NOTICE

To
The Members
Krystal Integrated Services Limited
(Previously known as Krystal Integrated Services Private Limited)
CIN: - U74920MH2000PLC129827
Mumbai

Notice is hereby given that the 22nd Annual General Meeting of the Members of Krystal Integrated Services Limited (Previously known as Krystal Integrated Services Private Limited) ("The Company") will be held on Saturday, September 30th, 2023 at IST 11.00 a.m., at a shorter notice, through video conferencing at the Corporate Office of the Company situated at B 2001 2002 20th Floor, Kohinoor Square Building Wing B, NC Kelkar Road, Mumbai- 400028 for the purpose of transacting the following businesses:

ORDINARY BUSINESS:

1. **To receive, consider and adopt Audited Annual Financial Statements (Standalone and Consolidated) of the Company for financial year ended March 31, 2023 together with the reports of the Board of Directors and the Auditors thereon**

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

"**RESOLVED THAT** the Audited Standalone Annual Financial Statements of the Company for financial year ended March 31, 2023, and the report of the Auditors and Directors' thereon, as laid before the Members, be and are hereby approved and adopted."

"**RESOLVED THAT** the Audited Consolidated Annual Financial Statements of the Company for financial year ended March 31, 2023, and the report of the Auditors and Directors' thereon, as laid before the Members, be and are hereby approved and adopted."

By order of the Board of Directors
For Krystal Integrated Services Limited
(Previously known as Krystal Integrated Services Private Limited)

Shubham Prasad Lad
Whole Time Director
Din: 07557584

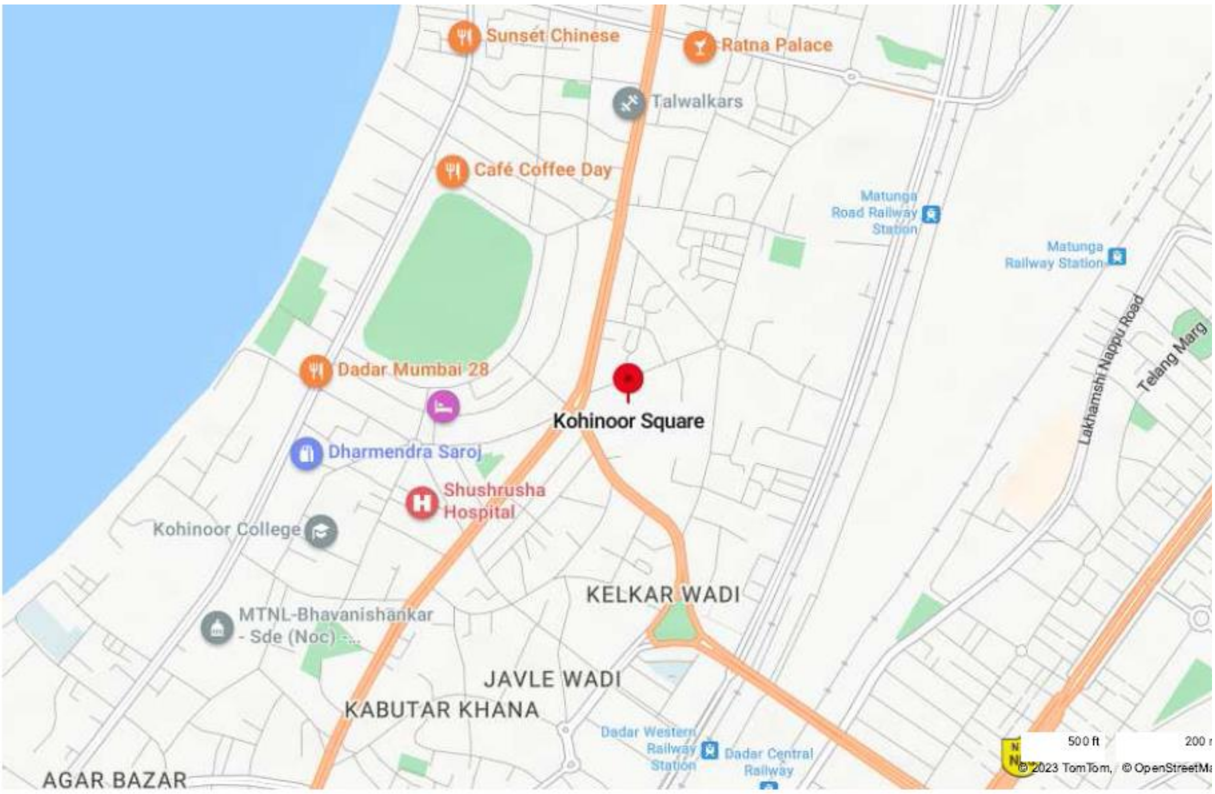
Date: September 27, 2023
Place: Mumbai
Registered office: KRYSTAL HOUSE 15A 17 SHIVAJI FORT CHS DUNCANS CAUSEWAY ROAD, MUMBAI, Maharashtra, India, 400022

NOTES

1. This Annual General Meeting (AGM) of the Company is being held through Video Conferencing facility in compliance with the provisions of the Companies Act, 2013 and in accordance with the General Circular No. 02/2021 dated January 13, 2021, Circular No. 21/2021 dated December 14, 2021, circular number 14 dated April 08, 2020, General Circular No. 17dated April 13, 2020, and General Circular No. 20 dated May 5, 2020, General Circular No.22 dated June 15, 2020, General Circular No. 33 dated September 28, 2020, General Circular No. 39 dated December 31, 2020, General Circular No. 10 dated June 23, 2021, General Circular No. 20 dated December 8, 2021, General Circular No. 2 dated May 05, 2022 General Circular No. 11 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs.
2. The Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 read with the relevant rules made thereunder, Secretarial Standard on General Meetings (SS-2) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), in respect of the special business as set out in this Notice, is annexed herewith.
3. The web-link of the meeting is https://krystalintegratedservicespvtltd.my.webex.com/krystalintegratedservicespvtltd.my/j.php?MTID=m30972234840a4ce5548cfacff0f652e9 to access and participate in the meeting. Shareholders and other participating stakeholders are requested to install Webex video conferencing application or program, create an account, and then click on the link provided.

4. In case of any assistance with regards to using the technology before or during the meeting, please contact on +91 9892033482 or email id company.secretary@krystal-group.com.
5. The proceedings of the meeting shall be recorded and shall be kept in the safe custody of the Company.
6. In accordance with the MCA Circulars/ SEBI Circular, the notice of the AGM is being sent only through electronic mode to those members whose e-mail addresses are registered/available with the Company. Accordingly, no physical copy of the said Notice will be sent to the Members who have not registered their e-mail addresses with the Company / DP. Members may note that the said notice is also available on the website of the Company at www.krystal-group.com.
7. The facility for joining the meeting shall be kept open 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after the scheduled time of the meeting.
8. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution/ power of attorney/authorization, authorizing their representative to attend and vote on their behalf at the meeting.
9. Attendance of members through Video Conferencing shall be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013, as requirement for physical quorum has been dispensed. Therefore, proxy shall not be allowed to attend and vote at the meeting.
10. The Register of Director's and Key Managerial Personnel and their shareholding and the Register of Contracts with related party and contracts and bodies in which directors are interested, will be available for inspection by the Members on receipt of request email from members through their e-mail address registered with the Company up to the date of the AGM and also throughout the continuance of the AGM.
11. The Voting at the meeting shall be conducted by show of hands unless a poll in accordance with section 109 of the Companies Act, 2013 is demanded by any member. If a poll is demanded at the meeting, then the shareholders can vote by sending an email to the Designated Mail ID: company.secretary@krystal-group.com The members can pose questions concurrently at the Meeting or can submit questions or queries regarding the agenda items on the designated email address through which the notice has been sent.

Route map and address of the AGM Venue - Corporate Office of the Company situated at B 2001 2002 20th Floor, Kohinoor Square Building Wing B, NC Kelkar Road, Mumbai- 400028.



Sunset Chinese
Ratna Palace
Talwalkars
Café Coffee Day
Matunga Road Railway Station
Matunga Railway Station
Lakhamshi Nappu Road
Telang Marg
Dadar Mumbai 28
Kohinoor Square
Dharmendra Saroj
Shushrusha Hospital
Kohinoor College
KELKAR WADI
MTNL-Bhavanishankar - Sde (Noc) -...
JAVLE WADI
KABUTAR KHANA
Dadar Western Railway Station
Dadar Central Railway
AGAR BAZAR
500 ft
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DIRECTORS' REPORT

Dear Members,

Your Company's Directors hereby present the 22[nd] Annual Report of the Company together with Audited Financial Statements for the Financial Year ended March 31, 2023.

Financial Performance

Summary of the Company's financial performance for the Financial Year 2022-23 ("year under review") as compared to previous Financial Year 2021-22 ("previous year") is given below:

(Amount in Million)

Particulars	Consolidated		Standalone	
	As on March 31, 2023	As on March 31, 2022	As on March 31, 2023	As on March 31, 2022
Total Income	7,109.65	5,548.47	6,882.64	5,401.83
Profit / (Loss) before Interest, Tax and Depreciation	578.37	476.37	570.63	472.94
Finance Cost	94.92	87.78	94.77	87.75
Profit / (Loss) before Depreciation and Tax	483.45	388.59	475.87	385.19
Depreciation	46.57	42.95	43.36	42.33
Profit / (Loss) before Tax	436.88	345.65	432.50	342.85
Tax Expense (including deferred tax credit)	52.45	82.91	50.40	82.66
Net Profit / (Loss)	384.43	262.74	382.11	260.19
Other Comprehensive Income	3.23	15.05	2.51	14.80
Total Comprehensive Income	**387.66**	**277.80**	**384.61**	**275.00**
Earnings Per Equity Share (Basic) (Rs.)	33.33	22.69	33.15	22.58
Earnings Per Equity Share (Diluted) (Rs.)	33.33	22.69	33.15	22.58

Revenue

Your Company reported a Standalone total income of INR 6,882.64 million in the year under review versus INR 5,401.83 million in the previous year.

Your Company reported a consolidated total income of INR 7,109.65 million in the year under review versus INR 5,548.47 million in the previous year.

Operating Profit / (Loss)

Profit before Interest, Tax and Depreciation on standalone basis was at INR 570.63 million in the year under review versus a profit of INR 472.94 million in the previous year.

Profit before Interest, Tax and Depreciation on consolidated basis was at INR 578.37 million in the year under review versus a profit of INR 476.37 million in the previous year.

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

Your Company is engaged in 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.

Change in the nature of business

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

Transfer to Reserves

During FY 2022-23, the Company has not transferred any amount to Statutory Reserves.

Dividend

In order to conserve resources for future requirements, your Directorsdid not recommend any dividend on Equity Shares of the Company for the year ended March 31, 2023.

Holding company, Subsidiary companies, Joint Venture or Associate companies:

The Company is a wholly owned subsidiary of M/s. Krystal Family Holdings Private Limited. As on March 31, 2023, the Company has 2 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 Limited. However, Joint Venture of Nangia & Co LLP & Krystal Integrated Services Limited is yet to commence any business.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ('the Act'), statement containing salient features of the financial statements of subsidiaries, joint venture and associate companies in **Form AOC-1** is attached to the financial statements as **Annexure 1** to the Report.

The separate financial statements of the subsidiaries are available on the website of the Company and can be accessed at Krystal Integrated Services Limited (krystal-group.com)

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, 2023 and the date of this report affecting the financial position of the Company are given herein below:

Order of Court

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

Conversion of the Company from a Private Limited Company to a Public Limited Company

Effective August 04, 2023, your Company has 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.

Initial Public Offering of Equity Shares of the Company

Your Company proposes to create, issue, transfer, offer and allot such number of Equity Shares such that the amount being raised pursuant to the fresh issue aggregates up to ₹ 1,750 million (the "Fresh Issue") and/or an offer for sale of Equity Shares aggregating up to 17,50,000 by certain existing shareholders of the Company (the "Selling Shareholder", and such offer for sale, the "Offer for Sale") (the Offer for Sale together with the Fresh Issue, the "Offer" or the "IPO"), at a price as may be determined by the book building process in accordance with applicable laws, including without limitation the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"). The Equity Shares allotted/transferred shall rank in all respects pari passu with the existing Equity Shares of the Company including any rights in respect of dividend payable for the entire year after the date of allotment.

In this regard, your Company is in the process of filing Draft Red Herring Prospectus with Securities and Exchange Board of India and the Stock Exchanges,and subsequently will file a red herring prospectus (the "RHP") with the Registrar of Companies, Maharashtra at Mumbai ("RoC") and thereafter with SEBI, and the Stock Exchanges and file a prospectus with the RoC and thereafter with SEBI and the Stock Exchanges in respect of the Offer (the "Prospectus", and together with the DRHP and the RHP, the "Offer Documents"), in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), the Companies Act, 2013, and the rules notified thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) (collectively referred to as the "Companies Act") and other applicable laws.

The Equity Shares are proposed to be listed on the Bombay Stock Exchange Limited, the National Stock Exchange of India Limited and any other stock exchange as determined by the Board at its absolute discretion (together, the "Stock Exchanges") and the Company will be required to enter into listing agreements with each of the Stock Exchanges.

The Company has not made and will not make an offer of the Equity Shares in the Offer to its promoters or members of the promoter group of the Company in the Offer. However, the Directors (except independent directors), the key managerial personnel or senior management personnel may apply for the Equity Shares in the various categories under the IPO in accordance with the SEBI ICDR Regulations, the Companies Act, and any other applicable laws.

No change in control of the Company or its management is intended or expected pursuant to the IPO.

Adoption of new Accounting Policies

The Company has adopted new Accounting Polices i.e. Indian Accounting Standard (abbreviated as Ind-AS) for maintaining uniformity in accounting system.

KRYSTAL

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.

The Company has till date not granted any stock options under the aforesaid scheme.

Share Capital

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 ₹10,00,00,000 (Rupees Ten crore only) divided into 100,00,000 (One crore) equity shares of ₹10 (Ten) each to ₹ 15,00,00,000 (Rupees Fifteen crore only) divided into 1,50,00,000 (One crore Fifty lakhs) equity shares of ₹10 (Ten) each. Hence, the present Authorised Share Capital of the Company stands at ₹15,00,00,000 (Rupees Fifteen crore only).

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 Rs. 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 Rs.10/- (Rupees Ten) each for every 1 (One) existing fully paid-up equity shares of Rs. 10/- (Rupees Ten) each held by them, by capitalizing a sum not exceeding Rs. 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 as on March 31, 2023 stood at Rs. 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 Rs. 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 Rating 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 Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Thus, as on March 31, 2023, there were no deposits which were unpaid or unclaimed and due for repayment.

Details of Directors and Key Managerial Personnel

There was no change in Directorship during the year under review. However, following changes took place from the end of the Financial Year March 31, 2023 till the date of this report:

1. The Board at its Meeting held on June 21, 2023 approved the appointment of Mr. Vijay Kumar Agarwal as an Additional Director (Independent) on the Board of Directors of the Company w.e.f. 21st June, 2023. Shareholders of the Company at their Extra Ordinary General Meeting held on September 08, 2023 approved the appointment of Mr. Vijay Kumar Agarwal as an Independent Director for a period of 5 (five) consecutive years and whose office shall not be liable to retire by rotation.

2. The Board at its Meeting held on June 30, 2023 approved the appointment of Professor Sunder Ram Govind Raghavan Korivi as an Additional Director (Independent) on the Board of Directors of the Company w.e.f. 30th June, 2023. Shareholders of the Company at their Extra Ordinary General Meeting held on September 08, 2023 approved the appointment of Professor Sunder Ram Govind Raghavan Korivi as an Independent Director for a period of 5 (five) consecutive years and whose office shall not be liable to retire by rotation.

3. The Board at its Meeting held on August 03, 2023 approved the appointment of Dr. Dhanya Pattathil as an Additional Independent Director on the Board of the Company w.e.f. August 03, 2023. Shareholders of the Company at their Extra Ordinary General Meeting held on September 08, 2023 the appointment of Dr. Dhanya Pattathil as an Independent Director for a period of 5 (five) consecutive years and whose office shall not be liable to retire by rotation.

4. The Board at its Meeting held on August 25, 2023 based on the recommendation of the Nomination, Remuneration & Compensation Committee approved the appointment of Dr. Yajyoti Singh, Lt. Colonel Kaninika Thakur as Additional Directors (Independent Director) on the Board of the Company w.e.f. August 25, 2023. Shareholders of the Company at their Extra Ordinary General Meeting held on September 08, 2023 approved the appointment of the Dr. Yajyoti Singh, Lt. Colonel Kaninika Thakur as Independent Directors for a period of 5 (five) consecutive years and whose office shall not be liable to retire by rotation.

5. The Board at its Meeting held on September 15, 2023 based on the recommendation of the Nomination, Remuneration & Compensation Committee approved the re-designation of Ms. Neeta Prasad Lad as the Managing Director of the Company and Mr. Shubham Prasad Lad, Ms. Saily Prasad Lad, Mr. Pravin Ramesh Lad and Mr. Sanjay Suryakant Dighe, as Whole-time Directors on the Board of the Company for a period of 3 years with effect from September 15, 2023 to September 14, 2026. Shareholders of the Company at their Extra Ordinary General Meeting held on September 18, 2023 approved the re-designation Ms. Neeta Prasad Lad as the Managing Director and Mr. Shubham Prasad Lad, Ms. Saily Prasad Lad, Mr. Pravin Ramesh Lad and Mr. Sanjay Suryakant Dighe, as Whole-time Directors on the Board of the Company, liable to retire by rotation.

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.	Mr. Vijay Kumar Agarwal	Non-Executive, Independent Director
2.	Professor Sunder Ram Govind Raghavan Korivi	Non-Executive, Independent Director
3.	Dr. Dhanya Pattathil	Non-Executive, Independent Director
4.	Dr. Yajyoti Singh	Non-Executive, Independent Director
5.	Lt. Colonel Kaninika Thakur	Non-Executive, Independent Director
6.	Ms. Neeta Prasad Lad	Executive, Managing Director & Chairperson
7.	Mr. Shubham Prasad Lad	Executive, Whole-time Director
8.	Ms. Saily Prasad Lad	Executive, Whole-time Director
9.	Mr. Pravin Ramesh Lad	Executive, Whole-time Director
10.	Mr. Sanjay Suryakant Dighe	Executive, Whole-time Director & Chief Executive Officer

6. Ms. Shalini Agrawal tendered her resignation as the Company Secretary of the Company w.e.f 14th August, 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.

7. 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 Chief Executive Officer of the Company w.e.f. September 15, 2023.

8. 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 of the Company as on March 31, 2023:

Sr. No.	Name	Designation
1.	Mr. Sanjay Suryakant Dighe	Whole-time Director and Chief Executive Officer
2.	Mr. Barun Dey	Chief Financial Officer
3.	Ms. Stuti Maru	Company Secretary & Compliance Officer

Your Directors on the Board possess the requisite experience and competency.

All the Directors of the Company have confirmed that they satisfy the "fit and proper" criteria and are not disqualified from being appointed/continuing as Directors in terms of Section 164(2) of the Act. The declarations have been taken on record by the Nomination, Remuneration and Compensation Committee.

All the Directors and Senior Management of the Company will affirme compliance with the Code of Conduct for Board Members and Senior Management Personnel of the Company annually. All Independent Directors have submitted the declaration of independence, pursuant to the provisions of Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulations 16(1)(b) of the SEBI Listing Regulations and they are not aware of any circumstance or situation which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/ her duties with an objective independent judgment and without any external influence. The terms and conditions of appointment of Independent Directors are available on the website of the Company at Krystal Integrated Services Limited (krystal-group.com)

In terms of Section 150 of the Companies Act, 2013 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 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. Mr. Vijay Kumar Agarwal and Dr. Dhanya Pattathil, Independent Directors of the Company have confirmed that they are exempt from the requirement to undertake the online proficiency self-assessment test. Professor Sunder Ram Govind Raghavan Korivi, Lt. Colonel Kaninika Thakur, Dr. Yajyoti Singh, Independent Directors of the Company are required to undertake the online proficiency self-assessment test.

Number of Meetings of the Board of Directors ("Board")

During the period under review, the Board of your Company met 19 times, details of which are given herein below:

1. 07.04.2022	2. 11.05.2022	3. 08.06.2022	4. 21.06.2022	5. 09.07.2022
6. 01.08.2022	7. 24.08.2022	8. 13.09.2022	9. 27.09.2022	10. 14.11.2022
11. 08.12.2022	12. 03.01.2023	13. 12.01.2023	14. 28.01.2023	15. 15.02.2023
16. 24.02.2023	17. 06.03.2023	18. 27.03.2023	19. 31.03.2023	

The Company is in compliance with the requirements of the Companies Act, 2013 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 Companies Act, 2013. The details of attendance of each Director at the Board Meeting are as follows:

Name of the Director	DIN	Category	Number of Board Meetings		AGM last Attended
			Held	Attended	
Neeta Prasad Lad	01122234	Director	19	19	29.09.2022
Saily Prasad Lad	05336504	Director	19	19	29.09.2022
Shubham Prasad Lad	07557584	Director	19	19	29.09.2022
Pravin Ramesh Lad	01710743	Director	19	19	29.09.2022
Sanjay Suryakant Dighe	02042603	Director	19	19	29.09.2022

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, CSR Committee, Risk Management Committee and Stakeholder Relationship Committee are in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations.

Further, the Company has also constituted Tender Committee, Finance Committee and IPO Committee.

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.

Composition of 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:

Sr. No	Name of the Member	Designation	Status
1	Mr. Vijay Kumar Agarwal	Chairman	Non- Executive, Independent
2	Professor Sunder Ram Govind Raghavan Korivi	Member	Non- Executive, Independent
3	Mr. Sanjay Suryakant Dighe	Member	Executive, Whole-time Director

The Committee is vested with necessary powers, as per its Terms of Reference duly approved by the Board.

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 and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behavior, 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 https://krystal-group.com/ and the weblink to the same at https: Investor - Krystal Group (krystal-group.com).

Corporate Social Responsibility (CSR)

During the year under review, the Company has partnered with credible agencies like Mi Mumbai Abhiyan Abhiman Pratishtha, Anthyodaya Pratishthan and Shree Mahalaxmi Tirupati Education Society 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 Companies Act, 2013 ("Act"). The CSR activities/projects undertaken by your Company are in accordance with Schedule

VII of the Act and based on approved CSR policy and Annual Action Plan, which are available on Company's website: Krystal Integrated Services Limited (krystal-group.com)

The Company's CSR activities are guided and monitored by its CSR Committee. The CSR Policy of the Company provides a broad set of guidelines including intervention areas and continuous monitoring of the CSR activities.

The Committee was re-constituted on August 25, 2023 and the Composition of the Committee is as under:

Members	Category	Status
Ms. Neeta Prasad Lad	Chairperson	Executive, Managing Director
Dr. Yajyoti Digvijay Singh	Member	Non- Executive, Independent
Mr. Sanjay Suryakant Dighe	Member	Executive, Whole- time Director

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 7.06 Million equivalent to 2% of the 'average net profits' of the last three (3) financial years. During the year under review, your Company has spent the entire amount 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 2022-23, which is annexed as **Annexure -2.**

Risk Management

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 Composition of the Committee is as under:

Sr. No	Name of the Member	Designation	Status
1	Mr. Vijay Kumar Agarwal	Chairman	Non- Executive, Independent
2	Lieutenant Colonel Kaninika Thakur	Member	Non- Executive, Independent
3	Mr. Sanjay Suryakant Dighe	Member	Executive, Whole-time Director

The Committee is vested with necessary powers, as per its Terms of Reference duly approved by the Board.

The Risk Management Committee of the Board of Directors of the Company reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyses risk exposures related to specific issues and provides oversight of risk across the Company. The Risk Management process of the Company is governed by the Risk Management Policy which lays down guidelines for Risk identification, assessment and monitoring as an ongoing process that is supported by a robust risk reporting framework.

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

The Company has re-constituted a Nomination, Remuneration and Compensation Committee on August 25, 2023 with the following members:

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

The Committee is vested with necessary powers, as per its Terms of Reference duly approved by the Board.

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 3** and is also available on the Company's website i.e. Krystal Integrated Services Limited (krystal-group.com)

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	Chairman	Non- Executive, Independent
2	Dr. Dhanya Pattathil	Member	Non- Executive, Independent
3	Mr. Sanjay Suryakant Dighe	Member	Executive, Whole-time Director

The Committee is vested with necessary powers, as per its Terms of Reference duly approved by the Board.

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.

Directors' Responsibility Statement

Pursuant to the provisions of Sections 134(3)(c) and 134(5) of the Companies Act, 2013 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:

a) in the preparation of the annual accounts for the period commencing from April 01, 2022 to March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
b) the Directors have selected such accounting policies and applied them consistently and made judgments

and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the period under review and of the profit and loss of the Company for that period;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) the Directors have prepared the annual accounts on a going concern basis;
e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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 Krystal Integrated Services Private Limited (krystal-group.com)

Board Evaluation

The Company has adopted a Board Evaluation Policy on September 15, 2023. Evaluation of performance of all Directors would be 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 on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects. The performance of the Executive Director would be evaluated on the basis of achievement of their Key Result Area. The Board of Directors has expressed their satisfaction with the evaluation process.

Statutory Audit & Statutory Auditors

M/s. T. R. Chadha & Co LLP, Chartered Accountants (Firm Registration No. 006711N/ N500028) were appointed as Statutory Auditors of the Company to hold office from the conclusion of 20th Annual General Meeting until the conclusion of the 24th Annual General Meeting to be held in the calendar year 2024-25, 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.

The Auditors' Report "with an unmodified opinion", given by the Statutory Auditors on the Financial Statements of the Company for FY 2022-23, 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.

In addition to the above, 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 the notes to the Standalone Financial Statements.

Related Party Transactions:

During the year under review, all contracts/arrangements/transactions entered into by the Company during the financial year with related parties were in ordinary course of business and on arm's length basis. There were no material related party transactions by the Company during the year.

Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act, in Form AOC-2 is not applicable. Systems are in place for obtaining prior omnibus approval of the Audit Committee on an annual basis for transactions with related parties which are of a foreseeable and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted and a statement giving details of all transactions with related parties would be placed before the Audit Committee for their review on a periodic basis. Policy on Related Party Transactions is annexed as **Annexure 4** to the Report.

Particulars of Employees

In terms of the requirements of sub-section (12) of Section 197 of the Act read with sub-rule (1) of Rule 5 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 sub-section 12 of Section 197 of the Act read with sub-rules (2) & (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of the Annual Report. In terms of sub-section (1) of Section 136 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 2022-23, 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 and previous year were INR Nil and Foreign Exchange Outgo during the year under review was Nil and previous year was Nil.

Krystal House, 15A / 17, Shivaji Fort CHS, Duncans Causeway Road, Mumbai – 400 022. Maharashtra (India) Tel: +9122 4353 1234 +9122 2403 0220/21 Fax: +9122 2403 4385
Web: www.krystal-group.com CIN - U74920MH2000PLC129827.

Details of grievances, 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 (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 Listing Regulations, has been obtained from Managing Director & CEO and Group Chief Financial Officer, for the Financial Year 2022-23 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.

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) There has been no change in the nature of business of the Company as on the date of this report.
e) The Managing Director of the Company did not receive any remuneration or commission from any of its subsidiaries.
f) The Company has not obtained any registration / license / authorisation, by whatever name called from any other financial sector regulators
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, 2023.
i) There was no instance of one-time settlement with any Bank or Financial Institution.

Acknowledgements / Appreciations

The Directors express their sincere gratitude to Ministry of Finance, Ministry of Corporate Affairs, Registrar of Companies, other government and regulatory authorities, lenders, financial institutions, and the Company's bankers for the ongoing support extended by them. The Directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders and trust reposed by them in the Company. The Directors sincerely appreciate the commitment displayed by the employees of the Company across all levels.

For and on behalf of the Board of Directors

KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

Neeta Prasad Lad	**Sanjay Suryakant Dighe**
Chairperson & Managing Director	**CEO & Whole-time Director**
DIN: 01122234	**DIN: 02042603**

Date: September 27, 2023
Place: Mumbai

KRYSTAL

Annexure 2
Annual Report on CSR Activities of the Company

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

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

Note: CSR committee has been re-constituted on 25th August, 2023

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://krystal-group.com/investor/

4. Provide the 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 35,28,05,997**
   b. Two percent of average net profit of the company as per subsection (5) of Section 135**: INR 70,56,120**
   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 70,56,120**

6.
   a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : **INR 92,30,000**
   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 **92,30,000**

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
92,30,000	Nil	Nil	Nil	Nil	Nil

f. Excess amount for set-off, if any:

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	**70,56,120**
(ii)	Total amount spent for the Financial Year	**92,30,000**
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	**21,73,880**
(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)]	21,73,880

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

Sl. 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'20	NA	Nil		NA	NA	Nil	Nil
2.	FY'21	NA	Nil		NA	NA	Nil	Nil

3.	FY'22	NA	Nil		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]	Pincode 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

Neeta Prasad Lad	**Sanjay Suryakant Dighe**
N.P. Lad	
Chairperson & Managing Director of CSR Committee	**CEO & Whole-time Director**
DIN: 01122234	**DIN: 02042603**

Place: Mumbai
Date: September 27, 2023

Annexure 3

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. 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 4

Krystal Integrated Services Limited

Policy on Related Party Transactions

1. Introduction

The Board of Directors (the "Board") of Krystal Integrated Services Limited (the "Company"), has adopted the following policy and procedures with regard to Related Party Transactions as defined below. The Audit Committee will review this policy from time to time and suggest amendments to the Board for its approval. This policy will be applicable to the Company. This policy is to regulate transactions between the Company and its Related Parties based on the laws and regulations applicable to the Company.

2. Purpose

This policy is framed in compliance with the provisions of Regulation 23 and other applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations') and Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules 2014, as amended or re-promulgated and in force from time to time (collectively referred to as 'Applicable regulatory provisions'). The Policy is intended to ensure the proper approval and reporting of all Related Party Transactions as required by the applicable regulatory provisions.

3. Definitions

"Act" means the Companies Act, 2013.

"Audit Committee" means the Audit Committee of the Company constituted under provisions of the Regulations and Companies Act, 2013 and known as the Audit Committee.

"Board" means Board of Directors of the Company.

"Key Managerial Personnel" shall have the meaning as defined in section 2(51) of the Companies Act, 2013, as per which, the term, at present, means:

(i) the Chief Executive Officer or the Managing Director or the Manager;
(ii) the Company Secretary;
(iii) the Whole-time Director;
(iv) the Chief Financial Officer;
(v) 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 (vi) such other officer as may be prescribed.

"Material Related Party Transaction" shall have the meaning as defined in the applicable regulatory provisions. Without prejudice to the foregoing, at present, as per the explanation to Regulation 23(1) of the Regulations, this term means a transaction with a related party if the transaction/transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

A transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

"Policy" means this Policy on Related Party Transactions.

"Relative" means a relative as defined under Section 2(77) the Companies Act, 2013 and Companies (Specification of definitions details) Rules, 2014 and includes anyone who is related to another, if –

i. They are members of a Hindu undivided family;
ii. They are husband and wife; or
iii. Father (including step-father)
iv. Mother (including step-mother)
v. Son (including step-son)
vi. Son's wife
vii. Daughter
viii. Daughter's husband
ix. Brother (including step-brother)
x. Sister (including step-sister)

"Related Party" means a related party as defined in section 2(76) of the Act and Regulation 2(1)(zb) of the Regulations. Without prejudice to the foregoing, at present, as per the Act and the Regulations, 'related party' has the following meaning:

A. Section 2(76) of the Act read with Rule 3 of the Companies (Specification of Definition Details) Rules, 2014, defines the term Related Party as follows:

(i) a director or his relative;
(ii) key managerial personnel or his relative;
(iii) a firm, in which a director, manager or his relative is a partner;
(iv) a private company in which a director or manager or his relative is a member or director;
(v) a public company in which a director or manager is a director and holds along with his relatives, more than two per cent of its paid-up share capital;

(vi) any body corporate whose Board of Directors, managing director, or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;

(vii) any person on whose advice, directions or instructions a director or manager is accustomed to act:
Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

(viii) any body corporate which is –
(A) a holding, subsidiary or an associate company of the Company; or
(B) a subsidiary of a holding company, to which it is also a subsidiary; or
(C) an investing company or the venturer of the Company

Explanation – For the purpose of this clause "the investing company or the venturer of a company" means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate.

(ix) Director (other than an Independent Director) or key managerial personnel of the Company's holding company (if any) or his relative;

B. Regulation 2(1)(zb) of the Regulations defines the term Related Party as follows:

"Related Party" means a related party as defined under sub-section (76) of section 2 of the Companies Act, 2013 or under the applicable accounting standards;

Provided that:
a) any person or entity forming a part of the promoter or promoter group of the listed entity; or
b) any person or any entity, holding equity shares:
   (i) of twenty per cent or more; or
   (ii) of ten per cent or more, with effect from April 1, 2023; in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Act, at any time, during the immediate preceding financial year;

shall be deemed to be a related party;

Provided further that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognised stock exchange(s).

C. For the purpose of Regulation 2(1)(zb) of the Regulations, Indian Accounting Standard 24 defines the term Related Party as follows:

A related party is a person or entity that is related to the entity that is preparing its financial statements in this Standard referred to as the 'reporting entity' as follows:

a. A person or a close member of that person's family is related to a reporting entity if that person:
   (i) has control or joint control over the reporting entity;
   (ii) has significant influence over the reporting entity; or
   (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity

b. An entity is related to a reporting entity if any of the following conditions applies:
   (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
   (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
   (iii) Both entities are joint ventures of the same third party.
   (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
   (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
   (vi) The entity is controlled or jointly controlled by a person identified in (a).
   (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

For the purpose of this Policy, the term 'reporting entity' shall cover the Company and its subsidiaries which prepares its financial statements as per the Indian Accounting Standards.

The term Related Party for the purpose of this Policy shall be interpreted accordingly.

"Related Party Transaction" refers to those transactions that are covered under the scope of Section 188 of the Act and Regulation 2(1)(zc) of the Regulations, except those Related Party Transactions (described below) which are:

- Excluded under the Regulations
- Exempt under the Act
- Exempt under the Regulations
- Other Exclusions under the Policy

A. Related Party Transactions that are covered under Section 188 of the Act are as follows:

   (i) sale, purchase or supply of any goods or materials;
   (ii) selling or otherwise disposing off or buying property of any kind;
   (iii) leasing of property of any kind;
   (iv) availing or rendering of any services;
   (v) appointment of any agent for purchase or sale of goods, materials, services or property;
   (vi) related party's appointment to any office or place of profit in the company, its subsidiary or associate company;
   (vii) underwriting the subscription of any securities or derivatives thereof of the Company

B. In terms of Regulation 2(1)(zc) of the Regulations, a Related Party Transaction means a transaction involving a transfer of resources, services or obligations between:

(i) A listed entity (i.e. the Company) or any of its subsidiaries on one hand and a related party of the Company or any of its subsidiaries on the other hand; or
(ii) The Company or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the Company or any of its subsidiaries, with effect from April 1, 2023;
regardless of whether a price is charged.

The term 'transaction' with a related party includes a single transaction or a group of transactions in a contract.

"Related Party Transactions which are Excluded/Exempt"

A. Exclusions under the Regulations (i.e. transactions that shall not be treated as Related Party Transactions):

a. the issue of specified securities on a preferential basis under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
b. Following corporate actions by the Company which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
    - payment of dividend;
    - subdivision or consolidation of securities;
    - issuance of securities by way of a rights issue or a bonus issue; and
    - buy-back of securities.
c. acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same as per the Regulations.

B. Exempt under the Act (i.e. those Related Party Transactions which fulfil the following two criteria and which are exempt from the requirements of Board and Shareholder approvals):
    a. Such transaction is undertaken in the ordinary course of business; and
    b. Such transaction is undertaken on an arm's length basis (i.e. the transaction is conducted between the related parties as if they were unrelated, so that there is no conflict of interest);

C. Exempt under the Regulations (i.e. those Related Party Transactions which are exempt from the requirements of prior Audit Committee and Shareholder approvals):
    a. Transactions between the Company and its wholly-owned subsidiary, whose accounts are consolidated with that of the Company and placed before the shareholders at the general meeting for approval;
    b. Transactions entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for approval;
    c. Transactions between two Government Companies (not applicable to the Company).

"Ordinary course of business" includes those activities carried out in the normal course of business practice, or which have been undertaken historically or frequently as commercial practice or activities related to the business or come within the ambit of business as envisaged in the Memorandum of Association, as amended from time to time, of the Company and its subsidiaries.

"Material Modification" means modification to a Related Party Transaction which would change the nature of the transaction and in case monetary thresholds are applicable, which has the effect of change in the value involved, by 25% of the originally approved Related Party Transaction.

Words in this policy which are not included in the Definition Clause shall have the same meaning as defined in the applicable regulatory provisions. Also, in case of a conflict between the terms defined hereinabove and the definition thereof in the applicable regulatory provisions, the definitions in the applicable regulatory provisions shall prevail.

4. Policy

4.1 Disclosure by Directors and Key Managerial Personnel of interests or potential interests in any Related Party Transaction

Each Director and Key Managerial Personnel shall disclose to the Audit Committee, any interest that he/she or his/her Relative or any entity in which he/she may be concerned or interested, may have in a transaction or proposed transaction by the Company and its subsidiaries, wherever applicable, that is or is likely to be a Related Party Transaction.

4.2 Review and Approval of Related Party Transactions

This Policy sets out the requisite authorizations for Related Party Transactions in line with applicable regulatory provisions and the provisions for review thereof.

In line with applicable regulatory provisions, the approvals from the below governing bodies are required prior to undertaking the Related Party Transaction:

Audit Committee	Board	Shareholders
➢ All RPT undertaken by the Company; ➢ RPT undertaken by a subsidiary, where the Company is not a party if the value of RPT is: > 10% of consolidated turnover as per last audited financial statements of the Company; > 10% of standalone turnover as per last audited financial statements of the subsidiary [w.e.f. April 1, 2023]	➢ Specified RPT u/s 188 of the Act which are not in ordinary course of business or not at arm's length; ➢ RPT requiring Shareholders' approval;	➢ All material RPTs ➢ RPT not in ordinary course of business or not at arm's length basis and crossing threshold limits as prescribed u/s 188 of the Act and the Rules thereunder; ➢ RPT for brand usage or royalty if value exceeds 5% of annual consolidated turnover as per last audited financial statements of the Company;

➢ Subsequent Material Modifications to the above RPT;		➢ Subsequent Material Modifications to Material RPT

1. Only members of the Audit Committee who are Independent Directors shall approve RPT;
2. No related party shall vote to approve relevant shareholders' resolutions irrespective of whether the entity is a related party to the particular transaction or not;
3. Audit Committee shall annually review/approve all the RPTs including Related Party Transactions exempt under the Act and Related Party Transactions exempt under the Regulations.

4.3 Criteria for approving Related Party Transactions

(i) The Audit Committee (and where applicable, the Board) shall consider, inter alia, the following criteria, while approving Related Party Transactions:

a. Whether the Transaction covered by the Related Party Transaction is in the ordinary course of business of the Company/ subsidiary and/or is required for the business of the Company/ subsidiary or is otherwise beneficial to the Company/ subsidiary;

b. Whether the Related Party Transaction is on an arm's length basis. For determining arm's length basis, criteria that the Audit Committee / Board may deem fit shall be considered.

c. Whether the Related Party Transaction is reasonable and in the interest of the Company/ subsidiary

(ii) Only those members of the Audit Committee who are independent directors shall approve all Related Party Transactions.

4.4 Omnibus Approval of Related Party Transactions by Audit Committee

In accordance with the enabling provisions of Regulation 23(3) of the Regulations, the Audit Committee may grant omnibus approval to Related Party Transactions, which are proposed to be entered into by the Company or any of its subsidiaries (in cases where applicable), subject to compliance with the conditions specified therein, which are as follows:

a) The Audit Committee shall lay down the criteria for granting such omnibus approval in line with this Policy and such approval shall be applicable in respect of transactions which are repetitive in nature;
b) The Audit Committee shall satisfy itself regarding the need for such omnibus approval and that such approval is in the interest of the Company/subsidiary;
c) Such omnibus approval shall specify the following:
    i. the names of the Related Party;
    ii. the nature of the transaction, period of transaction and the maximum amount for which the transaction can be entered into;
    iii. the indicative base price/current contracted price and the formula for variation in the price if any; and
    iv. such other conditions as the Audit Committee may deem fit;

Provided however that where the need for the Related Party Transaction cannot be foreseen and aforesaid details are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs. 1 crore per transaction and subject to such overall limit as may be approved by the Audit Committee from time to time;

d) The Audit Committee shall review, at least on a quarterly basis, the details of the Related Party Transaction entered into pursuant to each of the omnibus approval so given;

e) Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year. For the purpose of this condition, reference to 'year' shall be to the financial year of the Company and the validity of such omnibus approval granted during any financial year shall be up to the end of that financial year or up to the date of the fresh approval, if any, granted by the Audit Committee in the immediately following financial year, which shall not be later than May 31, whichever is later;

Proviso to Section 177(4) of the Companies Act, 2013 also provides for omnibus approval for proposed related party transactions.

5. Related Party Transactions not approved under this Policy

In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, revision or termination of the Related Party Transaction.

The Audit Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Audit Committee under this Policy, and shall take any such action it deems appropriate. In connection with any review of a Related Party Transaction, the Audit Committee has authority to modify or waive any procedural requirements of this Policy.

6. Disclosures

The Company shall comply with such disclosure requirements relating to this Policy as may be stipulated under Applicable regulatory provisions. This Policy shall be uploaded on the website of the Company at https://krystal-group.com and a web link thereto shall be provided in the section on corporate governance in the Annual Report.

7. Review of the Policy

The Board shall review this policy at least once in every three years on the basis of recommendations made by the Audit Committee.

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Annexure 5

Krystal Integrated Services Limited

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 2022-23	Ms. Neeta Prasad Lad	62.38
		Mr. Sanjay Suryakant Dighe	30.27
		Mr. Pravin Ramesh Lad	23.49
		Mr. Shubham Prasad Lad	12.28
		Ms. Saily Prasad Lad	4.14
		Ms. Shalini Agarwal	0.88
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 2022-23	Ms. Neeta Prasad Lad	25.00%
		Mr. Sanjay Suryakant Dighe	22.44%
		Mr. Pravin Ramesh Lad	26.56%
		Mr. Shubham Prasad Lad	160.00%
		Ms. Saily Prasad Lad	25.10%
		Ms. Shalini Agarwal	9.27%
3.	The percentage increase in the median remuneration of employees in the financial year 2022-23	13%	
4.	The number of permanent employees on the roll of company as on March 31, 2023	299	
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 2022-23 was 12% to 13% as against 22% 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 a period of time and also benchmarked against industry standards.	
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.	

For and on behalf of the Board of Directors

N.P.Lad

KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

Neeta Prasad Lad
Chairperson & Managing Director
DIN: 01122234

Sanjay Suryakant Dighe
CEO & Whole-time Director
DIN: 02042603

KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

Place: Mumbai
Date: September 27, 2023

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 financial statements of **Krystal Integrated Services Limited *(Formerly Krystal Integrated Services Private Limited)*** ("the Company"), which comprise Standalone Balance Sheet as at March 31, 2023, and 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 significant 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 Standards 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, 2023 and 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.

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

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

Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

T R Chadha & Co LLP
MUMBAI
Chartered Accountants

In connection with our audit of the Standalone 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 Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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.

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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from

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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.

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

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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, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the Financial Statement.

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 45 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

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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 (d) above, contain any material misstatement.

e. During the year the Company has neither declared nor paid any dividend, as such compliance of section 123 of the Act is not applicable.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. 1st April, 2023, reporting in respect of mandatory use of accounting software with requisite audit trail facility is not applicable.

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.

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

Alka Hinge
(Partner)
Membership No. 104574
UDIN: 23104574BGWFPI6379

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

Date: September 26, 2023
Place: Mumbai

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, 2023

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) Property, Plant and Equipment

(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

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

(b) The Company has a regular program, of physical verification of its fixed assets by which all fixed assets are verified in a phased manner which In our opinion is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) 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 as disclosed under in the Fixed assets register in Note-3 of the financial statements are held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) Inventories

a) We are of the opinion that the procedure of physical verification of inventory and frequency of such verification is reasonable and adequate in relation to the size of the company and the nature of its business. Further, No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

b) The Company has been sanctioned working capital limits in excess of 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 financials.

Rs. In Million

		Particulars	Amounts

Names of Banks	Quarter Ended		Disclosed as per Statement	As per Books of Accounts	Difference
MDCB Bank State Bank of India Union Bank of India	Q1 - 30th June 2022	Inventory	2.79	2.79	-
		Trade Payable	281.96	265.49	16.47
		Trade Receivable	2,549.46	2,514.67	34.79
MDCB Bank State Bank of India Union Bank of India	Q2 - 30th Sept 2022	Inventory	3.89	3.89	-
		Trade Payable	202.18	199.57	2.61
		Trade Receivable	1,964.00	1,961.51	2.49
Union Bank of India	Q3 - 31st Dec 2022	Inventory	3.27	3.27	-
		Trade Payable	185.16	203.70	(18.54)
		Trade Receivable	2,024.20	2,022.88	1.32
Union Bank of India	Q4 - 31st Mar 2023	Inventory	4.95	4.95	-
		Trade Payable	237.22	129.34	107.87
		Trade Receivable	1,731.32	1,621.28	110.04

(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	326.15
	Particulars	**Loans**
I	Subsidiaries	283.55
II	Joint Ventures	
III	Others	42.60
	Balance outstanding as at balance sheet date in respect of above cases	
I	Subsidiaries	233.57
II	Joint Ventures	
III	Others	42.60

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

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

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

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

(f) The Company has granted loans / advances in the nature of loans repayable on demand 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:

(Rs. millions)

Particulars	**All Parties**	**Promoter**	**Related Parties**
Aggregate amount of Loans / Advances in nature of Loans			
- Repayable on Demand (A)	-		-
- Agreement does not specify any terms or period of repayment (B)	283.55	-	283.55
Total (A+B)	**283.55**	-	**283.55**
Percentage of Loans / Advances in nature of Loans to the total Loans	87%		87%

(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. Accordingly, the provision of paragraph 3(vi) of the Order is not applicable to the Company.

(vii) Statutory Dues

a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing its undisputed

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

statutory dues including Provident Fund, Employees State insurance, income-tax, Goods and Service tax, cess and Professional Tax and other statutory dues, as applicable, with the appropriate authorities *except delays in certain cases.* There are no dues payable outstanding as on 31st March, 2023 for a period of more than six months from the date they became payable *except.*

Sr No	Statutory Liability	Amounts (Rs in Millions)	As On date
1	Provident fund	5.11	As on 31st March 2023
2	ESIC	4.11	As on 31st March 2023
3	Professional Tax	0.17	As on 31st March 2023
4	MLWF	0.19	As on 31st March 2023

The company is following up with labors to update KYC for payment of pending dues.

b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no dues of Income-tax, Service tax, Duty of customs, Goods and service tax, duty of excise and value added tax as at 31 March 2023, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the statute	Assessment Year	Amount (Rs. In Million)	Forum where dispute is pending	Status
The Income Tax Act, 1961	2017-18	38.62	ITAT	Order awaited from ITAT
The Income Tax Act, 1961	2018-19	20.95	ITAT	Order awaited from ITAT
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

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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 Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) Application of funds rasied through public offer

(a) According to the information and explanations given to us, the Company did not raise any money by way of Public issues / Debentures issue.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) 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 is no whistle blower complaints received during the year.

(xii) Nidhi company

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CHARTERED ACCOUNTANTS

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.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) 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

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CHARTERED ACCOUNTANTS

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.

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

Alka Hinge
(Partner)
Membership No. 104574
UDIN: 23104574BGWFPI6379

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

Date: September 26, 2023
Place: Mumbai

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, 2023, 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, 2023, 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

T R Chadha & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

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 standalone 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.

