0.31
% change from previous year	-24.74%	-32.59%

* It includes current and non-current Borrowings and Lease Liabilities.

**"Reason for change of more than 25%: Variances is mainly due to following reasons-
'For the year ended 31st March 2023"**

- Fresh Loan taken during the year however, Repayment of borrowings is comparatively high as per the sanction terms

- Better collection towards the end of year which is routed through Cash Credit account

- Transfer of loans related to Demerged Business(Smart City)

For the year ended 31st March 2024

Increase in equity share capital as company has made initial public offer during the year

(iii) **Debt service coverage ratio = Earnings available for debt services divided by total interest and principal repayments**

Particulars	31st March 2024	31st March 2023
A Earnings available for debt services	680.60	527.22
B Total interest and principal repayments*	164.78	154.53
Ratio (A/B)	4.13	3.41
% change from previous year	21.07%	134.51%

* It includes Finance cost, Principal repayment of long term loans and Lease payments.

(iv) Return on equity ratio = Net profit after tax divided by Average Equity		
Particulars	31st March 2024	31st March 2023
A Profit after tax (attributable to owners)	482.29	382.06
B Average net worth	2,590.16	1,658.48
Ratio (A/B)	18.62%	23.04%
% change from previous year	-19.17%	33.92%

Reason for change of more than 25%:

For the year ended 31st March 2023: The Group's overall business have improved which has resulted in Increase in PAT.

(v) Inventory Turnover Ratio = Cost of Material Consumed divided by Average Inventory

Particulars	31st March 2024	31st March 2023
A		
Cost of Material Consumed	1,424.71	263.35
Consumable items		
B Average Inventory	4.89	31.68
Ratio (A/B)	291.61	8.31
% change from previous year	3408.06%	62.06%

Reason for change of more than 25%:

For the year ended 31st March 2024: Company has started business in the segment of IT enabled services which involves high value material purchases with very low/no inventory holding.

For the year ended 31st March 2023: Reduction in Inventory due to transfer of inventory related to Demerged Business(Smart City).

(vi) **Trade receivable turnover ratio = Revenue From Operation divided by Average Trade Receivables**

Particulars	31st March 2024	31st March 2023
A Revenue from operation	9,847.26	6,855.05
Trade receivable		
B Average trade receivables	1,795.00	1,906.59
Ratio (A/B)	5.49	3.60
% change from previous year	52.58%	44.87%

Reason for change of more than 25%:

For the year ended 31st March 2024: The variance is owing to better recoverability from receivables.

For the year ended 31st March 2023: The variance is owing to better recoverability and transfer of receivables of smart city business.

(vii) **Trade payable turnover ratio = Cost of Material Consumed divided by Average Trade Payable**

Particulars	31st March 2024	31st March 2023
A Cost of material consumed	1,424.71	263.35
Trade payable		
B Average trade payable	299.66	309.72
Ratio (A/B)	4.75	0.85
% change from previous year	459.16%	72.76%

Reason for change of more than 25%:

For the year ended 31st March 2024: The variance is owing high value purchases of new business of IT enabled services.

For the year ended 31st March 2023: The variance is owing to transfer of payables related to Demerged business (Smart City).

(viii) **Net Capital Turnover Ratio = Revenue From Operation divided by Average Working Capital**

Particulars	31st March 2024	31st March 2023
A Revenue from operation	9,847.26	6,855.05
B Current assets	4,798.39	2,008.34
C Current liabilities	2,443.19	1,540.69
D Net working capital (D = B - C)	2,355.21	467.65
E Average working capital	1,411.43	611.62
Ratio (A/E)	6.98	11.21
% change from previous year	-37.75%	49.98%

Reason for change of more than 25%:

For the year ended 31st March 2024: The variance is due to increase in current assets by IPO receipts.

For the year ended 31st March 2023: Overall increase is on account of increased revenue from operations.

(ix) **Net Profit Ratio = Profit After Tax divided by Revenue From Operation**

Particulars	31st March 2024	31st March 2023
A Profit after tax	482.29	382.06
B Revenue from operation	9,847.26	6,855.05
Ratio (A/B)	4.90%	5.57%
% change from previous year	-12.12%	15.28%

Reason for change of more than 25%:

(x) **Return on capital employed = Earning Before Interest & Tax divided by Average Capital Employed**

Particulars	31st March 2024	31st March 2023
A Tangible Net Worth*	3,683.35	1,555.27
B Long term debt**	92.67	207.11
C Total capital employed (C = A + B)	3,776.02	1,762.38
D Average capital employed	2,769.20	1,816.72
E EBIT	680.60	527.22
Ratio (E/D)	24.58%	29.02%
% change from previous year	-15.31%	15.22%

* Tangible net worth = Net worth (total equity excluding other comprehensive income)- Intangible assets- Deferred Tax Assets

** Long term debt = Total Long Term Borrowings + Non-current Lease Liabilities

Reason for change of more than 25%:

(ix) **Return on Investment**

Return on investment ratio is not applicable for the period of Financial Statement.

