

Board's Report

To the Members,

Your directors are pleased to present the 17th Annual Report on the business and operations of the Company together with the audited financial statements for the financial year ended March 31, 2024.

Financial performance

The financial performance of Company for the year ended March 31, 2024, is summarized below:

Particulars	INR Million	
	Financial Year 2023-24 ("FY 24")	Financial Year 2022-23 ("FY 23")
Revenue from operations	12,143.82	10,929.58
Earnings before financial charges, depreciation & amortization, and taxes (EBITDA)	559.15	435.59
Depreciation & Amortization	81.04	73.95
Financial costs	82.87	61.18
Earnings/Profit before taxes (PBT)	395.24	338.91
Provision for taxes	194.86	(211.98)
Net Earnings/Profit after tax (PAT)	200.38	550.89

There was no change in the nature of business of the Company for the year under review.

Operations and Business Performance

The principal activities of the Company comprise facility management services, which includes housekeeping services, mechanized cleaning, and related maintenance services.

The Company's revenues were INR 12,143.82 million during the year under review, an increase of 11% compared to INR 10,929.58 million in the previous year. EBITDA was INR 559.15 million, a 28% increase compared to INR 435.59 million in the previous year. Net profits were INR 200.38 million, a decrease of 64% compared to INR 550.89 million in the previous year.

Outlook

India is witnessing increased adoption of hard facility management services and cleaning services on account of growth in commercial and residential construction. Moving ahead, there will be enhancement in digital capabilities, such as scaling up of iOPS (Intelligent Operation Control System) platform to streamline the operations and improve customer experience as these services proactively harness the opportunity. This would also lead to augmentation of customer relationships through initiatives such as OYC and C-Sat, besides expansion into new geographies.

The Indian facility management market has been on the upswing, propelled by a host of favourable factors, including growing outsourcing trends, government investments in infrastructure, stricter environmental compliances, and a shift towards Integrated Facility Management (IFM) solutions. Led by economic recovery in the post-Covid scenario, the India Facility Management market size is estimated at INR 2,328 billion in 2024.

Material changes & commitments, if any, affecting the financial position of the Company from the end of financial year till the date of the report

No material changes or commitments that could affect the financial position of the Company have been occurred between the end of the financial year and the date of this report.

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Dividend and Transfer to reserves

During the year under review, the Company declared and paid an Interim Dividend of INR. 120 per share i.e., 1200% on every equity share of INR. 10 for the financial year 2023-24. This resulted in a total outflow of INR 33,61,99,920. No amount was proposed to be transferred to reserves during the financial year ended March 31, 2024.

Share Capital

As of March 31, 2024, the authorized share capital of the Company is INR 67,000,000 divided into 5,700,000 equity shares of INR 10 each and 1,000,000 Redeemable Optionally Convertible Cumulative Preference Shares of INR 10 each. The subscribed and paid-up share capital of the Company is INR 28,016,660 consisting of 2,801,666 equity shares of INR 10 each.

There was no change in the capital structure of the Company during the year under review.

Particulars of Loans, Guarantees and Investments

Pursuant to Section 186 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014, disclosures on particulars of loans, guarantees and investments are provided in Note No. 5 of the financial statements.

Public deposits

During the year under review, your Company has not accepted or renewed any deposit within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. Consequently, no amount of principal or interest was outstanding, as on the date of the Balance Sheet.

Details of Policy developed and implemented by the Company on its Corporate Social Responsibility Initiatives

The primary goal of the CSR Policy is to establish guidelines for integrating CSR into core business processes, fostering sustainable and mutually beneficial relationships with society and the environment within the Company/Group's operational sphere. Its objective is to elevate societal welfare measures by specifying feasible projects and programs, along with their execution modalities and monitoring mechanisms.

The Policy's scope is intentionally broad to enable the Company to address evolving societal needs promptly while maintaining adaptability, yet it emphasizes a defined set of activities geared towards fostering enduring societal benefits.

The Annual Report on Corporate Social Responsibility (CSR) Activities is enclosed as **Annexure I**.

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

The Company is committed to providing a safe and conducive work environment for our employees and associates. In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder, the Company adopted a policy on prevention, prohibition, and redressal of sexual harassment at workplace. The Internal Complaints Committee has been constituted to enquire into complaints, and to recommend appropriate action, wherever required, in compliance with the provisions of the Act. During the year under review, 13 complaints were received, and all the complaints were resolved after a thorough investigation.

The below table provides details of complaints received/disposed during the financial year 2023-24.

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No. of complaints pending at the beginning of the year	:	0
No. of complaints filed during the year	:	13
No. of complaints disposed-off during the year	:	13
No. of complaints pending at the end of the year	:	0

Related party transactions

During the year under review, all contracts/arrangements entered into by your Company with related parties were on an arm's length basis and in the ordinary course of business.

