



# ANNUAL REPORT

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# 2023



The best value comes from the integrity towards our clients.

- Ratan Kumar Srivastava  
Founder, MD & CEO, Ksolves



# Table of Contents

<b>1</b>	<b>Corporate Information</b>	<b>04</b>
<b>2</b>	<b>Message from the Desk of Chairman and Managing Director</b>	<b>05</b>
<b>3</b>	<b>Board of Directors and Leadership Team</b>	<b>09</b>
<b>4</b>	<b>Best at KSOLVES</b>	<b>13</b>
<b>5</b>	<b>Our Business Approach</b>	<b>14</b>
<b>6</b>	<b>Journey and Global Footprint</b>	<b>18</b>
<b>7</b>	<b>Awards and Recognition</b>	<b>19</b>
<b>8</b>	<b>Services and Products Offered</b>	<b>21</b>
<b>9</b>	<b>Notice of 9th Annual General Meeting</b>	<b>22</b>
<b>10</b>	<b>Board's Report</b>	<b>38</b>
<b>11</b>	<b>Management's Discussion and Analysis Report</b>	<b>52</b>
<b>12</b>	<b>Business Responsibility Report</b>	<b>97</b>
<b>13</b>	<b>Corporate Governance Report</b>	<b>150</b>
<b>14</b>	<b>Financials and Auditors' Report</b>	<b>173</b>



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**01** **Mr. Ratan Kumar Srivastava**  
 Chairman and Managing Director

**03** **Ms. Varsha Choudhry**  
 Independent Director

**05** **Ms. Sushma Samarth**  
 Independent Director

**02** **Ms. Deepali Verma**  
 Whole - time Director

**04** **Mr. Varun Sharma**  
 Independent Director

**06** **Mr. Vineet Krishna**  
 Independent Director

### KEY MANAGERIAL PERSONNEL

 **Company Secretary & Compliance Officer**

Ms. Manisha Kide

 **Statutory Auditor**

M/s. A Y & Co.  
 Chartered Accountants  
 404, Fourth Floor, ARG Corporate Park,  
 Ajmer Road, Gopal Bari, Jaipur – 302006,  
 Rajasthan, India  
 Tel No.: +91 0141 4037257,  
 +91 8003056441  
 info@aycompany.co.in

 **Internal Auditor**

M/s. RSAV & Company.  
 317/276 Second Floor Lane No.3,  
 Mehrauli Road, Saidulajab,  
 Saket, New Delhi-110030, India  
 Tel. No.: +91-011-45566165  
 ca.abhinyaverma@gmail.com

 **Registrar and Transfer Agents**

Bigshare Services Private Limited  
 Office No. S6-2,  
 6th Floor Pinnacle Business Park,  
 Next to Ahura Centre,  
 Mahakali Caves Road, Andheri (East) Mumbai – 400 093,  
 Maharashtra, India. Board No.: 022-62638200  
 Direct No.: 022-62638295  
 Investor grievance email: [bhagwan@bigshareonline.com](mailto:bhagwan@bigshareonline.com)  
 Website: [www.bigshareonline.com](http://www.bigshareonline.com)  
 SEBI Registration Number: INR000001385

 **Chief Financial Officer**

Mr. Umang Soni

 **Secretarial Auditor**

MSV & Associates  
 Company Secretaries  
 D-54, Chomu House,  
 C-Scheme  
 Jaipur – 302001, Rajasthan  
 Tel No: +91 90016 37075  
 csviveksharma9@gmail.com

 **Bankers**

ICICI Bank Limited  
 Deutsche Bank

 **Depositories**

National Securities Depository Limited  
 Central Depository Services (India) Limited

 **Listed**

National Stock Exchange of India Limited  
 BSE Limited

 **Investor Relations**

Ms. Manisha Kide  
 E-mail: [ir@ksolves.com](mailto:ir@ksolves.com)  
 Contact: +91-0120-4163248



## **MESSAGE FROM THE DESK OF CHAIRMAN & MANAGING DIRECTOR**

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Dear Stakeholders,

I feel immense pleasure to share with you all that the year 2022-23 has been a remarkable year for Ksolves India Limited in terms of growth, expansion and accreditations, despite of current global challenges. The same did not impeded our progress and we have achieved extraordinary results.

We also achieved several significant milestones during the year. The company has shown excellent financial growth as our revenue and profit figures shown the tremendous growth. We maintained the existing client retention ratio and also added up with new client base. We have also upgraded ourselves on different platforms for tech partnerships and also entered into new tech partnerships. We also opened new office bases domestically.

Elaborating the above achievements, I would like to highlight that during the year, we had no loss of productivity and in fact at its traditional forte the company also kept on consciously acquiring projects based on the newer technologies as is the order of the day. The company was thus able to showcase grit and determination by posing itself as partner in business and growth for its customers thereby winning their faith resulting into much more strengthen customer trust.

The Company has grown in terms of customers' base. Along with International customers, the company has also added the good base of domestic market customers. The Company is having good business continuity plan in place resultant to which the deliverables were managed properly and flawlessly. All the projects were successfully delivered.

**Clients and Employees Retention ratio:** The global scenario led to a negative impact on employment and business opportunities on the economy. We are happy for being successful to retain our clients as well as employees which definitely resulted in overall growth of the company and the people associated with it. The hybrid model of Work from home and work from office practice has been managed successfully. During the year the employee head count increased to 400+ employees.

The company continued to ramp up businesses in existing clients as well as winning multiple new projects including initiating multi-year IT services engagement with a Fortune 500 firm. Client base remained widely diversified with 40+ IT services clients across 25+ countries with top 5 client's contribution of 33%. Growth remained broad-based especially strong in USA geography in the area of AI/ML.

Cost challenges of increased salary costs, covid reopen expenses, increased employee engagement expenses and re-start of business travels" were adequately offset by "increased utilization percentage and gradual billing rate revisions for legacy clients' '. This helped in improving operating profit margin.

The financial benefits had been extended to employees in terms of regular annual appraisals and to Clients by providing more resource by conducting the hiring drive. This appraisal cycle, in spite of general business stress in IT sector due to recession crisis, is testimonial to company's strong track record of delivery in past and confidence for future growth.

Continue to invest heavily in building top-class teams via lateral hires in key focus areas of Data Sciences/Big Data/AI & ML as well as Onshore presence of Sales and Client Management teams.

Any organization needs to constantly weigh the needs of different stakeholders. Ksolves has adapted strategy to balance needs of all stakeholders and minimize conflict perceptions between shareholding and non-shareholding ones, such as customers, vendors, employees, and the communities in which Ksolves operate. To do so, pre-defined operating principles as well complete transparency on outcomes is a must. Highest form of corporate governance is underlying of all things Ksolves does.



Covid-19 pandemic has increased the acceptance of global delivery model, with smooth transition into virtual framework of client management, project development and delivery.

**Migration to the mainboard of NSE & BSE:** We are pleased to reiterate that the equity shares of the company migrated from Emerge platform of National Stock Exchange of India Limited (NSE) to mainboard of National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). It will help the Business in many ways and taking the trust of Ksolves' Stakeholders to the next level in terms of Credibility in front of Client, Resource Hiring, next level of process governance and elevated Corporate Governance.

**More Tech Partnerships:** On the basis of Credibility in front of Stakeholders, Transparency, earlier provided quality services, Good business relationships, the Company already stepped into different platforms for tech partnerships like Salesforce, Magento (Adobe), and Odoo. It recently upgraded to Odoo Gold Partner, became a Silver (Crest) partner of Salesforce. Efforts to upgrade Technology partnership status with leading Tech names are still continued.

**Financial Growth:** If discussed about the financial side, during the financial year under review, company achieved significant growth in revenue from operations, reaching Rs. 7,711.65 Lakhs compared to Rs. 4,534.58 Lakhs in the previous year, marking a growth of 70.06%. This growth was the result of well-planned and executed business expansion operations. For the year ending March 31, 2023, the profit before tax amounted to Rs. 3,299.31 Lakhs, compared to Rs. 2,029.03 Lakhs in the previous year. The total net profit for the year is Rs. 2,487.03 Lakhs, an increase from the previous year's net profit of Rs. 1,543.95 Lakhs.

Looking in the Consolidated Performance, the company has consistently demonstrated growth and efficiency, as reflected in its net profit performance during the fiscal year 2022-23. Income from sales increased to Rs. 7,831.16 Lakhs from Rs. 4,706.86 Lakhs, representing a growth of 66.38%.

During the year, the company paid a final dividend of Rs. 8 per equity share, resulting in a cash outflow of Rs. 9,48,48,000/- . This dividend was supported by a 1st interim dividend of Rs. 4.5 per share, involving an outflow of Rs. 5,33,52,000/- , and a 2nd interim dividend of Rs. 3 per share, involving an outflow of Rs. 3,55,68,000/- . Following the company's past practices, it expects to continue distributing dividends in the near future.

The company's deal funnel remains strong, and recent project wins are expected to contribute to revenue growth in the second quarter of FY 2023-24, supporting the momentum of growth. The company aims to achieve industry-leading growth in profit after tax (PAT). Going forward, the focus is on delivering sustainable long-term growth and maximizing shareholder value.



“  
**Efforts to upgrade technology partnership status with leading Tech names are continued.**

The year ended successfully for the company adding on to customers, employee head-count, revenue, profit and no. of projects as well.

I would like to take this opportunity to extend my gratitude and sincerely acknowledge the trust and support that the company has received throughout the year 2022-23 from every stakeholder such as all our Ksolves employees with their unfaltering loyalty to business ethos of Ksolves, the prestigious set of Independent Directors with their invaluable governance inputs, our most valuable shareholders and ever faithful clients along with business patrons and the same is one of the biggest reasons why the company is consistently sustaining and progressing ahead during the challenging times of pandemic. We are actively laying out our plans for the next phase of growth.

With this statement full of hope and positive spirits I hereby place before you all the Annual Report of the company for the financial year 2022-23 for your kind perusal.

Please do take care of yourself and your family and stay safe.

**Wish best wishes**

**Sincerely**

**Ratan Kumar Srivastava**

**Chairman & Managing Director**



“  
**Efforts to upgrade technology partnership status with leading Tech names are continued.**

## ► THE BOARD OF DIRECTORS



**Mr. Ratan Kumar Srivastava**

Mr. Ratan Kumar Srivastava is the Chairman and Managing Director and also the Promoter of our Company. He holds degree in Bachelor of Technologies – Computer Science & Engineering. He look after core management of the company and is active and enthusiastic in business activities. He has been instrumental in taking major policy decisions of the Company. He has experience of more than 19 years in our industry and he has worked with Tech Mahindra, Birlasoft (India) Limited, HSBC and Persistent Systems. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company.



**Mrs. Deepali Verma**

Mrs. Deepali Verma is the Whole Time Director and also the Promoter of our Company. She holds degree in Master of Commerce. She is having experience of more than 9 years in IT industry. She is involved in the business right from the conceptualization stage to the execution stage like planning and monitoring all the activities.



**Ms. Varsha Choudhry**

Ms. Varsha Choudhry is serving as an Independent Director on the company's board. She is a Chartered Accountant, The Member of The Institute of Chartered Accountants of India, she has an experience of more than 15 years in the field of Taxation and Finance. Her earlier positions include Brands and the Companies like Dominos, ITC Group, IHHR Hospitality, Leela Hotel etc.

**Mr. Varun Sharma**

Mr. Varun Sharma is serving as an Independent Director on the company's board. He is a finance researcher and Ph.D. finance candidate at London Business School. His research interest relates to financial intermediation, climate finance, and political economy. He has more than Seven years of experience in Risk Management, Management Consulting, Quantitative Finance, Asset Pricing, and Account Management. His earlier positions include Associate Director-Risk Advisory, PWC UK, Senior Business Consultant-Banking and Financial Services-IBM Global Services. Having more than 17 years of Experience.

**Ms. Sushma Samarth**

Ms. Sushma Samarth is serving as an Independent Director on the company's board. She brings in over 25 years of experience in Information Technology Enabled Services (ITES) across leading corporates such as COSL (Citcorp Overseas Software Limited, later known as Orbitech and Polaris), Infosys Ltd and Wipro Ltd especially in business domain of Banking & Capital Markets. She has extensive experience in managing complex and large business transformation engagements, large multi-location IT Projects, IT Enabled Services for Investment Banking Operations of MNC's. She is also an edupreneur and the founder of an education institute in K-12 segment. She is a frequent speaker in Schools and Colleges on Motivation, Science Research and Career Counselling. She has helped shape strategic vision and priorities for many small businesses. Sushma and her team won Toycathon 2021 organized by the Government of India. An alumnus of IIT Bombay and Indian School of Business, Hyderabad, She is also a key team member of a Non-Profit Organization focused on developing rural areas in Maharashtra.

**Mr. Vineet Krishna**

Mr. Vineet Krishna is serving as an Independent Director on the company's board. He brings on board 20 years of experience in areas such as sales & marketing, talent management/HR and entrepreneurial challenges. He worked with marquee firms such as Dabur and ICICI Lombard before starting his entrepreneurial journey as co-founder of Headhunting & Recruitment Consulting firm, Golden Wheat Consultant. He is also a Partner in Rangeela Pictures Pvt Ltd which is engaged in creating content / web-series for OTT Platforms. He is also a co-writer for Mirzapur Web-Series for Amazon Prime. He is an MBA from IIFT, New Delhi 2005 Batch) and a Hotel Management Graduate from Bangalore University (topper of his batch).

## ► THE LEADERSHIP TEAM



**Mr. Ratan Kumar Srivastava**  
Founder and CEO  
19+ years of IT experience



**Manish Gurnani**  
Chief Technology Officer  
23+ years of IT experience



**Jauant Anant**  
Senior Technical Project Manager  
32+ years of IT experience



**Harsha Gurugunti**  
Director of IT operations  
17+ years of IT experience



**Mr. Ramesh Shinde**  
Technical Architect  
18+ years of IT experience



**Mahesh Karche**  
Senior Project Manager  
15+ years of experience



**Mr. Kamal Asawara**  
Senior Technical Manager  
16+ years of IT experience



**Arti Agarwal**  
Software Test Lead  
15+ years of IT experience



**Vinod Verma**  
Technical Project Manager  
17+ years of IT experience



**Kirti Sharma**  
Head of Business Development  
8+ years of experience



**Manisha Kide**  
Company Secretary and  
Compliance Officer  
8+ years of experience



**Mr. Umang Soni**  
Chief Financial Officer  
5+ years of experience

## ► THE BEST AT KSOLVES

Client satisfaction has been at the focal point of Ksolves' business since the very inception of its journey into the IT sector. In order to identify itself from the crowd, Ksolves has religiously worked on building a successful framework where transparency and strong communication with its clients as well as employees forms the very foundation of its day-to-day operations. Our excellent client-first approach combined with the exceptional technical expertise of our talented team has made Ksolves what it is today. The attributes of KSOLVES includes:

- **A publicly listed company:** on India's largest stock exchange, National Stock Exchange (NSE) and also listed on BSE Limited (BSE) having a team of 400+ developers and architects and 40+ global clients with our Offices in the USA and India.
- **SDLC Process and Project Management Tools:** We follow the industry standard SDLC processes for smoother delivery, our team members are conversant with all the widely used Project Management Tools for project health analysis and tracking.
- **Feedback: Continuous feedback mechanism:** from the customers on the project planning and deliveries along with weekly feedback mechanism- Direct email from CEO, concerns raised are addressed immediately at any time/forum preferred by clients to ensure quality and to maintain long term business relationship.
- **Rock solid delivery Model:** The company has sound delivery model which was already tried, tested and helped in successful project deliveries which involves constant communication, support and maintenance. Because of this tried and tested delivery model, none of the project deliveries or support operations were affected even in the pandemic period and work from home time.

