



## **Independent Auditor's Report**

**To the Members of M/s. Kwallity Tech Serve Private Limited**

### **Report on the standalone Financial Statements**

#### **Opinion**

We have audited the accompanying Standalone financial statements of M/s. Kwallity Tech Serve Private Limited (*"the Company"*) which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

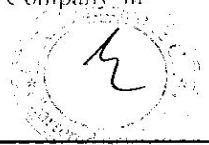
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and profit/loss for the year ended on that date.

#### **Basis for Opinion**

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

#### **Responsibility of Management for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (*"the Act"*) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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.

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

### **Auditor's Responsibility for the Audit of the Financial Statements**

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

### **Report on Other Legal and Regulatory Requirements**

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

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

a. 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.

b. The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.

c. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



d. On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

e. 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:

1. The Company does not have any pending litigations which would impact its financial position.
2. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
3. The Company is yet to declare dividend since its' incorporation.

**For R. K. Acharjee & Co.  
Chartered Accountants  
FRN: 322360E**



**Siddhartha Banerjee, Partner  
M. No. 054663**



Kolkata

Dt. 31.08.2018

**KWAALITY TECH SERVE PRIVATE LIMITED**

CIN: U72300WB2016PTC209509

**BALANCE SHEET AS AT 31.03.2018**

Particulars	Note No.	(Amount in Rs.)	
		As At 31.03.2018	As At 31.03.2017
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' Fund</b>			
Share Capital	2	500,000	100,000
Reserves & Surplus	3	127,636	62,544
		<u>627,636</u>	<u>162,544</u>
<b>Current Liabilities</b>			
Short-term Borrowings (Secured)	4	505,987	-
Short-term Borrowings (Unsecured)	5	2,803,666	1,269,666
Trade Payables	6	108,087	365,799
Other Current Liabilities	7	30,082	148,896
		<u>3,447,822</u>	<u>1,784,361</u>
		<b>4,075,458</b>	<b>1,946,905</b>
<b>II. ASSETS</b>			
Fixed Assets	8	32,808	-
Provision for Depreciation:		<u>(3,231)</u>	<u>-</u>
<b>Net Fixed Assets</b>		<u>29,577</u>	<u>-</u>
<b>Current Assets</b>			
Trade Receivables	9	3,561,209	1,697,694
Cash and Cash Equivalents	10	116,161	53,928
Short-Term Loans and Advances	11	58,100	48,100
Other Current Assets	12	310,411	147,183
		<u>4,045,881</u>	<u>1,946,905</u>
		<b>4,075,458</b>	<b>1,946,905</b>
Significant Accounting Policies & Notes on Financial Statements	1		

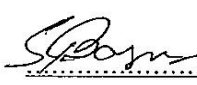
As per our report of even date attached.

For R. K. Acharjee &amp; Co.

Chartered Accountants

FRN. 322360E

For KWAALITY TECH SERVE PVT. LTD.

  
Siddhartha Banerjee, Partner  
Membership No. 05466

Auditor

Place: Kolkata

Date: 31.08.2018

  
Rajesh Ray, Director

**KWAALITY TECH SERVE PRIVATE LIMITED**

CIN: U72300WB2016PTC209509

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2018**

(Amount in Rs.)

Particulars	Note No.	Current Year Ended 31.03.2018	Previous Year Ended 31.03.2017
<b>INCOME</b>			
<b>Revenue from operations:</b>			
Interior Design Services		7,022,579	4,043,750
<b>Other income:</b>	13	3,680	56,752
Total Revenue		<b>7,026,259</b>	<b>4,100,502</b>
<b>EXPENSES</b>			
Cost of Services Rendered	14	5,608,745	3,217,739
Depreciation	8	3,231	-
Other Expenses	15	1,349,191	744,327
Total Expenses		<b>6,961,167</b>	<b>3,962,066</b>
Profit Before Exceptional & Extraordinary Items & Tax		<b>65,092</b>	<b>138,436</b>
Exceptional Items		-	-
Profit Before Extraordinary Items & Tax		<b>65,092</b>	<b>138,436</b>
Extraordinary Items		-	-
Profit Before Tax		<b>65,092</b>	<b>138,436</b>
Tax Expense:			
(1) Current tax		-	50,000
(2) Deferred tax		-	-
			<b>50,000</b>
<b>Profit for the year carried to Balance Sheet</b>		<b>65,092</b>	<b>88,436</b>
<b>Earnings per equity share:</b>			
(1) Basic		1.30	8.84
(2) Diluted		1.24	8.84
Significant Accounting Policies & Notes on Financial Statements	I		

As per our report of even date attached.

For R. K. Acharjee &amp; Co.

Chartered Accountants

FRN. 322360E



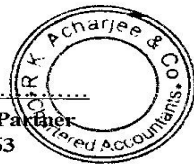
Siddhartha Banerjee, Partner

Membership No.054663

**Auditor**

Place: Kolkata

Date: 31.08.2018



For KWAALITY TECH SERVE PVT. LTD.