Since all the contracts/arrangements/transactions with related parties, during the year under review, were in the ordinary course of business and at arm's length and were not considered material, disclosure in Form AOC-2 under Section 134(3)(h) of the Act, read with the Companies (Accounts of Companies) Rules, 2014, is not applicable.

The details of contracts and arrangements with related parties for the financial year ended March 31, 2024, are given in the financial statements forming part of this Annual Report.

Risk Management

The Company has adopted a comprehensive risk management framework. Risk evaluation and management are an ongoing process within the organization. The Management periodically reviews identified risks and their mitigation plans. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Internal financial controls

The Company has in place adequate internal financial controls with reference to financial statements. The Company's internal control systems are commensurate with the nature, size and complexity of its business and ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial information. During the year under review, such controls were tested and no reportable material weakness in the design or operation was observed.

Subsidiaries/ Associates and Joint Ventures

As on March 31, 2024, the Company has 1 subsidiary company, i.e., Adis Enterprises Private Limited.

Pursuant to the provisions of Section 129 (3) of the Act, a report on the performance and financial position of the subsidiary is provided in **Annexure II** to this Report.

Particulars of Employees

The provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

Disclosure on Composition of Audit Committee and Vigil Mechanism

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

Pursuant to Section 177 of the Act and Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013, the Company established a Vigil Mechanism for reporting concerns through the Whistle Blower Policy of the Company. The Policy provides for a framework and process, for the employees and directors and all stakeholders including customers, vendors and suppliers to report genuine concerns or grievances about illegal and unethical behavior that could adversely impact the Company's operations and business performance.

Board's Report

Directors and Key Managerial Personnel ("KMP")

- Ms. Rivoli Sinha (DIN: 05124090) was appointed as an Additional Director of the Company effective July 25, 2023, to hold office up to the date of the ensuing Annual General Meeting ("AGM").
- Mr. Nandit Vipul Raja (DIN: 00055722) was appointed as Additional Director (Independent) of the Company, effective January 25, 2024, subject to the approval of the shareholders in the ensuing AGM.

In accordance with the provisions of Section 152 of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and the Articles of Association of the Company, Mr. Uday Singh (02858520), Director is liable to retire by rotation at the ensuing AGM and, being eligible, offered himself for re-appointment. Appropriate resolutions seeking approval of the members for appointment/re-appointment of Directors forms part of the Notice.

The Board is of the opinion that the Independent Director possess the requisite qualifications, experience and expertise including proficiency and uphold the highest standards of integrity.

Meetings of the Board

During the year ended March 31, 2024, the Board met 5 (five) times on May 3, 2023, July 25, 2023, October 27, 2023, December 13, 2023, and January 25, 2024.

Auditors and Audit Report

M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 1012448W/W-100022) were appointed as Statutory Auditors of the Company for a term of 5 consecutive years in the AGM held on July 20, 2020, to hold office from the conclusion of 13th AGM till the conclusion of 18th AGM of the Company.

Secretarial Audit

As per the provisions of Section 204 of the Act read with the rules framed thereunder, Mr. K Jayarama, Company Secretary in Practice, has been appointed as Secretarial Auditor, to conduct secretarial audit of the Company for the financial year ended March 31, 2024. The Secretarial Audit Report for the financial year 2023-24 issued by Mr. K Jayarama, is provided in **Annexure III** to this Report.

In the Secretarial Audit Report, it has been stated that the Company did not comply with the provisions of Section 149(1) of the Act, as there was no woman director on the board of directors since the end of tenure of existing woman director on February 15, 2023.

In response to this, it is stated that, Mrs. Renu Mattoo, Independent woman director, has resigned as Director of the Company effective February 15, 2023, and Ms. Rivoli Sinha was appointed as woman Director effective on July 25, 2023. During the intervening period the Company was actively seeking suitable and eligible candidates to fill the position of Woman Director.

Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the Auditors

The Auditors' Report does not contain any qualification, reservation or adverse remark.

Cost Audit

The provisions of Section 148 of the Act relating to the appointment of Cost Auditors are not applicable to the Company.

Compliance with the Secretarial Standards

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During the year, your Company is in compliance with the Secretarial Standards specified by the Institute of Company Secretaries of India (ICSI) related to the Board and General Meetings.

Conservation of Energy and Technology Absorption

Considering the nature of activities of the Company, the provisions of Section 134(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 relating to conservation of energy and Technology Absorption are not applicable to the Company.

Foreign Exchange Earnings and Outgo: Nil

Annual Return

As per the requirements of Section 92(3) of the Act and the rules made thereunder, the annual return as on March 31, 2024, is available on the Company's website at www.dtss.in.

Significant & material orders passed by the Regulators/Courts, if any

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in the future.

Your Company had neither filed any application, nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 at the end of the year.