## ► THE BUSINESS OVERVIEW

### **Our Business Approach**

Ksolves is a CMMI Level 3, public listed, award-winning software development firm providing services to organizations of all sizes, right from Small and Medium (SMEs) level organizations to Enterprise-level organizations as engineering and technology partners. We leverage the latest technologies to untangle complex client problems and put them on a path to success. Our expertise includes high-end technologies like Big Data, Machine Learning, Artificial Intelligence, Salesforce®, Odoo, DevOps, Penetration Testing , etc. We cater to various industries like the healthcare, logistics, customer services, and IT industries. Ksolves has completed 100+ software development projects covering the entire project life cycle and has a strong team of certified professionals to cater to the needs of these projects.

Ksolves endeavours to bring together creativity and knowledge with positive business strategy to furnish the requirements of diverse customers with an inclusive range of products and services which are comprehensive and cost effective so that the client can focus on their core-competencies to improve or expand their businesses. Ksolves have worked for numerous industries, realized their true potential and scale to global recognition. we have developed custom applications and solutions for all those industry domains instead of giving these primitive details.

Our aspiration of providing a prominent solution for companies has led to constant innovations and exploration of different domains. Ksolves is highly supported and boosted by a swarm of 400+ developers and architects with an average experience of over 10 years in IT industries. Services being an integral part of our curriculum, the company focuses on delivering end-to-end services in each domain.

For delivering the best services, company has also stepped into different platforms for tech partnerships like Salesforce, Magento (Adobe), and Odoo. The company is expanding the sales staff and delivery offices across the globe. Domestically, the company currently has set up an additional place of business at Indore, India with good infrastructure facilities. Now the company has its domestic offices at Noida and Indore. Talent acquisition drive is ongoing for Sales and service deliveries. The company is constantly adopting new technologies, employing senior resources. This set up has been formed, so the customer can have direct contact with the Company and service professionals. The company is moving from traditional to hot/-modern technologies like Big Data, Machine learning, AI and Salesforce. This approach aids in acquiring good projects, successful project delivery, company's growth in terms of revenue and profit, retention of good talent/resources and most importantly helps to gain trust of investors and other stakeholders

## QUICK FACTS

**400+**    **11+**    **40+**    **25+**    **84.3%**    **33%**

Employees	Years of Service	Trusting Clients	Countries	Repeat Business	Top 5 Client Contribution
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## ALLIANCES & PARTNERSHIPS

We have matured partnerships with top names like Salesforce, Odoo, Adobe and RedHat. We share a strong symbiotic relation with our partners and we create innovative solutions for our customers.



Odoo Gold Partner



Salesforce Crest Partner



Bronze  
Solution Partner

Adobe Bronze Solution Partner



Partner Network

Amazon Web Services Partner Network



READY  
BUSINESS PARTNER  
ISV Partner

RedHat ISV Partner

## BUSINESS VERTICALS - HIGH END & NICHE TECHNOLOGY

Ksolves has a strong presence and highly skilled workforce in high-end and niche technology verticals like Big Data, Machine Learning, Artificial Intelligence, Salesforce, Odoo, DevOps, Penetration Testing, etc. We are committed to investing heavily in developing new skills in these and the emerging technology verticals and being ahead of the competition.

 <b>Salesforce</b>	 <b>Java/Micro Services</b>
 <b>AI &amp; Machine Learning</b>	 <b>Magento Development</b>
 <b>Serverless Architecture</b>	 <b>Node.js Development</b>
 <b>Apache Kafka</b>	 <b>DevOps</b>
 <b>Apache Nifi</b>	 <b>Big Data</b>
 <b>Apache Cassandra</b>	 <b>MERN &amp; MEAN Stack</b>
 <b>Apache Spark</b>	 <b>Openshift</b>
 <b>Odoo Development</b>	 <b>Ruby on Rail</b>

## OUR STRATEGY



## ► JOURNEY AND GLOBAL FOOTPRINT

**2012**



An idea was conceived by Ratan Srivastava. Kartik Solutions was born from a small office in Indirapuram. The seed was sown; Kartik Solutions is a subsidiary of Ksolves India Ltd.

Ksolves India Limited was formed.  
A success story begins.

**2014**



**2015**



Became a NASSCOM member  
Received ISO Certification

Revenue maintains a solid upward trajectory,  
and the Ksolves army grows in number;  
a family of 250+ achievers

**2016**



**2017**



Moved into a swanky new office space in Noida  
Crossed the 50+ clients milestone

Maintained a substantial  
80% client retention rate

**2018**



**2019**



Launched Odoo Products and became number one in  
Odoo Apps Store with Dashboard Ninja

Listed on National Stock Exchange (NSE), the biggest  
exchange in India. Ventured into various domains for tech  
partnerships like Salesforce, Magento (Adobe), and Odoo.

**2020**



**2021**



Achieved tremendous growth in turnover and Net Profit.  
Became CMMI Level 3 certified.

Proposed migration of company's shares to mainboard of  
National Stock Exchange & Bombay Stock Exchange.  
Registered as RedHat ISV Partner. Upgraded to Salesforce  
Ridge Silver Partner and Odoo Gold Partner.

**2022**



**2023**



Won Nasscom SME inspire awards 2023 and became  
an official Salesforce crest partner. Opened its  
4th delivery centre in Ahmedabad

 **AWARDS & RECOGNITION**

With our strong presence as a preferred engineering and software development partner for our customers, we have been awarded and recognized by prestigious agencies and institutions



## NSE SME INSPIRE AWARDS 2023



Nasscom SME Inspire Awards is an initiative of the Nasscom SME Council, with the mission to recognize the most innovative and impactful SMEs.

Ksolves won the "**Nasscom SME Inspire Awards 2023**" awarded by Shri. B.B Swain, Secretary, MSME, in the presence of Ms. Debjani Ghosh, President, Nasscom. The award ceremony was conducted by Nasscom - '**Nasscom SME Confluence 2023**' on March 28, 2023 in New Delhi, India, to felicitate the accomplishments of Tech MSMEs.

Out of 300 entries, Nasscom shortlisted 80 entities and Ksolves India Limited booked its victory.

## ► PRODUCTS AND SERVICES

Our business is divided into two divisions; services and products. We have strong expertise in providing services in niche technology verticals mentioned in the previous section. Many of our customers have trusted us as their reliable engineering partner for developing their products catering to various industries and business verticals.

We have a strong presence in developing and distributing Apps on Odoo and Magento platforms. We are proud to say that many of our Apps are top-selling Apps on the Odoo store. We distribute our Apps in the respective stores and on our store. You can visit <https://store.ksolves.com/>, <https://apps.odoo.com/apps/modules/browse?search=ksolves> and <https://marketplace.magento.com/partner/Ksolves+India> to learn more about our Apps offerings on Odoo and Magento platforms.

### Big Data Division



### Products Division



### Software Services



### Mobile Development Division



## ► NOTICE OF ANNUAL GENERAL MEETING

**Notice is hereby given that the 9th (Ninth) Annual General Meeting ("AGM") of the Members of Ksolves India Limited will be held on Sunday, the 23rd day of July 2023 at 11:00 A.M. (IST) through Video Conferencing (VC) to transact the following business:**

### **ORDINARY BUSINESS**

#### **1. Adoption of financial statements**

To consider and adopt the audited standalone financial statements and audited consolidated financial statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors ("the Board") and auditors thereon.

#### **2. Declaration of Dividend**

To Declare a final Dividend of Rs.8 per share on equity shares of the company for Financial Year 2022-23.

#### **3. Appointment of Ms. Deepali Verma (DIN: 05329336) as a Director, who is liable to retire by rotation**

To appoint Ms. Deepali Verma (DIN: 05329336) as a Director, who retires by rotation and being eligible, offers herself for reappointment.

### **4. SPECIAL BUSINESS**

#### **To approve revision and payment of remuneration to Mr. Ratan Kumar Srivastava (DIN: 05329338) as Chairman and Managing Director of the company**

To consider and, if thought fit, pass the following resolution as an ORDINARY RESOLUTION:

**"RESOLVED THAT** in modification of resolution passed in this regard by the members of the Company at 7th Annual General Meeting held on April 29, 2020 and pursuant to the provisions of Section 196, 197, 198, 200 read with ScheduleV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (including any amendment/modification or enactment thereof for the time being in force), the Articles of Association of the Company and the recommendation of the Nomination and Remuneration Committee and the Board of Directors, subject to such necessary approval(s), consent(s) or permission(s), as may be required, approval of the members be and is hereby given to revise the remuneration payable to Mr. Ratan Kumar Srivastava (DIN: 05329338) as Chairman and Managing Director of the company on the terms and conditions as hereinafter mentioned effective from 1st July, 2023 and valid for the remaining tenure.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Ratan Kumar Srivastava, Chairman and Managing Director of the company with effect from July 01, 2023 shall be as under:

**RESOLVED FURTHER THAT** Consolidated salary of Rs. 1,02,00,000/- (Rupees One Crore two Lakhs Only) per annum which includes performance-based pay, allowances, and perquisites as may be drawn, with the authority to the Board of Directors to fix the salary within the said maximum limit from time to time including the various components of such salary."

**RESOLVED FURTHER THAT** the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time."

**RESOLVED FURTHER THAT** in the event of loss or the profits made are inadequate as determined under Section 198 of the Act, in any financial year during the currency of the tenure of Mr. Ratan Kumar Srivastava, the Board of Directors be and is hereby authorised to pay aforesaid remuneration, but only upon the approval of shareholders in the manner as may be prescribed.

**RESOLVED FURTHER THAT** except for the aforesaid revision in salary, all other terms and conditions of his appointment as Managing Director of the Company, as approved by the resolution passed at the 7th Annual General Meeting of the Company held on April 29, 2020 shall remain unchanged.

**RESOLVED FURTHER THAT** the Ms. Deepali Verma, Whole-time Director of the Company, be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper, expedient or incidental or for signing of e-forms to be filed with the registrar of companies, for giving effect to this resolution as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard including power to sub-delegate, in order to give effect to this resolution.

**By order of the Board of Directors  
for Ksolves India Limited**

Sd/-  
**Manisha Kide**  
**Company Secretary**  
**M. No: A60275**

**Date: July 01, 2023**  
**Place: Noida**

**Notes and e-voting instructions:**

1. Relevant details in respect of Director seeking re-appointment at the AGM, in terms of Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Clause 1.2.5 of Secretarial Standard – 2 on General Meetings is also annexed to this notice.
2. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and further circular issued in this context thereafter, the forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Bigshare Services Private Limited (Bigshare) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member will be provided by Bigshare.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

7. Since the next Annual General Meeting will be conducted through VC/OAVM, the route map is not attached to the Notice.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020, dated April 13, 2020, the Notice calling the AGM has been uploaded on the Company's website at [www.ksolves.com](http://www.ksolves.com). The Notice can also be accessed from the websites of the Stock Exchange, i.e., National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility, i.e., <https://ivote.bigshareonline.com/landing>
9. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
10. In view of the outbreak of the COVID-19 pandemic, resultant difficulties involved in dispatching of physical copies of the Annual Report and in line with the said Circulars issued by the MCA and said SEBI Circular, the Annual Report including Notice of the 9th AGM of the Company inter alia indicating the process and manner of e-voting is being sent only by Email, to all the Shareholders whose Email IDs are registered with the Company/ Depository participant (s) for communication purposes to the Shareholders and to all other persons so entitled. Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the said Circulars issued by MCA and said SEBI Circular, the Annual Report including Notice of the 9th AGM of the Company will also be available on the website of the Company at [www.ksolves.com](http://www.ksolves.com). The same can also be accessed from the website of the Stock Exchange i.e. NSE at [www.nseindia.com](http://www.nseindia.com) and BSE at [https://www.bseindia.com/](http://www.bseindia.com) respectively and on the website of Bigshare i.e. <https://ivote.bigshareonline.com/landing>
11. Brief Resume of the Director(s) seeking re-appointment, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 {SEBI (LODR) Regulations, 2015} and Secretarial Standard on General Meeting (SS-2) as amended issued by the Institute of Company Secretaries of India (ICSI) is annexed hereto and forms part of Notice.
12. Members joining the meeting through VC who have not already cast their vote by means of remote e-voting shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.

- 13.** Members seeking any information with regard to the accounts or any matter to be placed at the AGM or who would like to ask questions or registered themselves as Speaker, are requested to write to the Company mentioning their name demat account number/folio number, email id, mobile number at **cs@ksolves.com** on or before July 14, 2023 so as to enable the management to keep the information ready. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- 14.** Members holding the shares in dematerialized form are requested to notify immediately, the information regarding change of address and bank particulars to their respective Depository Participant.
- 15.** The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.
- 16.** The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 15 , 2023 to Sunday, July 23, 2023 (both days will be inclusive).

#### **VOTING THROUGH ELECTRONIC MEANS:**

- 17.** In terms of the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 (as amended from time to time) and Regulation 44 of the SEBI Listing Regulations and the said Circulars, the Company is pleased to provide the facility of "e-voting" to its Shareholders, to enable them to cast their votes on the resolutions proposed to be passed at the AGM, by electronic means. The instructions for e-voting are given herein below. The Company has engaged the services of Bigshare Services Private Limited, who will provide the e-voting facility of casting votes to a Shareholder using remote e-voting system (e-voting from a place other than venue of the AGM) ("remote e-voting") as well as e-voting during the proceeding of the AGM ("e-voting at the AGM").

Further, in accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed Friday, July 14 , 2023 as the "cut-off date" to determine the eligibility to vote by remote e-voting or e-voting at the AGM.

- 18.** A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. Friday, July 14 , 2023, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. Only those Shareholders, who will be present at the AGM through VC/ OAVM facility and who would not have cast their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.