Rajesh Banerjee,  
Director

**KWAALITY TECH SERVE PRIVATE LIMITED**  
**CIN: U72300WB2016PTC209509**

**Note : 1**

**Significant Accounting Policies**

(forming part of the financial statements 2017-18)

i) **Basis for preparation of financial statements**

These financial statements have been prepared and presented on the accrual basis of accounting and comply with the accounting standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014 to the extent applicable and other accounting principles generally accepted in India, to the extent applicable.

ii) **Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles ('GAAP') requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as of the date of financial statements, and the reported amount of revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from those estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

iii) **Revenue recognition:**

The Company recognised sales on the basis of bills raised after completion of the delivery.

**Notes On Accounts**

iv) Depreciation is provided as per the rates and provisions of Income Tax Act.

v) Previous year figures have been regrouped /re-arranged where ever felt necessary.

**For KWAALITY TECH SERVE PVT. LTD.**

Place: Kolkata  
Date: 31.08.2018



Rajesh Rajvarsh,  
Director

**KWAALITY TECH SERVE PRIVATE LIMITED**

CIN: U72300WB2016PTC209509

**DETAILS OF FIXED ASSETS & PROVISION FOR DEPRECIATION**

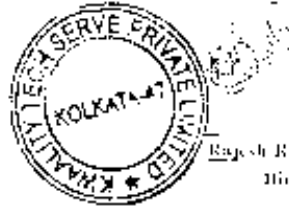
**Note No. 8**

**(Amount in Rs.)**

Particulars	FIXED ASSETS				DEPRECIATION PROVISION			Net Value
	Balance As at 01.04.2017	Addition 2017-18	Deletion 2017-18	Balance As at 31.03.2018	Opening Balance b/d	Depreciation 2017-18	Balance As At 31.03.2018	
FURINTIRE & FITTINGS	-	32,308	-	32,308	-	3,231	3,231	29,077
	-	32,308	-	32,308	-	3,231	3,231	29,077

**For KWAALITY TECH SERVE PVT. LTD.**

Place: Kolkata  
Date: 31.08.2018



Rajesh Rajgopal  
Director



## DIRECTORS' REPORT

Dear Members,

**Kwaality Tech Serve Private Limited**

Your Directors have pleasure in presenting the 3<sup>rd</sup> Annual Report together with the Audited Statement of Accounts of your Company for the Year ended 31<sup>st</sup> March 2018.

### 1. FINANCIAL SUMMRY

The Company's financial performance, for the year ended 31<sup>st</sup> March 2018:

(Rs in Lacs)

Particulars	Year Ended	
	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2017
Turnover	7,026,259	4,100,502
<b>Profit Before Tax</b>	65,092	138,436
Less: Current Tax	-	50,000
Deferred Tax	-	-
Income Tax earlier years	-	-
<b>Profit For The Year</b>	65,092	88,436
Add: Balance in Profit and Loss Account	62,544	(25,892)
<b>Sub Total</b>	127,636	62,544
<b>Less: Appropriation</b>	-	-
Adjustment relating to Fixed Assets	-	-
Transferred to General Reserve	-	-
<b>Closing Balance</b>	127,636	62,544

### 2. STATE OF AFFAIRS / HIGHLIGHTS

The Company is engaged in the business of Interior Design Services (Category: OTHER PROFESSIONAL, TECHNICAL AND BUSINESS; Code: 9983)

There has been no change in the business of the Company during the financial year ended 31<sup>st</sup> March, 2018.

Your company continues to fall under the category of "Small Company" as defined under Section 2(85) of the Companies Act 2013.



**3. CHANGE IN DIRECTORSHIP**

There has been no change in the constitution of Board during the year under review i.e. the structure of the Board remains the same.

**4. BOARD'S COMMENT ON THE AUDITORS' REPORT**

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self explanatory and do not calls for any further comment.

**5. MEETINGS OF BOARD OF DIRECTORS**

Five Board Meetings were held during the Financial Year ended March 31, 2018 on 15.07.2017, 01.08.2017, 05.09.2017, 09.10.2017 and 05.12.2017.

**6. WEB LINK OF ANNUAL RETURN, IF ANY.**

The Company is having website i.e. [www.ktspltd.com](http://www.ktspltd.com) and annual return of Company has been published on such website. Link of the same is given below:

<http://ktspltd.com/finalsummary.html>

**7. MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report

**8. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

**9. DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a) In the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.
- 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 as at March 31, 2018 and of the profit of the Company for the year ended on that date.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on a 'going concern' basis.
- e) The Company being unlisted, sub clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

**ACKNOWLEDGMENT**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

KWAALITY TECH SERVE PRIVATE LIMITED

Director

**SIGNING OF BOARD REPORT:**