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

T R Chadha & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

Alka Hinge
(Partner)
Membership No. 104574
UDIN: 23104574BGWFPI6379

Date: September 26, 2023
Place: Mumbai

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)
Standalone Balance sheet as at 31st March 2023

Particulars	Note	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Assets				
Non-Current Assets				
Property, plant and equipment	3 (a)	758.24	91.64	96.34
Capital work-in-progress	3 (a)	-	600.06	600.06
Right-of-use assets	3 (b)	15.19	14.41	29.93
Intangible assets	4	0.91	1.33	1.43
Financial Assets				
(a) Investments	5	40.04	29.95	27.10
(b) Other financial assets	6	392.40	212.06	57.82
Deferred tax assets (net)	7	70.75	51.98	76.49
Income tax assets (net)	8	67.58	68.20	48.41
Other Non-current assets	9	-	80.57	-
Total Non-Current Assets		**1,345.11**	**1,150.20**	**937.60**
Current Assets				
Inventories	10	4.95	58.41	22.24
Financial Assets				
(a) Trade receivables	11	1,452.24	2,360.93	1,976.61
(b) Cash and cash equivalents	12	88.28	1.17	2.06
(c) Bank Balances other than cash and cash equivalents above	13	97.78	223.40	213.22
(d) Loans	14	276.17	17.56	8.76
(e) Other financial assets	15	30.35	17.83	45.58
Income tax assets (net)	16	12.61	60.68	33.83
Other current assets	17	45.97	70.03	83.23
Total Current Assets		**2,008.35**	**2,810.01**	**2,385.53**
Total Assets		**3,353.46**	**3,960.21**	**3,323.13**
Equity and Liabilities				
Equity				
Equity share capital	18	57.62	57.62	57.62
Other equity	19	1,546.52	1,554.08	1,279.07
Total Equity		**1,604.14**	**1,611.70**	**1,336.69**
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
(a) Borrowings	20	196.91	288.03	269.08
(b) Lease liabilities	21	10.21	4.37	15.09
Provisions	22	1.49	1.69	1.60
Total Non-Current Liabilities		**208.61**	**294.09**	**285.77**
Current Liabilities				
Financial Liabilities				
(a) Borrowings	23	282.16	437.22	383.68
(b) Lease liabilities	21	6.80	9.71	13.43
(c) Trade payables				
a) Total outstanding dues of micro enterprises and small enterprises	24	0.56	2.16	4.87
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	24	138.99	477.73	355.78
(c) Other financial liabilities	25	540.97	585.72	555.55
Other current liabilities	26	443.45	429.16	289.03
Provisions	27	127.77	112.72	98.31
Total current liabilities		**1,540.70**	**2,054.42**	**1,700.66**
Total Liabilities		**1,749.31**	**2,348.51**	**1,986.44**
Total Equity and Liabilities		**3,353.45**	**3,960.21**	**3,323.13**
Significant accounting policies and notes to accounts	**1 - 53**			

The accompanying notes are 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 : 26/9/2023

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

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

Neeta Lad
Managing Director
(DIN-01122234)

Sanjay Dighe
Whole Time Director and CEO
(DIN-02042603)

Barun Dey
Chief Financial Officer

Stuti Maru
Company Secretary and Compliance Officer
Membership No.: A45257

Place : Mumbai
Date :

KRYSTAL INTEGRATED SERVICES LTD. 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 2023

Particulars	Note	For the year ended 31st March 2023	For the year ended 31st March 2022
Income			
Revenue from operations	28	6,855.05	5,382.42
Other income	29	27.59	19.41
Total Income		**6,882.64**	**5,401.83**
Expenses			
Cost of material and store and spare consumed	30	263.34	206.85
Employee benefit expense	31	5,783.24	4,616.66
Finance costs	32	94.77	87.75
Depreciation and amortisation expense	33	43.36	42.33
Other expenses	34	311.85	178.74
Total Expenses		**6,496.56**	**5,132.33**
Profit / (loss) before exceptional items and tax from continuing operations		386.08	269.50
Exceptional Items		-	-
Profit / (loss) before tax from continuing operations		**386.08**	**269.50**
Tax expense:			
Current tax		70.20	44.03
Deferred tax		(19.80)	18.43
Total Tax Expenses		**50.40**	**62.46**
Profit for the year from continuing operation after Taxes		335.68	207.03
Profit from discontinued operation before Taxes		46.42	73.36
Income tax expenses of discontinued operations		-	20.20
Profit from discontinued operation (after taxes)		**46.42**	**53.16**
Profit / (loss) for the period		**382.10**	**260.20**
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		3.54	20.88
(ii) Deferred tax relating to items that will not be reclassified to profit or loss		(1.03)	(6.08)
Other Comprehensive Income to be transferred to Other Equity for the year		**2.51**	**14.80**
Total Comprehensive Income for the year		**384.61**	**275.00**
Earnings per equity share (nominal value ₹ 10/- per share)	35		
Basic		33.15	22.58
Diluted		33.15	22.58
Significant accounting policies and Notes to accounts	1 - 53		

The accompanying notes are 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 : 26/9/2023

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

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

Neeta Lad
Managing Director
(DIN-01122234)

Sanjay Dighe
Whole Time Director and CEO
(DIN-02042603)

Barun Dey
Chief Financial Officer

Stuti Maru
Company Secretary and Compliance Officer

Place : Mumbai
Date :

Membership No.: A45257

KRYSTAL INTEGRATED SERVICES LTD. 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 2023

(A) Equity share capital (Issued and Subscribed)

Particulars	Amounts
Balance as at 1st April 2021	**57.62**
Changes in equity share capital	-
Balance as at 31st March 2022	**57.62**
Changes in equity share capital	-
Balance as at 31st March 2023	**57.62**

(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 01st April, 2021	**8.00**	**1,357.74**	**5.47**	**1,371.20**
Adjustments related to transition to Ind AS		(92.13)		(92.13)
Balance as at 01st April, 2021	**8.00**	**1,265.60**	**5.47**	**1,279.07**
Profit for the year ended March 2022	-	260.21		260.21
Other comprehensive income for the year	-		14.80	14.80
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 arrangment (Refer Note 42)	-	(392.12)		(392.12)
Balance as at 31st March 2023	**8.00**	**1,515.75**	**22.77**	**1,546.52**

The accompanying notes are 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 : 26/9/2023

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

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

Neeta Lad
Managing Director
(DIN-01122234)

Sanjay Dighe
Whole Time Director and CEO
(DIN-02042603)

Barun Dey
Chief Financial Officer

Stuti Maru
Company Secretary and Compliance Officer

Place : Mumbai
Date :

Membership No.: A45257

KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)
Standalone Statement of Cash Flows

Particulars		For the year ended	
		31st March 2023	31st March 2022
Cash flows from operating activities			
Profit before tax from Continuing Operation		386.03	269.52
Profit before tax from Discontinuing Operation		46.42	73.36
Net profit before tax		**432.45**	**342.88**
Depreciation and amortisation		43.36	42.33
Finance costs		94.77	87.75
Interest income		(22.56)	(15.16)
Balance written off		-	2.65
Allowance for expected credit loss		2.48	3.11
Balance write back		(4.06)	(4.78)
(Profit) / loss on sale of Assets		-	(0.02)
Operating profit before change in working capital		**546.44**	**458.76**
Changes in working capital:			
Adjustments for (increase) / decrease in operating assets:			
Inventories		(11.26)	(36.17)
Trade receivables, loans, other fianncial assets and other assets		360.63	(390.08)
Financial and other asset		23.01	(117.20)
Trade payables, other fianncial liabilities, other liabilities and provisions		(99.25)	308.80
Changes in working capital		**273.13**	**(234.65)**
Less : Tax paid		(17.96)	(90.00)
Cash flows from operating activities		**801.61**	**134.11**
Cash flows from investing activities			
(Purchase) / sales of property, plant and equipments		(127.09)	(21.24)
Bank deposits (having original maturity of more than 3 years) (net)		(65.84)	(86.83)
Loan (given) / repaid - related parties and others (net)		(258.61)	(8.80)
(Purchase) / Sales of Investment		(10.10)	(2.84)
Interest received		22.56	15.16
Cash flows from Investing Activities		**(439.08)**	**(104.55)**
Cash flows from financing activities			
Proceeds from/(repayments of) long-term borrowings		(45.12)	18.95
Proceeds from/(repayments of) short-term borrowings		(155.07)	53.54
Payment of lease liabilities		17.61	(17.57)
Interest payment		(92.84)	(85.37)
Cash flows from financing activities		**(275.42)**	**(30.45)**
Net changes in cash and cash equivalents		**87.11**	**(0.89)**
Cash and cash equivalents as at the beginning of the year (refer note 12)		1.17	2.06
Cash and cash equivalents as at the end of the year		**88.28**	**1.17**
Components of cash and cash equivalents (refer note 12)			
Cash on hand		1.08	1.00
In current account with Banks		87.20	0.17
Cash and cash equivalents as per standalone statement of cash flows		**88.28**	**1.17**

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

Alka Hinge
Partner
Membership No. 104574
Place : Mumbai
Date :

T R Chadha & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

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

Neeta Lad
Managing Director
(DIN-01122234)

Sanjay Dighe
Whole Time Director and CEO
(DIN-02042603)

Barun Dey
Chief Financial Officer

Stuti Maru
Company Secretary and Compliance Officer
Membership No.: A45257

Place : Mumbai
Date :

KRYSTAL INTEGRATED SERVICES LTD.
MUMBAI

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)
Notes to standalone financial statements

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	For the year: On Opening Balance	For the year: On Addition: Addition	For the year: On Addition: Deletion*	As at 31st March 2023	As at 31st March 2023	As at 31st March 2022
Tangible assets											
Building	2.89	641.39	-	644.28	1.42	5.66	0.34	-	7.42	636.87	1.47
Plant & Machinery	211.68	26.93	0.05	238.55	155.54	16.80	1.30	0.01	173.63	64.92	56.14
Furniture & Fixture	19.26	23.73	0.11	42.88	16.90	0.58	0.55	0.01	18.02	24.86	2.36
Vehicles	42.40	2.64	-	45.04	14.48	4.77	0.03	-	19.28	25.76	27.92
Computer Peripherals	39.34	5.13	0.14	44.33	35.60	2.39	0.54	0.03	38.50	5.83	3.75
Total of Tangible assets	315.57	699.82	0.31	1,015.08	223.94	30.20	2.76	0.05	256.84	758.24	91.64
Captial work-in-Progress (Office Premises)	600.06	-	600.06		-	-	-	-	-	-	
Total of Capital work-in-progress	600.06	-	600.06	-	-	-	-	-	-	-	600.06
											600.06
Grand total	915.64	699.82	600.38	1,015.08	223.94	30.20	2.76	0.05	256.84	758.24	691.70

Deduction pursuant to transfer of assets as per Scheme of arrangement (Refer note 43)

ASSETS	GROSS BLOCK				DEPRECIATION / AMORTISATION / IMPAIRMENT					NET BLOCK	
	As at 01st April 2021	Additions during the year	Deductions	As at 31st March 2022	Upto 01st April 2021	For the year: On Opening Balance	For the year: On Addition: Addition	For the year: On Addition: Deletion	Total upto 31st March 2022	As at 31st March 2022	As at 31st March 2021
Tangible assets											
Plant & Machinery	204.73	7.56	0.61	211.68	139.04	16.21	0.82	0.53	155.54	56.14	65.70
Furniture & Fixture	18.90	0.36	-	19.26	16.27	0.62	0.01	-	16.90	2.36	2.63
Vehicles	30.48	11.92	-	42.40	10.71	3.50	0.27	-	14.48	27.92	19.77
Computer Peripherals	38.86	0.48	-	39.34	32.16	3.34	0.10	-	35.60	3.75	6.70
Flat at Nashik	2.89	-	-	2.89	1.35	0.07	-	-	1.42	1.47	1.54
Total of Tangible assets	295.86	20.32	0.61	315.57	199.53	23.74	1.20	0.53	223.94	91.64	96.34
Work in Progress (Office Premises)	600.06	-		600.06	-	-	-	-			
Total of Capital work-in-progress	600.06	-	-	600.06	-	-	-	-	-	600.06	600.06
									-	600.06	600.06
Grand total	895.92	20.32	0.61	915.64	199.53	23.74	1.20	0.53	223.94	691.70	696.41

Note
1. Property, Plant and Equipment are subject to first charge on secured loans. Refer note 20 and 23
2. The title deeds of all the immoveable properties (other than properties where the Company is the lesee 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.

Capital work-in-Progess ageing (CWIP)

Particulars	Amount in CWIP for the period of 31st March 23				
	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Years	Total
Project in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Projects suspended	-	-	-	-	-

Particulars	Amount in CWIP for the period of 31st March 22				
	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Years	Total
Project in progress	-	-		600.06	600.06
Projects temporarily suspended	-	-	-	-	-
Projects suspended	-	-	-	-	-

CWIP Project completion schedule - whose completion is overdue or has exceeded its cost as compared to Original plan
As on 31st March 2023

Particulars	To be Completed in				
	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Years	Total
Project 1	-		-	-	-

As on 31st March 2022

Particulars	To be Completed in				
	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Years	Total
Office Premises	-		-	600.06	-

Note 3 (b): Right-of-use Assets

Description	Building	Total Right-of-use Asset
Cost as at 1st April 2021 (A)	24.52	24.52
Additions	0.74	0.74
Deletions	-	-
Cost as at 31st March 2022 (B)	25.26	25.26
Additions	16.60	16.60
Deletions	-	-
Cost as at 31st March 2023 (C)	41.86	41.86
Accumulated depreciation as at 1 April 2021 (D)	14.58	14.58
Depreciation for the year	16.26	16.26
Deletions	-	-
Accumulated depreciation as at 31st March 2022 (E)	30.85	30.85
Depreciation for the year	10.67	10.67
Deletions		-
Accumulated depreciation as at 31st March 2023 (F)	41.52	41.52
Net carrying amount as at 31st March 2022 (B) - (E)	(5.59)	(5.59)
Net carrying amount as at 31st March 2023 (C) - (F)	0.34	0.34

Note 4: Other Intangible Assets

Description	Computer Software	Total
Cost as at 1st April 2021 (A)	7.81	7.81
Additions	1.10	1.10
Deletions	-	-
Cost as at 31st March 2022 (B)	8.91	8.91
Additions	0.33	0.33
Deletions	(0.02)	(0.02)
Cost as at 31st March 2023 (C)	9.22	9.22
Accumulated amortisation as at 1st April 2021 (D)	6.38	6.38
Amortisation for the year	1.20	1.20
Deletions	-	-
Accumulated amortisation as at 31st March 2022 (E)	7.58	7.58
Amortisation for the year	0.67	0.67
Deletions	(0.01)	(0.01)
Accumulated amortisation as at 31st March 2023 (F)	8.24	8.24
Net carrying amount as at 31st March 2022 (B) - (E)	1.33	1.33
Net carrying amount as at 31st March 2023 (C) - (F)	0.98	0.98

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KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

Significant Accounting Policies and Notes to Accounts

1 **Company Background**

Krystal integrated Services Private Limited was incorporated under the provisions of the companies Act, 1956 on 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.

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 **Significant 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 Company's standalone financial statements upto and for the year ended 31 March 2022 were prepared in accordance with the Companies (Accounting Standard) Rules, 2021 (as emended) notified under Section 133 of the Act and other provisions of the Act (' Indian GAAP' or 'Previous GAAP').

The Company has adopted all the relevant Ind AS standards and the first time adoption was carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Sec 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the Previous GAAP and an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in note 44.

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 lakhs, unless otherwise stated.

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").

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).

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ii. **Income taxes:** Significant judgements are involved in determining the provision for income taxes including the amount expected to be paid or recovered in connection with uncertain tax positions

iii. **Impairment of financial assets:** The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost.

iv. **Measurement of defined benefit obligations:** Key actuarial assumptions used for actuarial valuation

v. **Property, plant and equipment:** Useful life of asset.

vi. **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

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:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle;
2. Held primarily for the purpose of trading;
3. Expected to be realised within twelve months after the reporting period; or
4. 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:

1. It is expected to be settled in normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period; or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

2.5 Property, plant and equipment

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

Cost of an item of property, plant and equipment comprises its purchase price including import duties and non refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditures relating to property, plant and equipment is capitalized 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. The cost and related accumulated depreciation are eliminated 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. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2020 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

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

The assets residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/losses.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of the assets not put to use before such date are disclosed under 'Capital work-in-progress'

2.6 Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Subsequent to initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

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

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all intangible assets recognised as at 1 April 2020 measured as per the Previous GAAP and use that carrying value as the deemed cost of intangible assets.

2.7 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.

2.8 Leases

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.

The Company as a Lessee

The Company assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

1. The contract involves the use of an identified asset.
2. The Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
3. The Company has the right to direct the use of asset.

As the date of commencement of the lease, the Company recognizes a right-of-use-asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The of right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made 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.

Right-to-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use 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 assets belong.

The lease liability is initially measured at amortized 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 changes its assessment if whether it will exercise an extension or a termination option.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Lease liability and ROU asset have been separately presented in the respective Note and lease payments have been classified as financing cash flows

T R Chadha & Co LLP Chartered Accountants Mumbai

KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

The Company as a Lessor
Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.9 Investments in subsidiaries and joint ventures
Investments in subsidiaries, associates and joint ventures are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

Transition to Ind AS
On transition to Ind AS, the Company has elected to continue with the carrying value of all investment in Subsidiaries and Joint Ventures as at 1 April 2020 measured as per the Previous GAAP.

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

2.11 Cash and cash equivalents
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

2.12 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 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 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.

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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 reflecte 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

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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

inancial 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.

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.

2.13 **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.

2.14 **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.

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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.

2.15 Revenue recognition

The Company 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 plus a 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 obligorand 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.

2.16 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.

2.17 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 Calender 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 assesment of amount payable at each balance sheet date. In case of, on site employees, the compensated advances are part of there 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.

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C **Defined contribution plan**

Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligationto 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 benefitplan 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 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) arenot reclassified to the statement of profit and loss in subsequent periods.

2.18 **Borrowing Cost**

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

2.19 **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 Company are segregated.

2.20 **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.

2.21 **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-curr ncy 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.

2.22 **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 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.

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2.23 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.

2.24 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, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 - Presentation of Financial Statements: The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 - Income Taxes: The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors: The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates

Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. 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.

The Company does not expect this amendment to have any significant impact in its financial statements.

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Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)
Notes to standalone financial statements

5 Investments

Particulars	31st March 2023	31st March 2022	1st April 2021
Investment in equity shares - unquoted (at cost)			
Subsidiaries Companies			
6,42,655 (6,42,655) shares of Krystal Gourmet Private Ltd of ₹ 10 each	15.71	15.71	15.71
9,999 (9,999) shares of Flame Facilities Private Limited of ₹ 10 each	0.10	0.10	0.10
Investment carried at (FVTPL)			
Others - in Co-operative banks			
Nil (2,520) shares of Saraswat Co-operative Bank of ₹ 10 each	-	0.03	0.03
11125 (11125), (8265), (2400) shares of Mumbai District Central Co-operative Bank Ltd of ₹ 1000 each	13.88	11.13	8.27
Investment in Joint Venture (Equity Method)			
Krystal Aquachem (JV)	0.10	0.10	0.10
Krystal Aquachem (JV) - Loan in the nature of Equity	8.75	1.38	1.39
BVG Krystal JV*	-	-	-
Other Investments			
Gold Pooja Jewellery (At cost)	1.50	1.50	1.50
Total	40.04	29.95	27.10
Aggregate amount of quoted investments and market value thereof	13.88	11.15	8.29
Aggregate amount of unquoted investments	26.17	18.80	18.81
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 opearations 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 liabilty in this regard.

6

Particulars	31st March 2023	31st March 2022	1st April 2021
Security Deposits			
- considered good	79.93	91.04	13.45
Bank deposits with maturity more than 12 months	312.47	121.02	44.37
Total	392.40	212.06	57.82

7 Deferred Tax asset / (liabilities) (net)

Particulars	31st March 2023	31st March 2022	1st April 2021
On difference between book balance and tax balance of property, plant and equipment and intangible assets	10.88	15.45	11.28
On disallowances	60.41	36.94	65.59
Others	(0.54)	(0.41)	(0.38)
Total	70.75	51.98	76.49

8 Income tax assets (net) - Non-current

Particulars	31st March 2023	31st March 2022	1st April 2021
Advance income Tax & TDS (net of Provision)	67.58	68.20	48.41
Total	67.58	68.20	48.41

9 Other Non-current Assets

Particulars	31st March 2023	31st March 2022	1st April 2021
Capital advances (Unsecured, Considered good)	-	80.57	
	-	-	
Total	-	80.57	-

10 Inventories

Particulars	31st March 2023	31st March 2022	1st April 2021
(Valued at cost or Net Realisable Value whichever is lower)	-	-	-
Consumable items	4.95	58.41	22.24
Total	4.95	58.41	22.24

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11 Trade Receivables

Particulars	31st March 2023	31st March 2022	1st April 2021
(i) Trade Receivables - Billed			
Unsecured, considered good	862.82	1,725.72	1,556.29
Less: Allowance for expected credit loss	(150.58)	(148.44)	(154.50)
Total Trade Receivables - Billed	712.23	1,577.28	1,401.79
(ii) Trade Receivables - Unbilled			
Unbilled	759.67	803.73	594.91
Less: Allowance for expected credit loss	(19.67)	(20.08)	(20.09)
Total Trade Receivables - Unbilled	740.00	783.65	574.82
Total	1,452.24	2,360.93	1,976.61
Trade receivables includes :			
- Dues from related parties (refer note 37)			
- Other receivables			

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 Receivable Ageing

FY 2022-23

Category	Outstanding for following periods from due date of payment					
	< 6 months	6 mths - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – Considered Goods	581.36	4.80	50.53	33.24	192.89	862.82
(ii) Undisputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables – Considered Goods	-	-	-	-	-	-
(iv) Disputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-
Unbilled Revenue						759.67
Less: Allowance for expected credit loss						(170.25)
Net receivables						**1,452.24**

FY 2021-22

Category	Outstanding for following periods from due date of payment					
	< 6 months	6 mths - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – Considered Goods	1,421.03	59.06	39.65	95.46	64.83	1,680.04
(ii) Undisputed Trade Receivables – Considered Doubtful	-	-	3.17	17.05	25.46	45.68
(iii) Disputed Trade Receivables – Considered Goods	-	-	-	-	-	-
(iv) Disputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-
Unbilled Revenue						803.73
Less: Allowance for expected credit loss						(168.51)
Net receivables						**2,360.93**

FY 2020-21

Category	Outstanding for following periods from due date of payment					
	< 6 months	6 mths - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – Considered Goods	1,252.67	100.76	161.38	6.97	-	1,521.78
(ii) Undisputed Trade Receivables – Considered Doubtful	-	0.05	7.82	0.18	26.46	34.51
(iii) Disputed Trade Receivables – Considered Goods	-	-	-	-	-	-
(iv) Disputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-
Unbilled Revenue						594.91
Less: Allowance for expected credit loss						(174.59)
Net receivables						**1,976.61**

12 Cash and Cash Equivalents

Particulars	31st March 2023	31st March 2022	1st April 2021
In current account with Banks	87.20	0.17	1.04
Cash on hand	1.08	1.00	1.02
Total	88.28	1.17	2.06

13 Bank Balances other than Cash and Cash Equivalents above

Particulars	31st March 2023	31st March 2022	1st April 2021
Bank deposits with maturity less than 12 months	91.07	216.59	206.20
Balances with banks for liability against Govt Schemes	6.71	6.81	7.01
Total	97.78	223.40	213.22

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

14 Current Loans

Particulars	31st March 2023	31st March 2022	1st April 2021
Unsecured, considered good - repayable on demand			
Loan to Related Party			
- to Subsidiaries	233.57	17.56	8.08
Loan to Others	42.60	-	0.68
Total	276.17	17.56	8.76

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Details of loans and advances given during the year under Section 186(4) of the Act:

Movement for the year ended 31 March 2023

Particulars	Balance as at 01st April 2022	Loans and advances given during the year	Loans and advances repaid during the year	Balance as at 31st March 2023
Krystal Gourmet Private Limited (subsidiary)	7.43	32.45	26.92	12.97
Flame Facilities Private Limited (subsidiary)	10.13	251.10	40.63	220.60
Krystal Allied Services Private Limited	-	32.59	-	32.59
Krystal Aquachem JV	-	-	-	-

Movement for the year ended 31 March 2022

Particulars	Balance as at 01st April 2021	Loans and advances given during the year	Loans and advances repaid during the year	Balance as at 31st March 2022
Krystal Gourmet Private Limited (subsidiary)	-	20.03	12.60	7.43
Flame Facilities Private Limited (subsidiary)	8.08	36.93	34.88	10.13
Krystal Aquachem JV	-	-	-	-

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 2023				
Promoter	-	-	-	-
Directors	-	-	-	
KPMs	-	-	-	-
Related Parties	233.57	85%	-	233.57
As at 31st March 2022				
Promoter	-	-	-	-
Directors	-	-	-	-
KPMs	-	-	-	-
Related Parties	17.56	100%	-	17.56

15 Other Financial Assets

Particulars	31st March 2023	31st March 2022	1st April 2021
Advances to Employees	1.54	3.86	1.00
Security Deposits			
- Other than related parties	19.05	-	30.80
Other Receivables	9.76	13.97	13.78
Total	30.35	17.83	45.58

16 Income tax assets (net) - Non-current

Particulars	31st March 2023	31st March 2022	1st April 2021
Advance Income Tax & TDS (Net of Provision)	12.61	60.68	33.83
Total	12.61	60.68	33.83

17 Other Current Assets

Particulars	31st March 2023	31st March 2022	1st April 2021
Advances to Supplier	10.66	38.07	66.13
Prepaid expenses	35.31	31.96	17.10
Total	45.97	70.03	83.23

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(All Amounts are ₹ in Millions unless otherwise stated)

18 Equity Share capital

Particulars	31st Mar 2023	31st March 2022	1st April 2021
(a) Authorised			
1,00,00,000 (1,00,00,000) (1,00,00,000) (1,00,00,000) Equity Shares of ₹ 10/-each	100.00	100.00	100.00
	100.00	100.00	100.00
(b) Issued, subscribed and fully paid-up			
57,62,200 (57,62,200) (57,62,200) (57,62,200) Equity Shares of ₹ 10/- each	57.62	57.62	57.62
Total	57.62	57.62	57.62

Notes :

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

Particulars	31st Mar 2023		31st March 2022		1st April 2021	
	No. of Equity Shares	Amount	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	5,762,200	57.62
Add : Issued of equity shares during the year	-	-	-	-	-	-
Equity shares outstanding as at the end of the year	5,762,200	57.62	5,762,200	57.62	5,762,200	57.62

(ii) Shares held by holding company/promoter

Name of the shareholder (promoter)	31st Mar 2023		31st Mar 2022		1st April 2021	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Krystal Family Holding Private Limited (promoter)	5,762,200	57.62	5,762,200	57.62	5,762,200	57.62
	5,762,200	57.62	5,762,200	57.62	5,762,200	57.62

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

Name of the shareholder	31st Mar 2023		31st Mar 2022		1st April 2021	
	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding
Krystal Family Holding Private Limited	5,762,200	100%	5,762,200	100%	5,762,200	100%
	5,762,200	100%	5,762,200	100%	5,762,200	100%

(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.

(v) There are no bonus shares issued or shares bought back during the period of 5 years immediately preceding the reporting date. However, the Board of Directors in its meeting dated 26th September 2023 approved issue of 1 bonus equity share for each equity share held by respective shareholder as on record date, subject to approval by shareholders.

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Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
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Notes to standalone financial statements

19 Other Equity

Particulars	Amount
(a) Securities Premium Reserve	
As at 1st April 2021	8.00
Add/(Less): Addition/(deletion) during the year	-
As at 31st March 2022	8.00
Add/(Less): Addition/(deletion) during the year	-
As at 31st March 2023	**8.00**
(b) Retained Earnings	
As at 1st April 2021	**1,363.20**
Less: Adjustments related to transition to Ind AS	(92.13)
As at 1st April 2021	**1,271.07**
Add: Profit for the year	260.21
Less: Other comprehensive income	14.80
As at 31st March 2022	**1,546.08**
Add: Profit for the year	382.06
Less: Other comprehensive income	2.51
Less: Balances transferred pursuant to scheme of arrangment (Refer Note 43)	(392.12)
As at 31st March 2023	**1,538.53**

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 2023	31st March 2022	1st April 2021
Secured			
From Banks			
Vehicle Loans (Refer note (i) (a) and (ii) (a) below)	19.66	23.68	17.52
Covid Emergency Funding	-	3.07	28.05
Loan from Related Party			
Loan against Property (Mumbai District Central Co-operative Bank Ltd)	150.14	186.28	218.32
Covid Emergency Funding (Mumbai District Central Co-operative Bank Ltd)	-	12.63	25.27
From Others			
Term Loans from financial Institutions	5.60	219.26	12.46
Total secured borrowings	**175.40**	**444.92**	**301.62**
Unsecured			
Loan from related party			
Navagunjara Finance Pvt.Ltd. (NBFC)	98.87	-	-
Loan From Promoters/Directors	-	33.79	44.36
Intercorporate Deposit	-	-	-
Total unsecured borrowings	**98.87**	**33.79**	**44.36**
Less: Current maturities of long term loans (refer table below)	(77.37)	(190.68)	(76.90)
Total	**196.91**	**288.03**	**269.08**

*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 2023	31st March 2022	1st April 2021
Secured			
From Banks	51.69	55.21	72.08
From Others	25.68	135.47	4.83
Total	**77.37**	**190.68**	**76.90**

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 TCFSL 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	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
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 Instituition: 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

(a) 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 2023, 2022 and on 1st April 2021.