## 19. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- i. The voting period begins on Thursday, July 20, 2023 at 9:00 a.m IST and ends on Saturday, July 22, 2023 at 5:00 p.m. IST. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, July 14, 2023 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.
- ii. Voting shall not be open except for above mentioned schedule.
- iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- iv. In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**1. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ul style="list-style-type: none"> <li>• Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdsindia.com/myeasi/home/login">https://web.cdsindia.com/myeasi/home/login</a> or visit <a href="http://www.cdsindia.com">www.cdsindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>• After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly.</li> <li>• If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdsindia.com/myeasi/Registration/EasiRegistration">https://web.cdsindia.com/myeasi/Registration/EasiRegistration</a></li> <li>• Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link <a href="http://www.cdsindia.com">www.cdsindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-voting period.</li> </ul>
Individual Shareholders holding securities in Demat mode with CDSL	<ul style="list-style-type: none"> <li>• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>• If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/Idideas-DirectReg.jsp">https://eservices.nsdl.com/SecureWeb/Idideas-DirectReg.jsp</a></li> </ul>

Type of shareholders	Login Method
	<ul style="list-style-type: none"> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ul>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<ul style="list-style-type: none"> <li>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

#### **Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	<ul style="list-style-type: none"> <li>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.</li> </ul>
Individual Shareholders holding securities in Demat mode with CDSL	<ul style="list-style-type: none"> <li>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</li> </ul>

## 2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given

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- You are requested to launch the URL on internet browser:  
**<https://ivote.bigshareonline.com>**
- Click on “**LOGIN**” button under the ‘**INVESTOR LOGIN**’ section to Login on E-Voting Platform.
- Please enter you ‘**USER ID**’ (User id description is given below) and ‘**PASSWORD**’ which is shared separately on you register email id.
  - Shareholders holding shares in **CDSL demat account** should enter **16 Digit Beneficiary ID** as user id.
  - Shareholders holding shares in **NSDL demat account** should enter **8 Character DP ID followed by 8 Digit Client ID** as user id
  - Shareholders holding shares in **physical form** should enter **Event No + Folio Number** registered with the Company as user id.

**Note** If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

**NOTE:** If Shareholders are holding shares in demat form and have registered on to e-Voting system of **<https://ivote.bigshareonline.com>** and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**INVESTOR LOGIN**’ tab and then Click on ‘**Forgot your password?**’
- Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘**Reset**’.

*(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).*

## Voting method for shareholders on i-Vote E-voting portal:

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- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor
- Select event for which you are desire to vote under the dropdown option.
- Click on “**VOTE NOW**” option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option “**IN FAVOUR**”, “**NOT IN FAVOUR**” or “**ABSTAIN**” and click on “**SUBMIT VOTE**”. A confirmation box will be displayed. Click “**OK**” to confirm, else “**CANCEL**” to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on investor portal.

## 3. Custodian registration process for i-Vote E-Voting Website

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- You are requested to launch the URL on internet browser:  
<https://ivote.bigshareonline.com>
- Click on “**REGISTER**” under “**CUSTODIAN LOGIN**”, to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with “**User id and password will be sent via email on your registered email id**”.

**NOTE:** If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

## Voting method for Custodian on i-Vote E-voting portal:

- After successful login, Bigshare E-voting system page will appear.

### Investor Mapping:

- First you need to map the investor with your user ID under “**DOCUMENTS**” option on custodian portal.
  - Click on “**DOCUMENT TYPE**” dropdown option and select document type power of attorney (POA).
  - Click on upload document “**CHOOSE FILE**” and upload power of attorney (POA) or board resolution for respective investor and click on “**UPLOAD**”.

**Note:** The power of attorney (POA) or board resolution has to be named as the “*InvestorID.pdf*” (Mention Demat account number as Investor ID.)

- Your investor is now mapped and you can check the file status on display.

### Investor vote File Upload:

- To cast your vote select “**VOTE FILE UPLOAD**” option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on “**UPLOAD**”. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**”

### Helpdesk for queries regarding e-voting:

Login type	Helpdesk details
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	<ul style="list-style-type: none"> <li>In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at <a href="https://ivote.bigshareonline.com">https://ivote.bigshareonline.com</a>, under download section or you can email us to <a href="mailto:ivote@bigshareonline.com">ivote@bigshareonline.com</a> or call us at: 1800 22 54 22.</li> </ul>

#### 4. Procedure for joining the AGM/EGM through VC/ OAVM

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For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- The Members may attend the AGM through VC/ OAVM at <https://ivote.bigshare-online.com> under Investor login by using the e-voting credentials (i.e., User ID and Password).
- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to attend the **AGM/EGM** under the drop-down option.
- For joining virtual meeting, you need to click on “**VC/OAVM**” link placed beside of “**VIDEO CONFERENCE LINK**” option.
- Members attending the AGM/EGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

**The instructions for Members for e-voting on the day of the AGM/EGM are as under:-**

- The Members can join the AGM/EGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM/EGM is same as the instructions mentioned above for remote e-voting.
- Only those members/shareholders, who will be present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM/EGM.
- Members who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the AGM/EGM.

## Helpdesk for queries regarding virtual meeting:

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions ('FAQs') available at <https://ivote.bigshareonline.com>, under download section or you can email us to [ivote@bigshareonline.com](mailto:ivote@bigshareonline.com) or call us at: 1800 22 54 22.

The board of directors has appointed Mr. Arpit Gupta (Membership No. - 421544), Practicing Chartered Accountants, Partner of M/s A Y & Company (Formerly Known as M/s Arpit R Gupta & Company) (404, Fourth Floor, ARG Corporate Park, Ajmer Road, Gopalbari Jaipur-302006, Rajasthan, India) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.

The Scrutinizer shall after the conclusion of voting at the general meeting will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any to the chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ksolves.com](http://www.ksolves.com) and on the website of Bigshare immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to Stock Exchange.

► **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS  
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT")**

The members are requested to consider and, if thought fit, approve the revision and payment of remuneration to Mr. Ratan Kumar Srivastava, as Chairman and Managing Director of the company.

The members at the 7th AGM held on April 29, 2020 approved maximum remuneration of Rs.4,00,000/- (Rupees Four Lakh Only) per annum payable to Mr. Ratan Kumar Srivastava in his capacity as Managing Director.

Subsequent to that, On November 2020, Considering the situation of pandemic, Mr. Ratan Kumar Srivastava voluntarily waived off to take the remuneration for the further period of two years, till November 2022 and has not been withdrawing the remuneration till the date of 9th Annual General Meeting.

Based on his performance and growth of the company under his leadership, the Board of Directors on the recommendation of the Nomination and Remuneration Committee, at their meeting held on June 30, 2023, approved increase in the remuneration payable to Mr. Ratan Kumar Srivastava, as Managing Director of the Company as proposed in the resolution in Item No. 4 of the Notice, and hereby recommend it for your approval as ORDINARY RESOLUTION.

The proposed remuneration is based on Industry Standards and the role and responsibilities of Mr. Ratan Kumar Srivastava Managing Director of the Company.

Accordingly, approval of the Members is sought pursuant to the provisions of Section 196, 197, 198, 200 read with Schedule V and other applicable provisions, if any, of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company.

Accordingly, the Board recommends the Ordinary Resolution as set out at Item No. 4 of this Notice, for the approval of the members. Except Mr. Ratan Kumar Srivastava, none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, deemed to be concerned or interested, financially or otherwise, in the said resolution.

Additional information on directors recommended for appointment/re-appointment or having alteration in terms of appointment at the Annual General Meeting as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable secretarial standards is provided as Annexure-II to the Notice of 9th Annual General Meeting.

## ► Annexures to Notice of AGM

### Annexure - I

Additional information on directors recommended for appointment/re-appointment or having alteration in terms of appointment at the Annual General Meeting as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable secretarial standards.

<b>Resolution No.</b>	<b>3</b>
Name of the Director	Ms. Deepali Verma
Director Identification Number (DIN)	05329336
Age	44
Date of Appointment at current designation	29th April, 2020
Qualifications	Master of Commerce
Experience (including expertise in specific functional area) / Brief Resume	Brief Profile of Ms. Deepali Verma is given the 'Board of Directors' section of Annual Report.
Terms and conditions of appointment / re-appointment	Whole-time Director, remuneration applicable as per Section 197 of companies Act 2013.
Remuneration proposed to be paid	--
Names of listed entities in which the person also holds the directorship in other Companies	Nil
Chairmanship/ Membership of Committees in other companies in which position of Director is held	Nil
Shareholding in the Company	32,16,400 equity shares
Relationship with Other Directors, Manager and other Key Managerial Personnel of the company.	Wife of Mr. Ratan Kumar Srivastava, Managing Director of the Company
The number of Meetings of the Board attended/held during the FY 2022-23 i.e., upto 31st March, 2023	6/6

## ► Annexures to Notice of AGM

### Annexure - II

Additional information on directors recommended for appointment/re-appointment or having alteration in terms of appointment at the Annual General Meeting as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable secretarial standards.

Resolution No.	4
Name of the Director	Mr. Ratan Kumar Srivastava
Director Identification Number (DIN)	05329338
Age	44
Date of Appointment at current designation	29th April, 2020
Qualifications	Bachelor of Technologies – Computer Science & Engineering
Experience (including expertise in specific functional area) / Brief Resume	Brief Profile of Mr. Ratan Kumar Srivastava is given the 'Board of Directors' section of Annual Report.
Terms and conditions of appointment / re-appointment	Chairman cum Managing Director, remuneration applicable as per Section 197 of companies Act 2013
Remuneration proposed to be paid	Rs. 1,02,00,000/- per annum.
Names of listed entities in which the person also holds the directorship in other Companies	Nil
Chairmanship/ Membership of Committees in other companies in which position of Director is held	Nil
Shareholding in the Company	37,72,000 equity shares
Relationship with Other Directors, Manager and other Key Managerial Personnel of the company.	Husband of Ms. Deepali Verma, Whole-time Director of the Company
The number of Meetings of the Board attended/held during the FY 2022-23 i.e., upto 31st March, 2023	6/6

▶ **Board Report**

**To  
The Members,  
Ksolves India Limited**

Your directors are pleased to present the Annual Report of your company together with the Audited Standalone and Consolidated Financial Statements of your company for the financial year ended, March 31, 2023.

## **01 Summary of Financial Results:**

<b>Particulars</b>	<b>Standalone (Amount in Lacs)</b>		<b>Consolidated (Amount in Lacs)</b>	
	<b>FY 2022-23</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
Revenue	7773.83	4660.56	7893.73	4833.38
Expenses	4514.7	2661.63	4654.9	2791.03
EBITDA	3299.31	2029.03	2124.03	1240.41
Finance costs	--	--	--	0.32
Depreciation and amortization expense	40.18	30.09	54.73	49.07
Profit before tax	3299.31	2029.03	3293.96	2091.42
Tax Expenses	812.28	485.08	821.52	502.03
<b>Profit for the year</b>	<b>2487.03</b>	<b>1543.95</b>	<b>2472.04</b>	<b>1589.39</b>
<b>Other Comprehensive Income/(Loss)</b>	<b>(27.06)</b>	<b>(12.57)</b>	<b>(27.06)</b>	<b>(12.57)</b>
<b>Total Comprehensive Income for the year</b>	<b>2459.97</b>	<b>1531.38</b>	<b>2444.98</b>	<b>1576.82</b>

## **02 Performance of your company:**

### **Consolidated Financial Highlights**

The audited consolidated financial statement of your company as on 31st March, 2023 prepared in accordance with the Generally Accepted Accounting Principles in India, relevant applicable regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provision of Companies Act, 2013 forms part of this Annual report.

The Key Aspect of your company's consolidated financial performance during the financial year 2022-23 are as follows:

### **Operational Highlights**

The consolidated revenue of the company from Sales is Rs. 7831.16 lacs as compared to Rs. 4706.86 lacs in the previous year.

### **Financial highlights**

The consolidated profit of the company is Rs. 2444.98 lacs as compared to Rs. 1576.82 lacs in the previous year.

### **Standalone Financial Highlights:**

#### **Operational Highlights**

The standalone revenue of the company from Sales is Rs. 7711.65 lacs as compared to Rs. 4534.58 lacs in the previous year.

#### **Financial highlights**

The standalone profit of the company is Rs. 2459.97 lacs as compared to Rs. 1531.38 lacs in the previous year.

## **03 Changes in Share Capital**

### **i. Increase in Authorised Capital**

During the year under review, there were no changes in the authorized share capital of the company.

## **04 Dividend**

During the year under review, your company has declared and paid the dividends as follows:

- A.** Interim Dividend of Rs. 3/- (Rupees Three) per share was declared on February 22, 2023
- B.** Interim Dividend of Rs. 4.50/- (Four Rupee and fifty paise) per share was declared on October 16, 2022
- C.** Interim Dividend of Rs. 8/- (Rupees Eight) per share was declared on July 12, 2022.

## **05 Transfer to Investor Education and Protection Fund (IEPF)**

No Funds or shares were required to transferred to Investor Education and Protection Fund during the year under review.

## **06 Transfer to Reserves**

During the period under review, the Company didn't transfer any amount to reserves.

## **07 Deposit**

During the year under review your company has not accepted any deposits pursuant to the provisions of Section 73 to 76 of the Companies Act, 2013.

## **08 Changes in nature of business**

There is no significant change made in the nature of the company during the financial year under review.

## **09 Material changes and commitment affecting the financial position of your Company**

There are no material changes and commitments, affecting the financial position of your Company which has occurred between the end of the financial year of the Company i.e., March 31, 2023 and the date of Directors' Report i.e., June 24, 2023.

## **10 Foreign Exchange Earnings and Outflow**

During the year, the total foreign exchange used was Rs. 42.10 lacs and the total foreign exchange earned was Rs. 5913.04 lacs.

## **11 Conservation of energy and technology absorption**

The details of conservation of energy and technology absorption are not applicable to the company hence not furnished.

## **12 Particulars of Holding, Subsidiary and Associate Companies**

The Board reviews the affairs of the Company's subsidiaries and associates at regular intervals. In accordance with section 129(3) of the Companies Act, 2013, the Company has prepared Consolidated Financial Statements of the Company which form part of this Annual Report. Further, a statement containing salient features of the Financial Statements of the Company's subsidiary is given in prescribed Form AOC-1, enclosed as Annexure-L which forms part of this Annual report. The said Form also highlights the financial performance of the subsidiary company included in the Consolidated Financial Statements.

In accordance with section 136(1) of the Companies Act, 2013, the Financial Statements of the subsidiary company are available for inspection by the members at the Registered Office of the Company during business hours on all days except Saturday, Sunday and Public Holiday. Any person desirous of obtaining said financial statement may write at [cs@ksolves.com](mailto:cs@ksolves.com).