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)

(All Amounts are ₹ in Millions unless otherwise stated)

Notes to standalone financial statements

Note 48 :

The Board of Directors of the company in the meeting held on 27 May 2024 has recommended a Final dividend of Rs. 1.50/- per equity share (i.e 15%) of the Face Value of Rs.10/- each for the financial year ended March 31st 2024 , subject to the approval of the members at the ensuing Annual General Meeting.

Note 49.1:

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 49.2 :

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

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Note 49.3 :

As per the MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, Companies are required to maintain back-up of the ‘books of account and other relevant books and papers’ (‘books of account’) in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of accounts on servers physically located in India on a daily basis. The books of account of the Company is maintained in electronic mode on servers physically located in India and are readily accessible in India at all times. The company is maintaining back up of books of accounts on daily basis.

Note 50 :

The company does not have any relationship with struck off companies during the year and as at balance sheet date.

Note 51 :**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 52 :

Balances of Trade Receivables, Trade Payables, Advances etc. have been taken as per books of accounts and are subject to reconciliation or confirmation. Consequential adjustment thereof, if any, is not expected to be material and will be given effect into the books of accounts in the year of such adjustment.

Note 53 :

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 54 :**Scheme of arrangement note**

The Hon'ble National Company Law Tribunal ("NCLT"), Mumbai, on June 20, 2022, sanctioned the Scheme of Arrangement ("Scheme") between Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited) ("Company" or "KISPL") and Volksara Techno Solutions Private Limited ("Resulting Company" or "Volksara") and their respective shareholders and creditors for the demerger of the Smart city units (collectively referred to as "Demerged undertaking") of the Company to Volksara. The Scheme became effective on July 19, 2022, upon filing of the certified copies of the NCLT Order sanctioning the Scheme, by both the companies, with the Registrar of Companies, Mumbai. Pursuant to the Scheme becoming effective, the Demerged undertaking has been transferred to and vested in Volksara with effect from April 1, 2020. The invoicing of such business has been continued in the Company (Demerged Business) as per the advice / mandate of the Customers even after Appointed date i.e. 19th July'2022 on behalf of the Volksara Techno Solutions Private Limited. The income / expenses relating to the same has

however been transferred to the resulting company by Demerged company and hence there is no impact in the books of accounts of the company. The net payable to Resulting company as on the appointed date is INR 39.22 Mn which is still unpaid and the net demerged business receivable as on 31st march 2024 is INR 12.02 Mn is transferred to Resulting company at face value.

Note 55 : Other Disclosure

55.1 :

The Company has not been declared wilful defaulter by any bank or financial institution or Other lender.

55.2 :

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

55.3 :

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

Note 56 :

The Company has not been declared wilful defaulter by any bank or financial institution or Other lender.

Note 57 :

Previous year's figures have been regrouped / rearranged wherever necessary.

As per Our Attached Report of Even Date
T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

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

Alka Hinge
Partner
Membership No. 104574
Place : Mumbai

Neeta Lad
Chairperson and Managing Director
(DIN-01122234)
Place : Mumbai

Sanjay Dighe
CEO and Whole Time Director
(DIN-02042603)
Place : Mumbai

Barun Dey
Chief Financial Officer
Place : Mumbai
Date : 27 May 2024

Stuti Maru
Company Secretary and Compliance Officer
Membership No.: A45257
Place : Mumbai



Krystal Integrated Services Limited
(Formerly known as Krystal Integrated Services Private Limited)
Registered Office Address: Krystal House 15A 17, Shivaji Fort CHS,
Duncans Causeway Road, Mumbai – 400 022, Maharashtra, India
Tel: 022-4747 1234
Website: www.krystal-group.com
Email: company.secretary@krystal-group.com
CIN: L74920MH2000PLC129827

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty-Third Annual General Meeting of Krystal Integrated Services Limited (Earlier known as Krystal Integrated Services Private Limited), will be held on Monday, September 16, 2024, at 02.30 p.m. (IST) through Video Conferencing (“VC”) and Other Audio-Visual Means (“OAVM”), to transact the following business:

Ordinary Business:

1. Adoption of Audited Standalone Financial Statements

To receive, consider and adopt Audited Standalone Financial Statements of the Company for Financial Year ended March 31, 2024, together with the reports of the Board of Directors and the Auditors thereon; and pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Audited Standalone Financial Statements of the Company for Financial Year ended March 31, 2024, and the report of the Auditors and Directors’ thereon, as laid before the Members, be and are hereby approved and adopted.”

2. Adoption of Audited Consolidated Financial Statements

To receive, consider and adopt Audited Consolidated Financial Statements of the Company for Financial Year ended March 31, 2024, together with the reports of the Board of Directors and the Auditors thereon; and pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Audited Consolidated Financial Statements of the Company for Financial Year ended March 31, 2024, and the report of the Auditors and Directors’ thereon, as laid before the Members, be and are hereby approved and adopted.”

3. Declaration of Dividend

To declare a dividend on Equity Shares at the rate of INR 1.50 per Equity Share for the financial year ended March 31, 2024.