Disclosure on statement of declaration given by independent directors under section 149(6)

The Company has received a declaration from its Independent Director as required under Section 149 (6) of the Act and a confirmation in terms of the provisions of rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming the inclusion of name of Independent Director in the data bank maintained by the Indian Institute of Corporate Affairs.

Reporting of Frauds by Auditors

During the year under review, there were no instances of fraud committed against your Company by its officers and/or employees, which required the statutory auditors to report to the Board under Section 143(12) of the Act and the Rules made thereunder.

Directors' Responsibility Statement

In terms of the provisions of Section 134 (5) of the Act, the Board of Directors of your Company, to the best of their knowledge and ability, hereby confirms that:

- In the preparation of the accounts for the year ended March 31, 2024, the applicable Accounting Standards have been followed and there are no material departures from the same.
- Accounting policies have been selected and applied 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 financial year and of the Profit of the Company for the year.
- Proper and sufficient care for the maintenance of adequate accounting records has been taken in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- Annual Accounts have been prepared on a going concern basis.
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Appreciation/Acknowledgement

Board's Report

The Directors wish to record their sincere appreciation of the unstinted support, co-operation and assistance received from various departments and agencies of the Central Government, the various State Governments where the Company operates, and of the continued co-operation and support received from the Financial Institutions, Banks, Shareholders, Clients, Suppliers and Business associates.

Last but not least, the Directors also sincerely acknowledge the significant contributions made by all the employees for their continued & dedicated services to the Company.

Cautionary Statement

Statements in this Board's Report describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied.

For and on Behalf of the Board of Directors
Dusters Total Solutions Services Private Limited


Shamsher Puri
Whole-time Director
DIN: 01483698


Dhiraj Singh
Director
DIN: 00066899

Place: New Delhi

Date : April 30, 2024

ANNEXURE I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline of CSR Policy:

The objective of CSR Policy is to establish guidelines that position CSR as a pivotal business process, fostering sustainable and beneficial engagement with the society and environment where the Company operates. This Policy outlines the projects and programs that can be pursued, both directly and indirectly, as well as the methods of execution and their subsequent monitoring.

2. Composition of the CSR Committee:

Sl. No.	Name of Director and Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Uday Singh, Director	4	4
2	Mr. Shamsheer Puri, Whole-time Director	4	4

3. The web-link of composition of the CSR committee, CSR Policy and CSR projects approved by the Board: <https://dtss.in/compliance.php>

4. Executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not Applicable as the Company was not required to spend more than INR 10 crores during the three immediately preceding financial years.

5. (a) Average net profit of the Company as per Section 135(5): INR 274.69 million

(b) 2% of average net profit of the company as per section 135(5): INR 5.49 million

(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 5.49 million

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): INR 5.49 million

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: N.A.

(d) Total amount spent for the Financial Year ((a)+(b)+(c)): INR 5.49 million

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(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (INR Million)	Amount Unspent (in INR. Million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) of the Act		
	Amount (INR Million)	Date of transfer	Name of the Fund	Amount	Date of transfer
5.49	Not applicable				

(f) Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (INR Million)
i.	2% of average net profit of the company as per section 135(5)	5.49
ii.	Total amount spent for the Financial Year	5.49
iii.	Excess amount spent for the financial year [(ii)-(i)]	Nil
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	N.A.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

INR Million

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135 (6)	Balance Amount in Unspent CSR Account under of Section 135 (6)	Amount Spent in the reporting Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to of section 135 (5), if any		Amount remaining to be spent in succeeding Financial Years	Deficiency, if any
					Amount	Date of Transfer		
1	2022-23	-	-	-	-	-	-	-
2	2021-22	6.74	-	-	-	-	-	-
3	2020-21	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: None

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): N.A.

Board's Report

For and on Behalf of the Board of Directors
Dusters Total Solutions Services Private Limited


Shamsheer Puri
Whole-time Director
DIN: 01483698


Dhiraj Singh
Director
DIN: 00066899

Place: New Delhi
Date : April 30, 2024

Board's Report

ANNEXURE II

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF OUR SUBSIDIARIES (Pursuant to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule (5) of the Companies (Accounts) Rules, 2014)

Sl. No.	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Reporting Currency	Closing exchange rate	Financial period ended	Share Capital	Reserve & surplus	Total Assets	Total Liabilities	Investments	Turnover	(INR Million)			
												Profit / (loss) before tax	Provision for tax	Profit / (loss) after tax	Proposed Dividend
1	Adis Enterprises Pvt Ltd	01-Feb-2020	INR	N.A.	31-Mar-24	0.10	13.00	22.15	9.05	-	36.57	2.23	0.46	1.77	-
															100.00

For and on Behalf of the Board of Directors
Dusters Total Solutions Services Private Limited



Shamsheer Puri
Whole-time Director
DIN: 01483698



Dhiraj Singh
Director
DIN: 00066899

Place: New Delhi
Date : April 30, 2024