During the year under review, the company has acquired shares equivalent to 100% (100 percent) of the total capital of Ksolves LLC, USA. The effective acquisition had zero debt as on effective date. Ksolves LLC, USA has become the fully owned subsidiary of the Ksolves India Limited with effect from June 11, 2021.

## **13 Risk Management and Internal Control System**

Our company is exposed to a range of external as well as internal risks that have a significant impact on its performance. In order to efficiently manage such risk, the Company has established a well-defined process of risk management, wherein the identification, analysis and assessment of the various risks, measuring of the probable impact of such risks, formulation of risk mitigation strategy and implementation of the same takes place in a structured manner. Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company. Our robust internal control system, for minimizing the risk, propels our culture of informed and responsible risk handling for attaining the organizational objectives with optimum utilization of resources

## **14 Related Party Transactions**

All contracts/transactions entered into by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

No material Related Party Transactions, i.e., transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2, enclosed as Annexure-M is not applicable.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions for transactions which are of repetitive nature and entered in the ordinary course of business and are at arm's length. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **15 Significant & material orders passed by the regulators or courts**

There are no significant and material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

## **16 Particulars of loans, guarantees or investments**

Disclosure on details of loans, guarantees and investments pursuant to the provisions of Section 186 of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the financial statements.

## **17 Directors and Key Managerial Personnel**

### **Board of Directors**

As on the end of financial year under review, the Board of the Company comprises of Six (06) Directors; One Managing Director, one Whole-time Director and remaining four being Independent Directors. As on March 31, 2023, the Board of the company constitutes of the following directors:

S N	Name of Director	DIN Number	Designation
1.	Mr. Ratan Kumar Srivastava	05329338	Chairman and Managing Director
2.	Ms. Deepali Verma	05329336	Whole-time Director
3.	Ms. Varsha Choudhry	08969362	Independent Director
4.	Mr. Varun Sharma	09132886	Independent Director
5.	Ms. Sushma Samarth	03514831	Independent Director
6.	Mr. Vineet Krishna	07200342	Independent Director

**Note:** Mr. Vineet Krishna is appointed as Additional Director (Independent) of the company with effect from 31st May, 2022 (appointed date) and regularized in the Annual General Meeting dated August 28, 2022.

During the year under review, the following are the changes that occurred on the Board of your company:

	Name and Designation of Director	Appointed on (Effective date)	Resigned on
	Mr. Vineet Krishna-Independent Director	May 31, 2022	N. A

### Change in Designation

During the year under review, no change in designations occurred in the company.

### Key Managerial Personnel

In accordance with the provision of Section 2(51) read with Section 203 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as on the date of this report and at the end of the financial year under review, **Mr. Ratan Kumar Srivastava** is the Managing Director of the Company, **Ms. Manisha Kide** is the Company Secretary, and Compliance Officer of the Company and **Mr. Umang Soni** is the Chief Financial Officer of the Company.

During the year under review, there were no changes occurred in the Key Managerial Personnel of the Company:

#### i. Retire by Rotation - Ms. Deepali Verma

Pursuant to Sections 149, 152, and other applicable provisions of the Companies Act, 2013, one-third of the company directors are liable to retire by rotation. If eligible, they can offer themselves for the re-appointment. In this Annual General Meeting, Ms. Deepali Verma (DIN: 05329336), Executive and Whole-time Director of the Company is liable to retire by rotation and is eligible to offer herself for re-appointment.

## ii. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations") The Board has adopted a process for evaluating its performance and effectiveness as well as that of its Committees and carried out an annual evaluation of its own performance, Board Committees and the Directors individually. The Board and the Nomination & Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria and framework adopted by the Board. The evaluation criteria included various aspects such as, functionality of Board, compositions, process & procedures including adequate & timely information, attendance, delegation of responsibility, decision making, roles & responsibility including monitoring, benchmarking, feedback relationship with the stakeholders and as provided by the Guidance Note on Board Evaluation issued by SEBI dated January 05, 2017. In a separate meeting of the Independent Directors held on January 15, 2023, performance of the Non-Independent Directors, the Board as a whole and the Chairman was also evaluated, on the basis of pre-set criterion. During the year, Board Evaluation cycle was completed by the Company internally which included the Evaluation of the Board as a whole, Board Committees and Peer Evaluation of the Directors. The Board was satisfied with the contribution of directors, in their respective capacities and as a team.

## ii. Nomination and Remuneration Policy

The policy on nomination and remuneration of Directors, Key Managerial Personnel and other employees has been formulated in terms of the provision of The Companies act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in order to pay equitable remuneration to the Directors, Key Managerial Personnel and employees of the Company and to harmonize the aspiration of human resources consistent with the goals of the Company.

The Remuneration Policy has been updated on the website of the Company at <https://www.ksolves.com/assets/pdf/5-Policies/6-Nomination-and-Remuneration-Policy.pdf> The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate Annexure-D forming part of this report. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of your Company. Any member interested in obtaining a copy of the same may write to the Company Secretary.

## ii. Details of Director's Remuneration

The information relating to remuneration paid to directors as required under Section 197(12) of Companies Act, is given under Annexure-C.

## iii. Certificate of Practicing Company Secretary

The Company has obtained a certificate from M/s MSV & Associates, Practicing Company Secretary, Jaipur stating that none of the Directors on the Board of the Company have been debarred/ disqualified from being appointed / continuing as Directors of any company, by the SEBI and Ministry of Corporate Affairs or any such Statutory authority, under Annexure- H.

## **18 Declaration by Independent Directors**

The company has received necessary declaration from the Independent Directors as required under Section 149(7) of the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 confirming that they meet the criteria of independence as laid down in Section 149(6) of the Act and that of LODR Regulations. Independent Directors are in compliance with the Code of Conduct prescribed under Schedule IV of the Companies Act, 2013.

In the opinion of Board, the Independent Directors of the company possess the integrity, requisite experience and expertise, relevant for the industry in which the company operates. Further, all the Independent Directors of the Company have successfully registered with the Independent Director's Databank of the Indian Institute of Corporate Affairs. The online proficiency self- assessment test conduct by the said institute is yet to be passed by them.

## **19 Meeting of Board of Directors and Compliance with Secretarial Standard**

The Board of Directors of the Company met seven (6 ) times during the year i.e., on 15.05.2022, 12.07.2022, 04.08.2022 16.10.2022, 15.01.2023, and 22.02.2023. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The Company has complied with the provisions of Secretarial Standard 1 (relating to meetings of the Board of Directors) and Secretarial Standard 2 (relating to General meetings) during the year.

### **Attendance of Directors during the Board Meeting for FY 2022-23**

S N	Name of Director	No. of meeting attended	No. of meeting eligible to attend/held
1.	Mr. Ratan Kumar Srivastava	6	6
2.	Ms. Deepali Verma	6	6
3.	Ms. Varsha Choudhry	6	6
4.	Mr. Varun Sharma	6	6
5.	Ms. Sushma Samarth	5	6
6.	Mr. Vineet Krishna	5	5

## **20 General Meeting**

During the period under review, the Annual general meeting of the company was held on August 28, 2022. There was no Extraordinary general meeting held during the period under review.

## 21 Postal Ballot

During the year under review, the company has proposed the agenda for the Migration of equity shares of the company from Emerge platform of the National Stock Exchange of India Limited (NSE) to the mainboard of the National Stock Exchange of India Limited (NSE) AND BSE Limited (BSE) through the postal ballot dated July 14, 2022.

## 22 Board Committees

With a view to have more focused attention on business and for better governance and accountability, the Board has the following committees as on March 31, 2023:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes and proceedings of the meetings of all Committees are placed before the Board for review. The Minutes of the Committee Meetings are sent to all members of the Committee individually and tabled at the Board Meetings. Following are the details of Board Committees:

### Audit Committee

The Audit Committee of the Board of Directors was constituted in conformity with the requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee are as set out in conformity with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The composition of the Audit Committee is as on March 31, 2023 as follows:

S. N.	Name of Director	Designation	Nature of Directorship
1.	Mr. Varun Sharma	Chairman	Non-Executive-Independent Director
2.	Ms. Varsha Choudhry	Member	Non-Executive-Independent Director
3.	Mrs. Deepali Verma	Member	Whole time Director
4.	Mr. Vineet Krishna	Member	Non Executive-Independent Director

*Note: The Audit committee was reconstituted on August 04, 2022*

Terms of reference of the Audit Committee:

- i.** Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii.** Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- iii.** Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv.** Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
- v.** Reviewing, with the management, the half-yearly financial statements before submission to the board for approval, with particular reference to;
  - matters required to be included in the director's responsibility statement to be contained in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by the management
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
- vi.** Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- vii.** Reviewing and monitoring the auditor's independence and performance, and effectiveness of the audit process;
- viii.** Approval or any subsequent modification of transactions of the listed entity with related parties;
- ix.** Scrutiny of inter-corporate loans and investments;
- x.** Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- xi.** Evaluation of internal financial controls and risk management systems;
- xii.** Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- xiii.** Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv.** Discussion with internal auditors of any significant findings and follow up there on;

- xv. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of the audit, including the observations of the auditors and review of financial statements before their submission to the Board, and may also discuss any related issues with the internal and statutory auditors and the management of the company.
- xvi. Discussing with the statutory auditors before the audit commences about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;
- xvii. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of material nature and reporting the matter to the board;
- xviii. Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xix. The Audit Committee shall have authority to investigate any matter in relation to the items specified in section 177(4) of the Companies Act 2013 or referred to it by the Board.
- xx. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xxi. To review the functioning of the whistle blower mechanism;
- xxii. Approving the appointment of the Chief Financial Officer (i.e., the whole-time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
- xxiii. The audit committee shall oversee the vigil mechanism
- xxiv. The audit committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings
- xxv. Carrying out any other function as is mentioned in terms of reference of the audit committee or containing into SEBI Listing Regulations 2015

**Further, the Audit Committee shall mandatorily review the following:**

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- vi. Statement of deviations:
  - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

## Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board of Directors is in conformity with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as well as Section 178 of the Companies Act, 2013. The composition of the Nomination and Remuneration Committee is as on March 31, 2023 is as follows:

S. N.	Name of Director	Designation	Nature of Directorship
1.	Mr. Vineet Krishna	Chairperson	Non-Executive Independent Director
2.	Ms. Varsha Choudhry	Member	Non-Executive Independent Director
3.	Ms. Sushma Samarth	Member	Non-Executive Independent Director

### Terms of reference of the Nomination and Remuneration Committee:

- i. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall evaluate every director's performance;
- ii. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- iii. Formulation of criteria for evaluation of the performance of independent directors and the board of directors;
- iv. Devising a policy on diversity of the board of directors;
- v. Whether to extend or continue the term of appointment of the independent director, based on the report of performance evaluation of independent directors;
- vi. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director, including pension rights;
- vii. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- viii. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company), evaluate the performance, and determine the amount of incentive of the Executive Directors for that purpose.
- ix. Decide the amount of Commission payable to the Whole Time Directors;
- x. Review and suggest a revision of the total remuneration package of the Executive Directors, keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.; and
- xi. To formulate and administer the Employee Stock Option Scheme

## Stakeholder Relationship Committee

The Company has constituted a Stakeholders' Relationship Committee pursuant to provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The composition of Stakeholders' Relationship Committee as on March 31, 2023 is as follows:

S. N.	Name of Director	Designation	Nature of Directorship
1.	Ms. Sushma Samarth	Chairman	Non-Executive, Independent Director
2.	Mr. Varun Sharma	Member	Non-Executive, Independent Director
3.	Mr. Ratan Kumar Srivastava	Member	Chairman & Managing Director

**Note:** The committee was further reconstituted with effect from May 15, 2022.

Terms of reference of Stakeholders' Relationship Committee:

- i. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at the back for recording transfers has been fully utilised
- ii. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- iii. Review the process and mechanism of redressal of Shareholders' /Investor's grievances and suggest measures for improving the system of redressal of Shareholders' /Investors' grievances.
- iv. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of the annual report and any other grievance/complaints with Company or any officer of the Company arising out in the discharge of his duties.
- v. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- vi. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for the prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
- vii. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of a resolution passed by it in a duly conducted Meeting, and
- viii. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

### Corporate Social Responsibility Committee

The Company has constituted a Corporate Social Responsibility Committee pursuant to provisions of Section 135 of the Companies Act, 2013. The composition of Corporate Social Responsibility Committee as on March 31, 2023 is as follows:

S. N.	Name of Director	Designation	Nature of Directorship
1.	Ms. Deepali Verma	Chairman	Whole-time Director
2.	Ms. Varsha Choudhry	Member	Non-Executive, Independent Director
3.	Mr. Vineet Krishna	Member	Non-Executive, Independent Director

**Note:** The committee was further reconstituted with effect from May 31, 2023.

## **23 Extract of Annual Return**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as of March 31, 2021, is available on the Company's website at

<https://www.ksolves.com/assets/pdf/annual-report/2021-23.pdf>

## **24 Directors' Responsibility Statement**

Your Company's Directors make following statement in terms of sub-section (5) of Section 134 of the Act, which is to the best of their knowledge and belief and according to the information and explanations obtained by them:

- i. That in the preparation of the annual financial statements for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. That such accounting policies, as mentioned in the Financial Statements as 'Significant Accounting Policies' have been selected and applied consistently and judgments and estimates have been made 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, 2023 and of the profit of the Company for the year ended on that date
- iii. That proper and sufficient care has been taken 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; That the annual financial statements have been prepared on a going concern basis
- iv. That proper internal financial controls were in place and that the financial controls were v. adequate and were operating effectively  
That proper systems to ensure compliance with the provisions of all applicable laws
- vi. were in place and were adequate and operating effectively

## **25 Auditors**

### **i. Statutory Auditors**

The members at the 6th Annual General Meeting held on April 29, 2020 appointed M/s A Y & Co., Chartered Accountants, Jaipur, having FRN: 020829C as Statutory Auditors of the Company until the Conclusion of the Annual General Meeting of the Company for the year ended March 31, 2024. The requirement of seeking ratification of appointment of Statutory Auditors at every AGM is not no more required pursuant to amendment brought by the Companies Amendment Act, 2017.

### **ii. Auditors Report**

The report of the Statutory Auditors along with Notes to Accounts is enclosed to this report. The observations made in the Auditors Report are self-explanatory and therefore do not call for any further comments. There is no fraud reported by the Auditors of the company.

### **iii. Secretarial Auditor**

#### **Change in Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, the company has appointed M/s.

Sharma Vivek & Associates, Practicing Company Secretary (PCS), Jaipur, to carry out the Secretarial Audit of the company. But due to the mandatory requirement of peer review of PCS firm, M/s. Sharma Vivek & Associates, Practicing Company Secretary resigned from the position of secretarial auditor for FY 2022-23 and thus the company has appointed M/s MSV and Associates, Jaipur as the Secretarial Auditors of the company for financial year 2022-23. The Report of the Secretarial Audit for F.Y. 2022-23 is attached herewith as Annexure-B. There are no qualifications, observations or adverse remark or disclaimer in the said report.