21 Lease liabilities

Particulars	31st March 2023	31st March 2022	1st April 2021
Lease liabilities (Refer note 39)	17.01	14.08	28.52
Total	**17.01**	**14.08**	**28.52**
Current	6.80	9.71	13.43
Non-current	10.21	4.37	15.09

22 Provisions

Particulars	31st March 2023	31st March 2022	1st April 2021
Provision for employee benefits			
Provision for Gratuity	1.49	1.69	1.60
Total	**1.49**	**1.69**	**1.60**

23 Borrowings - Current

Particulars	31st March 2023	31st March 2022	1st April 2021
Secured			
From Banks			
Cash Credit (Refer note (i) below)	70.29	221.11	135.30
From Related Party			
Cash Credit (Mumbai District Central Co-operative Bank Ltd) (Refer note (i) below)	112.20	23.43	166.00
From Others			
Working capital loan	20.09	-	-
Unsecured			
Loan Others	2.20	2.00	5.48
Current Maturities of long term debt :			
From Bank	6.69	10.54	29.57
From Related Party (MDCB Bank)	45.00	44.67	42.50
From Others	25.69	135.47	4.83
Total	**282.16**	**437.22**	**383.68**

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 2023, 2022 and on 1st April 2021.

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The summary of differences noted in quarterly statements filed by the Holding Company with banks are as follows:

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 deduced 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.

FY 2021-22

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 2021	Inventory	98.22	98.22	0%	
		Trade Payable	269.73	278.97	-3%	
		Trade Receivable	2,293.93	2,258.23	2%	Note 1
MDCB Bank State Bank of India Union Bank of India	Q2 - 30th Sept 2021	Inventory	190.24	190.24	0%	
		Trade Payable	229.23	332.09	-31%	
		Trade Receivable	2,197.54	2,192.50	0%	Note 1
MDCB Bank State Bank of India Union Bank of India	Q3 - 31st Dec 2021	Inventory	330.16	330.16	0%	
		Trade Payable	411.48	378.70	9%	
		Trade Receivable	2,328.49	2,315.43	1%	Note 1
MDCB Bank State Bank of India Union Bank of India	Q4 - 31st Mar 2022	Inventory	58.36	58.36	0%	
		Trade Payable	428.56	442.08	-3%	
		Trade Receivable	2,432.13	2,528.86	-4%	Note 2

Note 1

For quarters June 2021, September 2021 and December 2021, difference is on account of income tax deduced 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 2022, apart from the above two there is a difference on account of Unbilled revenue recognised at the year end.

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Krystal Integrated Services Ltd. Mumbai

FY 2020-21

Name of banks	Quarter Ended	Particulars	Disclosed as per Statement	As per Books of Accounts	Difference	Reason for Material Variances
MDCB Bank	Q1 - 30th June 2020	Inventory	13.99	13.99	0%	
State Bank of India		Trade Payable	399.50	451.42	-12%	
Union Bank of India		Trade Receivable	2,006.45	1,970.37	2%	Note 1
MDCB Bank	Q2 - 30th Sept 2020	Inventory	20.35	20.35	0%	
State Bank of India		Trade Payable	329.20	337.49	-2%	
Union Bank of India		Trade Receivable	1,961.79	1,972.17	-1%	Note 1
MDCB Bank	Q3 - 31st Dec 2020	Inventory	33.93	33.93	0%	
State Bank of India		Trade Payable	275.40	263.89	4%	
Union Bank of India		Trade Receivable	2,019.47	2,012.24	0%	Note 1
MDCB Bank	Q4 - 31st Mar 2021	Inventory	4.64	22.24	-79%	
State Bank of India		Trade Payable	319.47	311.75	2%	
Union Bank of India		Trade Receivable	1,864.94	2,147.85	-13%	Note 2

Note 1

For quarters June 2020, September 2020 and December 2020, difference is on account of income tax deduced 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 2021, apart from the above two there is a difference due to difficulties faced for reconciliation of accounts due to COVID Lockdown and Unbilled revenue recognised at the year end.

24 Trade Payables

Particulars	31st March 2023	31st March 2022	1st April 2021
Total outstanding dues of micro enterprises and small enterprises	0.56	2.16	4.87
Total outstanding dues of creditors other than micro enterprises and small	138.99	477.73	355.78
Total	**139.55**	**479.89**	**360.65**

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

Particulars	31st March 2023	31st March 2022	1st April 2021
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	0.56	2.16	4.78
- Interest due to Micro, Small And Medium Enterprises	0.05	0.04	0.09
- 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.	0.05	0.04	0.09
- 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.	0.82	0.78	0.74

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

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Trade Payables Ageing

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	105.93	20.87	9.38	2.81	138.99
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**106.50**	**20.87**	**9.38**	**2.81**	**139.55**

FY 2021-22

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	2.16	-	-	-	2.16
(ii) Others	418.99	55.47	0.79	2.48	477.73
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**421.15**	**55.47**	**0.79**	**2.48**	**479.89**

FY 2020-21

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	4.87	-	-	-	4.87
(ii) Others	315.83	36.50	1.84	1.61	355.78
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	**320.70**	**36.50**	**1.84**	**1.61**	**360.65**

25 Other financial liabilities

Particulars	31st March 2023	31st March 2022	1st April 2021
Security Deposits	47.16	36.80	11.44
Outstanding Liabilities	454.59	548.92	544.11
Other payables pursuant to scheme of arrangement (Refer note 42)	39.22	-	-
Total	**540.97**	**585.72**	**555.55**

*** Payable to VTSPL due to demerger**

26 Other Current Liabilities

Particulars	31st March 2023	31st March 2022	1st April 2021
Advance from customer	1.44	19.87	3.59
Statutory liabilities	442.01	409.29	285.44
Total	**443.45**	**429.16**	**289.03**

27 Provisions

Particulars	31st March 2023	31st March 2022	1st April 2021
Provision for Gratuity	42.19	32.03	30.45
Provision for compensated absences	85.58	80.69	67.86
Total	**127.77**	**112.72**	**98.31**

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Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
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28 Revenue from operations

Particulars	31st March 2023	31st March 2022
Sale of Services (net of taxes)		
Manpower and related services	6,855.05	5,382.42
Total	**6,855.05**	**5,382.42**

29 Other Income

Particulars	31st March 2023	31st March 2022
Interest income on:		
- Deposits with banks	17.63	13.67
- Interest on Loans	4.44	0.86
Profit on sale of assets	-	0.02
Balance write back	4.06	4.78
Miscellaneous income	1.46	0.08
Total	**27.59**	**19.41**

30 Cost of material and store and spare consumed

Particulars	31st March 2023	31st March 2022
Inventories of materials, store and spares as at the beginning of the year	3.26	4.04
Add : Purchases of materials	265.03	206.07
	268.29	**210.11**
Less : Inventories of materials, store and spares as at the end of the year	4.95	3.26
Total	**263.34**	**206.85**

31 Employee Benefit Expenses

Particulars	31st March 2023	31st March 2022
Salaries and wages	5,144.94	4,120.92
Contributions to provident and other funds	633.80	491.16
Staff welfare expenses	4.50	4.58
Total	**5,783.24**	**4,616.66**

32 Finance Cost

Particulars	31st March 2023	31st March 2022
Interest expenses	81.98	85.07
Interest on lease liabilities	1.92	2.39
Other borrowing costs	10.87	0.29
Total	**94.77**	**87.75**

33 Depreciation and Amortisation

Particulars	31st March 2023	31st March 2022
Depreciation on tangible assets (refer note 3(a))	32.97	24.87
Depreciation of right-of-use assets (refer note 3(b))	9.66	16.26
Amortisation of intangible assets (refer note 4)	0.73	1.20
Total	**43.36**	**42.33**

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34 Other Expenses

Particulars	31st March 2023	31st March 2022
Consumption of stores and spare parts	4.31	2.58
Office Expenses	4.07	2.95
Bank Charges	4.97	1.66
Facility Services	2.07	2.52
Power and fuel	11.98	10.40
Rent (refer note 39)	9.30	1.56
Repairs and Maintenance	16.67	12.48
Insurance	10.45	4.95
Rates and taxes	13.38	2.03
Donation	-	0.08
Hire Charges	4.52	3.28
Travelling expenses (including foreign travelling)	23.54	5.96
Expected Credit Loss on Trade Receivables (net)	2.48	3.11
Conveyance expenses	4.21	4.28
Communication Expenses	4.29	3.76
Postage and Courier	1.05	1.03
Balance Write off	-	2.65
Tender Expenses	2.08	2.39
Printing and stationery	3.11	1.90
Royalty Fees	-	8.24
Legal and professional fees	42.49	31.68
Payment to auditors [refer note (i) below]	3.85	2.49
Corporate Social Responsibility Expenses [refer note (ii) below]	9.23	6.50
Advertisement Expenses	0.64	0.27
Loss on sale of assets	-	0.00
Business Promotion Expenses	0.11	12.69
Ineligible GST Expenses	39.22	28.27
Interest on Late Payment of GST	34.60	5.59
Interest on Late Payment of TDS	5.80	3.10
Interest & Damages on ESIC	11.45	2.24
Interest & Damages on PF	25.91	0.02
Miscellaneous Expenses	16.07	8.08
Total	**311.85**	**178.74**

Note: Values with ₹ 0.00 denotes amounts less than ₹ 5000.

Note - (i) : Payment to Auditor's (excluding GST)

Particulars	31st March 2023	31st March 2022
- Statutory audit fees	3.60	1.50
- Tax Audit Fees	0.25	0.20
- Taxation matters	0.45	0.70
- Other matters	0.57	0.09

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. 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	31st March 2023	31st March 2022
a) Gross amount required to be spent by the Company	7.06	-
b) Amount spent during the year	9.23	6.50
- Amount spent for the purpose	Education purpose	Education purpose
c) Shortfall at the end of the year	-	-
d) Total of previous years shortfall	-	-
e) Details of related party transactions - Refer Note 37	-	-

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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 2023	31st March 2022
i. Profit attributable to Equity holders		
Profit attributable to equity holders :		
Profit attributable to equity holders for basic earnings	382.10	260.20
Profit attributable to equity holders adjusted for the effect of dilution	382.10	260.20
ii. Weighted average number of ordinary shares		
Issued ordinary shares as at	5,762,200	5,762,200
Weighted average number of shares at March 31 for EPS	**5,762,200**	**5,762,200**
Basic and diluted earnings per share		
Basic earnings per share	33.16	22.58
Diluted earnings per share	33.16	22.58

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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 ₹ 612 Millions (31 March 2022 ₹ 450 Millions and 31 March 2021 ₹ 385 Millions) 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 2023-24.

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 2023	31st March 2022
Fair value of plan asset	10.46	17.75
Present value of obligations	-54.14	-51.47
Asset / (Liability) recognised in Balance Sheet	**-43.68**	**-33.72**
Non-current	1.84	1.69
Current	41.84	32.03

B. Movement in net defined benefit liability

		Defined benefit obligation	
		31st March 2023	31st March 2022
Opening balance		51.47	49.06
Included in profit or loss			
Current service cost		24.57	25.58
Interest cost (income)		2.65	2.08
	A	**78.68**	**76.72**
Included in OCI			
Remeasurement loss (gain):			
Actuarial loss (gain) arising from:			
Financial assumptions		12.23	9.20
Experience adjustment		-16.67	-30.96
	B	**-4.44**	**-21.76**
Other			
Benefits paid	C	-20.11	-3.49
Closing balance	(A+B+C)	**54.14**	**51.47**

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Note 36 : Employee benefit expense

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 2023	0.17	0.41	0.53	0.55	0.49	1.77
31st March 2022	0.15	0.36	0.54	0.56	0.54	1.53

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 2023	31st March 2022
Opening balance	17.75	17.00
Transfer in/(out) plan assets		
Expenses deducted from the fund		
Interest Income	1.58	1.27
Return on plan assets excluding amounts included in interest income	-0.90	-0.88
Contributions by employer	10.16	3.85
Benefits paid	-18.13	-3.49
Closing balance	**10.46**	**17.75**

D. (i) Expenses recognised in the statement of profit and loss

Current service cost	24.57	25.58
Interest cost	2.65	2.08
Interest income	-1.58	-1.27
Net gratuity cost	**25.64**	**26.39**

(ii) Re-measurement recognised in other comprehensive income

Re-measurement net defined benefit liability	-4.44	21.76
Re-measurement net defined benefit asset	0.90	0.88
	-3.54	**-20.88**

D. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31st March 2023	31st March 2022
Discount rate	7.35%	5.15%
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.

	31st March 2023		31st March 2022	
	Increase	Decrease	Increase	Decrease
Rate of discounting (0.5% movement)	49.91	59.87	47.64	56.05
Rate of salary increase (0.5% movement)	59.51	50.04	55.75	47.71
Rate of employee turnover (10% movement)	48.59	61.06	44.22	59.98

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.

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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 Holding Private Limited

Subsidiaries
Flame Facilities Private Limited
Krystal Gourmet Private Limited

Joint Ventures
Krystal Aquachem JV

Enterprises over which Key Management Personnel and their relatives execise significant infulances or control with whom transaction
Krystal Aviation Services Private Limited
UR Deil Private Limited
Volksara Techno Solutions Private Limited (Formarly : 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
Mumbai District Central Co-operative Bank Ltd.

Key Management Personnel
Mrs. Neeta Lad
Mr. Pravin Lad
Mr. Sanjay Dighe
Ms. Saily Lad
Mr. Shubham Lad

Relative of Key Management Personnel
Mr. Prasad Lad
Mr. Prasad Lad HUF
Mrs. Surekha Lad

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Note 37 : Related Party Disclosure (Contd.)

B. Transactions and closing balance with the Related Parties are as under:

Sr. No	Particulars	2022-23	2021-22
1	**Sale of Service**		
	- Volksara Techno Solutions Private Limited	-	5.46
	- Krystal Allied Services Private Limited	26.49	13.98
	- Krystal Aviation Services Private Limited	9.88	-
	- Krystal Aquachem JV	81.73	63.60
2	**Interest Income**		
	- Flame Facilities Private Limited	2.46	0.67
	- Krystal Gourmet Private Limited	0.52	0.19
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	1.58	1.34
5	**Professional fees paid to**		
	- Volksara Techno Solutions Private Limited (Formarly : Krystal Techno Engineering services Private Limited)	-	8.24
	- Krystal Family Holding Private Limited	0.56	1.13
	- Saily Lad	1.67	1.33
6	**Site expenses**		
	- Volksara Techno Solutions Private Limited (Formarly : Krystal Techno Engineering services Private Limited)	-	67.23
7	**Manpower expenses**		
	- Krystal Aviation Services Private Limited	7.89	6.07
8	**Cleaning charges**		
	- Krystal Allied Services Private Limited	0.08	-
9	**Interest expenses**		
	- Mumbai District Central Co-operative Bank Ltd. (Overdraft 1)	9.27	6.08
	- Mumbai District Central Co-operative Bank Ltd. (Overdraft 2)	12.72	12.75
	- Mumbai District Central Co-operative Bank Ltd. (Covid Funding)	0.73	2.31
	- Mumbai District Central Co-operative Bank Ltd. (Term Loan)	18.54	22.22
	- Navagunjara Financial Pvt Ltd	3.45	-

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10	**Remuneration**		
	- Prasad Minesh Lad	59.63	42.59
	- Neeta Lad	25.13	20.10
	- Praveen Lad	9.46	7.47
	- Sanjay Dighe	20.86	9.96
	- Shubham Lad	4.95	1.90
	- Surekha Lad	2.26	1.81
	- Shalini Agrawal	0.35	0.32
11	**Loan Given**		
	- Flame Facilities Private Limited	251.10	36.93
	- Krystal Allied Services Private Limited	32.59	-
	- Krystal Gourmet Private Limited	32.45	20.03
12	**Loan Received back**		
	- Flame Facilities Private Limited	40.63	34.88
	- Krystal Gourmet Private Limited	26.92	12.60
13	**Other Payables**		
	- Volksara Techno Solutions Private Limited	39.22	-
14	**Loan taken**		
	- Krystal Family Holding Private Limited	-	46.10
	- Krystal Aviation Services Private Limited	-	4.29
	- Navagunjara Financial Pvt Ltd	139.25	29.55
	- Neeta Lad	18.30	2.00
	- Saily Lad	-	3.23
	- Shubham Lad	-	2.00
	- Prasad Lad	-	21.00
15	**Reimbursement of expenses**		
	- Prasad Lad	0.35	-
	- Neeta Lad	0.35	-
	- Volksara Techno Solutions Private Limited (Refer note 43)	52.87	-
16	**Loan repaid**		
	- Krystal Family Holding Private Limited	-	46.10
	- Krystal Aviation Services Private Limited	-	4.29
	- Navagunjara Financial Pvt Ltd	43.48	29.55
	- Neeta Lad	10.55	2.00
	- Saily Lad	-	3.23
	- Shubham Lad	-	2.00
	- Prasad Lad	23.23	21.00
	Balance outstanding at the end of year:		
1	**Loan Given**		
	- Flame Facilities Private Limited	220.60	10.13
	- Krystal Gourmet Private Limited	12.97	7.43
	- Krystal Allied Services Private Limited	32.59	-
2	**Loan Taken**		
	- Navagunjara Financial Pvt Ltd	98.84	-
	- Mumbai District Central Co-operative Bank Ltd.	150.14	186.28
3	**Investment in Subsidiary/JV**		
	- Krystal Aquachem JV	8.85	1.48
	- Mumbai District Central Co-operative Bank Ltd.	13.88	11.13

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4	**Account Payable**		
	- Volksara Techno Solutions Private Limited	-	18.65
	- Krystal Aviation Services Private Limited	3.37	2.61
	- Krystal Gourmet Private Limited	0.22	0.14
	- Krystal Family Holding Private Limited	0.49	0.81
	- Mumbai Disctrict Co-operative Bank(Overdraft-1)-Sanctioned Amount- 160 millions	(5.28)	(21.92)
	- Mumbai Disctrict Co-operative Bank(Overdraft-2)-Sanctioned Amount- 120 millions	117.48	45.36
	- Mumbai Disctrict Co-operative Bank(Covid Funding)-Sanctioned Amount- 25 millions	-	12.63
	- Prasad Lad	4.40	25.24
	- Neeta Lad	1.11	11.51
	- Saily Lad	0.40	0.30
	- Prasad Lad HUF	0.03	-
	- Praveen Lad	0.55	0.46
	- Sanjay Dhige	0.55	0.51
	- Shubham Lad	0.29	0.12
	- Surekha Lad	0.13	0.13
	- Shalini Agrawal	0.03	0.03
5	**Account Receivables**		
	- Krystal Allied Services Private Limited	7.67	4.18
	- Krystal Aquachem JV	28.37	26.02

Notes

1 Transactions shown above are excluding GST, if any.

2 Management remuneration excludes provision for Gratuity since it is provided on actuarial basis for the company as a whole.

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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 2023**	**31st March 2022**
Integrated Facility Management Services*	4,192.98	3,167.89
Staffing and Payroll Management	1,760.15	1,456.12
Private Security and Mangaurding	901.92	758.41
Total	**6,855.05**	**5,382.42**

** SITC Included in Integrated Facility Management Services*

Sales by performance obligations

Particulars	Manpower and related Service	
	31st March 2023	31st March 2022
Revenue by time of recognition		
At a point in time	81.73	48.60
Over the period of time	6,773.32	5,333.82
Total Revenue	**6,855.05**	**5,382.42**
Revenue by geographical market		
India*	6,855.05	5,382.42
	6,855.05	**5,382.42**

**Company operates into single geographical market, i.e. India*

Reconciliation of revenue from contract with customer

Particulars	Manpower and related Service	
	31st March 2023	31st March 2022
Revenue from contract with customer as per the contract price	6,855.05	5,382.42
Adjustments made to contract price on account of :-		
a) Discounts / Rebates / Incentives	-	-
b) Sales Returns /Credits / Reversals	-	-
Revenue from contract with customer	**6,855.05**	**5,382.42**

Contract balances:

The following table provides information about category of trade receivables:

Particulars	**31st March 2023**	**31st March 2022**	**1st April 2021**
Billed	692.57	1,557.20	1,381.71
Unbilled	759.67	803.73	594.91
Total	**1,452.24**	**2,360.93**	**1,976.62**

The following table provides information about unbilled revenue from contract with customers

Particulars	**31st March 2023**	**31st March 2022**
Balance as at the beginning of the year	803.73	594.91
Add: Revenue recognised during the year	675.23	442.22
Less: Invoiced during the year	(718.88)	(233.39)
Less : Loss allowance recognised during the year	(0.41)	(0.01)
Balance as at the end of the year	**759.67**	**803.73**

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 2023**	**31st March 2022**	**1st April 2021**
Opening contract liabilities	19.87	3.59	5.36
Less: amount recognised in revenue	(19.34)	(3.17)	(5.05)
Add: amount received in advance during the year	0.92	19.45	3.28
Closing contract liabilities	**1.44**	**19.87**	**3.59**

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Note 39 : Leases

The Company's lease asset primarily consist of leases for buildings and Plant & Machinery 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 2023	31st March 2022	1st April 2021
	Building		
Opening Gross Block	**45.26**	**44.52**	**20.00**
Addition	16.60	0.74	24.52
Deletion	-6.16	-	-
Closing Gross Block	**55.70**	**45.26**	**44.52**
Opening Accumulated amortisation	**30.84**	**14.58**	**9.59**
Addition	10.67	16.26	4.99
Deletion	-1.01	-	-
Closing Accumulated amortisation	**40.50**	**30.84**	**14.58**
Net Block as on	**15.20**	**14.42**	**29.94**

Following is carrying value of Lease Liability and the movements thereof :

Lease Liability

Description	For the year ended		
	31st March 2023	31st March 2022	1st April 2021
	Building		
Opening Balance	**14.08**	**28.53**	**17.40**
Addition	15.41	0.74	24.52
Interest Cost accrued during the year	1.92	2.39	2.28
Lease liability payment	(8.24)	(17.57)	(15.67)
Deletion	(6.16)	-	-
Closing Balance	**17.01**	**14.09**	**28.53**
Current lease liability	6.80	9.72	13.43
Non - Current lease liability	10.21	4.37	15.09
Total lease liability	**17.01**	**14.09**	**28.52**

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 2023	31st March 2022	1st April 2021
Not later than one year	5.62	9.71	13.43
Later than one year and not later than five years	1.56	5.67	14.87
Later than five years	-	-	-

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Note 40 : Tax expense
(a) Amounts recognised in profit and loss

	For the year ended		
	31st March 2023	31st March 2022	1st April 2021
Current income tax	70.20	64.24	49.14
Changes in tax estimates of prior years	-	-	-
Deferred income tax liability / (asset), net			
Origination and reversal of temporary differences	(27.07)	26.16	4.36
Change in tax rate	7.27	(7.73)	-
Deferred tax expense	(19.80)	18.43	4.36
Tax expense for the year	**50.40**	**82.66**	**53.50**

(b) Amounts recognised in other comprehensive income

	For the year ended 31st March 2023			For the year ended 31st March 2022		
	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	3.54	(1.03)	2.51	20.88	(6.08)	14.80
	3.54	**(1.03)**	**2.51**	**20.88**	**(6.08)**	**14.80**

(c) Reconciliation of effective tax rate

	For the year ended		
	31st March 2023	31st March 2022	31st March 2021
Profit before tax	**432.45**	**342.87**	**272.91**
Statutory income tax rate	29.12%	29.12%	29.12%
Tax using the Company's domestic tax rate	125.93	99.84	79.47
Tax effect of:			
Non-deductible tax expenses	223.45	330.13	378.33
80JJA Tax (utilised) / incentive	(414.47)	(436.17)	(302.61)
Others	115.49	88.86	(101.69)
	50.40	**82.66**	**53.50**
Effective Rate of Income Tax	**11.65%**	**24.11%**	**19.60%**

(d) 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	15.45	(4.57)	-	10.88	10.88
Security deposits	(0.35)	(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)**	**70.76**	**70.76**

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(e) Movement in deferred tax balances

	Net balance 1st April 2021	Recognised in profit or loss	Recognised in OCI	31st March 2022	
				Net	Deferred tax asset/(Deferred tax liability)
Deferred tax asset					
Property, plant and equipment	11.28	4.17	-	15.45	15.45
Security deposits	(0.20)	(0.15)	-	(0.35)	(0.35)
Compensated absences, gratuity and other benefits	5.17	17.20	(6.08)	16.29	16.29
Trade receivables	60.42	(39.77)	-	20.65	20.65
Other current liabilities & borrowings	(0.18)	0.12	-	(0.06)	(0.06)
Tax assets (Liabilities) (net)	**76.49**	**(18.43)**	**(6.08)**	**51.98**	**51.99**

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

	31st March 2023	31st March 2022	1st April 2021
In respect of capital loss :	-	-	-

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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 2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents and Bank balances other than cash and cash equivalents	-	-	186.07	186.07	-	-	186.07	186.07
Investments	-	-	40.03	40.03	-	-	40.03	40.03
Non-current financial Assets	-	-	392.40	392.40	-	-	392.40	392.40
Trade receivables	-	-	1,452.23	1,452.23	-	-	1,452.23	1,452.23
Current financial Assets - Loans	-	-	276.16	276.16	-	-	276.16	276.16
Other financial assets	-	-	30.35	30.35	-	-	30.35	30.35
	-	-	**2,377.24**	**2,377.24**	-	-	**2,377.24**	**2,377.24**
Financial liabilities								
Non Current Borrowings	-	-	196.90	196.90	-	-	196.90	196.90
Current borrowings	-	-	282.15	282.15	-	-	282.15	282.15
Lease Liabilities	-	-	17.01	17.01			17.01	17.01
Trade payables	-	-	139.55	139.55			139.55	139.55
Other financial liabilities	-	-	540.98	540.98	-	-	540.98	540.98
	-	-	**1,176.59**	**1,176.59**	-	-	**1,176.59**	**1,176.59**

31st March 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents and Bank balances other than cash and cash equivalents	-	-	224.57	224.57	-	-	224.57	224.57
Investments	-	-	29.94	29.94	-	-	29.94	29.94
Non-current financial Assets	-	-	212.06	212.06	-	-	212.06	212.06
Trade receivables	-	-	2,360.94	2,360.94	-	-	2,360.94	2,360.94
Current financial Assets - Loans	-	-	17.56	17.56	-	-	17.56	17.56
Other financial assets	-	-	17.83	17.83	-	-	17.83	17.83
	-	-	**2,862.90**	**2,862.90**	-	-	**2,862.90**	**2,862.90**
Financial liabilities								
Non Current Borrowings	-	-	288.03	288.03	-	-	288.03	288.03
Current borrowings	-	-	437.22	437.22	-	-	437.22	437.22
Lease Liabilities	-	-	14.08	14.08	-	-	14.08	14.08
Trade payables	-	-	479.89	479.89	-	-	479.89	479.89
Other financial liabilities	-	-	585.72	585.72	-	-	585.72	585.72
	-	-	**1,804.94**	**1,804.94**	-	-	**1,804.94**	**1,804.94**

1st April 2021	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents and Bank balances other than cash and cash equivalents	-	-	215.28	215.28	-	-	215.28	215.28
Investments	-	-	27.09	27.09	-	-	27.09	27.09
Non-current financial Assets	-	-	57.82	57.82	-	-	57.82	57.82
Trade receivables	-	-	1,976.62	1,976.62	-	-	1,976.62	1,976.62
Current financial Assets - Loans	-	-	8.76	8.76	-	-	8.76	8.76
Other financial assets	-	-	45.58	45.58	-	-	45.58	45.58
	-	-	**2,331.15**	**2,331.15**	-	-	**2,331.15**	**2,331.15**
Financial liabilities								
Non Current Borrowings	-	-	269.08	269.08	-	-	269.08	269.08
Current borrowings	-	-	383.68	383.68	-	-	383.68	383.68
Lease Liabilities	-	-	28.52	28.52	-	-	28.52	28.52
Trade payables	-	-	360.66	360.66	-	-	360.66	360.66
Other financial liabilities	-	-	555.54	555.54	-	-	555.54	555.54
	-	-	**1,597.48**	**1,597.48**	-	-	**1,597.48**	**1,597.48**

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

(All Amounts are ₹ in Millions unless otherwise stated)

Note 41 : Disclosures on Financial Instrument
Financial instruments – Fair values and risk management

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
Trade receivables as on 31 March 2023 is ₹ 1452.23 (31 March 2022 : ₹ 2360.94). 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 2023	31st March 2022	1st April 2021
India	1,452.23	2,360.94	1,976.62
Other regions*	-	-	-
	1,452.23	2,360.95	1,976.63

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 2023	31st March 2022	1st April 2021
Opening balance	168.51	174.59	29.35
Provision for receivables impairment	1.74	(6.08)	145.24
Closing balance	170.25	168.51	174.59

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KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

(All Amounts are ₹ in Millions unless otherwise stated)

Note 41 : Disclosures on Financial Instrument
Financial instruments – Fair values and risk management

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 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	-	-	-

31st March 2022	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	288.03	-	288.03	-	-
Current borrowings	437.22	437.22	-	-	-
Lease Liabilities	14.08	9.71	4.37	-	-
Trade payables	479.89	479.89	-	-	-
Other financial liabilities	585.72	585.72	-	-	-

1st April 2021	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	269.08	-	269.08	-	-
Current borrowings	383.68	383.68	-	-	-
Lease Liabilities	28.52	13.43	15.09	-	-
Trade payables	360.66	360.66	-	-	-
Other financial liabilities	555.54	555.54	-	-	-

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.