4. Appointment of Ms. Neeta Prasad Lad (DIN: 01122234) as a Director, liable to retire by rotation

To appoint a Director in place of Ms. Neeta Prasad Lad (DIN: 01122234) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

Special business:

5. Appointment of Statutory Auditors of the Company to fill the Casual Vacancy caused due to Resignation

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), based on the recommendation of Audit Committee and approval of the Board of Directors, M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W), Mumbai, be and are hereby appointed as the Statutory Auditors of the Company, to fill the casual vacancy caused due to the resignation of M/s. T R Chadha & Co LLP, Chartered Accountants (FRN: 006711N/N500028), Mumbai, to hold office from August 12, 2024 till the conclusion of the Twenty Third Annual General Meeting of the Company, on such remuneration plus applicable taxes and out of pocket expenses, as may be recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

6. Appointment of Statutory Auditors of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of Audit Committee and the Board of Directors, M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W), Mumbai be and are hereby appointed as the Statutory Auditors of the Company, for a term of 5 consecutive years, to hold office from the conclusion of Twenty Third Annual General Meeting until the conclusion of the Twenty Eighth Annual General Meeting to be held in the year 2029 on such remuneration plus applicable taxes, and out of pocket expenses, as may be recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company (which includes a Committee, constituted for the time being in force) be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

7. Appointment of Mr. Mahesh Vinayak Redkar (DIN:10614348) as an Independent Director

To consider and approve appointment of Mr. Mahesh Vinayak Redkar (DIN: 10614348) as an Independent Director and pass the following resolution as a Special Resolution:

“RESOLVED THAT Mr. Mahesh Vinayak Redkar (DIN: 10614348), who was appointed by the Board of Directors as an Additional Director (Non-Executive, Independent) of the Company with effect from June 25, 2024 in terms of Section 161(1) of the Companies Act, 2013 (‘the Act’) and Rules made thereunder (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), and Articles of the Articles of Association of the Company and who is eligible for appointment and who has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Act, as amended from time to time, read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable Rules if any (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), Regulation 17 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, the appointment of Mr. Mahesh Vinayak Redkar (DIN: 10614348) as an Independent Director, who meets the criteria for independence as provided in Section 149(6) of the Act and the rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from June 25, 2024 up to June 24, 2029, be and is hereby approved."

NOTES

1. Ministry of Corporate Affairs ("MCA") vide its General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, and subsequent circulars issued in this regard, the latest being 9/2023 dated September 25, 2023, ('MCA Circulars') has permitted the holding of the Annual General Meeting through Video Conferencing ("VC") or through Other Audio-Visual Means ("OAVM"), without the physical presence of the members at a common venue.
2. The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended ('Act') setting out material facts concerning the business with respect to Item No. 5, 6 and 7 forms part of this Notice. Additional information, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') and Secretarial Standard - 2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Directors re-appointment and appointment at this Annual General Meeting ('Meeting' or 'AGM') is furnished as Annexure to this Notice.

In compliance with the provisions of the Act, SEBI Listing Regulations and Secretarial Standards on General Meeting and MCA Circulars, the 23rd Annual General Meeting of the Company is being held through VC/ OAVM on Monday, September 16, 2024, at 02.30 p.m. (IST). The proceedings of the AGM are deemed to be conducted at the Corporate Office of the Company situated at B 2001 & 2002, 20th Floor, Kohinoor Square, Shivaji Park, Dadar West, Mumbai – 400028.

3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC OR OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
4. Corporates/Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members/ Institutional Investors (i.e. other than individuals, HUFs, NRIs etc.) who are intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC or OAVM and to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at contact@kajaljakharia.com with a copy marked to evoting@nsdl.com and company.secretary@krystal-group.com. Corporate Members/ Institutional Investors (i.e. other than individuals, HUFs, NRIs etc.) can also upload their Board Resolution/ Power of Attorney/Authority Letter etc. by clicking on the "Upload Board Resolution/Authority".
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. In case of joint holders attending the AGM, only such joint holder who is higher in the order of the names as per the Register of Members of the Company, as of the cut-off date, will be entitled to vote at the Meeting.
7. In accordance with the aforesaid MCA Circulars and the Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/ HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 07, 2023 issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars"), the Notice of the AGM along with the Annual Report for FY 2023-24 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Company shall send the physical copy of Annual Report FY 2023-24 to those Members who request the same at company.secretary@krystal-group.com or at rnt.helpdesk@linkintime.co.in mentioning their Folio No./DP ID and Client ID. The Notice convening the 23rd AGM along with the Annual Report FY 2023-24 will also be available on the website of the Company at <https://www.krystal-group.com>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at <https://www.bseindia.com> and <https://www.nseindia.com> respectively.
8. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/135 dated August 04, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_ IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website <https://www.krystal-group.com>

9. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated May 05, 2020, the matter of Special Business appearing at Item No. 5, 6 and 7 of the accompanying Notice, is considered to be unavoidable by the Board and hence, forming part of this Notice.
10. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on National Securities Depository Limited's ('NSDL') e-voting website at <https://www.evoting.nsdl.com>. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors etc. who are allowed to attend the AGM, without restriction on account of a first come first served basis.
11. The Notice convening the AGM has been uploaded on the website of the Company at <https://www.krsytal-group.com> and can also be accessed from the relevant section of the websites of the Stock Exchange i.e. BSE Limited and National Stock Exchange of India Limited at <https://www.bseindia.com> and <https://www.nseindia.com> respectively. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com
12. The Company has fixed Monday, September 02, 2024 as the 'Record Date' for determining entitlement of Members to final dividend for the financial year ended March 31, 2024, if approved at the AGM.