### **iv. Internal Auditor**

In terms of Section 138 of the Companies Act, 2013 and Rules made there under, M/s. RSAV & Co., Chartered Accountants, Noida have been appointed as an Internal Auditors of the Company for Financial Year 2022-23. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of works includes, Review of the accuracy and reliability of the Corporation accounting records and financial reports, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths, opportunities for cost saving and recommending company for improving cost efficiencies.

## **26 Report on Corporate Governance**

In terms of regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance along with Compliance Certificate issued by Company Secretary in Practice in terms of Part E of schedule V of the said regulations of the Company forms part of this Annual Report and marked and annexed as **Annexure-J**.

## **27 Management Discussion and Analysis Report**

Management's Discussion and Analysis Report for the year under review, is presented in a separate section forming part of the Annual Report and is annexed herewith as "**Annexure E**".

## **28 Vigil Mechanism and Whistle Blower Policy**

The Company has constituted an audit committee; therefore, it is also mandatory for such a committee to operate the vigil mechanism, and if any of the members of the committee have a conflict of interest in a given case, they should rescue themselves and the others on the committee would deal with the matter on hand, to whom other directors and employees may report their concerns. It provides an adequate safeguard against victimisation of employees and directors who avail of the vigil mechanism and offers direct access to the chairperson of the Audit Committee or the director nominated to play the role of the audit committee, as the case may be, in exceptional circumstances. The existence of the mechanism may be appropriately communicated within the organisation. The detailed Vigil Mechanism and Whistle Blower Policy is available on the website of company on the following link

<https://www.ksolves.com/assets/pdf/5-Policies/11.Vigil-Mechanism-and-Whistle-Blower-Policy.pdf>

## **29 Reporting on Sexual Harassment**

There was no case filled during the year, under the sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Further Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and made the necessary policies for staff and secure environment for women employee.

No. of complaints filed during the financial year	No. of complaints disposed of during the financial year	No of Complaints pending as on end of the financial year
Nil	Nil	Nil

## **30 Business Responsibility Report**

The regulation 34(2)(f) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 mandates the inclusion of Business Responsibility Statement ("BRR") for top 1,000 listed companies based on market capitalization. Your Company has commented on the sustainability initiatives and partnerships in the Business Responsibility Report in line with the points in the "National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business" framed by the Ministry of Corporate Affairs. The Business Responsibility Report forms part of this Annual Report and marked and annexed as **Annexure-I**

## **31 Equal Employment Opportunities**

Being an equal opportunity employer, the company will do its utmost to ensure that all of its employees are treated fairly during the period of their employment irrespective of their race, religion, sex (including pregnancy), color, creed, age, national origin, physical or mental disability, citizenship status, ancestry, marital status, veteran status, political affiliation, or any other factor protected by law. All decisions regarding employment will be taken based on merit and business needs only.

## **32 Policy on Code of Conduct and Ethics**

Being a SME listed Company exemption has been provided to the Company from formulating of Code of Conduct for Board of Directors and Senior Management Personnel. However, Board of Directors has formulated and adopted Code of Business Conduct Ethics for Director & Senior Management Executive policy. As an organization your Company places a great importance in the way business is conducted and the way each employee performs his/her duties. Your Company encourages transparency in all its operations, responsibility for delivery of results, accountability for the outcomes of our actions, participation in ethical business practices and being responsive to the needs of our people and society. Towards this end, your Company has laid down a Code of conduct applicable to all the employees of your Company and conducted various awareness sessions across the Company. The Code provides for the matters related to governance, compliance, ethics and other matters. In this regard certificate from Managing Director as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been received by the Board and the same is attached herewith as per **Annexure – F**.

The detailed Code of Business Conduct Ethics for Director & Senior Management Executive policy is available on the below link:

<https://www.ksolves.com/assets/pdf/5-Policies/4-Code-of-Conduct-for-Director-and-Senior-Executives.pdf>

## **33 Maintenance of Cost Records**

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the company having regards to the nature of the Company's business/ activities

## **34 Corporate Social Responsibility**

The CSR initiatives of the Company were under the thrust areas of health & hygiene, education, water management and enhancement of vocational training. The key objective is to provide food, cloth for eradicating hunger, poverty and malnutrition, contribute and support to financially weak people and provide training to children on case to case basis.

The Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year 2022-23 in accordance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is set out in the **Annexure A** to this report.

## **35 MD and CFO Certification**

In terms of Regulation 17(8) of the Listing Regulations, the Managing Director and CFO has certified to the Board of Directors of the Company with regard to the financial statements and other matters specified in the said regulation for the financial year 2021-22. The certificate received from CFO is attached herewith as per **Annexure – G**.

## **36 Listing Fees**

The Company affirms that the annual listing fees for the year 2022-23 to The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) has been duly paid.

- **DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

No application was made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

- **DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

There are no such instances and no settlements have been done with banks or financial institutions.

## **37 Appreciation & Acknowledgement**

The Board wishes to place on record their sincere appreciation to all the Ksolvian and acknowledge with gratitude for the efforts made by them, in for adopting the Vision, Mission and values of the Company. The board immensely thank all the Departments of Central and State Governments, Tax Authorities, Banks, Ministry of Corporate Affairs, Securities and Exchange Board of India, The National Stock Exchange of India Limited (NSE) , BSE Limited (BSE) and other governmental bodies and look forward to their continued support in near future. The board also places on record deep sense of appreciation and co-operation extended by bankers, shareholders, investors and all other stakeholders, other bodies or agencies for their continued and consistent support to the company during the year.

**Place: Noida**

**Date: June 24, 2023**

**For and on behalf of the Board of Directors**

**Chairman and Managing Director**

**Ratan Kumar Srivastava**

**DIN: 05329338**

 **Annexure-A****Annual Report on Corporate Social Responsibility (CSR) activities****1. Brief outline on CSR Policy of the Company****Ksolves CSR Policy is aimed at:**

- A.** To nurture the nature and adopt processes to enhance its sustainability
- B.** To comply with applicable laws and regulations and respecting human rights and other international norms of behaviour;
- C.** To directly or indirectly take up programmes that benefit the communities in & around its work centre and result, over a period, in enhancing the quality of life & economic well-being of the local populace;
- D.** Provide support for health care maintenance and disease prevention especially among rural India

The projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013.

Further, the Company may undertake the following CSR Projects on their own or through a Foundation having experience of more than three years in undertaking similar programs or projects under its CSR Policy as and when the Company is eligible to incur CSR expenses in terms of Section 135 of Companies Act, 2013 and the Company shall seek a regular periodic report from these third-party trusts and societies on the appropriate utilisation of funds on such projects and programs:

- Human Rights focusing on Women Rights and Gender
- Democracy, Civic and Voter Education
- Health / Reproductive Health
- Education (Informal and non-formal/ Skills Building
- Socio-Religious, Inter-Faith Harmony and Peace
- Eradicating hunger, poverty and malnutrition
- Rural Development

## 2. The Composition of the CSR Committee:

As on 31st March 2023, the composition of CSR Committee is comprising of the following as members of Committee:

S. N.	Name of the Director	Designation/Nature of Directorship	No. of meeting(s) of CSR Committee held during the year	No. of meeting(s) of CSR Committee attended during the year
1.	Ms. Deepali Verma	Chairperson	2	2
2.	Mr. Vineet Krishna *	Member	2	2
3.	Ms. Varsha Choudhry	Member	2	2

**Note:** On May 31, 2023, Mr. Varun Sharma ceased to be the member of CSR Committee of the company and Mr. Vineet Krishna was designated as member of the of the CSR Committee of the company.

**Ms. Deepali Verma is the Chairperson of CSR Committee**

- 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.**

CSR Policy <https://www.ksolves.com/assets/pdf/5-Policies/csr-policy.pdf>

CSR Project <https://www.ksolves.com/assets/pdf/1-Corporate/Ksolves-csr-project-2022-23.pdf>

- 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).**

In pursuance of the sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014 the Impact assessment is Not Applicable on the Company.

- 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy Rules, 2014) and amount required for set off for the financial year, if any**

S. N.	Financial Year	Amount available for set-off from preceeding financial years(in)	Amount available for set-off from preceeding financial years If any(in)
1	--	Nil	Nil

**6. Average net profit of the Company as per section 135(5) : Rs. 105,393,231/-**

**7. Two percent of average net profit of the company as per section 135(5): Rs. 21,07,865/-**

**a. Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil**

**b. Amount required to be set off for the financial year, if any: Nil**

**c. Total CSR obligation for the financial year (7a+7b- 7c) : Rs. 21,07,865/-**

**8. a. CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in Rs)	Amount Unspent (in Rs.crore)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).			Amount transferred to any fund specified under Schedule	
	Amount.	Date of transfer	Name of the Fund	Amount (' inRs)	Date of transfer
21,63,450/-	Nil	Nil	NA	Nil	NA

**b. CSR amount spent or unspent for the financial year:**

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Project duration	Amount allocated for the project (in Rs)	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in `)	Mode of Implementation-Direct (Yes /No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number
1	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

**C. Details of CSR amount spent against other than ongoing projects for the financial year:**

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/No )	Location of the project		Amount spent for the project (' in Rs)	Mode of implementation Direct (Yes/No).	Mode of implementation – Through implementing agency. (Indirect)	
				State	District			Name	CSR registration number
1	Focusing on Women Empowerment and Skills	Clause (iii) Empowering Women	Yes	Delhi	Delhi	15000/-	No	Rakshak For Human Alliance Foundation	276977

2	Food distribution i.e Mid-Day Meal	Clause (i) Eradicating Hunger	Yes	Delhi	Delhi	7,83,405/-	No	Rakshak For Human Alliance Foundation
3	Vocational Technical / Service Skills Training for street children	Clause (ii) employment enhancing vocational Skills	Yes	Delhi	Delhi	5,95,187/-	No	Rakshak For Human Alliance Foundation
4	Cloth distribution	Clause (i) eradicating Poverty	Yes	Delhi	Delhi	55,000/-	No	Rakshak For Human Alliance Foundation
5	Promoting day care centres for orphans	Clause (iii) Setting up homes for orphans	Yes	Delhi	Delhi	2,12,550/-	No	Rakshak For Human Alliance Foundation
6	Facilities for poor senior citizens	Clause (iii) Setting up old age homes day care centres and such other facilities for senior Citizen	Yes	Delhi	Delhi	1,09,760 /-	No	Rakshak For Human Alliance Foundation
8	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects and Supplies participants of Educational Assistance Program and Alternative Learning System for street children	Clause (ii) Promoting education	Yes	Delhi		3,58,871/-	No	Rakshak For Human Alliance Foundation

7	Distribution of green four, Animal Fodder etc. to Gaushala	Clause (iv) Animal welfare	Yes	Delhi	Delhi	33,677/-	No	
<b>Total: 21,63,450/-</b>								

- Amount spent in Administrative Overheads : Nil
- Amount spent on Impact Assessment, if applicable: Nil
- Total amount spent for the Financial Year (8b+8c+8d+8e) : **Rs.21,63,450/-**
- Excess amount for set off, if any :

Sl. No.	Particular	Amount (' in Rs.)
i	Two percent of average net profit of the company as per section 135(5)	<b>21,07,865/-</b>
ii	Total amount spent for the Financial Year	<b>21,10,000/-</b>
iii	Excess amount spent for the financial year [(ii)-(i)]	<b>2,135/-</b>
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial	<b>Nil-</b>
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	<b>2,135/-</b>

#### 9. a. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Prceeding Financial year	Amount transferred to Unspent CSR Account under section 135 (6) (in)	Amount spent in the reporting financial year in (Rs)	Amount transfer to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years
				Name of the fund	Amount (in)	Data Transfer	
1	2021-2022	Nil	53,450/-	Nil	Nil	Nil	Nil

**b.** Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the preceding Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in	Status of the project -Completed / Ongoing
1	NA	Nil	Nil	Nil	Nil	Nil	Nil

- 10.** In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).
- Date of creation or acquisition of the capital asset(s) : NA
  - Amount of CSR spent for creation or acquisition of capital asset : NA
  - Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : NA
  - Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) :NA
- 11.** Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5) : NA

Sd/-

**Mr. Ratan Kumar Srivastava**  
**Managing Director**  
**Date: June 24, 2023**  
**Place: Noida**

Sd/-

**Ms. Deepali Verma**  
**Chairperson CSR Committee**  
**Date: June 24, 2023**  
**Place: Noida**

 **Annexure-B****Form No. Mr-3  
Secretarial Audit Report**

For The Financial Year Ended On 31st March, 2023

**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of  
The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members  
Ksolves India Limited,  
317/276, Second Floor,  
Lane No.3, Mehrauli Road,  
Saidulajab, Saket,  
New Delhi-110030

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KSOLVES INDIA LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and there presentations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 ('Audit Period') generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company as per Annexure A for the Financial Year ended on 31st March, 2023 according to the provisions of:

- 1. The Companies Act, 2013 (the Act) and the Rules made thereunder**
- 2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder**
- 3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder**
- 4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings**

- 5.** The following Regulations and Guidelines are prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- i.** The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - ii.** The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - iii.** The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - iv.** The Securities and Exchange Board of India (Share-based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the period)
  - v.** The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;(Not applicable to the Company during the period)
  - vi.** The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
  - vii.** The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;(Not applicable to the Company during the period) and
  - viii.** The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the period)
  - ix.** The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015;
- 6.** We further report that having regard to the compliance system prevailing in the company and on examination of relevant documents and records in pursuance thereof, on a test check basis, the company has generally complied with other laws identified by the management as applicable specifically to the company broadly covering Laws relating to Information Technology sector.

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

- i.** Secretarial Standards about Meetings of Board of Directors (SS-1) and General Meetings (SS- 2) issued by The Institute of Company Secretaries of India.
- ii.** The Listing Agreements entered into by the Company with the NSE read the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

**We further report that,**

The Board of Directors is duly constituted with the proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on the plan were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the Board and committee meetings were carried out with the requisite majority.