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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 finacial 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 2023	31st March 2022	1st April 2021
Fixed-rate instruments			
Financial assets	637.11	355.16	258.65
Financial liabilities	229.28	434.04	303.48
	407.83	(78.88)	(44.83)
Variable-rate instruments			
Financial assets	42.60	-	0.68
Financial liabilities	204.77	246.54	306.78
	(162.18)	(246.54)	(306.10)
Total	**245.66**	**(325.42)**	**(350.92)**

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 2023		
Variable-rate instruments	2.05	(2.05)
Cash flow sensitivity (net)	2.05	(2.05)
31st March 2022		
Variable-rate instruments	2.47	(2.47)
Cash flow sensitivity (net)	2.47	(2.47)

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

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Note - 47

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

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

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

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

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

(viii) The company has not been declared as Wilful defaulter by any Banks, Financial institution or Other lenders.

(ix) 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 - 48

Maintenance of Books of Accounts under Section 128 of the Companies Act, 2013

The Company has defined process to take daily back-up of books of account maintained electronically and complied with the provisions of The Companies (Accounts) Rules, 2014 (as amended). However, the Company as a policy, has maintained logs of the daily back-up of such books of account only for 10 days and hence audit trail in relation to daily backup taken was not available for full year.

Note - 49

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 - 50

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.

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KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)
Notes to standalone financial statements

Note - 52
Subsequent events
The Board of Directors in its meeting dated 26th September 2023 approved issue of 1 bonus equity share for each equity share held by respective shareholder as on record date, subject to approval by shareholders.

Note - 53
Previous years figures have been regrouped and reclassified wherever necessary.

As per our report of even date attached.

For **T R Chadha & Co. LLP**
Chartered Accountants
Firm's Registration No: 006711N/N500028

Alka Hinge
Partner
Membership No. 104574
Mumbai
Date: 26/9/2023

T R Chadha & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Krystal Integrated Services Limited
(Formerly Krystal Integrated Services Private Limited)

Neeta Lad
Managing Director
(DIN-01122234)

Sanjay Dighe
Whole Time Director and CEO
(DIN-02042603)

Barun Dey
Chief Financial Officer

Stuti Maru
Company Secretary and Compliance Officer

Place : Mumbai
Date :

Membership No.: A45257

KRYSTAL INTEGRATED SERVICES LTD.
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(All Amounts are ₹ in Millions unless otherwise stated)

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 2023, 31st March 2022 and 1st April 2021 was as follows.

Particulars	31st March 2023	31st March 2022	1st April 2021
Long term borrowings	196.90	288.03	269.08
Short term Borrowings	282.15	437.22	383.68
Lease liabilities (current and non-current)	17.01	14.08	28.52
Less : Cash and cash equivalent including bank balances other than cash and cash equivalents	498.54	345.59	259.65
Adjusted net debt	(2.48)	393.74	421.63
Total equity	1,604.15	1,611.70	1,336.69
Adjusted equity	1,604.15	1,611.70	1,336.69
Adjusted net debt to adjusted equity ratio	(0.00)	0.24	0.32

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 ₹ 21.7 Millions (31st March 2022 : ₹ 330 Millions).

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)
Notes to standalone financial statements

Note 43 : Scheme of Arrangement
Description of Scheme of Arrangement of Krystal Integrated Services Private Limited and Volksara Techno Solutions Private Limited and their respective Shareholders and Creditors.

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, i.e. the Appointed Date.

As per the clarification issued by Ministry of Corporate Affairs vide Circular no.09/2019 dated August 21, 2019 (MCA Circular), the Company has recognized the effect of the demerger on April 1, 2021, and made the following adjustments, pursuant to the Scheme

All the assets and liabilities of the Demerged undertaking have been transferred to Volksara. Difference between the value of transferred assets and liabilities pertaining to the demerged undertaking amounting to 392.11 Mn has been adjusted from the reserves.

Further, the standalone statement of profit and loss for the year ended March 31, 2022 and March 31, 2021 have been restated by the management to give effect of the Scheme. The transferred business as defined in the 'Scheme have been disclosed as Discontinued Operations' in the standalone financial statements for the year ended March 31, 2022 and March 31, 2021 as per the requirements of Ind AS 105 (refer note 43)

Balance Sheet as at March 31, 2022 and March 31, 2021 and Statement of Cash Flow for the year ended March 31, 2022 and March 31, 2021 are not comparable with the previous year Balance Sheet and Statement of Cash Flow, respectively, since these include the Demerged undertaking's figures.

The transactions pertaining to the transferred business of the Company from the appointed date upto the effective date of the Scheme have been deemed to be made by DBOL.

The Impact of the Demerger on these financial statements is as under:
The whole of the assets and liabilities of the Demerged Undertaking became the assets and liabilities of the resulting Company and were transferred at their book value as per the Order, as appearing in the books of the Company with effect from the appointed date (i.e. April 1, 2020). The details of assets and liabilities transferred to the resulting Company are as under:

Particulars	As at 19th July 2022	As at 31st March 2022	As at 31st March 2021
Non-current assets			
Property, Plant and Equipments			
Property, Plant and Equipment	0.22	0.23	0.19
Intangible assets	0.01	0.01	0.02
Financial Assets			
(a) Other financial assets	10.99	3.81	(6.56)
Total non-current assets	**11.22**	**4.06**	**(6.35)**
Current assets			
Inventories	64.73	55.15	18.20
Financial Assets			
(a) Trade receivables	420.00	617.67	362.12
(b) Other financial assets	78.95	32.10	44.10
Total current assets	**563.68**	**704.92**	**424.42**
Total Assets	**574.90**	**708.97**	**418.07**
Less			
Non-current liabilities			
Borrowings	46.01	80.77	-
Current liabilities			
Borrowings	0.00	20.01	-
Financial liabilities			
(a) Trade Payables			
Outstanding dues to MSME	-	-	4.87
Outstanding dues other than MSME	106.31	185.81	172.72
Other Current Liabilities	30.45	61.46	(52.07)
Total Liabilities	**182.77**	**348.05**	**125.52**
Net Assets	**392.13**	**360.92**	**292.55**

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KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

Adjustment to Reserves

Pursuant to the Order, the difference between the book value of the assets and liabilities transferred to the resulting Company has been debited to the following reserves of the Company on the Appointed date i.e April 01,2020

Particulars	Amount Debited(Mn)
Balance transferred pursuant to scheme of arrangement (refer note (i) below)	392.13
Total	**392.13**

Note (i)

The Smart City Business of the Company has been demerged and transferred to Volksara Techno Solutions Private Limited with effect from 19th July' 2022 (appointed date) as per the Hon'ble National Company Law Tribunal, Mumbai Bench Order dated 20th June 2022. The invoicing of such business has been continued in the Company (Demerged Business) in trustee capacity as per the advice / mandate of the Customers even after Appointed date 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.

Details of the contingent liabilities and commitments transferred to the Resulting Company are as under:

Particulars
Nil

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KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)
Notes to standalone financial statements

Note 43
Discontinued Operations
Financial information relating to the discontinued operations i.e transferred businesses of the Company to the resulting Company as defined in the Scheme for the period to the appointed date is set out below:

Statement of Profit and Loss

Particulars	For the year ended 31st March 2022
Income	
Revenue from operations	941.87
Other Income	0.65
Total Income	**942.52**
Expenses	
Cost of materials consumed	776.30
Employee benefit expense	26.24
Finance costs	22.56
Depreciation and amortization expenses	0.07
Other expenses	44.00
Total Expenses	**869.17**
Profit / (loss) before exceptional items and tax	**73.35**
Exceptional items	-
Profit / (loss) before tax	**73.35**
Tax expense:	
Current tax	20.20
Deferred tax	-
Total Tax Expenses	**20.20**
Profit for the year	**53.15**
Other Comprehensive Income	
(i) Items that will not be reclassified to profit or loss	
(ii) Deferred tax relating to items that will not be reclassified to profit or loss	
Other Comprehensive Income to be transferred to Other Equity for the year	-
Total Comprehensive Income for the year	**53.15**

The net cash flows attributable to the discontinued operations are as follows

Particulars	31st March 2022
Net cash inflow from operating activities	
Net cash inflow from investing activities	
Net cash inflow from financing activities	
Net (decrease)/increase in cash and cash equivalents	-
Cash and cash equivalents as at beginning of the year	
Cash and cash equivalents as at end of the year	

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Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
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Notes to standalone financial statements

Note 44
First-time Ind AS adoption reconciliations

Reconciliation of total equity as at 31 March 2022 and 31 March 2021 and profit or loss for the year ended 31 March 2022:

Particulars	Note No.	Total comprehensive income reconciliation for the year ended	Equity Reconciliation as at	
		31st March 2022	31st March 2022	1st April 2021
Net profit / equity as per previous GAAP		272.88	1,644.08	1,371.20
IndAS Adjustments:				
Expected Credit Loss	a	17.24	(122.84)	(140.08)
Lease Liability	b	(1.08)	(2.41)	(1.33)
Finance Income	c	0.63	0.63	-
Loan processing fees / transaction costs	d	(0.33)	0.18	0.51
Deferred Tax	e	(14.34)	34.42	48.76
Total		2.13	(90.02)	(92.14)
Net profit / Equity for the year as per Ind AS		275.01	1,554.06	1,279.06
Other comprehensive income (net of tax)	f	(14.80)	-	-
Net profit before OCI / Other equity as per Ind AS		260.21	1,554.06	1,279.06

Notes :

a **Expected Credit Loss on Financial Assets**
Under Previous GAAP, the Company had created provision for impairment of receivables consisting only in respect of specific amount for incurred losses Under Ind-AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model.

b **Interest expense on lease liability**
Under previous GAAP, lessee classified a lease as an operating lease or a finance lease based on whether or not the lease transferred substantially all the risk and rewards incident to the ownership of the asset. Operating lease were expensed in the statement of profit and loss. Under Ind AS 116, all arrangement that fall under the definition of lease except those for which short-term lease exemption or low value exemption is applied, the Company has recognised a right-of-use assets and a lease liability on the lease commencement date. Right-of-use assets is amortised over the lease term on a straight line basis and lease liability is measured at amortised cost at the present value of future lease payments.

c **Finance Income**
Under previous GAAP, the security deposits paid for lease rent are shown at the transaction value. Whereas under Ind AS, the same are initially discounted and subsequently recorded at amortized cost at the end of every financial reporting year. Accordingly, the difference between the transaction and discounted value of the security deposits paid is recognized as part of the Right of Use Asset and is amortized over the period of the lease term. Further, interest is accreted on the present value of the security deposits paid for lease rent.

d **Loan processing fees / transaction costs**
Under Ind AS such expenditure are considered for calculating effective interest rate. The impact for the periods subsequent to the date of transition is reflected in the Statement of Profit and Loss.

e **Deferred Tax**
Under Previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or through statement of profit and loss or other comprehensive income.

f **Defined Benefit Obligation :**
Both under Previous GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Previous GAAP, the entire cost, including actuarial gain and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised in Other Comprehensive Income (OCI).

T R Chadha & Co LLP * Chartered Accountants * Mumbai

Krystal Integrated Services Ltd. * Mumbai

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Notes to standalone financial statements

Note 45 - Contingent liabilities and commitments (to the extent not provided for)

a. Contingent liabilities*	31st March 2023	31st March 2022	1st April 2021
Demands raised by Income tax authorities**	203.14	39.79	39.79
Provident fund - Damages and Interest	142.37	63.94	63.94
Interest liability on GST/Service Tax	31.49	-	-
Claims against the company not acknowledged as Debts	-	-	-

** Out of above, Company has already deposited Rs. 40 Lakhs (Previous Year 40 Lakhs) 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 accounts.

c. Commitments	31st March 2023	31st March 2022	1st April 2021
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.

Note 46
Segment information
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.

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Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)
Notes to restated financial statements for the year ended 31st March 2023

Note - 51
Ratio analysis and its elements

(i) Current Ratio = Current Assets divided by Current Liabilities

	Particulars	31st March 2023	31st March 2022
A	Current Assets	2,008.34	2,810.01
B	Current Liabilities	1,540.69	2,054.41
	Ratio (A/B)	1.30	1.37
	% change from previous year	**-4.70%**	**-2.49%**

(ii) Debt Equity Ratio = Total Debt divided by Total Equity

	Particulars	31st March 2023	31st March 2022
A	Total Debt*	496.06	739.33
B	Total Equity	1,604.15	1,611.70
	Ratio (A/B)	0.31	0.46
	% change from previous year	**-32.59%**	**-10.00%**

* It includes current and non-current Borrowings and Lease Liabilities.

Reason for change more than 25%: Variances is mainly due to following reasons-
- Fresh Loan taken during the year however, Repayment of borrowings is comparitively 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)

(iii) Debt service coverage ratio = Earnings available for debt services divided by total interest and principal repayments

	Particulars	31st March 2023	31st March 2022
A	Earnings available for debt services	527.22	430.62
B	Total interest and principal repayments*	154.53	295.99
	Ratio (A/B)	3.41	1.45
	% change from previous year	**134.51%**	**-35.14%**

* It includes Finance cost, Principal repayament of long term loans and Lease payments.

Reason for change more than 25%:
Finance cost inceased due to increase in bank guarantee commision 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 2023	31st March 2022
A	Profit after tax (attributable to owners)	382.06	260.21
B	Average net worth	1,658.48	1,512.66
	Ratio (A/B)	23.04%	17.20%
	% change from previous year	**33.92%**	**0.09%**

Reason for change more than 25%:
For the year ended 31st March 2023 and 31st March 2022: 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 2023	31st March 2022
A	Cost of Material Consumed	263.35	206.85
B	Average Inventory	31.68	40.33
	Ratio (A/B)	8.31	5.13
	% change from previous year	**62.06%**	**-38.49%**

Reason for change more than 25%:
For the year ended 31st March 2023: Reduction in Inventory due to transfer of inventory related to Demerged Business(Smart City).
For the year ended 31st March 2022: Company has taken up "Odisa Smart city Project" in which inventory holding period is longer when compared to that of previous year's inventory holding period, leading to decrease in inventory turnover ratio.

(vi) Trade receivable turnover ratio = Revenue From Operation divdied by Average Trade Receivables

	Particulars	31st March 2023	31st March 2022
A	Revenue from operation	6,855.05	5,382.42
B	Average trade receivables	1,906.59	2,168.78
	Ratio (A/B)	3.60	2.48
	% change from previous year	**44.87%**	**3.48%**

Reason for change more than 25%:
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 2023	31st March 2022
A	Cost of material consumed	263.35	206.85
B	Average trade payable	309.72	420.27
	Ratio (A/B)	0.85	0.49
	% change from previous year	**72.76%**	**26.28%**

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Reason for change more than 25%:
For the year ended 31st March 2023: The variance is owing to transfer of payables related to Demerged business (Smart City).
For the year ended 31st March 2022: Ratio increase due to Increased cost of material and reduction in trade payable.

(viii) Net Capital Turnover Ratio = Revenue From Operation divided by Average Working Capital

	Particulars	31st March 2023	31st March 2022
A	Revenue from operation	6,855.05	5,382.42
B	Current assets	2,008.34	2,810.01
C	Current liabilities	1,540.69	2,054.41
D	Net working capital (D = B - C)	467.65	755.60
E	Average working capital	611.62	720.24
	Ratio (A/E)	11.21	7.47
	% change from previous year	**49.98%**	**-11.79%**

Reason for change more than 25%:
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 2023	31st March 2022
A	Profit after tax	382.06	260.21
B	Revenue from operation	6,855.05	5,382.42
	Ratio (A/B)	5.57%	4.83%
	% change from previous year	**15.28%**	**1.65%**

Reason for change more than 25%:
The variance is mainly due to IND As adjusment owing to Expected credit loss on Trade Receivables.

(x) Return on capital employed = Earing Before Interest & Tax divided by Average Capital Employed

	Particulars	31st March 2023	31st March 2022
A	Tangible Net Worth*	1,555.27	1,578.66
B	Long term debt**	207.11	292.40
C	Total capital employed (C = A + B)	1,762.38	1,871.07
D	Average capital employed	1,816.72	1,709.74
E	EBIT	527.22	430.62
	Ratio (E/D)	29.02%	25.19%
	% change from previous year	**15.22%**	**5.70%**

* 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 more than 25%:
The variance is mainly due to IND AS adjusment owing to Expected credit loss on Trade Receivables.

(xi) Return on investment
Return on investment ratio is not applicable for the period of Financial Statement.

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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, 2023, 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 significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, 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 Statement 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. Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's management and Board of Directors 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. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information 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 in the audit, or otherwise appears to be materially misstated.

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.

4. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding 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 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 Board of Directors 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 the 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 Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those respective Board of Directors included in the Group are also responsible for overseeing the financial reporting process of each company.

5. 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

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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 Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors 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

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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.

6. Other Matters

a) We did not audit the financial statements of a subsidiary; whose financial statements include total asset of Rs. 2438.27 lakhs, total revenues of Rs. 1178.26 lakhs, total comprehensive income of Rs. 4.68 lakhs and net cash inflow of Rs. 10.87 lakhs for the year ended March 31, 2023, 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. 3.22 Lakhs for the year ended 31 March 2023, as considered in consolidated financial statement in respect of one joint venture whose financial statement, 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 associate and our report in terms of section 143(3) of the Act, and so far, as it relates to the aforesaid associate 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.

7. 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.

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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, 2023, 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, 2023 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.

c. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us 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 45).

  ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.

  iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

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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. During the year the Group has neither declared nor paid any dividend, as such compliance of section 123 of the Act is not applicable.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding company and Subsidiaries only w.e.f. 1st April, 2023, reporting in respect of mandatory use of accounting software with requisite audit trail facility is not applicable.

d. 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

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

Alka Hinge
Partner
Membership No. 104574
UDIN: 23104574BGWFPH5865

Place: Mumbai
Date: September 26, 2023

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, 2023, 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 Gourmet Private Limited	U15400MH2009PTC195359	Subsidiary	-
Flame Facilities Private Limited	U74990MH2008PTC188793	Subsidiary	-

For T R Chadha & Co LLP
Chartered Accountants
Firm's Registration No. 006711N/N500028

T R Chadha & Co LLP MUMBAI CHARTERED ACCOUNTANTS

Alka Hinge
Partner
Membership No. 104574
UDIN: 23104574BGWFPH5865

Place: Mumbai
Date: September 26, 2023

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, 2023, 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, 2023, 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, 2023, 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.

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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

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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

T R Chadha & Co LLP
MUMBAI
CHARTERED ACCOUNTANTS

Alka Hinge
Partner
Membership No. 104574
UDIN: 23104574BGWFPH5865

Place: Mumbai
Date: September 26, 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 2023

Particulars	Note	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Assets				
Non-Current Assets				
Property, plant and equipments	3 (a)	782.18	94.71	98.30
Capital work-in-progress	3 (a)	-	600.06	600.06
Right-of-use assets	3 (b)	23.33	14.41	29.93
Intangible assets	4	0.91	1.33	1.43
Financial Assets				
(a) Investments	5	28.95	18.54	14.69
(b) Other financial assets	6	399.69	218.96	59.34
Deferred Tax assets (net)	7	74.50	55.99	80.23
Income tax assets (net)	8	69.86	71.08	52.36
Other non-current assets	9	-	80.57	-
Total Non-Current Assets		1,379.42	1,155.65	936.34
Current Assets				
Inventories	10	6.11	58.81	22.43
Financial Assets				
(a) Trade receivables	11	1,496.09	2,411.60	2,002.43
(b) Cash and cash equivalents	12	93.71	4.90	14.55
(c) Bank Balances other than cash and cash equivalents above	13	97.94	228.74	218.17
(d) Loans	14	251.51	18.02	16.94
(e) Other financial assets	15	40.96	24.49	52.96
Income tax assets (net)	16	15.63	63.57	35.75
Other current assets	17	53.31	78.06	85.11
Total Current Assets		2,055.26	2,888.19	2,448.34
Total Assets		3,434.68	4,043.84	3,384.68
Equity and Liabilities				
Equity				
Equity share capital	18	57.62	57.62	57.62
Other equity	19	1,576.49	1,580.93	1,303.14
Total Equity		1,634.11	1,638.55	1,360.76
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
(a) Borrowings	20	197.54	288.16	269.33
(b) Lease liabilities	21	16.45	4.37	15.09
Provisions	22	2.67	2.28	2.40
Total Non-Current Liabilities		216.66	294.81	286.82
Current Liabilities				
Financial Liabilities				
(a) Borrowings	23	282.38	437.34	383.78
(b) Lease liabilities	21	9.01	9.71	13.43
(c) Trade payables:				
a) total outstanding dues of micro enterprises and small enterprises	24	0.56	4.89	6.70
b) total outstanding dues of creditors other than micro enterprises and small enterprises	24	157.93	510.08	372.66
(d) Other financial liabilities	25	555.08	597.92	567.59
Other current liabilities	26	450.28	437.34	294.22
Provisions	27	128.67	113.20	98.72
Total Current Liabilities		1,583.91	2,110.48	1,737.10
Total Liabilities		1,800.57	2,405.29	2,023.92
Total Equity and Liabilities		3,434.68	4,043.84	3,384.68

Significant accounting policies and notes to accounts 1 - 54

The accompanying notes are 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

T R Chadha & Co. LLP MUMBAI CHARTERED ACCOUNTANTS

Alka Hinge
Partner
Membership No. 104574
Place : Mumbai
Date : 26/9/2023

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

Neeta Lad
Managing Director
(DIN-01122234)

Sanjay Dighe
Whole Time Director and CEO
(DIN-02042603)

Barun Dey
Chief Financial Officer

Stuti Maru
Company Secretary and Compliance Officer
Membership No.:A45257

Place : Mumbai
Date :

KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

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 2023

Particulars	Note	For the year ended 31st March 2023	For the year ended 31st March 2022
Income			
Revenue from operations	28	7,076.36	5,526.76
Other income	29	33.29	21.81
Total Income		**7,109.65**	**5,548.57**
Expenses			
Cost of material and store and spare consumed	30	323.04	242.26
Employee benefit expense	31	5,919.04	4,713.28
Finance costs	32	94.92	87.78
Depreciation and amortisation expense	33	46.57	42.95
Other expenses	34	335.93	191.24
Total Expenses		**6,719.50**	**5,277.51**
Restated profit before exceptional items and tax from continuing operations		390.15	271.06
Exceptional Items		-	-
Restated profit before tax from continuing operations		**390.15**	**271.06**
Tax expense:			
Current tax		72.24	44.66
Deferred tax		(19.79)	18.05
Total Tax Expenses		**52.45**	**62.71**
Restated profit for the year from continuing operation after Taxes		337.70	208.35
Restated profit from discontinued operation before Taxes		46.42	73.36
Income tax expenses of discontinued operations		-	20.20
Restated profit from discontinued operation (after taxes)		**46.42**	**53.16**
Restated profit for the year		**384.12**	**261.51**
Share of profit of joint venture		0.31	1.23
Restated profit for the year		**384.43**	**262.74**
Restated other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		4.52	21.22
(ii) Deferred tax relating to items that will not be reclassified to profit or loss		(1.29)	(6.17)
		3.23	**15.05**
Restated total Comprehensive Income for the year		**387.66**	**277.80**
Restated profits attributable to :			
Equity holders of the parent		384.43	262.74
Non-controlling interests		-	-
Restated total profit for the year		**384.43**	**262.74**
Restated other comprehensive income attributable to :			
Equity holders of the parent		3.23	15.05
Non-controlling interests		-	-
Restated total of other comprehensive income for the year		**3.23**	**15.05**
Restated total comprehensive income attributable to :			
Equity holders of the parent		387.66	277.80
Non-controlling interests		-	-
Restated total comprehensive income for the year		**387.66**	**277.80**
Restated earnings per equity share (nominal value ₹ 10/- per share)	35		
Attributable to Equity holders of the parent:			
(a) Basic (in ₹)		33.33	22.69
(b) Diluted (in ₹)		33.33	22.69
Significant accounting policies and notes to accounts	1 - 54		

The accompanying notes are 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 : 26/9/2023

T R Chadha & Co. LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

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

Neeta Lad
Managing Director
(DIN-01122234)

Sanjay Dighe
Whole Time Director and CEO
(DIN-02042603)

Barun Dey
Chief Financial Officer

Stuti Maru
Company Secretary and Compliance Officer
Membership No.:A45257

Place : Mumbai
Date :

KRYSTAL INTEGRATED SERVICES LTD. ★ MUMBAI

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)

Consolidated statement of changes in equity

(A) Equity Share Capital (Issued and Subscribed)

Particulars	Amounts
Balance as at 01st April 2021	**57.62**
Changes in equity share capital	-
Balance as at 31st March 2022	**57.62**
Changes in equity share capital	-
Balance as at 31st March 2023	**57.62**

(B) Other equity

Particulars	Reserves and Surplus			Items of other comprehensive income	Other Equity attributable to Equity
	Securities Premium	Capital Reserve on Consolidation	Retained earnings	Remeasurement of the net defined benefit liability/asset	
Balance as at 1st April 2021	**8.00**	**1.80**	**1,382.95**	-	**1,392.75**
Add: Share of profit in joint venture	-	-	3.17	-	3.17
Less: Adjustments related to transition to Ind AS	-	-	(98.29)	5.47	(92.82)
Balance as at 01st April 2021	**8.00**	**1.80**	**1,287.84**	**5.47**	**1,303.10**
Profit for the year ended March 2022	-	-	262.74	-	262.74
Other comprehensive income for the year	-	-	-	15.05	15.05
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**

The accompanying notes are 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 : 26/9/2023

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

Neeta Lad
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Company Secretary and Compliance Officer
Membership No.:A45257

Place : Mumbai
Date :

T R Chadha & Co. LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)
Consolidated Statement of Cash Flows

Particulars	For the year ended	
	31st March 2023	31st March 2022
Cash flows from operating activities		
Profit before tax from Continuing Operation	390.47	272.30
Profit before tax from Discontinuing Operation	46.42	73.36
Net profit before tax	**436.89**	**345.66**
Depreciation and amortisation	46.57	42.96
Finance costs	94.91	87.78
Interest income	(20.77)	(16.71)
Balance Written off	0.03	3.38
Allowance for expected credit loss	1.23	3.52
Balance Write Back	(11.50)	(5.57)
Gain / (Loss) on fair valuation of investments	0.00	(0.00)
(Profit) / loss on sale of Assets	-	(0.07)
Operating Profit before change in working capital	**547.36**	**460.95**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(12.02)	(36.38)
Trade receivables, loans, other financial assets and other assets	368.65	(416.07)
Financial and Other Asset	(61.21)	(47.45)
Trade payables, other financial liabilities, other liabilities and provisions	(122.25)	314.62
Provisions	15.84	14.36
Changes in working capital	**189.00**	**(170.93)**
Less : Tax paid	(18.56)	(90.17)
Add: Refund	-	-
Cash flows from operating activities	**717.80**	**199.85**
Cash flows from investing activities		
(Purchase) / sales of property, plant and equipments	(36.32)	(103.56)
Bank deposits (having original maturity of more than 3 years) (net)	(60.64)	(87.22)
Loan (given) / repaid - related parties and others (net)	(233.49)	(1.07)
(Purchase) / Sales of Investment	(10.41)	(3.78)
Interest received	20.77	16.71
Cash flows from investing activities	**(320.08)**	**(178.92)**
Cash flows from financing activities		
Proceeds from/(repayments of) Long-term Borrowings	(44.59)	18.83
Proceeds from/(repayments of) Short-term borrowings	(154.96)	53.55
Payment of lease liabilities	(16.93)	(17.58)
Interest payment	(92.42)	(85.40)
Cash flows from financing activities	**(308.90)**	**(30.60)**
Net changes in cash and cash equivalents	**88.81**	**(9.65)**
Cash and cash equivalents as at the beginning of the year (refer note 12)	4.90	14.55
Cash and cash equivalents as at the end of the year	**93.71**	**4.90**
Components of cash and cash equivalents (refer note 12)		
Cash on hand	1.20	1.10
Balances with banks	92.51	3.80
Cash and cash equivalents as per standalone statement of cash flows	**93.71**	**4.90**

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

Alka Hinge
Partner
Membership No. 104574
Place : Mumbai
Date : 26/9/2023

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

Neeta Lad
Managing Director
(DIN-01122234)

Sanjay Dighe
Whole Time Director an
(DIN-02042603)

Barun Dey
Chief Financial Officer

Stuti Maru
Company Secretary
and Compliance
Membership No.:A4525

Place : Mumbai
Date :

Significant 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 25000 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.

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 the Company ("Demerged Company") and VOLKSARA TECHNO SOLUTION PVT LIMITED (VTSPL) ("Resulting Company") and their respective shareholders and creditors with regard to Smart City Business providing Supply, Installation, Testing and Commissioning Services business of the Company. 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. The profit related to said business is disclosed as profit from discontinued business in the Statement of Profit and Loss.

2 Basis for Preparation, Measurement, Consolidation and Significant Accounting Policies

A Basis for Preparation

The Consolidated Financial Statements of the Group comprise the Consolidated Balance Sheet as at 31st March 2023, 31st March 2022 and 1st April 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) for the year ended 31st March 2023 and 31st March 2022, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the years ended 31st March 2023 and 31st March 2022, the summary of significant accounting policies and explanatory notes (collectively "the Consolidated Financial Statements")

These Consolidated 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 relevant amendment rules issued thereafter, presentation requirements of Division II of Schedule III to the Act, as applicable to the consolidated Financial statements and other relevant provisions of the Act.

The Company and its subsidiaries were being preparing their standalone financial statements upto and for the year ended 31 March 2022 in accordance with the Companies (Accounting Standard) Rules, 2021 (as emended) notified under Section 133 of the Act and other provisions of the Act (' Indian GAAP' or 'Previous GAAP'). The Company has not prepared its consolidated financial statement upto 31 March, 2022 pursuant to option availed by Company as per Section 129(3) read with Companies (Accounts) Amendment Rules, 2016 of the Companies Act, 2013. Since these are the first Consolidated Financial Statements of the Group prepared in accordance with Indian Accounting Standards, in accordance with Ind AS 101, the date of transition to Ind AS for the purpose of these special purpose Financial statements is 1st April, 2021 being the beginning of the earliest period for which the company presents full comparative information under Ind AS in first Ind AS Financial Statements.

The Group has adopted all the relevant Ind AS standards and the first time adoption was carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. The transition was carried out from Indian accounting principles generally accepted in India as prescribed under Sec 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the Previous GAAP and an explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in note 45

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 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").

C 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.

T R Chadha & Co LLP Chartered Accountants MUMBAI

Krystal Integrated Services Ltd. MUMBAI

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 2023	31st March 2022	31st March 2021
Krystal Gourmet Private Limited	India	100%	100%	100%
Flame Facilities Private Limited	India	100%	100%	100%

The group's interest in the joint venture namely Krystal-Aquachem IV is accounted for using equity method as prescribed in relevant Indian Accounting Standard.

D Significant 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 judgements are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

iv. **Impairment of financial assets:** The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost.

v. **Measurement of defined benefit obligations:** Key actuarial assumptions used for actuarial valuation.

vi. **Property, plant and equipment:** Useful life of asset.

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 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 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

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle,
2. Held primarily for the purpose of trading;
3. Expected to be realised within twelve months after the reporting period; or
4. 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.

T R Chadha & Co. LLP MUMBAI CHARTERED ACCOUNTANTS

KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

6 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.

7 Leases

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.

The Group as a Lessee

The Group assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

1. The contract involves the use of an identified asset.
2. The Group has substantially all of the economic benefits from use of the asset through the period of the lease; and
3. The Group has the right to direct the use of asset.

As the date of commencement of the lease, the Group recognizes a right-of-use-asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The of right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made 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.

Right-to-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use 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 assets belong.

The lease liability is initially measured at amortized 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 changes its assessment if whether it will exercise an extension or a termination option.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Lease liability and ROU asset have been separately presented in the respective Note and lease payments have been classified as financing cash flows.

The Group as a Lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

8 Inventories

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

9 Cash and cash equivalents

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

10 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.

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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.

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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

inancial 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.

11 **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.

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12 **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.

13 **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 obligorand 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.

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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.

14 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.

15 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 Calender 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 assesment of amount payable at each balance sheet date. In case of, on site employees, the compensated advances are part of there 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 obligationto 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 benefitplan 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) arenot reclassified to the statement of profit and loss in subsequent periods.

16 Borrowing Cost

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

17 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.

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18 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. Manapower and related Services and Catering Services.

19 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-curr ncy 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.

20 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.

21 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.

22 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, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 - Presentation of Financial Statements: The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 - Income Taxes: The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors: The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates

Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. 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.

The Group does not expect this amendment to have any significant impact in its 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 : 26/9/2023

T R Chadha & Co. LLP * MUMBAI * CHARTERED ACCOUNTANTS

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

Neeta Lad
Managing Director
(DIN-01122234)

Sanjay Dighe
Whole Time Director and CEO
(DIN-02042603)

Barun Dey
Chief Financial Officer

Stuti Maru
Company Secretary and Compliance Officer
Membership No.: A45257

Place : Mumbai
Date :

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Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)
Notes to Consolidated Financial Statements

Note 3 (a) : Property, Plant and Equipment 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	Upto 01st April 2022	For the year: On Opening Balance	On Addition: Addition	On Addition: Deletion*	Total upto 31st March 2023	As at 31st March 2023	As at 31st March 2022
Tangible assets											
Building	2.89	641.41	-	644.30	1.42	5.66	0.34	-	7.42	636.88	1.47
Plant & Machinery	213.10	26.93	0.06	239.97	156.43	16.95	1.30	0.01	174.67	65.30	56.66
Furniture & Fixture	21.41	36.65	0.11	57.95	17.35	1.80	0.55	0.01	19.69	38.26	4.06
Vehicles	47.19	3.54	-	50.73	18.60	4.95	0.03	-	23.58	27.15	28.59
Computers	39.63	5.51	0.14	45.00	35.86	2.47	0.54	0.03	38.84	6.16	3.77
Leasehold Improvements	-	3.22	-	3.22	-	-	0.15	-	0.15	3.07	-
Office Equipment	1.58	5.58	-	7.16	1.42	0.35	-	-	1.77	5.39	0.16
Total of Tangible assets	325.80	722.84	0.31	1,048.33	231.08	32.18	2.91	0.05	266.12	782.21	94.71
Capital work-in-Progress (Office Premises)	600.06	-	600.06	-	-	-	-	-	-	-	600.06
Total of Capital work-in-progress	600.06	-	600.06	-	-	-	-	-	-	-	600.06

**Deduction pursuant to transfer of assets as per Scheme of arrangement (Refer Note - 44)*

ASSETS	GROSS BLOCK				DEPRECIATION / AMORTISATION / IMPAIRMENT					NET BLOCK	
	As at 01st April 2021	Additions during the year	Deductions	As at 31st March 2022	Upto 01st April 2021	For the year: On Opening Balance	On Addition: Addition	On Addition: Deletion	Total upto 31st March 2022	As at 31st March 2022	As at 31st March 2021
Tangible assets											
Plant & Machinery	206.15	7.56	0.61	213.10	139.78	16.36	0.82	0.53	156.43	56.66	66.37
Furniture & Fixture	19.53	1.88	-	21.41	16.57	0.77	0.01	-	17.35	4.06	2.97
Vehicles	35.27	11.92	-	47.19	14.61	3.72	0.27	-	18.60	28.59	20.66
Computers	39.11	0.52	-	39.63	32.41	3.35	0.10	-	35.86	3.77	6.70
Building	2.89	-	-	2.89	1.35	0.07	-	-	1.42	1.47	1.54
Office Equipment	1.40	0.18	-	1.58	1.34	0.08	-	-	1.42	0.16	0.07
Total of Tangible assets	304.36	22.05	0.61	325.80	206.06	24.35	1.20	0.53	231.08	94.71	98.30
Capital work-in-Progress (Office Premises)	600.06	-	-	600.06	-	-	-	-	-	600.06	600.06
Total of Capital work-in-progress	600.06	-	-	600.06	-	-	-	-	-	600.06	600.06

Note
1. Property, Plant and Equipment are subject to first charge on secured loans. Refer note 20 and 23
2. The title deeds of all the immoveable 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.

Capital work-in-Progress ageing (CWIP)

Particulars	Amount in CWIP for the period of 31st March 23				
	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
Project in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Projects suspended	-	-	-	-	-

Particulars	Amount in CWIP for the period of 31st March 22				
	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
Project in progress	-	-	-	600.06	600.06
Projects temporarily suspended	-	-	-	-	-
Projects suspended	-	-	-	-	-

Note 3 (b): Right-of-use Assets

Description	Building	Total Right-of-use Asset
Cost as at 1st April 2021 (A)	24.52	24.52
Additions	0.74	0.74
Deletions	-	-
Cost as at 31st March 2022 (B)	25.26	25.26
Additions	25.82	25.82
Deletions	-	-
Cost as at 31st March 2023 (C)	51.08	51.08
Accumulated depreciation as at 1st April 2021 (D)	14.58	14.58
Depreciation for the year	16.26	16.26
Deletions	-	-
Accumulated depreciation as at 31st March 2022 (E)	30.84	30.84
Depreciation for the year	11.75	11.75
Deletions		-
Accumulated depreciation as at 31st March 2023 (F)	42.59	42.59
Net carrying amount as at 31st March 2022 (B) - (E)	(5.58)	(5.58)
Net carrying amount as at 31st March 2023 (C) - (F)	8.49	8.49

Note 4: Other Intangible Assets

Description	Computer Software	Total
Cost as at 1st April 2021 (A)	7.89	7.89
Additions	1.10	1.10
Deletions	-	-
Cost as at 31st March 2022 (B)	8.99	8.99
Additions	0.33	0.33
Deletions	(0.02)	(0.02)
Cost as at 31st March 2023 (C)	9.30	9.30
Accumulated amortisation as at 1st April 2021 (D)	6.46	6.46
Amortisation for the year	1.20	1.20
Deletions	-	-
Accumulated amortisation as at 31st March 2022 (E)	7.66	7.66
Amortisation for the year	0.73	0.73
Deletions	(0.01)	(0.01)
Accumulated amortisation as at 31st March 2023 (F)	8.39	8.39
Net carrying amount as at 31st March 2022 (B) - (E)	1.33	1.33
Net carrying amount as at 31st March 2023 (C) - (F)	0.92	0.92

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T. R. Chadha & Co. LLP MUMBAI CHARTERED ACCOUNTANTS

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
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5 Investments

Particulars	31st March	31st March	1st April 2021
Investment in Joint Venture			
Krystal Aquachem (JV) - equity method	4.82	4.50	3.27
Krystal Aquachem (JV) - loan in the nature of Equity	8.75	1.38	1.39
BVG Krystal Joint Venture**	-	-	-
Investment carried at (FVTPL)			
Investment in equity shares - unquoted			
Others - in Co-operative banks			
Nil (2,520) shares of Saraswat Co-operative Bank of ₹ 10 each*	-	0.03	0.03
13875 (11125), (8265), (2400) shares of Mumbai District Central Co-operative Bank Ltd of ₹ 1000 each*	13.88	11.13	8.27
70,371 units of Reliance Liquid Funds - Direct - Growth Plan	-	-	0.23
0.309 units of Nippon India Liquid Funds - Direct - Growth Plan	0.00	0.00	-
Other Investments			
Gold Pooja Jewellery (At cost)	1.50	1.50	1.50
Total	**28.95**	**18.54**	**14.69**
Aggregate amount of quoted investments and market value thereof	0.00	0.00	0.23
Aggregate amount of unquoted investments	28.95	18.53	14.46
Aggregate amount of impairment in the value of investments			
* In absence of requisite information cost price has been considered as fair value			

Note: Values with ₹ 0.00 denotes amounts less than ₹ 5000.

**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 opearations 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 liabilty in this ragard.

6 Other Financial Assets

Particulars	31st March 2023	31st March 2022	1st April 2021
Security Deposits			
- considered good	87.22	97.94	14.97
Bank deposits with maturity more than 12 months	312.47	121.02	44.37
Total	**399.69**	**218.96**	**59.34**

7 Deferred Tax asset

Particulars	31st March 2023	31st March 2022	1st April 2021
On difference between book balance and tax balance of property, plant and equipment and intangible assets	11.86	16.44	12.24
On disallowances	63.18	39.96	68.37
Others	(0.54)	(0.41)	(0.38)
Total	**74.50**	**55.99**	**80.23**

8 Income tax assets (net) - Non-current

Particulars	31st March 2023	31st March 2022	1st April 2021
Advance income Tax & TDS (Net of Provision)	69.86	71.08	52.36
Total	**69.86**	**71.08**	**52.36**

9 Other Non-current Assets

Particulars	31st March 2023	31st March 2022	1st April 2021
Capital advances (Unsecured, Considered good)	-	80.57	-
Total	-	80.57	-

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10 Inventories

Particulars	31st March 2023	31st March 2022	1st April 2021
(Valued at cost or Net Realisable Value whichever is lower)			
Consumable items	6.11	58.81	22.43
Total	6.11	58.81	22.43

11 Trade Receivables

Particulars	31st March 2023	31st March 2022	1st April 2021
(i) Trade Receivables - Billed			
Unsecured, considered good	914.47	1,785.43	1,590.75
Less: Allowance for expected credit loss	(158.37)	(157.48)	(163.14)
Total Trade Receivables - Billed	**756.10**	**1,627.95**	**1,427.61**
(ii) Trade Receivables - Unbilled			
Unbilled	759.67	803.73	594.91
Less: Allowance for expected credit loss	(19.67)	(20.08)	(20.09)
Total Trade Receivables - Unbilled	740.00	783.65	574.82
Total Trade Receivables (i + ii)	**1,496.09**	**2,411.60**	**2,002.43**
Trade receivables includes :			
- Dues from related parties (refer note 36)	31.24	30.32	15.00
- Other receivables	1,464.85	2,381.29	1,987.43

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 Receivable Ageing

FY 2022-23

Category	Outstanding for following periods from due date of payment					
	< 6 months	6 mths - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – Considered Goods	618.82	8.26	51.96	36.39	199.04	914.47
(ii) Undisputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables – Considered Goods	-	-	-	-	-	-
(iv) Disputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-
Unbilled revenue						759.67
Less: Allowance for expected credit loss						(178.03)
Net receivables						**1,496.11**

FY 2021-22

Category	Outstanding for following periods from due date of payment					
	< 6 months	6 mths - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – Considered Goods	1,471.38	62.01	42.40	99.12	64.83	1,739.74
(ii) Undisputed Trade Receivables – Considered Doubtful	-	-	3.17	17.05	25.46	45.68
(iii) Disputed Trade Receivables – Considered Goods	-	-	-	-	-	-
(iv) Disputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-
Unbilled Revenue						803.73
Less: Allowance for expected credit loss						(177.56)
Net receivables						**2,411.59**

FY 2020-21

Category	Outstanding for following periods from due date of payment					
	< 6 months	6 mths - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – Considered Goods	1,280.15	102.70	162.67	10.71	-	1,556.23
(ii) Undisputed Trade Receivables – Considered Doubtful	-	0.05	7.82	0.18	26.46	34.51
(iii) Disputed Trade Receivables – Considered Goods	-	-	-	-	-	-
(iv) Disputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-
Unbilled Revenue						594.91
Less: Allowance for expected credit loss						(183.22)
Net receivables						**2,002.43**

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12 Cash and Cash Equivalents

Particulars	31st March 2023	31st March 2022	1st April 2021
In current account with Banks	92.51	3.80	13.48
Cash on hand	1.20	1.10	1.07
Total	**93.71**	**4.90**	**14.55**

13 Bank Balances other than Cash and Cash Equivalents above

Particulars	31st March 2023	31st March 2022	1st April 2021
Bank deposits with maturity less than 12 months	91.23	221.93	211.16
Balances with banks for liability against Govt Schemes	6.71	6.81	7.01
Total	**97.94**	**228.74**	**218.17**

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

14 Current Loans

Particulars	31st March 2023	31st March 2022	1st April 2021
Considered good - unsecured - repayable on demand			
Loan to Others	251.51	18.02	16.94
Total	**251.51**	**18.02**	**16.94**

15 Other financial assets

Particulars	31st March 2023	31st March 2022	1st April 2021
Advances to Employees	1.54	4.56	1.70
Security Deposits			
- Other than related parties	29.43	5.94	37.46
Other Receivables	9.99	13.99	13.80
Total	**40.96**	**24.49**	**52.96**

16 Income tax assets (net) - Current

Particulars	31st March 2023	31st March 2022	1st April 2021
Advance Income Tax & TDS (Net of Provision)	15.64	63.57	35.76
Total	**15.64**	**63.57**	**35.76**

17 Other current assets

Particulars	31st March 2023	31st March 2022	1st April 2021
Advances to Supplier	13.02	41.11	67.95
Receivable from government authority	0.03	0.03	0.03
Prepaid expenses	40.26	36.92	17.13
Total	**53.31**	**78.06**	**85.11**

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(All Amounts are ₹ in Millions unless otherwise stated)

18 Equity Share capital

Particulars	31st March 2023	31st March 2022	1st April 2021
(a) Authorised			
1,00,00,000 (1,00,00,000) Equity Shares of ₹ 10/- each	100.00	100.00	100.00
	100.00	100.00	100.00
(b) Issued, subscribed and fully paid-up			
57,62,200 (57,62,200) Equity Shares of ₹ 10/- each	57.62	57.62	57.62
Total	**57.62**	**57.62**	**57.62**

Notes :

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

Particulars	31st March 2023		31st March 2022		1st April 2021	
	No. of Equity Shares	Amount	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	5,762,200	57.62
Add : Issued of Equity Shares during the year	-	-	-	-	-	-
Equity Shares outstanding as at the end of the year	**5,762,200**	**57.62**	**5,762,200**	**57.62**	**5,762,200**	**57.62**

(ii) Shares held by holding company/promoter

Name of the shareholder (promoter)	31st March 2023		31st Mar 2022		1st April 2021	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Krystal Family Holding Private Limited (promoter)	5,762,200	57.62	5,762,200	57.62	5,762,200	57.62
	5,762,200	**57.62**	**5,762,200**	**57.62**	**5,762,200**	**57.62**

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

Name of the shareholder	31st March 2023		31st Mar 2022		1st April 2021	
	Number of Shares	% of Holding	Number of Shares	% of Holding	Number of Shares	% of Holding
Krystal Family Holding Private Limited	5,762,200	100%	5,762,200	100%	5,762,200	100%
	5,762,200	**100%**	**5,762,200**	**100%**	**5,762,200**	**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.

(v) There are no bonus shares issued or shares bought back during the period of 5 years immediately preceding the reporting date. However, the Board of Directors in its meeting dated 26th September 2023 approved issue of 1 bonus equity share for each equity share held by respective shareholder as on record date, subject to approval by shareholders.

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19 Other Equity

Particulars	Amount
(a) Securities Premium Reserve	
As at 1st April 2021	8.00
Increase/Decrease	-
As at 31st March 2022	8.00
Increase/Decrease	-
As at 31st March 2023	**8.00**
(b) Retained Earnings	
As at 1st April 2021	1,388.46
Add: Share of profit in joint venture	3.17
Less: Adjustments related to transition to Ind AS	(98.29)
As at April 1 2021	1,293.34
Add: Profit for the year	262.74
Less: Other comprehensive income	15.05
As at 31st March 2022	1,571.13
Add: Profit for the year	384.44
Less: Other comprehensive income	3.24
Less: Balances transferred pursuant to scheme of arrangment (Refer Note -----)	(392.12)
As at 31st March 2023	**1,566.69**
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 2023	31st March 2022	1st April 2021
Secured			
From Banks			
Vehicle Loans	20.53	23.81	17.77
Loan against Property	-	-	-
Covid Emergency Funding	-	3.07	28.05
Loan from Related Party			
Loan against Property (Mumbai District Central Co-operative Bank Ltd)	150.14	186.28	218.32
Covid Emergency Funding (Mumbai District Central Co-operative Bank Ltd)	-	12.63	25.27
From Others			
Term Loans from financial Institutions	5.60	219.26	12.46
Total secured borrowings	**176.27**	**445.05**	**301.87**
Unsecured			
Loan from related party			
Navagunjara Finance Pvt.Ltd. (NBFC)	98.87	-	-
Loan From Promoters/Directors	-	33.79	44.36
Total unsecured borrowings	**98.87**	**33.79**	**44.36**
Less: Current maturities of long term loans (refer table below)	(77.60)	(190.68)	(76.90)
Total	**197.54**	**288.16**	**269.33**

*Information about the Groups' exposure to interest and liquidity risk is included in Note 41

Breakup of current maturities of long term borrowings

Particulars	31st March 2023	31st March 2022	1st April 2021
Secured			
From Banks	51.91	55.21	72.08
From Others	25.69	135.47	4.83
Total	77.60	190.68	76.90

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 TCFSL 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	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
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 Instituition: 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

(a] 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 2023, 2022 and on 1st April 2021.