The dividend of INR 1.50 per equity share of INR 10 each (15%), if declared at the AGM, will be paid subject to deduction of tax at source ('TDS') on or before September 21, 2024 to all the Beneficial Owners as at the end of the day on Monday, September 02, 2024, as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form.

13. SEBI vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) has mandated that with effect from April 01, 2024 dividend to shareholders holding shares in physical form shall be paid only through electronic mode. Such payment shall be made only if the folio is KYC compliant i.e. the details of PAN, choice of nomination, contact details, mobile no. complete bank details and specimen signatures are registered.

In case of non-updation of PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend/interest etc. shall be paid upon furnishing all the aforesaid details in entirety.

14. To receive the dividend on time, members holding shares in physical form should be KYC compliant and receive the dividends directly in their bank accounts through Electronic Clearing Service or any other means. Members are requested to send the following documents to our RTA – Link Intime India Private Limited, so as to reach the RTA before the record date i.e. Monday, September 02, 2024:
- a. Form No. ISR-1 duly filled and signed by the holders stating their name, folio number, complete address with pincode, and the following details relating to the bank account in which the dividend is to be received:
 - i. Name of Bank and Bank Branch;
 - ii. Bank Account Number & Type allotted by your bank after implementation of Core Banking Solutions;
 - iii. 11 digit IFSC Code; and
 - iv. 9-digit MICR Code
 - b. Original copy of cheque bearing the name of the Member or first holder, in case shares are held jointly;
 - c. Self-attested copy of the PAN Card of all holders; and
 - d. Self-attested copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.
 - e. Form ISR2 duly filled signed. The signature of holders should be attested by the Bank Manager
 - f. Form SH 13 – Nomination form or ISR3 – to opt out from Nomination

The above Investor Service Request Forms (ISR) are available at RTA's website at <https://liiplweb.linkintime.co.in/KYC-downloads.html>.

15. According to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 01, 2020, and the Company is required to deduct tax at source (TDS) from the dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, valid PAN linked to Aadhar, and Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company Resident Individual Shareholder with PAN who is not liable to pay income tax can submit a yearly declaration in Form no 15 G/H to avail the benefit of non-deduction of tax at source by uploading the documents on the link <https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> by September 09, 2024 (latest by 5.00 p.m.) to enable the Company to determine the appropriate TDS / withholding tax rate applicable, verify the documents and provide exemption. For the detailed process, please visit the website of the Company at <https://www.krystal-group.com> Shareholders are requested to note that if the PAN is not correct / invalid / inoperative or have not filed their income tax returns, then tax will be deducted at higher rates prescribed under Sections 206AA or 206AB of the Income-tax Act, as applicable and in case of invalid PAN, they will not be able to get credit of TDS from the Income Tax Department.

Non-resident shareholders [including Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose, the shareholder may submit the above documents (PDF/JPG Format) by e-mail to company.secretary@krystal-group.com. The aforesaid declarations and documents need to be submitted by September 09, 2024 (up to 5.00 pm).

16. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividends as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change / addition / deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applied to the dividend paid on shares held in electronic form.
17. In terms of Regulation 40(1) of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Further, SEBI had fixed March 31, 2021, as the cut-off date for the re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialized mode.
18. The requests for effecting transmission/transposition of securities shall be processed in the dematerialized form. In order to eliminate all risks associated with physical shares and avail various benefits of dematerialization. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Transfer Agent, Link Intime India Private Limited ("Registrar" or "RTA") at rnt.helpdesk@linkintime.co.in for assistance in this regard. Members may also refer to Frequently Asked Questions ("FAQs") on the RTA's website <https://www.linkintime.co.in/>
19. Members may please note that SEBI vide its Circular No. SEBI/ MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the website of the Company's RTA, Link Intime India Private Limited at <https://liiplweb.linkintime.co.in/KYC-downloads.html>. It may be noted that any service request received by member can be processed by RTA/the Company only after the folio is KYC Compliant.

Please note that as mandated by Securities & Exchange Board of India ('SEBI') the allotment of shares shall be made only in dematerialised form.

Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends for 7 consecutive years are also liable to be transferred to the Demat account of the IEPF Authority. Members are requested to note that the Company got listed on March 21, 2024. The Board has recommended dividend for the year ended March 31, 2024 for the first time. In view of this, as on the date of this Notice there are no unpaid/unclaimed dividends/shares transferred to IEPF.

20. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, bank mandate details, etc. to their Depository Participant ("DP") in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
21. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH- 13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form No. SH-14. Members who are either not desiring to register for Nomination or would want to opt-out, are requested to fill out and submit Form No. ISR-3. The said forms can be downloaded from the RTA's website at <https://liiplweb.linkintime.co.in/KYC-downloads.html>. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the share are held in physical form, quoting their folio no.
22. The format of the Register of Members prescribed by the MCA under the Act requires the Company/Registrars and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividends, etc. Form No. ISR-1 for capturing additional details is available on the Company's website. Members holding shares in physical form are requested to submit the filled-in Form No. ISR1 to the RTA in physical mode. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.
23. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates and self-attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making the requisite changes. The consolidation will be processed in demat form.
24. During the AGM, Members may access the electronic copy of the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at company.secretary@krystal-group.com latest by Monday, September 09, 2024 (up to 3.00 p.m.).
25. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their Demat account(s) dormant for long. Periodic statements of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
26. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.
27. Process for those members whose e-mail ids are not registered with the Depositories/the Company for procuring user id and password and registration of e-mail ids for e-voting for the resolution set out in this AGM Notice:

a. Registration of email addresses with Link Intime India Private Limited [“Link Intime”]:

The Company has made special arrangements with Link Intime and NSDL for the registration of e-mail addresses of those Members (holding shares either in electronic or physical form) who wish to receive this Notice electronically and cast votes electronically. Eligible Members whose e-mail addresses are not registered with the Company/ DPs are required to provide the same to Link Intime on or before 05.00 p.m. IST on Monday, September 09, 2024. The process to be followed for registration of an e-mail address is as follows:

- i. Visit the link: rnt.helpdesk@linkintime.co.in
- ii. Select the Name of the Company from the dropdown: Krystal Integrated Services Limited.
- iii. Enter the DP ID & Client ID / Physical Folio Number, Name of the Member and PAN details. Members holding shares in the physical form need to additionally enter one of the share certificate(s) numbers.
- iv. Enter your Mobile No. and Email Id and click on the Continue button.
- v. The system will send OTP on Mobile and Email IDs.
- vi. Upload a self-attested copy of your PAN card and Address proof viz Aadhar Card, passport or front and back side of share certificate in case of Physical folio.
- vii. Enter the OTP received on your Mobile and Email Address.
- viii. The system will then confirm the e-mail address for receiving this Annual General Meeting Notice.

After the successful submission of the e-mail address, NSDL will e-mail a copy of this AGM Notice with the e-voting user ID and password. In case of any queries, Members may write to rnt.helpdesk@linkintime.co.in or evoting@nsdl.com

b. Registration of e-mail address permanently with DP:

Members are requested to register the same with their concerned DPs, in respect of electronic holding and with RTA, in respect of physical holding, by submitting the Form ISR1 duly filled and signed by the holders. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs/Link Intime to enable servicing of notices/documents/Annual Reports and other communications electronically to their e-mail address in the future.

In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to company.secretary@krystal-group.com.

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to company.secretary@krystal-group.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) of Note 36 i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

28. Alternatively, Members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing Demat account number / Folio number and scanned copy of the Share Certificate (front and back) or client master, or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card).
- The Individual Shareholders holding securities in Demat mode are requested to follow steps mentioned below in Note 36.
- In terms of the SEBI circular dated December 09, 2020, on the e-voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their Demat account to access the e-voting facility.
29. According to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended,) Regulation 44 of SEBI Listing Regulations (as amended), and the MCA Circulars, the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using a remote e-voting system as well as e-voting during the AGM will be provided by NSDL.
30. Members of the Company holding shares either in physical form or in electronic form as of the cut-off date of Monday, September 09, 2024 may cast their vote by remote e-voting. The remote e-voting period commences on Friday, September 13, 2024, at 9:00 a.m. (IST) and ends on Sunday, September 15, 2024, at 5:00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-voting before the AGM and e-voting during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as of the cut-off date of Monday, September 09, 2024. Subject to receipt of the requisite number of votes, the resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the AGM i.e. Monday, September 16, 2024. The Notice of the AGM indicating the instructions for the remote e-voting process can be downloaded from the NSDL's website <https://www.evoting.nsdl.com> or the Company's website <https://www.krystal-group.com>.
31. Members will be provided with the facility for voting through an electronic voting system during the video conferencing proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-voting, will be eligible to exercise their right to vote during such proceedings of the AGM. Members who have cast their vote by remote e-voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolutions for which the Member has already cast the vote through remote e-voting.
32. A person whose name is recorded in the Register of Members or the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. Monday, September 09, 2024, shall be entitled to avail of the facility of remote e-voting before the AGM as well as e-voting during the AGM. Any person holding shares in physical form and non- individual shareholders, who acquire shares of the Company and becomes a Member of the Company after the dispatch of this Notice and holding shares as on the cut-off date, i.e. Monday, September 09, 2024, may obtain the User ID and password by sending a request along with the requisite documents, at evoting@nsdl.com
33. The Members who are present during the AGM through VC/OAVM and have not cast their votes through remote e-voting, would be allowed to cast their vote during the AGM through e-voting.
34. The Board of Directors has appointed Ms. Kajal Jakharia of Kajal Jakharia & Associates, a peer reviewed firm of Practicing Company Secretaries (Membership No. FCS 7922 & CP No. 23149) as the Scrutinizer to scrutinize the remote e-voting process before the AGM as well as e-voting process during the AGM fairly and transparently.

35. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through e-voting (i.e. votes cast during the AGM and votes cast through remote e-voting) and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairperson or any other person authorized by her in writing, who shall countersign the same. The results will be announced not later than 2 working days from the conclusion of the AGM. The results declared along with the Scrutinizer's Report shall be forwarded to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed. The results along with the Scrutinizer's Report shall also be placed on the website of NSDL, and will also be displayed on the Company's website at <https://www.krystal-group.com>

Members seeking any information with regard to the financial statements or any matter to be placed at the AGM, are requested to write to the Company on or before September 09, 2024 through e-mail on company.secretary@krystal-group.com. The same will be replied by the Company suitably.

36. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING, VOTING DURING THE MEETING, AND JOINING THE ANNUAL GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Friday, September 13, 2024 at 09:00 A.M. and ends on Sunday, September 15, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 09, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 09, 2024.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

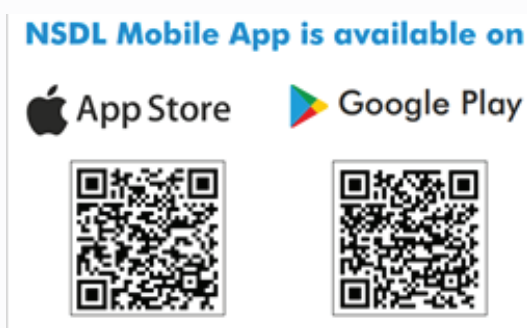
A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode:

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1) Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

- 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
- 4) Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.



Individual Shareholders (holding securities in demat mode) login through their depository participant

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to contact@kajaljakharia.com with a copy marked to evoting@nsdl.com Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of <https://www.evoting.nsdl.com> or call on.: 022 - 4886 7000 or send a request to Ms. Rimpa B at evoting@nsdl.com

37. THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

- (i) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- (ii) Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
- (iii) Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

38. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- (i) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "**VC/OAVM**" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

- (ii) Members are encouraged to join the Meeting through Laptops for better experience.
- (iii) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (iv) Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (v) Members who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at company.secretary@krystal-group.com. The same will be replied by the company suitably.
- (vi) Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number on or before Monday September 09, 2024 at company.secretary@krystal-group.com. Only those Members who have pre-registered themselves as a speaker will be allowed to ask questions during the AGM.

When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.

**By Order of the Board of Directors
For Krystal Integrated Services Limited**

**Stuti Maru
Company Secretary and Compliance Officer
Membership No. A45257**

**Place: Mumbai
Date: August 12, 2024
Registered Office:
Krystal House, 15-A17 Shivaji Fort CHS,
Duncans Causeway Road, Mumbai-400022
CIN: L74920MH2000PLC129827
Email: company.secretary@krystal-group.com
Website: <https://www.krystal-group.com>**

Resolution No. 05: Ordinary Resolution

Appointment of Statutory Auditors of the Company to fill the casual vacancy caused due to resignation

The Members of the Company at its 19th Annual General Meeting held on Wednesday, December 30, 2020 appointed M/s. T R Chadha & Co LLP, Chartered Accountants (FRN: 006711N/N500028), Mumbai as Statutory Auditors of the Company to hold office from the conclusion of 19th Annual General Meeting till the conclusion of 23rd Annual General Meeting.

M/s. T R Chadha & Co LLP, Chartered Accountants (FRN: 006711N/N500028), Mumbai vide letter dated August 11, 2024 have resigned from the position of Statutory Auditors of the Company before completion of their term, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by Section 139 (8) of the Companies Act, 2013 and casual vacancy so caused by the resignation of auditors can only be filled up by the Company after taking consent of the members.

The Board of Directors at its meeting held on August 12, 2024, on the recommendation of the Audit Committee, and pursuant to the provisions of Section 139 (8) of the Companies Act 2013, have appointed M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W), Mumbai, to hold office as the Statutory Auditors of the Company till the conclusion of 23rd Annual General Meeting and to fill the casual vacancy caused by the resignation of M/s. T R Chadha & Co LLP, Chartered Accountants (FRN: 006711N/N500028), Mumbai, subject to the approval of the members in the forthcoming 23rd Annual General Meeting of the Company, on such remuneration including out of pocket and other expenses as may be decided by the members of the Company as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by Board of Directors of the Company.

The Company has received consent letter and eligibility certificate from M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W), Mumbai, to act as Statutory Auditors of the Company in place of M/s. T R Chadha & Co LLP, Chartered Accountants (FRN: 006711N/N500028), Mumbai, along with a confirmation that, their appointment if made, would be within the limits prescribed under the Companies Act 2013.

The details required to be disclosed under provisions of Regulation 36 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

(a) Proposed fees payable to the Statutory Auditor(s):

The Board of Directors of the Company, on recommendation of the Audit Committee, and subject to approval of the members of the Company at the AGM, have approved to pay a fee of INR 0.23 Crore plus applicable taxes and reimbursement of out-of-pocket expenses, outlays and taxes, as may be incurred by the Auditors during the course of Audit/Limited Review for the financial year ended March 31, 2025. The Board of Directors and the Audit Committee shall approve revisions to the remuneration of the Statutory Auditors for the remaining part of the tenure.