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

**We further report that** during the Audit Period, the Company has not undertaken any specific event/action that can have a bearing on the Company's compliance responsibility in pursuance of the above-referred Laws, Rules, Regulations, Guidelines, Standards, etc.,

**Place:** Jaipur  
**Date:** June 24, 2023

For MSV & Associates  
Practicing Company Secretaries  
FRN: P2018RJ071900  
Peer Review Certificate No.: 1924/2022

Name of Company Secretary: Vivek Sharma  
Partner  
FCS No. 10663|CP. No. 14773

**UDIN:** F010663E000496225

**Note:** This report is to be read with our letter of even date, which is annexed as **Annexure-A** and forms an integral part of this report

## **ANNEXURE – A TO SECRETARIAL AUDIT REPORT**

To,  
The Members  
Ksolves India Limited  
317/276, Second Floor,  
Lane No.3, Mehrauli Road,  
Saidulajab, Saket,  
New Delhi - 110030

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Jaipur**  
**Date: June 24, 2023**

For MSV & Associates  
Practising Company Secretaries  
FRN: P2018RJ071900  
Peer Review Certificate No.: 1924/2022

Name of Company Secretary: Vivek Sharma  
Partner FCS No. 10663 | CP. No. 14773

**UDIN: F010663E000496225**

## ▶ Annexure - C

**Particulars Pursuant to Section 197(12) of the Companies Act, 2013 Read With Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014**

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23, the ratio of the remuneration of the employees of the Company for the financial year 2022-23 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of the Director/KMP and Designation	Remuneration of the Director/KMP for FY 2022-23 (in Lacs)	% Increase in Remuneration in the FY 2022-23	Ratio of Remuneration of each Director/ to median remuneration of employees
1.	<b>Ratan Kumar Srivastava</b> Chairman & Managing Director	--	--	--
2.	<b>Deepali Verma</b> Whole-time Director	--	--	--
3.	<b>Varsha Choudhry</b> Independent Director	--	--	--
4.	<b>Sushma Samarth</b> Independent Director	--	--	--
5.	<b>Varun Sharma</b> Independent Director	--	--	--
6.	<b>Vineet Krishna</b> Independent Director	--	--	--
7.	<b>Umang Soni</b> Chief Financial Officer	13.65	57%	3.10
8.	<b>Manisha Kide</b> Company Secretary & Compliance Officer	13.45	38%	3.06

*Note: Independent Directors were only paid sitting fees during the financial year under review. Hence, their ratio to Median Remuneration has been shown as NIL.*

- ii. The median remuneration of the employee of the Company during the Financial Year was Rs. 4,40,000/-
- iii. In the Financial year, the median remuneration of employees increased by 46.7%

- iv. There were 407 permanent employees on the rolls of the Company as of March 31, 2023;
- v. Average percentage increase made in the salaries of employees other than the managerial personnel in comparison of the last financial year is 16.8%. There is an average Increase of 47.1% in the remuneration of Managerial personnel in comparison to the last financial year.
- vi. The remuneration is as per the recommendations of the Nomination & Remuneration Committee.
- vii. It is hereby affirmed that the remuneration paid is per the remuneration policy for Directors, Key Managerial Personnel and other Employees.

**Place: Noida**

**Date: June 24, 2023**

**For and On behalf of the Board of Directors**

Ratan Kumar Srivastava  
Chairman and Managing Director  
DIN: 05329338

## **Annexure-D**

### **Nomination and Remuneration Policy**

## **NOMINATION AND REMUNERATION POLICY**

### **Introduction:**

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee in compliance with Section 178 of the Companies Act, 2013, read along with applicable rules and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Objectives of the Committee:**

The Committee shall:

- i. Formulate the criteria for determining a director's qualifications, positive attributes and independence and recommend a policy relating to directors' remuneration, key managerial personnel and other employees to the Board.
- ii. Formulation of criteria for evaluation of the Independent Director and to conduct an evaluation of every Director's performance and provide the necessary report to the Board for further evaluation.
- iii. Devising a policy on Board diversity.
- iv. Identify persons who are qualified to become directors and persons who may be appointed to Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- v. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- vi. To retain, motivate and promote talent, ensure the long-term sustainability of talented managerial persons, and create competitive advantage.
- vii. Ensure that level and composition of remuneration is reasonable and sufficient, the relationship of remuneration to performance is clear, and it meets appropriate performance benchmarks.
- viii. To carry out any other function as mandated by the Board from time to time and enforced by any statutory notification, amendment or modification, as applicable.
- ix. To perform such other functions as may be necessary or appropriate for the performance of its duties.
- x. To develop a succession plan for the Board and to regularly review the plan.

**Definitions:**

**"Act"** means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

**"Board"** means Board of Directors of the Company.

**"Director"** Directors means Directors of the Company.

**"Committee"** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.

**"Company"** Company means Ksolves India Limited.

**"Independent Director"** As provided under the Companies Act, 2013, 'Independent director' shall mean a non-executive director, other than a nominee director of the Company:

a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

b. (i) who is or was not a promoter of the Company or its holding, subsidiary or associate company;

(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;

c. apart from receiving director's remuneration, has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;

d. none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty lac rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

e. who, neither himself nor any of his relatives

i. holds or has held the position of key managerial personnel or is or has been an employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

ii. is or has been an employee or proprietor or a partner in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed; or

(A). a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B). any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

- iii. holds together with his relatives two per cent or more of the total voting power of the Company; or
- iv. is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company; or
- f. who possesses such other qualification as may be prescribed under the applicable statutory provisions/ regulations;
- g. is a material supplier, service provider or customer or a lessor or lessee of the Company;
- h. Who is not less than 21 years of age

**"Key Managerial Personnel"**: Key Managerial Personnel (KMP) means:

- (i) the Chief Executive Officer or the managing director or the manager;
- (ii) the company secretary;
- (iii) the whole-time director;
- (iv) 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
- (v) such other officer as may be prescribed under the applicable statutory provisions/ regulations

**"Senior Management"**: The expression "senior management" means company personnel who are members of its core management team, excluding the Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

**"Nomination and Remuneration Committee"** shall mean a Committee of the Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.

**"Policy or This Policy"** means "Nomination and Remuneration Policy".

**"Remuneration"** means any money or its equivalent given or passed to any person for services rendered and includes perquisites as defined under the Income-tax Act, 1961. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning assigned to them therein.

#### **Guiding Principles:**

The Policy ensures that.

- i. The level and composition of remuneration are reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

- iii. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

**Applicability:**

The policy applies to

- i. Directors (Executive and Non-Executive)
- ii. Key Managerial Personnel
- iii. Senior Management Personnel
- iv. Employees

**Constitution of the Nomination and Remuneration Committee:**

The Board has the power to constitute/ reconstitute the Committee from time to time to make it consistent with the Company's policy and applicable statutory requirements. At present, the Nomination and Remuneration Committee comprises of following Directors:

- i. Mr. Vineet Krishna (Non-Executive Independent Director)
- ii. Mr. Varun Sharma, Member (Non-Executive Independent Director)
- iii. Ms. Varsha Choudhry, Member (Non-Executive Independent Director)

**Membership:**

- a. The Committee shall consist of a minimum of three non-executive directors, the majority independent
- b. Minimum of two (2) members shall constitute a quorum for the Committee meeting
- c. Membership of the Committee shall be disclosed in the Annual Report
- d. Term of the Committee shall be continued unless terminated by the Board of Directors

**Chairman:**

- a. Chairman of the Committee shall be an Independent Director
- b. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee
- c. In the absence of the Chairman, the Committee members present at the meeting shall choose one to act as Chairman
- d. Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries

**Frequency of Meetings:**

The Committee shall meet at regular intervals as required.

**Committee Members' Interests:**

- a. A member of the Committee is not entitled to be present when their remuneration is discussed at a meeting or when their performance is being evaluated
- b. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee

**Secretary:**

The Company Secretary shall act as Secretary of the Committee

**Voting:**

- a. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting, and any such decision shall for all purposes be deemed a decision of the Committee.
- b. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

**General Appointment Criteria:**

- i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board their appointment.
- ii. The Company should ensure that the person appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under or any other enactment for the time being in force.
- iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, or any other enactment for the time being in force.
- iv. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy and provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for the extension of appointment beyond seventy years.

**Term / Tenure:**

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under as amended from time to time.

- 1. Managing Director/Whole-time Director/Manager (Managerial Person):-** The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years. No re-appointment shall be made earlier than one year before the expiry of the term.

**2. Independent Director:** An Independent Director shall hold office for a term of up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not be appointed in or be associated with the Company in any other capacity, directly or indirectly, during the said period of three years. At the time of appointment of an Independent Director, it should be ensured that the number of Boards on which such Independent Director serves as an Independent Director.

**Evaluation:**

The Committee shall evaluate the performance of every Director, KMP and Senior Management at regular intervals (yearly).

**Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**Retirement:**

The Director, KMP and Senior Management shall retire per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, and Senior Management in the same position/ remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

**Criteria for Evaluation of the Board:**

Following are the criteria for evaluation of the performance of the Board:

**1. Executive Directors:**

The Executive Directors shall be evaluated based on targets/Criteria given to executive Directors by the Board from time to time.

**2. Non-Executive Director:**

The Non-Executive Directors shall be evaluated based on the following criteria, i.e. whether they:

- (a) act objectively and constructively while exercising their duties
- (b) exercise their responsibilities in a bona fide manner in the interest of the Company
- (c) devote sufficient time and attention to their professional obligations for informed and balanced decision-making
- (d) do not abuse their position to the detriment of the company or its shareholders or to gain a direct or indirect personal advantage or advantage for any associated person

- (e) refrain from any action that would lead to loss of his independence
- (f) inform the Board immediately when they lose their independence,
- (g) assist the Company in implementing the best corporate governance practices.
- (h) strive to attend all meetings of the Board of Directors and the Committees;
- (i) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (j) strive to attend the general meetings of the Company;
- (k) keep themselves well informed about the Company and the external environment in which it operates;
- (l) do not unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (m) moderate and arbitrate in the interest of the Company as a whole in situations of conflict between management and shareholder's interest.
- (n) abide by the Company's Memorandum and Articles of Association, Company's policies and procedures, including code of conduct, insider trading etc.

**Policy on Board diversity:**

The Board of Directors shall have the optimum combination of Directors from the different areas/fields like production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development, Human Resources etc. or as may be considered appropriate. The Board shall have at least one Board member with accounting or related financial management expertise which is financially literate.

**Remuneration:**

The Committee will recommend that the remuneration be paid to the Managing Director, Whole Time Director, KMP and Senior Management Personnel to the Board for approval. The level and composition of remuneration determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The payment should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives relevant to the working of the Company and its goals:

**General:**

1. The Committee will determine the remuneration/compensation/commission, etc., to Managerial Person, KMP, and Senior Management Personnel and recommend it to the Board for approval. The remuneration/compensation/commission shall be subject to the prior/post approval of the Company and Central Government shareholders, wherever required.
2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person. Increments will be effective from the date of reappointment in respect of Managerial Person and 1st April in respect of other employees of the Company.
4. Where the Company takes any insurance on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. If such a person is proven guilty, the premium paid on such insurance shall be treated as part of the remuneration.

#### **Remuneration to Managerial Person, KMP and Senior Management:**

1. **Fixed pay:** Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites, including the employer's contribution to PF, pension scheme, medical expenses, club fees etc., shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
2. **Minimum Remuneration:** If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.
3. **Provisions for excess remuneration:** If any Managerial Person draws or receives, directly or indirectly by way of remuneration, any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, they shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable unless the Central Government permits it.

#### **Remuneration to Non-Executive / Independent Director:**

1. **Remuneration / Commission:** The remuneration/commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there for the time being in force.
2. **Sitting Fees:** The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of the Board or Committee thereof. They provided that the number of such payments shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**3. Limit of Remuneration /Commission:** Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

**Minutes of Committee Meeting:**

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

**Deviations from this policy:**

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

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## ► Annexure-E

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management discussion and analysis present the industry overview, opportunities and threats, the company's initiatives and overall strategy of becoming a market-driven Service Provider with various offerings. The company is optimistic about capturing a substantial share of the global and domestic market amid the threats faced due to the liberalisation and increased competition from well-established companies from India and abroad.

#### **01 Industry Structure And Developments**

##### **Global Economic Outlook**

Global economic growth has slowed down due to reduced investment, high inflation, and interest rates, as well as disruptions caused by the Russia-Ukraine conflict. To combat inflation, countries worldwide have implemented tight monetary policies. Many countries have also experienced inflation due to currency depreciation against the USD and tight labor market conditions. The challenging global conditions have made it harder for countries to manage their debts, leading to concerns about debt sustainability. In the United States, there is an expectation of a significant slowdown in growth due to an aggressive monetary policy tightening cycle. The Euro area has faced additional challenges such as energy supply disruptions, price hikes, and inflation. The growth of emerging economies is projected to remain stable in 2023, with China's growth offsetting the decline in other emerging economies. Financial vulnerabilities are a major concern, including those in financial institutions, housing markets, and low-income countries. Although headline inflation has started to decline, it remains high and may persist for some time.

While entering financial year 2023-24, the tech companies will have to grapple with potential economic slowdown by trimming costs, increasing efficiency and staying agile and innovative to build a strong competitive position. Access to funds will remain selective as capital tries to find resilient companies which will be able to grow profitability. Amid this scenario, Gartner forecasts worldwide IT spending to grow by 5.5% in 2023.

However, there have been positive developments in early 2023 that have improved economic activity and sentiment. The decline in energy and food prices has played a key role in this improvement. Additionally, the earlier-than-expected reopening of China is anticipated to have a positive impact on global activity by reducing supply chain pressures and boosting international tourism. The decrease in energy prices can be attributed, in part, to a mild winter in Europe, which helped maintain gas storage levels and reduce energy consumption in many countries. Goods inflation has also started to decline in most countries as demand for goods gradually returns to normal in the post-pandemic scenario and global supply chain bottlenecks ease.

## India

While the global economic scenario might appear grim, the Indian economy continues to push forward steadily, growing at 6.8% in 2022, nearly double the 3.4% growth witnessed at a global level. Agencies worldwide have projected India as the fastest-growing major economy in the year 2022 and 2023. Despite several challenges in the global environment, the Indian economy remained quite resilient, with the PMI-Manufacturing remaining in the expansionary zone for 18 months since July 2021. According to India Development Update from the World Bank, the Indian economy continues to show strong resilience to external shocks. Notwithstanding external pressures, India's service exports have continued to increase, and the current-account deficit is narrowing.

The Union Budget for FY24 sought to complement macroeconomic growth with a focus on all-inclusive welfare, promoting digital economy and fintech, technology-enabled development, energy transition and climate action, and kickstarting a virtuous private investment cycle, crowded in by public capital investment. Fundamentals and medium-to-long-term prospects remain stable for Indian equities, but, in the near term, they face possible headwinds from oil prices, inflation, interest rates, and fund flows. The ongoing domestic demand revival story remains a key pillar of strength. The expectation of a record rabi harvest bodes well for the easing of food price pressures, while there are early indications of softening wheat prices, helped by supply-side interventions from the government. The impact of recent unseasonal rains in some parts of the country, however, needs to be monitored.