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21 Lease Liabilities

Particulars	31st March 2023	31st March 2022	1st April 2021
Lease liabilities (Refer note 38)	25.46	14.08	28.52
Total	25.46	14.08	28.52
Current	9.01	9.71	13.43
Non-current	16.45	4.37	15.09

22 Provisions

Particulars	31st March 2023	31st March 2022	1st April 2021
Provision for employee benefits			
Provision for Gratuity	2.67	2.28	2.40
Total	2.67	2.28	2.40

23 Borrowings - Current

Particulars	31st March 2023	31st March 2022	1st April 2021
Secured			
From Banks			
Cash Credit (Refer note (i) below)	70.29	221.11	135.30
From Related Party			
Cash Credit (Mumbai District Central Co-operative Bank Ltd) (Refer note (i) below)	112.20	23.43	166.00
From Others			
Working captial loan	20.09	-	
Unsecured			
Loan Others	2.20	2.00	5.48
Current Maturities of long term debt :			
From Bank	6.91	10.66	29.57
From Related Party (Mumbai District Central Co-operative Bank Ltd)	45.00	44.67	42.50
From Others	25.69	135.47	4.93
Total	282.38	437.34	383.78

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.

The company has not defaulted on its debt obligation during the year ended 31st March 2023, 2022 and on 1st April 2021.

The summary of differences noted in quarterly statements filed by the Holding Company with banks are as follows:

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 deduced 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.

FY 2021-22

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 2021	Inventory	98.22	98.22	0%	
		Trade Payable	269.73	278.97	-3%	
		Trade Receivable	2,293.93	2,258.23	2%	Note 1
MDCB Bank State Bank of India Union Bank of India	Q2 - 30th Sept 2021	Inventory	190.24	190.24	0%	
		Trade Payable	229.23	332.09	-31%	
		Trade Receivable	2,197.54	2,192.50	0%	Note 1
Union Bank of India	Q3 - 31st Dec 2021	Inventory	330.16	330.16	0%	
		Trade Payable	411.48	378.70	9%	
		Trade Receivable	2,328.49	2,315.43	1%	Note 1
Union Bank of India	Q4 - 31st Mar 2022	Inventory	58.36	58.36	0%	
		Trade Payable	428.56	442.08	-3%	
		Trade Receivable	2,432.13	2,528.86	-4%	Note 2

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Note 1
For quarters June 2021, September 2021 and December 2021, difference is on account of income tax deduced 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 2022, apart from the above two there is a difference on account of Unbilled revenue recognised at the year end.

FY 2020-21

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 2020	Inventory	13.99	13.99	0%	
		Trade Payable	399.50	451.42	-12%	
		Trade Receivable	2,006.45	1,970.37	2%	Note 1
MDCB Bank State Bank of India Union Bank of India	Q2 - 30th Sept 2020	Inventory	20.35	20.35	0%	
		Trade Payable	329.20	337.49	-2%	
		Trade Receivable	1,961.79	1,972.17	-1%	Note 1
MDCB Bank State Bank of India Union Bank of India	Q3 - 31st Dec 2020	Inventory	33.93	33.93	0%	
		Trade Payable	275.40	263.89	4%	
		Trade Receivable	2,019.47	2,012.24	0%	Note 1
MDCB Bank State Bank of India Union Bank of India	Q4 - 31st Mar 2021	Inventory	4.64	22.24	-79%	
		Trade Payable	319.47	311.75	2%	
		Trade Receivable	1,864.34	2,147.85	-13%	Note 2

Note 1
For quarters June 2020, September 2020 and December 2020, difference is on account of income tax deduced 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 2021, apart from the above two there is a difference due to difficulties faced for reconciliation of accounts due to COVID Lockdown and Unbilled revenue recognised at the year end.

24 Trade Payables

Particulars	31st March 2023	31st March 2022	1st April 2021
Total outstanding dues of micro enterprises and small enterprises	0.56	4.89	6.70
Total outstanding dues of creditors other than micro enterprises and small enterprises	157.93	510.08	372.66
Total	158.49	514.97	379.37

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

Particulars	31st March 2023	31st March 2022	1st April 2021
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	0.56	3.71	5.77
- Interest due to Micro, Small And Medium Enterprises	0.05	0.04	0.09
- 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.	0.05	0.04	0.09
- 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.	0.82	0.78	0.74

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

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(All Amounts are ₹ in Millions unless otherwise stated)

Trade Payables Ageing

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

FY 2021-22

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	4.89	-	-	-	4.89
(ii) Others	439.64	57.48	2.85	10.10	510.08
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	444.53	57.48	2.85	10.10	514.97

FY 2020-21

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	6.70	-	-	-	6.70
(ii) Others	322.32	38.65	5.66	6.04	372.66
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	329.02	38.65	5.66	6.04	379.37

25 Other Financial Liabilities

Particulars	31st March 2023	31st March 2022	1st April 2021
Security Deposits	47.18	38.01	12.65
Outstanding Liabilities	468.68	559.91	554.94
Other payables pursuant to scheme of arrangement (Refer note 42)*	39.22	-	-
Total	555.08	597.92	567.59

** Payable to VTSPL due to demerger*

26 Other Current Liabilities

Particulars	31st March 2023	31st March 2022	1st April 2021
Advance from customer	1.51	19.88	3.77
Statutory liabilities	447.82	416.64	289.81
Income tax payables	0.95	0.82	0.64
Total	450.28	437.34	294.22

27 Provisions

Particulars	31st March 2023	31st March 2022	1st April 2021
Provision for employee benefits			
Provision for Gratuity	42.42	32.52	30.86
Provision for compensated absences	86.25	80.68	67.86
Total	128.67	113.20	98.72

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28 Revenue from operations

Particulars	31st March 2023	31st March 2022	31st March 2021
Sale of Services (net of taxes)			
Manpower and related services	6,981.55	5,478.71	4,678.31
Catering Services	94.81	48.05	34.58
Total	**7,076.36**	**5,526.76**	**4,712.89**

29 Other Income

Particulars	31st March 2023	31st March 2022	31st March 2021
Interest income on:			
- Deposits with banks	14.89	13.16	16.10
- Interest on Loans	5.37	2.81	2.72
Interest on Income Tax refund	-	0.10	-
Profit on Sale of Assets	-	0.07	0.22
Balance Write Back	11.50	5.57	10.55
Income Tax Refund	0.05	0.02	-
Gain on fair valuation of investments carried at FVTPL	-	0.00	-
Miscellaneous income	1.48	0.08	0.01
Total	**33.29**	**21.81**	**29.60**

Note. Values with ₹ 0.00 denotes amounts less than ₹ 5000.

30 Cost of material and store and spare consumed

Particulars	31st March 2023	31st March 2022	31st March 2021
Inventories of materials, store and spares as at the beginning of the year	3.66	4.23	3.97
Add : Purchases of materials	325.49	241.69	202.56
	329.15	**245.92**	**206.53**
Less : Inventories of materials, store and spares as at the end of the year	6.11	3.66	4.23
Total	**323.04**	**242.26**	**202.30**

31 Employee Benefit Expenses

Particulars	31st March 2023	31st March 2022	31st March 2021
Salaries and wages	5,267.05	4,208.18	3,590.52
Contributions to provident and other funds	648.93	501.86	403.81
Staff welfare expenses	3.06	3.24	4.22
Total	**5,919.04**	**4,713.28**	**3,998.55**

32 Finance Cost

Particulars	31st March 2023	31st March 2022	31st March 2021
Interest expenses	81.56	85.10	75.80
Interest on lease liabilities	2.49	2.39	-
Other borrowing costs	10.87	0.29	12.24
Total	**94.92**	**87.78**	**88.04**

33 Depreciation and Amortisation

Particulars	31st March 2023	31st March 2022	31st March 2021
Depreciation on tangible assets (refer note 3(a))	35.10	25.49	31.04
Depreciation of right-of-use assets (refer note 3(b))	10.74	16.26	-
Amortisation of intangible assets (refer note 4)	0.73	1.20	1.28
Total	**46.57**	**42.95**	**32.32**

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34 Other Expenses

Particulars	31st March 2023	31st March 2022	31st March 2021
Consumption of stores and spare parts	4.31	2.58	3.23
Office Expenses	4.69	2.95	1.33
Bank Charges	4.97	1.89	1.56
Facility Services	2.07	2.52	0.83
Power and fuel	15.19	11.53	14.08
Rent (refer note 38)	10.93	3.78	20.89
Repairs and Maintenance	17.88	13.72	9.12
Insurance	10.57	5.07	15.38
Rates and taxes	18.91	2.14	2.34
Donation	0.01	0.08	0.23
Hire Charges	5.16	3.57	7.55
Subcontract Charges	-	0.02	0.04
Travelling expenses (including foreign travelling)	23.62	6.00	5.34
Expected Credit Loss on Trade Receviables (net)	1.23	3.52	15.35
Conveyance expenses	4.88	4.40	2.86
Communication Expenses	4.39	3.84	3.59
Postage and Courier	1.05	1.03	0.92
Balance Write off	0.03	3.38	25.47
Tender Expenses	2.08	2.39	0.79
Printing and stationery	3.37	2.01	1.85
Royalty Fees	-	8.24	-
Legal and professional fees	43.31	32.58	29.10
Payment to auditors [Refer note (i) below]	3.99	2.69	2.02
Corporate Social Responsibility Expenses [Refer note (ii) below]	9.23	6.50	8.80
Advertisement Expenses	0.64	1.24	0.06
Loss on sale of assets	-	0.00	3.41
Business Promotion Expenses	1.22	12.69	1.02
Loss on fair valuation of investments carried at FVTPL	0.00	-	-
Ineligible GST Expenses	43.73	29.91	35.08
Interest on Late Payment of GST	34.67	5.64	0.00
Interest on Late Payment of TDS	5.81	3.20	0.04
Interest & Damages on ESIC	11.45	2.24	3.26
Interest & Damages on PF	25.91	0.02	-
Miscellaneous Expenses	20.63	9.87	26.68
Total	**335.93**	**191.24**	**242.22**

Note: Values with ₹ 0.00 denotes amounts less than ₹ 5000.

Note - (i) : Payment to Auditor's (excluding GST)

Particulars	31st March 2023	31st March 2022	31st March 2021
- Statutory audit fees	3.77	1.66	1.51
- Tax Audit Fees	0.28	0.20	0.15
- Taxation matters	0.45	0.70	0.10
- Other matters	0.59	0.14	0.27

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. 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	31st March 2023	31st March 2022	31st March 2021
a) Gross amount required to be spent by the Company	7.06	6.09	5.34
b) Amount spent during the year	9.23	6.50	8.80
- Amount spent for the purpose	Education purpose	Education purpose	Education purpose
c) Shortfall at the end of the year	-	-	-
d) Total of previous years shortfall	-	-	-
e) Details of related party transactions - Refer Note 36	-	-	-

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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

Particulars	31st March 2023	31st March 2022
i. Profit attributable to Equity holders		
Profit attributable to equity holders :		
Profit attributable to equity holders for basic earnings	384.12	261.51
Profit attributable to equity holders adjusted for the effect of dilution	384.12	261.51
ii. Weighted average number of ordinary shares		
Issued ordinary shares as at	5,762,200	5,762,200
Weighted average number of shares at March 31 for EPS	**5,762,200**	**5,762,200**

Basic and diluted earnings per share		
Basic earnings per share	33.33	22.69
Diluted earnings per share*	33.33	22.69

*After considering proposed issue of Bonus Share, refer note 53.

(All Amounts are ₹ in Millions unless otherwise stated)

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 ₹ 626 Millions (31 March 2022 ₹ 460 Millions and 31 March 2021 ₹ 392 Millions) 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 2023-24.

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 2023	31st March 2022	1st April 2021
Fair value of plan asset	104.60	177.50	170.01
Present value of obligations	-555.43	-525.57	-502.61
Asset / (Liability) recognised in Balance Sheet	**-450.83**	**-348.08**	**-332.60**
Non-current	26.66	22.84	24.04
Current	424.17	325.24	308.56

B. Movement in net defined benefit liability

		Defined benefit obligation		
		31st March 2023	31st March 2022	1st April 2021
Opening balance		52.56	50.26	43.80
Included in profit or loss				
Current service cost		25.89	26.23	21.10
Interest cost (income)		2.74	2.14	2.26
	A	**81.18**	**78.64**	**67.17**
Included in OCI				
Remeasurement loss (gain):				
Actuarial loss (gain) arising from:				
Financial assumptions		12.15	8.71	7.26
Experience adjustment		-17.57	-31.24	-15.87
	B	**-5.42**	**-22.53**	**-8.61**
Other				
Benefits paid	C	-20.21	-3.55	-8.30
Closing balance	(A+B+C)	**55.54**	**52.56**	**50.26**

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Note 36 : Employee benefit expense

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 2023	0.39	0.60	0.68	0.70	0.62	2.26
31st March 2022	0.30	0.56	0.72	0.71	0.68	1.99

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 2023	31st March 2022	1st April 2021
Opening balance	17.75	17.00	17.82
Transfer in/(out) plan assets			
Expenses deducted from the fund			
Interest Income	1.58	1.27	1.49
Return on plan assets excluding amounts included in inte	-0.90	-0.88	-0.54
Contributions by employer	-	3.85	0.21
Benefits paid	-18.13	-3.49	-1.98
Closing balance	**0.30**	**17.75**	**17.00**

D. (i) Expenses recognised in the statement of profit and loss

Current service cost	25.89	26.23	21.10
Interest cost	2.74	2.14	2.26
Interest income	-1.58	-1.27	-1.49
Net gratuity cost	**27.04**	**27.11**	**21.88**

(ii) Re-measurement recognised in other comprehensive income

Re-measurement net defined benefit liability	-5.42	-22.53	-8.61
Re-measurement net defined benefit asset	0.90	0.88	0.54
	-4.52	**-21.64**	**-8.07**

D. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted

	31st March 2023	31st March 2022	1st April 2021
Discount rate	7.35%	5.15%	4.25%
Salary escalation rate	6.50%	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 Live

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.

	31st March 2023		31st March 2022		1st April 2021	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Rate of discounting (1% movement)	51.22	61.39	48.96	57.61	45.00	55.98
Rate of salary increase (1% movement)	61.02	51.35	57.28	49.04	55.37	45.18
Rate of employee turnover (10% movement)	49.97	62.49	45.60	61.46	39.39	62.54

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Note 36 : Employee benefit expense

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.

(All Amounts are ₹ in Millions unless otherwise stated)

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 Holding Private Limited

List of Subsidiaries and Joint Ventures

Particulars	Country of Domicile	Holding as at		
		31st March 2023	31st March 2022	1st April 2021
Flame Facilities Private Limited	India	100%	100%	100%
Krystal Gourmet Private Limited	India	100%	100%	100%
BVG Krystal JV	India	49%	49%	49%
Krystal Aquachem JV	India	97%	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
Shoubham Cine Vision Private Limited
Health log Services and Applications
Health log & Care Services LLP
Mumbai District Central Co-operative Bank Ltd.

Key Management Personnel
Mrs. Neeta Lad
Mr. Pravin Lad
Mr. Sanjay Dighe
Ms. Saily Lad
Mr. Shubham Lad

Relative of Key Management Personnel
Mr. Prasad Lad
Mr. Prasad Lad HUF
Mrs. Surekha Lad

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Note 37 : Related Party Disclosure (Contd.)

B. Transactions and closing balance with the Related Parties are as under:

Sr. No	Particulars	2022-23	2021-22	2020-21
1	**Sale of Service**			
	- Volksara Techno Solutions Private Limited	-	5.46	-
	- Krystal Allied Services Private Limited	26.51	13.99	0.64
	- Krystal Aviation Services Private Limited	9.88	-	-
	- Krystal Aquachem JV	81.73	63.60	12.27
	- Prasad Lad	0.29	-	-
2	**Rent expense paid to**			
	- Neeta Lad	2.52	2.52	2.52
	- Prasad Lad	2.52	2.52	2.52
	- Prasad Lad HUF	0.43	0.43	0.43
3	**Professional fees paid to**			
	- Krystal Aviation Services Private Limited	-	-	-
	- Volksara Techno Solutions Private Limited (Formerly : Krystal Techno Engineering services Private Limited)	-	8.24	17.55
	- Krystal Family Holding Private Limited	0.56	1.13	0.86
	- Saily Lad	1.67	1.33	1.33
4	**Site expenses**			
	- Volksara Techno Solutions Private Limited (Formerly : Krystal Techno Engineering services Private Limited)	-	67.23	0.04
5	**Manpower expenses**			
	- Krystal Aviation Services Private Limited	7.89	6.07	4.92
6	**Purchase of materials**			
	- Krystal Aviation Services Private Limited	-	-	2.63
7	**Cleaning charges**			
	- Krystal Allied Services Private Limited	0.08	-	-
8	**Interest expenses**			
	- Mumbai District Central Co-operative Bank Ltd.	-	-	-
	- Mumbai District Central Co-operative Bank Ltd. (Overdraft 1)	9.27	6.08	0.27
	- Mumbai District Central Co-operative Bank Ltd. (Overdraft 2)	12.72	12.75	10.01
	- Mumbai District Central Co-operative Bank Ltd. (Covid Funding)	0.73	2.31	1.58
	- Mumbai District Central Co-operative Bank Ltd. (Term Loan)	18.54	22.22	25.70
	- Navagunjara Financial Pvt Ltd	3.45	-	-
9	**Sale of Fixed Assets**			
	- Volksara Techno Solutions Private Limited (Formerly : Krystal Techno Engineering services Private Limited)	-	-	0.05
10	**Remuneration**			
	- Prasad Minesh Lad	59.63	42.59	41.99
	- Neeta Lad	25.13	20.10	19.70
	- Praveen Lad	9.46	7.47	7.56
	- Sanjay Dighe	20.86	9.96	11.87
	- Shubham Lad	4.95	1.90	1.80
	- Saily Lad	-	-	-
	- Surekha Lad	2.26	1.81	1.78
	- Shalini Agrawal	0.35	0.32	0.24
11	**Loan Given**			
	- Krystal Allied Services Private Limited	32.59	-	0.20
12	**Loan Received back**			
	- Krystal Allied Services Private Limited	-		0.20

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13	**Other Payables**			
	- Volksara Techno Solutions Private Limited (Payable Pursuant to scheme of arrangement, Refer note 43)	39.22	-	-
14	**Loan taken**			
	- Krystal Family Holding Private Limited	-	46.10	5.00
	- Krystal Aviation Services Private Limited	-	4.29	4.20
	- Navagunjara Financial Pvt Ltd	139.25	29.55	-
	- Neeta Lad	18.30	2.00	1.50
	- Saily Lad	-	3.23	1.50
	- Shubham Lad	-	2.00	1.50
	- Prasad Lad	-	21.00	22.84
15	**Reimbursement of expenses**			
	- Prasad Lad	0.35	-	-
	- Neeta Lad	0.35	-	-
	- Volksara Techno Solutions Private Limited (Refer note 43)	52.87	-	-
16	**Loan repaid**			
	- Krystal Family Holding Private Limited	-	46.10	5.00
	- Krystal Aviation Services Private Limited	-	4.29	4.20
	- Navagunjara Financial Pvt Ltd	43.48	29.55	-
	- Neeta Lad	10.55	2.00	1.50
	- Saily Lad	-	3.23	1.50
	- Shubham Lad	-	2.00	1.50
	- Prasad Lad	23.23	21.00	22.84
	Balance outstanding at the end of year:			
1	**Loan Given**			
	- Krystal Allied Services Private Limited	32.59	-	-
	- Prasad Lad	0.12	-	-
2	**Loan Taken**			
	- Navagunjara Financial Pvt Ltd	98.84	-	-
	- Mumbai District Central Co-operative Bank Ltd.	150.14	186.28	218.32
3	**Investment in Subsidiary/JV**			
	- Krystal Aquachem JV	8.85	1.48	0.10
	- Mumbai District Central Co-operative Bank Ltd.	13.88	11.13	8.27
4	**Account Payable**			
	- Volksara Techno Solutions Private Limited	-	18.65	16.27
	- Krystal Aviation Services Private Limited	3.37	2.61	2.06
	- Krystal Family Holding Private Limited	0.49	0.81	0.39
	- Mumbai District Co-operative Bank(Overdraft-1)-Sanctioned Amount- 160 millions	(5.28)	(21.92)	50.00
	- Mumbai District Co-operative Bank(Overdraft-2)-Sanctioned Amount- 120 millions	117.48	45.36	116.00
	- Mumbai District Co-operative Bank(Covid Funding)-Sanctioned Amount- 25 millions	-	12.63	25.27
	- Prasad Lad	4.40	25.24	35.75
	- Neeta Lad	1.11	11.51	11.69
	- Saily Lad	0.40	0.30	0.10
	- Prasad Lad HUF	0.03	-	0.03
	- Praveen Lad	0.55	0.46	0.48
	- Sanjay Dhige	0.55	0.51	0.48
	- Shubham Lad	0.29	0.12	0.13
	- Surekha Lad	0.13	0.13	0.13
	- Shalini Agrawal	0.03	0.03	0.03
5	**Account Receivables**			
	- Krystal Allied Services Private Limited	7.67	4.18	0.29
	- Krystal Aviation Services Private Limited	-	-	-
	- Krystal Aquachem JV	28.37	26.02	6.05

Notes

1. Transactions shown above are excluding GST, if any.
2. Management remuneration excludes provision for Gratuity since it is provided on actuarial basis for the company as a whole.

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Note 38 - Dislosure under Ind AS 115 - Revenue from contracts with customers

The Group is engaged into manpower, catering and related service. 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 2023**	**31st March 2022**
Integrated Facility Management Services*	4,272.98	3,230.91
Manpower Services	1,784.11	1,474.94
Security Agency Services	924.46	772.86
Catering Service	94.81	48.05
Total	**7,076.36**	**5,526.76**

** SITC Included in Integrated Facility Management Services*

Sales by performance obligations

Particulars	**Manpower and related Service**	
	31st March 2023	**31st March 2022**
Revenue by time of recognition		
At a point in time	193.71	111.11
Over the period of time	6,882.65	5,415.65
Total Revenue	**7,076.36**	**5,526.76**
Revenue by geographical market		
India*	7,076.36	5,526.76
	7,076.36	**5,526.76**

**Company operates into single geographical market, i.e. India.*

Contract balances:

The following table provides information about category of trade receivables.