The Board of Directors of the Company (including the Audit Committee of the Board or any Officer of the Company authorised by the Board) in consultation with the Statutory Auditors, are authorised to alter and vary the terms and conditions including remuneration of the Statutory Auditors arising out of increase in scope of work, amendments to Accounting Standards or SEBI Listing Regulations and such other requirements resulting in the change in scope of work, etc.

(b) Terms of appointment:

The appointment of Statutory Auditors shall be from August 12, 2024 till the conclusion of the 23rd Annual General Meeting. The letter of appointment specifying the detailed terms of appointment shall be finalized by the Audit Committee of the Board or any officer of the Company pursuant to the authority given by the Board of Directors of the Company.

(c) In case of a new auditor, any material changes in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change:

The material changes in the fee structure from INR 0.35 Crore to INR 0.23 Crore with the new auditor M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W), is driven by the resignation of M/s. T R Chadha & Co LLP, Chartered Accountants (FRN: 006711N/N500028), for commercial reasons.

(d) Basis of recommendation for appointment:

Pursuant to the provisions of Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013, the Company shall require to appoint the Statutory Auditor for the term of five years and accordingly the Board of Directors and Audit Committee, at their meetings held on August 12, 2024, considered appointment of M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W), Mumbai, as Statutory Auditors for the term of five years from the conclusion of this 23rd Annual General Meeting till the conclusion of 28th Annual General Meeting on the basis of size and requirements of the Company and recommended the same unanimously for approval of the members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 5 of the Notice for appointment and payment of remuneration to the Statutory Auditors.

In pursuance to the provisions of Section 139(8) of the Companies Act, 2013, the company needs to approve the appointment of M/s. Maheshwari & Co., Chartered Accountants, in the General Meeting of the Company within 3 (three) months from the date of appointment by the Board. The Board recommends an Ordinary Resolution at Item No. 5 set out in the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the accompanying Notice.

Resolution No. 06: Ordinary Resolution

Appointment the Statutory Auditors of the Company

The Board of Directors at its meeting held on August 12, 2024, on the recommendation of the Audit Committee and pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions if any, recommended the appointment of M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W), Mumbai, as Statutory Auditors of the Company to hold office for a period of five consecutive years, from the conclusion of the 23rd Annual General Meeting, till the conclusion of the 28th Annual General Meeting of the Company to be held in the calendar year 2029 subject to approval of members at the 23rd Annual General Meeting of the Company, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by Board of Directors of the Company.

The Company has received consent letter and eligibility certificate from M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W), Mumbai, to act as Statutory Auditors of the Company along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

The details required to be disclosed under provisions of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

(a) Proposed fees payable to the Statutory Auditor(s):

The Audit Committee has proposed a remuneration of INR 0.23 Crore per annum. However, the Board and Audit committee thereof be given the power to alter and vary the terms and conditions including revision in remuneration.

(b) Terms of appointment:

The appointment of the Statutory Auditors shall be from the conclusion of 23rd Annual General Meeting till the conclusion of the 28th Annual General Meeting to be held in the year 2029. The letter of appointment specifying the detailed terms of appointment shall be finalized by the Audit Committee of the Board or any officer of the Company pursuant to the authority given by the Board of Directors of the Company.

(c) In case of a new auditor, any material changes in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change:

The material changes in the fee structure from INR 0.35 Crore to INR 0.23 Crore with the new auditor M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W), is driven by the resignation of M/s. T R Chadha & Co LLP, Chartered Accountants (FRN: 006711N/N500028), for commercial reasons.

(d) Basis of recommendation for appointment:

Pursuant to the provisions of Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013, the company shall require to appoint the Statutory Auditor for the term of five years and accordingly the Board of Directors and Audit Committee, at their meeting held on August 12, 2024, considered appointment of M/s. Maheshwari & Co., Chartered Accountants (Firm Registration No.: 105834W), Mumbai, as Statutory Auditors for the term of five years from the conclusion of this 23rd Annual General Meeting till the conclusion of 28th Annual General Meeting on the basis of size and requirements of the Company and recommended the same unanimously for approval of the members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 6 of the Notice for appointment and payment of remuneration to the Statutory Auditors.

The Board recommends an Ordinary Resolution set out at Item No. 6 of the Notice for approval by the Members.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of the accompanying Notice.

Resolution No. 07: Special Resolution

Appointment of Mr. Mahesh Vinayak Redkar (DIN: 10614348) as an Independent Director

The Board of Directors of the Company ("Board"), on the recommendation of the Nomination, Remuneration and Compensation Committee, appointed Mr. Mahesh Vinayak Redkar as an Additional Director (Non-Executive, Independent) with effect from June 25, 2024.

The Company has received notice from a Member under Section 160 of the Companies Act, 2013 ("Act") proposing his appointment as an Independent Director. The Company has received a declaration from Mr. Mahesh Vinayak Redkar confirming that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and that he is eligible to be appointed as an Independent Director of the Company.