As for the currency movement, the Indian Rupee witnessed its sharpest decline in nearly a decade. This is largely attributed to the Fed's aggressive monetary policies to combat inflation resulting in a strong dollar. This currency movement has been a net positive for export-oriented companies.

### Industry review

For the IT industry, FY23 was a year of continued revenue growth, with a focus on strengthening industry fundamentals and building on trust and competencies. The volatile global economic environment and impending recession continue to support the demand for technology adoption and digital acceleration. Technology, thus, remains a strategic imperative—a critical component of business innovation and transformation, as well as a source of improving operational and cost efficiencies.

India's technology industry has exhibited continued revenue growth and is estimated to have grown by double digits in constant currency terms in FY23. India's technology industry revenue is estimated to have crossed USD 245 Billion (8.4% year on year growth), an addition of USD 19 Billion over FY22.

According to NASSCOM, the sector is on track to hit USD 500 Billion in revenue by 2030. The share of digital tech in overall technology services revenue has been on the rise—from 26-28% in FY20 to 32-34% in FY23. The industry continues to be a net hirer, adding 2.9 Lakh new jobs and taking the total employee base to approximately 5.4 Million (5.7% year on year growth), strengthening India's position as the 'Digital Talent Nation' for the world. Further, the sector remains on the top globally in terms of AI skills penetration with a 36% digitally skilled workforce, the second largest in terms of AI/ML BDA talent pool, and the third largest in terms of installed supply of Cloud professionals.

According to the Strategic Review 2023 published by NASSCOM ("NASSCOM Report"), revenue for the Indian IT services' sector is expected to witness growth of 8.3% year-on-year in fiscal year 2023, led by IT modernization including application modernization, cloud migration and platformization. Digital revenues are estimated to account for 32%-34% of total industry revenue, growing at 16% annually in fiscal year 2023. IT services contracts will include a significant digital component, led by digital transformation, cloudification, platform engineering, AI, building software-as-a-service ("SaaS") enabled products and associated consulting services.

The IT services industry is expected to accelerate and drive decisions in fiscal year 2024 based on investments made by clients in cost optimization, operational excellence, digital transformation, vendor consolidation, productivity improvement, customer experience programs, innovation in products and services, talent management, future of workplace and workforce, and environmental, social, and governance initiatives.

## **02** Summary Of Our Business

Ksolves India Limited is an ISO certified software services and product company offering solutions that enables client organizations to rapidly develop powerful applications addressing their strategic business needs. The applications created by us enable organizations to drive digital transformation and competitive differentiation. This may include automation of routine business functions, making them faster, easier and more accurate and increasing the channels or devices through which these functions can be performed. Our Company is basically engaged in software development, enterprise solutions and consulting, providing a range of Information Technology ("IT") solutions to companies across sectors such as Real Estate, E-commerce, Finance, Telecom and Healthcare etc. We design, develop and maintain software systems and solutions, create new applications and enhance the functionality of our customer's existing software products.

Ksolves endeavours to bring together creativity and knowledge with positive business strategy to furnish the requirements of diverse customers with an inclusive range of products and services which are comprehensive and cost effective so that the client can focus on their core-competencies to improve or expand their businesses. Ksolves have worked for numerous industries, realized their true potential and scale to global recognition such as for Real Estate - delivered customized solutions like integrating virtual tours of properties, IDX/MLS integration etc. that have helped them serve their customers better; Education and Learning - conceptualizing and delivering a knowledge network to building creative subject specific apps; E-commerce and Retail - delivering customized solutions such as setting up ecommerce stores using requirement appropriate store platforms, delivering innovative supply management solutions and modernizing ERP solutions etc. which improve traffic, retain existing customers and grow their businesses to greater milestones; Social Media and Networking – providing our expertise to help social media and networking firms in maximizing their deliverables across channels; Logistics - devising customized operations management systems to providing decision support and analytics through data consolidation, data warehousing etc.;

Healthcare – providing engineering solutions for efficient patients record management to dishing out customized software requirements; Tech & Software – providing product engineering and development services to big data and business analytics related services; Life Sciences - providing them with top-of-the-line customized solutions that can help them reach their goals better and faster; CRM – providing Salesforce expertise for tracking every sales activity-each lead, customer and opportunity and be up-to-date with latest information and insights that help for better management of customer relationship; Travel - successfully developed a location based on-demand taxi app with full FAC payment integration, Google Map integration and Twilio integration for sending messages to users.

Demand environment improving further with Ksolves getting emplaned as official Vendor for many large IT Firms. Supply-side constraints are seen in highly-skilled areas such as big data/ Machine learning and attrition is kept under control by offering good salary hikes/ variables for billability period and flexible work from home environment.

For delivering the best services, company has also stepped into different platforms for tech partnerships like Salesforce, Magento (Adobe), and Odoo. The company is expanding the sales staff and delivery offices across the globe. Domestically, the company currently has set up additional place of business at Indore, India with good infrastructure facilities. Now the company has its domestic offices at Noida and Indore. Talent acquisition drive is ongoing for Sales and service deliveries. The company is constantly adopting new technologies, employing senior resources. This set up has been formed, so the customer can have direct contact with the Company and service professionals. The company is moving from traditional to hot/modern technologies like Big Data, Machine learning, AI and Salesforce.

Covid pandemic has increased the acceptance of global delivery model, with smooth transition into virtual framework of client management, project development and delivery. The work from anywhere model has led to higher productivity. In "work from anywhere" model margin % has gone up as cost levers of extra cyber security and equipment costs is getting offset by even higher benefit from lower travel and physical space costs. Ksolves sees hybrid model of "work from anywhere" and "On premise working" as optimal and targeted work model for next 2 years and will closely align with Industry direction on this. With the reduction of the pandemic risk, the company expects an increase in travel cost and facility expense but it will remain well below pre-COVID level.

Ksolves will focus on strengthening Indore location to support two location strategy for de-risking operations. It will continue to hire workforce at the bottom of the pyramid and focus on re-skilling and training exercise to address cost and demand dynamics. Existing strategy of "just in time Lateral hiring" post project wins will continue. Any short-term gap specially in niche technologies, will continue to be filled by trusted long term consultants who work as professional contractors on hourly billing basis.



## QUICK FACTS

**400+**    **11+**    **40+**    **25+**    **84.3%**    **33%**

Employees	Years of Service	Trusting Clients	Countries	Repeat Business	Top 5 Client Contribution
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## ALLIANCES & PARTNERSHIPS

We have matured partnerships with top names like Salesforce, Odoo, Adobe and RedHat. We share a strong symbiotic relation with our partners and we create innovative solutions for our customers.



Odoo Gold Partner



Salesforce Crest Partner



Bronze  
Solution Partner

Adobe Bronze Solution Partner



Partner Network

Amazon Web Services Partner Network

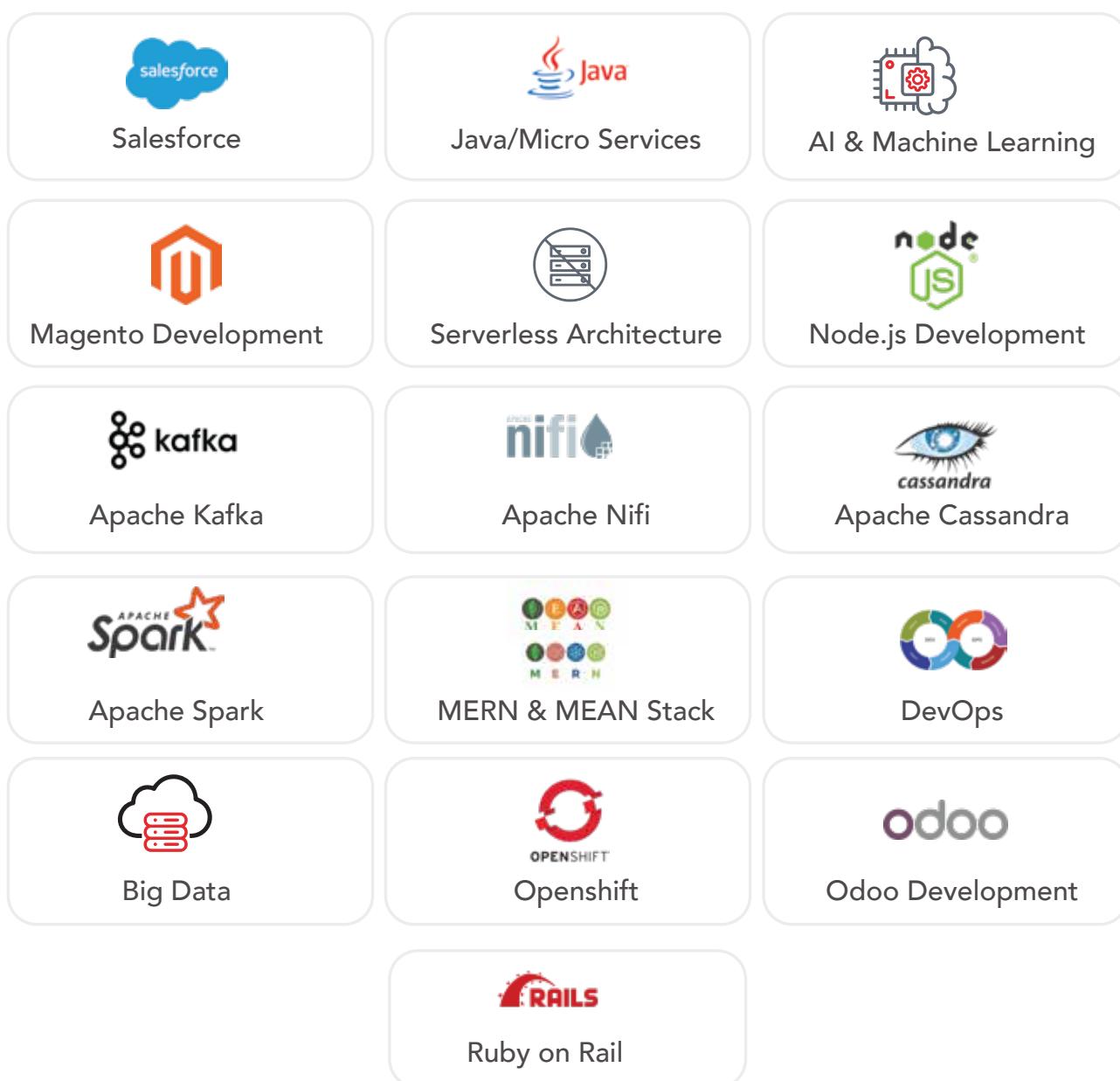


READY  
BUSINESS PARTNER  
ISV Partner

RedHat ISV Partner

## HIGH END & NICHE TECHNOLOGY

Ksolves has got a strong presence and highly skilled workforce in high end and niche technology verticals like Big Data, Machine Learning, Artificial Intelligence, Salesforce, Odoo, DevOps, Penetration Testing, etc. We are committed to invest heavily in developing new skills into these and the emerging technology verticals and be ahead of the competition.



During the **FY 2022-23**, **<97%>** of our revenue was from the services division and **<3%>** was from our products division.

The year ended successfully for the company adding on to customers, employee head count, revenue, profit and no. of projects as well.

## **03 Opportunities & Threats**

### **Customer satisfaction and revenues from long-standing customer relationships**

We have long-standing relationships with our customers across the world. This is partly due to the high criticality of our product & services and technical know-how to many of our customer's business needs. We establish long-term relationships with our customers for multi-layered engagement with various departments and divisions of the customer's organisations. Our broad range of product and service offerings helps us cross-sell to our existing customers and acquire new customers. We also conduct regular senior management reviews with our key customers to engage them for feedback and future opportunities.

We combine our comprehensive range of product and service offerings with industry-specific expertise to provide tailored solutions to our customers across business verticals, industries and geographies. Our commitment to customer satisfaction enables us to strengthen our relationships.

We offer direct support to our customers and channel partners through an extensive global support and implementation team resulting in a quick turn-around and resolution to issues. Specialised centre of excellence teams has been set up for certain products and solutions to guide and train implementation partners and customers on best practices for effective and quick implementations.

### **Experienced Promoters and Management Expertise**

Our Company is promoted by Mr. Ratan Kumar Srivastava and Mrs. Deepali Verma, who individually have more than 19 years and 9 years experience respectively. Having gained experience and worked with technology companies like Tech Mahindra, Birlasoft (India) Limited, HSBC and Persistent Systems, Mr. Ratan Kumar Srivastava ideated the incorporation of Ksolves in the year 2014. He was aided by Mrs. Deepali Verma, who has vast experience in setting up a business and handling overall finances; our board of directors is supported by a team of well-experienced and qualified personnel. We believe that our management team's experience and understanding of the IT industry, specifically in the Real Estate, E-commerce, Finance, Telecom and Healthcare industry, will enable us to continue taking advantage of current and future market opportunities. It is also expected to help us address and mitigate various risks in our business.

## Diversified Revenue from Multiple Geographies

Our Company have diversified revenue from multiple geographical reaches across the world, and 100% of revenue is generated from exports sales from various countries. As an IT products & service company, our presence in multiple geographies as a service provider helps us expand our client base and keep ourselves in tune with the latest technological advancements worldwide.

## Focused on Driving Innovation

We are focused on driving innovation and adopting solutions in line with rapidly evolving technological trends. Our inherent culture of innovation has enabled us to develop a track record of product innovation, expand the range of our offerings and improve the delivery of our products and services. We have a dedicated team of skilled individuals with a technical background and domain expertise in each industry, focusing on evolving technologies. These teams follow a structured innovation and solutions development process and work with delivery functions to identify the critical concerns of our customers and generate solutions, ideas and concepts to address such concerns.

We believe that our culture of innovation has enabled us to grow and retain our customer relationships and successfully achieve process and productivity improvement for our customers. This has helped us continuously expand and diversify our product and service offerings and maintain our competitiveness.

## Diversified Business Across Several Industry Verticals

Our customers have used our platform to build diverse applications in many sectors. As of March 31, 2022, applications and software were made on our platform in different industrial verticals. We possess multi-vertical industry expertise and target a broad spectrum of services in our business and product offerings. This has helped us build solution frameworks enriched with domain knowledge from the relevant sector and subject matter experts across several industries. These frameworks have been built on our platform and are scalable and adaptable based on a particular customer's unique and constantly evolving business needs.

## Scalable Business Model

Our business model is order driven and comprises optimum utilisation of our existing resources, developing linkages with the expertise of our development team and achieving consequent customer satisfaction. We believe this business model has proved successful and scalable in the last few financial years. We can scale by venturing into different sectors where technologically advanced management is required and providing better products and solutions in the industries where we already have a presence. The business scale generation is basically due to the development of new international and domestic markets, innovation in the product range and maintaining the consistent quality of the products and services.