Particulars	**31st March 2023**	**31st March 2022**	**1st April 2021**
Billed	736.44	1,607.87	1,407.52
Unbilled	759.67	803.73	594.91
Total	**1,496.11**	**2,411.60**	**2,002.43**

The following table provides information about unbilled revenue from contract with customers

Particulars	**31st March 2023**	**31st March 2022**
Balance as at the beginning of the year	**803.73**	**594.91**
Add: Revenue recognised during the year	675.23	442.22
Less: Invoiced during the year	(718.88)	(233.39)
Less : Loss allowance recognised during the year	(0.41)	(0.01)
Balance as at the end of the year	**759.67**	**803.73**

Reconciliation of revenue from contract with customer

Particulars	**Manpower and related Service**	
	31st March 2023	**31st March 2022**
Revenue from contract with customer as per the contract price	193.71	111.11
Adjustments made to contract price on account of :-		
a) Discounts / Rebates / Incentives	-	-
b) Sales Returns /Credits / Reversals	-	-
Revenue from contract with customer	**193.71**	**111.11**

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 2023**	**31st March 2022**	**1st April 2021**
Opening contract liabilities	19.88	3.77	5.54
Less: amount recognised in revenue	(19.35)	(3.34)	(5.05)
Add: amount received in advance during the year	0.98	19.45	3.28
Closing contract liabilities	**1.51**	**19.88**	**3.77**

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(All Amounts are ₹ in Millions unless otherwise stated)

Note 39 : Leases

The Company's lease asset primarily consist of leases for buildings and Plant & Machinery 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 2023	31st March 2022	1st April 2021
	Building		
Opening Gross Block	**45.26**	**44.52**	**20.00**
Addition	25.82	0.73	24.51
Deletion	-6.16	-	-
Closing Gross Block	**64.92**	**45.25**	**44.51**
Opening Accumulated amortisation	**30.85**	**14.58**	**9.59**
Addition	11.75	16.26	4.99
Deletion	-1.01	-	-
Closing Accumulated amortisation	**41.59**	**30.84**	**14.58**
Net Block as on	**23.33**	**14.41**	**29.93**

Following is carrying value of Lease Liability and the movements thereof :

Lease Liability

Particulars	For the year ended		
	31st March 2023	31st March 2022	1st April 2021
	Building		
Opening Balance	**14.08**	**28.52**	**17.40**
Addition	24.52	0.73	24.51
Interest Cost accrued during the year	2.49	2.39	2.28
Lease liability payment	(9.46)	(17.57)	(15.67)
Deletion			
Closing Balance	**31.63**	**14.07**	**28.52**
Current lease liability	9.01	9.71	13.43
Non - Current lease liability	16.45	4.37	15.09
Total lease liability	**25.46**	**14.08**	**28.52**

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 2023	31st March 2022	1st April 2021
Not later than one year	9.01	9.71	13.43
Later than one year and not later than five years	17.05	5.67	15.68
Later than five years	-	-	-

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Note 40 : Tax expense

(a) Amounts recognised in profit and loss

	For the year ended	
	31st March 2023	31st March 2022
Current income tax	72.24	64.86
Changes in tax estimates of prior years	-	-
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(27.06)	25.79
Change in tax rate	7.27	(7.73)
Deferred tax expense	(19.79)	18.06
Tax expense for the year	**52.45**	**82.92**

(b) Amounts recognised in other comprehensive income

	For the year ended 31st March 2023			For the year ended 31st March 2022		
	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	4.52	(1.29)	3.23	21.22	(6.17)	15.05
	4.52	**(1.29)**	**3.23**	**21.22**	**(6.17)**	**15.05**

	For the year ended 31st March 2022			For the year ended 31st March 2021		
	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	21.22	(6.17)	15.05	8.37	(2.89)	5.46
	21.22	**(6.17)**	**15.05**	**8.37**	**(2.89)**	**5.46**

(c) Reconciliation of effective tax rate

	For the year ended	
	31st March 2023	31st March 2022
Profit before tax	**436.57**	**344.42**
Tax using the Company's domestic tax rate	152.19	100.25
Tax effect of:		
Non-deductible tax expenses	226.49	330.27
80JJA Tax (utilised) / incentive	(414.47)	(436.17)
Others	88.25	88.58
	52.45	**82.92**
Effective Rate of Income Tax	**12.01%**	**24.08%**

(d) 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)	**56.00**	**19.80**	**(1.29)**	**74.51**	**74.51**

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(All Amounts are ₹ in Millions unless otherwise stated)

(e) Movement in deferred tax balances

	Net balance 1st April 2021	Recognised in profit or loss	Recognised in OCI	31st March 2022	
				Net	Deferred tax asset/(Deferred tax liability)
Deferred tax asset					
Property, plant and equipment	12.24	4.21	-	16.45	16.45
Security deposits	(0.20)	(0.15)	-	(0.35)	(0.35)
Compensated absences, gratuity and other benefits	5.48	(11.19)	(6.17)	(11.88)	(11.88)
Trade receivables	62.89	(11.05)	-	51.84	51.84
Other current liabilities & borrowings	(0.18)	0.12	-	(0.06)	(0.06)
Tax assets (Liabilities)	**80.23**	**(18.06)**	**(6.17)**	**56.00**	**56.01**

(e) Movement in deferred tax balances

	Net balance 1st April 2020	Recognised in profit or loss	Recognised in OCI	31st March 2021	
				Net	Deferred tax asset/(Deferred tax liability)
Deferred tax asset					
Property, plant and equipment	15.98	(3.74)	-	12.24	12.24
Security deposits	-	(0.20)	-	(0.20)	(0.20)
Compensated absences, gratuity and equity valuation	10.20	(1.82)	(2.90)	5.48	5.48
Trade receivables	10.16	52.73	-	62.89	62.89
Other current liabilities & borrowings	-	(0.18)	-	(0.18)	(0.18)
Tax assets (Liabilities)	**36.34**	**46.79**	**(2.90)**	**80.23**	**80.22**

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

		31st March 2023	31st March 2022
In respect of capital loss :			
Expiry date 31/3/2023		-	-

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Krystal Integrated Services Limited (Formerly Krystal integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)
Notes to Consolidated Financial Statements

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 2023	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents and Bank balances other than cash and cash equivalents		-	191.65	191.65	-	-	191.65	191.65
Investments	-	-	28.94	28.94	-	-	28.94	28.94
Non-current financial Assets	-	-	399.69	399.69	-	-	399.69	399.69
Trade receivables	-	-	1,496.10	1,496.10	-	-	1,496.10	1,496.10
Current financial Assets - Loans	-	-	251.51	251.51	-	-	251.51	251.51
Other financial assets	-	-	440.65	440.65	-	-	440.65	440.65
	-	-	**2,808.54**	**2,808.54**	-	-	**2,808.54**	**2,808.54**
Financial liabilities								
Non Current Borrowings	-	-	197.54	197.54	-	-	197.54	197.54
Current borrowings	-	-	282.37	282.37	-	-	282.37	282.37
Lease Liabilities	-	-	25.46	25.46		-	25.46	25.46
Trade payables	-	-	158.50	158.50	-	-	158.50	158.50
Other financial liabilities	-	-	555.08	555.08	-	-	555.08	555.08
	-	-	**1,218.95**	**1,218.95**	-	-	**1,218.95**	**1,218.95**

31st March 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents and Bank balances other than cash and cash equivalents	-	-	233.65	233.65	-	-	233.65	233.65
Investments	-	-	18.54	18.54	-	-	18.54	18.54
Non-current financial Assets	-	-	218.96	218.96	-	-	218.96	218.96
Trade receivables	-	-	2,411.60	2,411.60	-	-	2,411.60	2,411.60
Current financial Assets - Loans	-	-	18.02	18.02	-	-	18.02	18.02
Other financial assets	-	-	243.44	243.44	-	-	243.44	243.44
	-	-	**3,144.21**	**3,144.21**	-	-	**3,144.21**	**3,144.21**
Financial liabilities								
Non Current Borrowings	-	-	288.16	288.16	-	-	288.16	288.16
Current borrowings	-	-	437.34	437.34	-	-	437.34	437.34
Lease Liabilities	-	-	14.08	14.08	-	-	14.08	14.08
Trade payables	-	-	514.97	514.97	-	-	514.97	514.97
Other financial liabilities	-	-	597.92	597.92	-	-	597.92	597.92
	-	-	**1,852.47**	**1,852.47**	-	-	**1,852.47**	**1,852.47**

1st April 2021	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents and Bank	-	-	232.73	232.73	-	-	232.73	232.73
Investments	-	-	14.69	14.69	-	-	14.69	14.69
Non-current financial Assets	-	-	59.34	59.34	-	-	59.34	59.34
Trade receivables	-	-	2,002.43	2,002.43	-	-	2,002.43	2,002.43
Current financial Assets - Loans	-	-	16.94	16.94	-	-	16.94	16.94
Other financial assets	-	-	112.30	112.30	-	-	112.30	112.30
	-	-	**2,438.43**	**2,438.43**	-	-	**2,438.43**	**2,438.43**
Financial liabilities								
Non Current Borrowings	-	-	269.33	269.33	-	-	269.33	269.33
Current borrowings	-	-	383.79	383.79	-	-	383.79	383.79
Lease Liabilities	-	-	28.52	28.52	-	-	28.52	28.52
Trade payables	-	-	379.37	379.37	-	-	379.37	379.37
Other financial liabilities	-	-	567.59	567.59	-	-	567.59	567.59
	-	-	**1,628.60**	**1,628.60**	-	-	**1,628.60**	**1,628.60**

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Note 41 : Disclosures on Financial Instrument
Financial instruments – Fair values and risk management

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 (₹ in Millions)		
	31st March 2023	31st March 2022	1st April 2021
India	1,496.10	2,411.60	2,002.43
Other regions*	-	-	-
	1,496.10	**2,411.61**	**2,002.44**

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 2023	31st March 2022	1st April 2021
Opening balance	157.48	163.14	9.52
Provision for receivables impairment	0.89	(5.66)	153.62
Closing balance	**158.37**	**157.48**	**163.14**

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Note 41 : Disclosures on Financial instrument
Financial instruments – Fair values and risk management

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 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	197.54	-	197.54	-	-
Current borrowings	282.37	282.37	-	-	-
Lease Liabilities	25.46	16.45	9.01	-	-
Trade payables	158.50	158.50	-	-	-
Other financial liabilities	555.08	555.08	-	-	-

31st March 2022	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	288.16	-	288.16	-	-
Current borrowings	437.34	437.34	-	-	-
Lease Liabilities	14.08	9.71	4.37	-	-
Trade payables	514.97	514.97	-	-	-
Other financial liabilities	597.92	597.92	-	-	-

1st April 2021	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	269.33	-	269.33	-	-
Current borrowings	383.79	383.79	-	-	-
Lease Liabilities	28.52	13.43	15.09	-	-
Trade payables	379.37	379.37	-	-	-
Other financial liabilities	567.59	567.59	-	-	-

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.

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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.

	31st March 2023	31st March 2022	1st April 2021
Fixed-rate instruments			
Financial assets	563.98	139.04	61.31
Financial liabilities	230.14	434.29	303.83
	333.84	(295.25)	(242.52)
Variable-rate instruments			
Financial assets			
Financial liabilities	249.77	291.21	349.28
	(249.77)	(291.21)	(349.28)
Total	**84.06**	**(586.46)**	**(591.80)**

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.

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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 2023		
Variable-rate instruments	2.50	(2.50)
Cash flow sensitivity (net)	2.50	(2.50)
31st March 2022		
Variable-rate instruments	2.91	(2.91)
Cash flow sensitivity (net)	2.91	(2.91)
1st April 2021		
Variable-rate instruments	3.49	(3.49)
Cash flow sensitivity (net)	3.49	(3.49)

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(All Amounts are ₹ in Millions unless otherwise stated)

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 31 March 2023, 31 March 2022 and 1st April 2021 was as follows.

	31st March 2023	31st March 2022	1st April 2021
Long term borrowings	197.54	288.16	269.33
Short term Borrowings	282.37	437.34	383.79
Lease liabilities (current and non-current)	25.46	14.08	28.52
Less : Cash and cash equivalent including bank balances other than cash and cash equivalents	504.12	354.67	277.10
Adjusted net debt	1.25	384.91	404.54
Total equity	1,634.12	1,638.56	1,360.76
Adjusted equity	1,634.12	1,638.56	1,360.76
Adjusted net debt to adjusted equity ratio	0.00	0.23	0.30

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 ₹ 21.7 Millions (31st March 22 : ₹ 330 Millions and 1st April 2021 ₹ 105 Millions).

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(All Amounts are ₹ in Millions unless otherwise stated)

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

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 2022 to 31st March 2023 is as follows: (by Business Segments)

Particulars	Manpower and related Service	Catering Service	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**	**6,719.49**
Profit before tax	**399.07**	**(8.90)**	**390.15**
Other Information			
Total Carrying amount of asset	3,299.30	135.38	
Total Carrying amount of liability	1,683.57	116.99	

B) Operating segment information for the period from 1st April 2021 to 31st March 2022 is as follows: (by Business Segments)

Particulars	Manpower and related Service	Catering Service	Consolidated for year ended 31st March 2022
Income			
Revenue from operations	5,478.71	48.05	5,526.76
Other income	18.57	3.25	21.83
Total Revenue	**5,497.28**	**51.30**	**5,548.59**
Expenses			
Material consumed	206.85	35.41	242.26
Employee benefit expenses	4,700.83	12.45	4,713.28
Finance costs	87.75	0.03	87.78
Depreciation and amortization expenses	42.45	0.51	42.96
Other expenses	180.00	11.25	191.25
Total Expenses	**5,217.88**	**59.65**	**5,277.53**
Profit before tax	**279.40**	**(8.35)**	**271.06**
Other Information			
Total Carrying amount of asset	3,876.42	167.43	
Total Carrying amount of liability	2,255.18	150.11	

B) Secondary Segment Reporting (by Geographical Segment)

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

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(All Amounts are ₹ in Millions unless otherwise stated)

Note - 44
Scheme of Arrangement
Description of Scheme of Arrangement of Krystal Integrated Services Private Limited and Volksara Techno Solutions Private Limited and their respective Shareholders and Creditors:

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, i.e. the Appointed Date.

As per the clarification issued by Ministry of Corporate Affairs vide Circular no.09/2019 dated August 21, 2019 (MCA Circular), the Company has recognized the effect of the demerger on April 1, 2021, and made the following adjustments, pursuant to the Scheme

- All the assets and liabilities of the Demerged undertaking have been transferred to Volksara. Difference between the value of transferred assets and liabilities pertaining to the demerged undertaking amounting to ₹ 392.11 Mn has been adjusted from the reserves.

Further, the standalone statement of profit and loss for the year ended March 31, 2022 and March 31, 2021 have been restated by the management to give effect of the Scheme. The transferred business as defined in the 'Scheme have been disclosed as Discontinued Operations' in the standalone financial statements for the year ended March 31, 2022 and March 31, 2021 as per the requirements of Ind AS 105 (refer note 44)

Balance Sheet as at March 31, 2022 and March 31, 2021 and Statement of Cash Flow for the year ended March 31, 2022 and March 31, 2021 are not comparable with the previous year Balance Sheet and Statement of Cash Flow, respectively, since these include the Demerged undertaking's figures.

The transactions pertaining to the transferred business of the Company from the appointed date upto the effective date of the Scheme have been deemed to be made by DBOL.

The Impact of the Demerger on these financial statements is as under:
The whole of the assets and liabilities of the Demerged Undertaking became the assets and liabilities of the resulting Company and were transferred at their book value as per the Order, as appearing in the books of the Company with effect from the appointed date (i.e. April 1, 2020).
The details of assets and liabilities transferred to the resulting Company are as under:

Particulars	As at 19th July 2022	As at 31st March 2022	As at 1st April 2021	As at 31st Mar 2020
Non-current assets				
Property, Plant and Equipments				
Property, Plant and Equipment	0.22	0.23	0.19	0.05
Intangible assets	0.01	0.01	0.02	-
Financial Assets				
(a) Other financial assets	10.99	3.81	(6.56)	13.12
Total non-current assets	**11.22**	**4.05**	**(6.35)**	**13.17**
Current assets				
Inventories	64.73	55.15	18.20	17.75
Financial Assets				
(a) Trade receivables	420.00	617.67	362.12	497.37
(b) Other financial assets	78.95	32.10	44.10	19.42
Total current assets	**563.68**	**704.92**	**424.42**	**534.54**
Total Assets	**574.90**	**708.97**	**418.07**	**547.71**
Less:				
Non-current liabilities				
Borrowings	46.01	80.77	-	-
Current liabilities				
Borrowings	0.00	20.01	-	-
Financial liabilities				
(a) Trade Payables				
Outstanding dues to MSME	-	-	4.87	-
Outstanding dues other than MSME	106.31	185.81	172.72	318.58
Other Current Liabilities	30.45	61.46	(52.07)	6.26
Total Liabilities	**182.77**	**348.05**	**125.52**	**324.83**
Net Assets	**392.13**	**360.92**	**292.55**	**222.87**

Note: Values with ₹ 0.00 denotes amounts less than ₹ 5000.

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Adjustment to Reserves

Pursuant to the Order, the difference between the book value of the assets and liabilities transferred to the resulting Company has been debited to the following reserves of the Company on the Appointed date i.e April 01,2020

Particulars	Amount Debited
Balance transferred pursuant to scheme of arrangement (refer note (i) below)	392.13
Total	**392.13**

Note (i)

The Smart City Business of the Company has been demerged and transferred to Volksara Techno Solutions Private Limited with effect from 19th July' 2022 (appointed date) as per the Hon'ble National Company Law Tribunal, Mumbai Bench Order dated 20th June 2022. The invoicing of such business has been continued in the Company (Demerged Business) in trustee capacity as per the advice / mandate of the Customers even after Appointed date 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.

Details of the contingent liabilities and commitments transferred to the Resulting Company are as under:

Particulars
Nil

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)
Notes to Consolidated Financial Statements

Note - 44
Discontinued Operations
Financial information relating to the discontinued operations i.e. transferred businesses of the Company to the resulting Company as defined in the Scheme for the period to the appointed date is set out below:

Statement of Profit and Loss

Particulars	For the year ended	
	31st March 2022	1st April 2021
Income		
Revenue from operations	941.87	448.01
Other Income	0.65	0.49
Total Income	**942.52**	**448.50**
Expenses		
Cost of materials consumed	776.30	300.99
Employee benefit expense	26.24	25.69
Finance costs	22.56	4.03
Depreciation and amortization expenses	0.07	0.04
Other expenses	44.00	19.97
Total Expenses	**869.17**	**350.73**
Profit / (loss) before exceptional items and tax	**73.36**	**97.77**
Exceptional items	-	-
Profit / (loss) before tax	**73.36**	**97.77**
Tax expense:		
Current tax	20.20	28.11
Deferred tax	-	-
Total Tax Expenses	**20.20**	**28.11**
Profit for the year	**53.16**	**69.66**

Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)
Notes to Consolidated Financial Statements

Note - 45
First-time Ind AS adoption reconciliations
Reconciliation of total equity as at 31 March 2022 and 01 April 2021 and profit or loss for the year ended 31 March 2022:

Particulars	Note No.	Total comprehensive income reconciliation for the year ended	Equity reconciliation as at	
		31st March 2022	31st March 2022	1st April 2021
Net profit / equity as per previous GAAP		**274.55**	**1,672.81**	**1,398.26**
IndAS Adjustments:				
Expected Credit Loss	a	16.84	(131.88)	(148.71)
Lease Liability	b	(1.67)	(3.00)	(1.33)
Finance Income	c	1.22	1.22	-
Loan processing fees / transaction costs	d	(0.33)	0.18	0.51
Deferred Tax	e	(14.04)	37.19	51.23
Impact on account of investment carried at FVTPL		(0.01)	-	0.01
Profit from JV		1.23	4.40	3.17
Total		**3.24**	**(91.89)**	**(95.12)**
Net profit / Equity for the year as per Ind AS		**277.79**	**1,580.92**	**1,303.14**
Other comprehensive income (net of tax)	f	(15.05)	-	-
Net profit before OCI / Other equity as per Ind AS		**262.74**	**1,580.92**	**1,303.14**

Notes:

a **Expected Credit Loss on Financial Assets**
Under Previous GAAP, the Company had created provision for impairment of receivables consisting only in respect of specific amount for incurred losses. Under Ind-AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model.

b **Interest expense on lease liability**
Under previous GAAP, lessee classified a lease as an operating lease or a finance lease based on whether or not the lease transferred substantially all the risk and rewards incident to the ownership of the asset. Operating lease were expensed in the statement of profit and loss. Under Ind AS 116, all arrangement that fall under the definition of lease except those for which short-term lease exemption or low value exemption is applied, the Company has recognised a right-of-use assets and a lease liability on the lease commencement date. Right-of-use assets is amortised over the lease term on a straight line basis and lease liability is measured at amortised cost at the present value of future lease payments.

c **Finance Income**
Under previous GAAP, the security deposits paid for lease rent are shown at the transaction value. Whereas under Ind AS, the same are initially discounted and subsequently recorded at amortized cost at the end of every financial reporting year. Accordingly, the difference between the transaction and discounted value of the security deposits paid is recognized as part of the Right of Use Asset and is amortized over the period of the lease term. Further, interest is accreted on the present value of the security deposits paid for lease rent.

c **Loan processing fees / transaction costs**
Under Ind AS such expenditure are considered for calculating effective interest rate. The impact for the periods subsequent to the date of transition is reflected in the Statement of Profit and Loss.

d **Deferred Tax**
Under Previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or through statement of profit and loss or other comprehensive income.

e **Defined Benefit Obligation :**
Both under Previous GAAP and Ind AS, the Company recognised costs related to its post employment defined benefit plan on an actuarial basis. Under Previous GAAP, the entire cost, including actuarial gain and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised in Other Comprehensive Income (OCI).

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(All Amounts are ₹ in Millions unless otherwise stated)

Note 46 - Contingent liabilities and commitments (to the extent not provided for)

	31st March 202	31st March 202	1st April 2021
a. Contingent liabilities			
Demands raised by Income tax authorities*	203.14	39.79	39.79
Provident fund dues	142.37	63.94	63.94
Interest liability on GST/Service Tax	31.49	-	-
Demands raised by Service tax authorities	6.37	6.37	6.37
Claims against the company not acknowledged as Debts	-	-	-

* Out of above, Company has already deposited Rs. 40 Lakhs (Previous Year 40 Lakhs) 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 accounts.

c. Commitments	31st March	31st March	1st April 2021
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.

(All Amounts are ₹ In Millions unless otherwise stated)

Note - 47

Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

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 Private 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**

31st March 2022

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 Private Limited	99%	1,611.70	68%	260.21	459%	14.80	71%	275.01
Subsidiaries								
Flame Facilities Private Limited	0%	3.43	0%	0.79	9%	0.30	0%	1.08
Krystal Gourmet Private Limited	2%	34.83	0%	0.51	-1%	(0.04)	0%	0.47
Total		**1,638.55**		**262.74**		**15.05**		**277.80**

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Krystal Integrated Services Limited (Formerly Krystal Integrated Services Private Limited)
(All Amounts are ₹ in Millions unless otherwise stated)
Notes to Consolidated Financial Statements

Note - 48

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 has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

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

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

(viii) The company has not been declared as Wilful defaulter by any Banks, Financial institution or Other lenders.

(ix) 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 - 49

Maintenance of Books of Accounts under Section 128 of the Companies Act, 2013

The Company has defined process to take daily back-up of books of account maintained electronically and complied with the provisions of The Companies (Accounts) Rules, 2014 (as amended). However, the Company as a policy, has maintained logs of the daily back-up of such books of account only for 10 days and hence audit trail in relation to daily backup taken was not available for full year.

Note - 50

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 - 51

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 - 53

Subsequent events

The Board of Directors in its meeting dated 26th September 2023 approved issue of 1 bonus equity share for each equity share held by respective shareholder as on record date, subject to approval by shareholders.

Note - 54

Previous years figures have been regrouped and reclassified wherever necessary.

As per our report of even date attached

For **T R Chadha & Co. LLP**
Chartered Accountants
Firm's Registration No: 006711N/N500028

T R Chadha & Co. LLP MUMBAI CHARTERED ACCOUNTANTS

Alka Hinge
Partner
Membership No. 104574
Place: Mumbai
Date : 26|9|2023

For and on behalf of the Board of Directors of Krystal Integrated Services Limited
(Formerly Krystal Integrated Services Private
CIN-U74920MH2000PTC129827

Neeta Lad
Managing Director
(DIN-01122234)

Sanjay Dighe
Whole Time Director and CEO
(DIN-02042603)

Barun Dey
Chief Financial Officer

Stuti Maru
Company Secretary and Compliance Officer
Membership No.:A45257

Place: Mumbai
Date :

KRYSTAL INTEGRATED SERVICES LTD. MUMBAI

(All Amounts are ₹ in Millions unless otherwise stated)

Note - 52
Ratio analysis and its elements

(i) Current Ratio = Current Assets divided by Current Liabilities

	Particulars	31st March 2023	31st March 2022
A	Current Assets	2,055.27	2,888.20
B	Current Liabilities	1,583.91	2,110.48
	Ratio (A/B)	1.30	1.37
	% change from previous year	**-5.18%**	

(ii) Debt Equity Ratio = Total Debt divided by Total Equity

	Particulars	31st March 2023	31st March 2022
A	Total Debt*	505.38	739.58
B	Total Equity	1,634.12	1,638.56
	Ratio (A/B)	0.31	0.45
	% change from previous year	**-31.48%**	

* It includes current and non-current Borrowings and Lease Liabilities.

Reason for change more than 25%: Variances is mainly due to following reasons-
- Fresh Loan taken during the year however, Repayment of borrowings is comparitively 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)

(iii) Debt service coverage ratio = Earnings available for debt services divided by total interest and principal repayments

	Particulars	31st March 2023	31st March 2022
A	Earnings available for debt services	531.49	432.21
B	Total interest and principal repayments*	189.44	296.03
	Ratio (A/B)	2.81	1.46
	% change from previous year	**92.16%**	

* It includes Finance cost, Principal repayament of long term loans and Lease payments.

Reason for change more than 25%:
Finance cost inceased due to increase in bank guarantee commision 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 2023	31st March 2022
A	Profit after tax (attributable to owners)	384.44	262.74
B	Average net worth	1,658.48	1,509.92
	Ratio (A/B)	23.18%	17.40%
	% change from previous year	**33.21%**	

Reason for change more than 25%:
For the year ended 31st March 2023 and 31st March 2022: 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 2023	31st March 2022
A	Cost of material consumed	323.05	242.26
B	Average Inventory	32.46	40.62
	Ratio (A/B)	9.95	5.96
	% change from previous year	**66.87%**	

Reason for change more than 25%:
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 divdied by Average Trade Receivables

	Particulars	31st March 2023	31st March 2022
A	Revenue from operation	7,076.36	5,526.76
B	Average trade receivables	1,953.85	2,207.02
	Ratio (A/B)	3.62	2.50
	% change from previous year	**44.63%**	

Reason for change more than 25%:
The variance is owing to better recoverability and transfer of receivables of smart city business.

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KRYSTAL INTEGRATED SERVICES LTD. * MUMBAI

(vii) **Trade payable turnover ratio = Cost of Material Consumed divided by Average Trade Payable**

	Particulars	31st March 2023	31st March 2022
A	Cost of material consumed	323.05	242.26
B	Average Trade payable	336.74	447.17
	Ratio (A/B)	0.96	0.54
	% change from previous year	**77.08%**	

Reason for change more than 25%:

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 2023	31st March 2022
A	Revenue from operation	7,076.36	5,526.76
B	Current assets	2,055.27	2,888.20
C	Current liabilities	1,583.91	2,110.48
D	Net working capital (D = B - C)	471.37	777.73
E	Average working capital	624.55	744.49
	Ratio (A/B)	11.33	7.42
	% change from previous year	**52.63%**	

Reason for change more than 25%:

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 2023	31st March 2022
A	Profit after tax	384.44	262.74
B	Revenue from operation	7,076.36	5,526.76
	Ratio (A/B)	5%	5%
	% change from previous year	**14.28%**	

(x) **Return on capital employed = Earing Before Interest & Tax divided by Average Capital Employed**

	Particulars	31st March 2023	31st March 2022
A	Tangible Net Worth *	1,582.48	1,601.76
B	Long term debt **	213.99	292.53
C	Total capital employed (C = A + B)	1,796.47	1,894.29
D	Average capital employed	1,845.38	1,769.02
E	EBIT	531.80	433.44
	Ratio (E/D)	28.82%	24.50%
	% change from previous year	**17.62%**	

* 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 2023	31st March 2022
A	Profit on sale / FV of investments	-	0.00
B	Value of investments	0.00	0.00
C	Average Investments	0.00	0.11
	Ratio (A/C)	0.00%	0.23%
	% change from previous year	**-100.00%**	

Reason for change more than 25%:

For the year ended 31st March 2023 and 31st March 2022: Overall reduction is mainly on account of disposal of investments.

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KRYSTAL INTEGRATED SERVICES LTD. ★ MUMBAI