The Company has received his consent to act as an Independent Director and declaration that he is not disqualified under Section 164(2) of the Act and is not debarred to hold the office of a Director by virtue of any order passed by SEBI or any other authority. Mr. Mahesh Vinayak Redkar has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In accordance with the provisions of Section 149 of the Act, read with Schedule IV thereto and Regulation 17(1C) and 25(2A) of the SEBI Listing Regulations, the appointment of Independent Directors requires approval of the Members by way of a special resolution.

The Nomination, Remuneration and Compensation Committee considered his vast knowledge, expertise and skills such as Sales & Marketing, Business Development & Strategy and Business Operation skills amongst others identified by the Board for the role of a Director.

In the opinion of the Board, Mr. Mahesh Vinayak Redkar fulfils the criteria specified in the Act read with the rules made thereunder and SEBI Listing Regulations for being appointed as an Independent Director of the Company and is independent of the management. Accordingly, pursuant to the recommendation of the Nomination, Remuneration and Compensation Committee, the Board of Directors of the Company on June 25, 2024 appointed Mr. Mahesh Vinayak Redkar as an Independent Director, not liable to retire by rotation, for a term of five years from June 25, 2024 to June 24, 2029, subject to the approval by the Members of the Company.

Brief Resume of Mr. Mahesh Vinayak Redkar is provided separately in this Notice. A copy of the draft Letter of Appointment for Independent Director, setting out the terms and conditions of appointment, is available for inspection through electronic mode, as per the details provided in this Notice.

Considering his rich and vast knowledge, skills and experience, the Board recommends the Special Resolution with respect to the appointment of Mr. Mahesh Vinayak Redkar as an Independent Director of the Company, as set out at Item No. 07 of the Notice, for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company and their relative(s), except Mr. Mahesh Vinayak Redkar and his relative(s), are in any way concerned or interested (financially or otherwise), in the proposed Special Resolution set out at Item No. 07 of the Notice.

**By Order of the Board of Directors
For Krystal Integrated Services Limited**

**Stuti Maru
Company Secretary and Compliance Officer
Membership No. A45257**

**Place: Mumbai
Date: August 12, 2024
Registered Office:
Krystal House, 15-A17 Shivaji Fort CHS,
Duncans Causeway Road, Mumbai-400022
CIN: L74920MH2000PLC129827
Email: company.secretary@krystal-group.com
Website: <https://www.krystal-group.com>**

Details of the Directors seeking appointment/re-appointment pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards on General Meetings are as follows:

Name of the Director	Mr. Mahesh Vinayak Redkar	Ms. Neeta Prasad Lad
Director Identification Number	10614348	01122234
Designation/Category	Additional Director (Non-Executive, Independent)	Chairperson & Managing Director – Promoter Director
Date of Birth & Age	March 08, 1964 , 60 Years	November 25, 1966, 57 Years
Date of first Appointment on the Board	25/06/2024	01/04/2006
Qualification	MBA, BSC	Executive Master’s degree in Business Administration
Expertise in specific functional area and brief resume	He is having more than 30 years of experience in the field of Sales & Marketing. Out of 30 years, around 14 years he has worked with TNT India Private Limited Worldwide in various position such as Regional Head, National Head and Country Head of Indian Sub-Continent based in India of a Multinational JV with P&L responsibilities.	She is having experience in the field of business management functions, welfare planning and implementation of the workforce.
Skills and capabilities required for the role and the manner in which the Director meet the requirements	Refer to the Explanatory Statement annexed to this Notice.	Industry experience and Macro Economics, Management & Corporate Governance, Services Business Management and Corporate strategy & Capital allocation
Terms and conditions of appointment along with details of remuneration sought to be paid	Appointment as an Independent Director for a period of five consecutive years from June 25, 2024 to June 24, 2029, not liable to retire by rotation. Eligible for sitting fees, as approved by the Board.	To retire by rotation
Details of remuneration last drawn (FY 2023-24)	Not Applicable	INR 3.14 Crore

Directorships in other companies (excluding foreign companies)	NIL	<ol style="list-style-type: none"> 1. Krystal Aviation Services Private Limited 2. Shoubham Cinevisions Private Limited 3. Embarq Motorworld Private Limited 4. Flame Facilities Private Limited 5. Krystal Gourmet Private Limited 6. Volksara Techno Solutions Private Limited 7. Krystal Allied Services Private Limited
Memberships/ Chairmanship of Committees in other companies (excluding foreign companies)	NIL	NIL
Resignation from Listed entities in the past three years	NIL	NIL
No. of shares held in the Company, including shareholding as a beneficial owner	NIL	2
No. of Board Meetings attended during FY 2023-24	Not Applicable	17
Relationship with other Directors and Key Managerial Personnel	He does not have any relationship with Directors and Key Managerial Personnel	She is mother of Ms. Saily Prasad Lad and Mr. Shubham Prasad Lad, Whole-time Directors of the Company
Note:	-	For other details such as the number of meetings of the Board attended during FY 2023-24, remuneration last drawn in FY 2023-24 by Ms. Neeta Prasad Lad, please refer to the corporate governance report which is a part of this Annual Report.



Krystal House 15A 17, Shivaji Fort CHS, Duncans
Causeway Road, Mumbai – 400 022, Maharashtra, India
CIN: L74920MH2000PLC129827