## Business Risks & Concerns

After the outbreak of COVID-19 and the resulting work-from-home (WFH) situation, a. employee productivity has been a significant risk and challenge for the IT industry. However, our approach of emerging ahead constantly to implement the business continuity plan and seamless optimised delivery model has helped to overcome this challenge.

**b.** retention of people has been a significant challenge for the entire IT industry. While some of the major IT giants were struggling to keep the attrition rate below 40%, we could keep it below 25% with the help of our people-focused approach and our HR policies. But even this level of attrition continues to be a risk to the business model.

## RISK IDENTIFICATION AND MITIGATION-

Retaining top talent and individuals with specialized skills presents challenges for the company. Higher attrition rates can impact the overall cost of operations and harm the company's reputation. Nevertheless, these challenges have been addressed through our people-focused approach and HR policies. The company successfully managed attrition last year by implementing a range of measures.

The implementation of partial work from home arrangements presents potential challenges regarding productivity loss and associated risks in cybersecurity and data protection. The company is actively monitoring productivity issues and security concerns that may arise from the remote work setup. Appropriate policies are in effect to adapt to the evolving business and work models. The company has established systems and processes to address these challenges effectively. Additionally, continuous employee communication and change management efforts are in place to ensure a smooth transition and ongoing adaptation to the new work environment.

Businesses facing challenges and cost pressures may seek to negotiate for more competitive pricing, which can put additional strain on profit margins. Moreover, meeting customer demand within shorter lead times can result in higher resource costs, impacting profitability. Delayed fulfillment of orders can also lead to revenue loss. To mitigate these risks, cost optimization strategies such as cloud deployment, increased automation, offshoring, and adjusting the resource profile may need to be implemented, in consultation with the customer. The business will provide demand forecasts to facilitate proactive supply planning and ensure adequate resource fulfillment. Additionally, the company is leveraging a Hire-Train-Deploy model to address high-volume and new-age skill requirements, while also prioritizing the reskilling and upskilling of existing employees.

There are inherent risks associated with data theft, non-compliance with information security requirements, and cyber attacks. Unauthorized use or disclosure of employee, company, or customer data can result in breaches of customer contracts, regulatory fines/penalties, and damage to the company's reputation. To address these risks, the company has implemented data protection controls such as encryption and data leakage prevention, as well as deployed cyber security tools like firewalls and antivirus software to prevent cyber attacks and data exfiltration. User awareness and supplier risk management practices are rigorously enforced to ensure effective implementation of data security controls. The security controls are continuously monitored and thoroughly assessed. Additionally, the company has implemented mandatory trainings and comprehensive awareness measures throughout the employee life cycle to promote a strong security culture.

## Our Competition

We experience intense competition in our services and see a rapidly-changing marketplace with new competitors in new technology areas focused on agility, flexibility and innovation.

We typically compete with other players and global technology service providers in response to requests for proposals. Clients often cite our industry expertise, comprehensive end-to-end service capability and solutions, ability to scale, digital capabilities, established platforms, superior quality and process execution, distributed agile global delivery model, experienced management team, talented professionals and track record for awarding us contracts.

In future, we expect intensified competition. In particular, we hope to increase competition from firms that offer technology-based solutions to business problems and incumbent firms in those market segments. Additionally, in-sourcing technology services by our clients' technology departments is another ongoing competitive threat.

## 04 Our Business Strategy

We devised a hybrid delivery model by aiming to open onshore delivery centres in North America and Europe. Covid era posed operational challenges that delayed execution on this front, but it remains a key focus area for the next 12-18 months. Targeting Enterprise Customers by leveraging the techno-functional expertise of senior lateral hires in different industries.

We also aim to maintain a hyper revenue growth path by focusing on non-linear and scalable levers while supporting Industry leading profitability. Continued focus on increasing revenue per employee by upgrading the technology mix of projects and higher billing projects.

Ksolves recently had Salesforce partnership status upgraded to Silver (Ridge). This will help in deal momentum in the critical business domain of Salesforce in the coming quarters.

Investing heavily in building top-class teams via lateral hires in key focus areas of Data Sciences/Big Data/AI & ML as well as Onshore presence of Sales and Client Management teams.



## **Expand our Current Business Relationships**

Our goal is to build long-term sustainable business relationships with our customers to generate increasing revenues. We plan to continue to expand the scope and range of services provided to our existing customers by continuing to build our expertise in major industries and extending our capabilities into new and emerging technologies. In addition, we intend to continue to develop better solutions and new products for industry sectors which are significantly untapped. We will also seek to support a greater portion of the full product development life-cycle of our customers by offering targeted services for each phase of the software product life cycle. We also plan to assist our customers as they deploy their products to end-users through consulting and professional services that we offer onsite. In addition, we intend to continue to build relationships with various global companies as business partners which can provide us with better benefit by introducing local clients

## **Attract, develop and retain highly-skilled employees**

Our employees are one of our most important assets. We focus on the quality and level of service that our employees deliver by investing in recruitment, development, retention, maintenance of a culture of innovation and by creating both a challenging and rewarding work environment. Our talent development strategy focusses on engaging, motivating and developing a high performing workforce and we aim to create and sustain a positive workplace culture for our employees and benchmark ourselves against our peers. We also have a competency training framework, seamlessly integrated into our business that has been designed for new employees to be “project-ready”.

## **Focus on efficiency**

Our goal is to help our customers with our products and solutions, in turn enabling them to deliver their products more efficiently. We have been building products and solution and providing services to leading companies. We have innovated and customized software processes that allow us to monitor and plan the progress of software projects. We have well-trained teams, pre-built frameworks and partnerships with other product companies that allow us to integrate product components and deliver products for our customers efficiently. This helps in reducing time to market and reducing the risk of engineering failures.

## **Optimal Utilization of Resources**

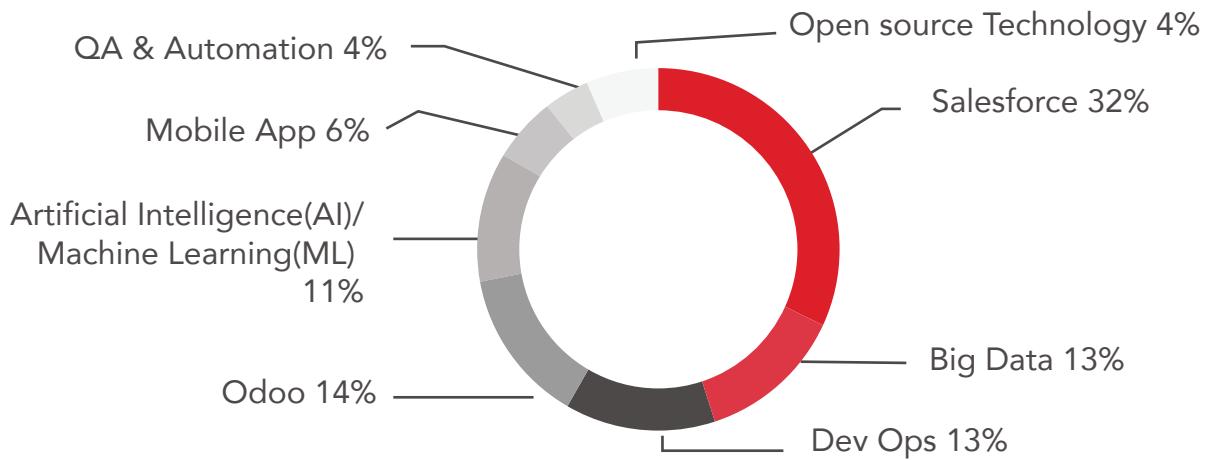
Our Company constantly endeavors to improve our technical process, and will increase service activities to optimize the utilization of resources. We have invested significant resources, and intend to further invest in our activities to develop customized systems and processes to ensure effective management control. We regularly analyze our existing policies to be carried out for our technical and designing process which enables us to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

## **Invest in infrastructure and technology**

Our Company believes in making investments for continuously achieving higher levels of excellence in its products & services and implement dynamic and diverse specifications of our customers. We have invested significantly in equipping our technical team with the latest and specialized infrastructure and modern technology. We want to continue to work towards the upgradation and modernization of our infrastructure and technology.

## 05 Segment-wise Or Product-wise Performance

### REVENUE BY TECHNOLOGY



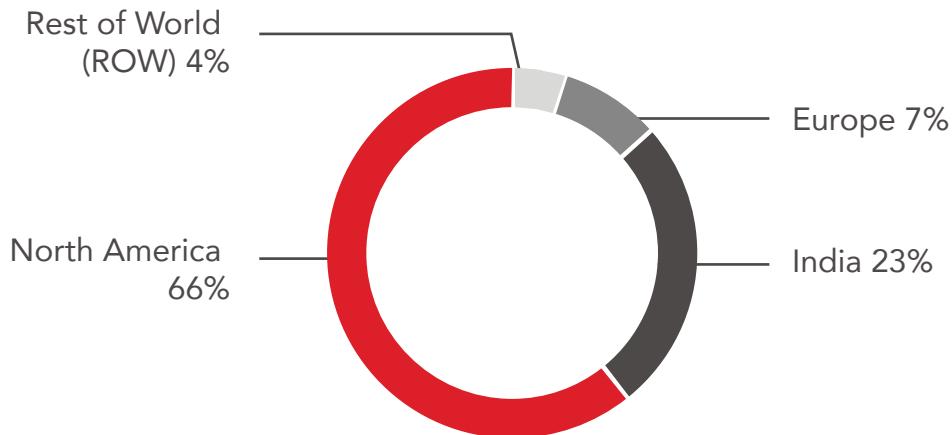
\*Dev Ops (Kubernetes, OpenShift, Ansible, Docker, CI/CD & Microservices)

\*Odoo (App Development, Implementation & Customisation)

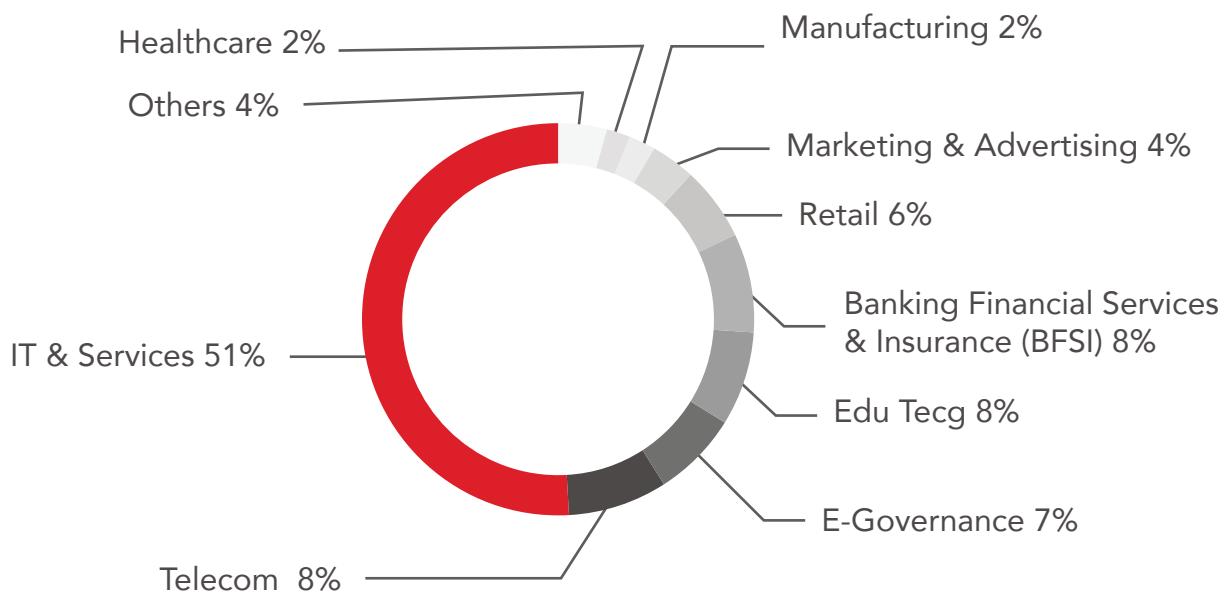
\*Mobile Apps (React Native, Flutter, Native Application Development)

\*Open Source Technologies ( ROR, MERN, MEAN)

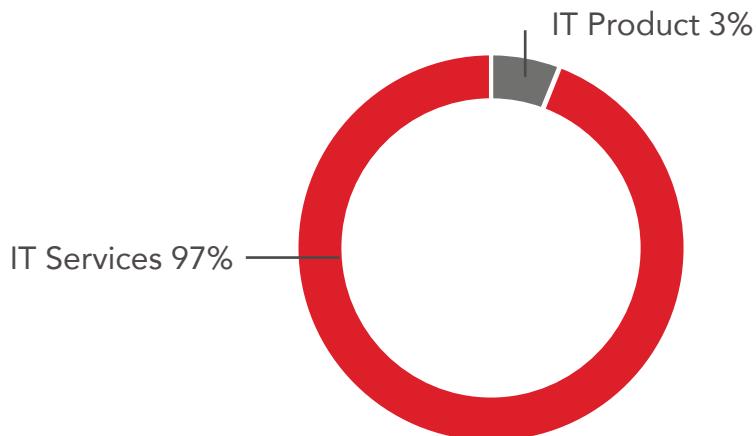
### REVENUE BY GEOGRAPHY



### REVENUE BY INDUSTRY



### REVENUE BY BUSINESS UNITS



## **06 Threats, Risks and Concerns**

The Company is concerned about prevailing exposure norms, financial position, entry of new players in the market, rising competition from new entrants, uncertain business environment, fluctuation in rupee, and likely increase in the cost of capital due to volatile market conditions. Further, the state of business and policy environment in the country also has a cascading effect on the interest-rate regime, cost and availability of human resources.

## **07 Internal Control Systems and their Adequacy**

The Company maintains an adequate system of Internal Controls, including suitable monitoring procedures to ensure accurate and timely financial reporting of various transactions, the efficiency of operations and compliance with statutory laws, regulations and Company policies. Appropriate delegation of powers and guidelines for accounting have been issued for uniform compliance. To ensure that adequate checks and balances are in place and internal control systems are in order, regular and exhaustive Internal Audits are conducted by the in-house Internal Audit Division and external professional audit firm. The Internal Audit covers all significant areas of operations, including identifying critical/risk areas, as per the Annual Internal Audit Programme. The Audit Committee of Directors periodically reviews the significant findings of different Audits, as prescribed in the Companies Act, 2013 and in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

## **08 Financial And Operational Performance**

### **Standalone Performance:**

In the past year, your company achieved significant growth in revenue from operations, reaching Rs. 7,711.65 Lakhs compared to Rs. 4,534.58 Lakhs in the previous year, marking a growth of 70.06%. This growth was the result of well-planned and executed business expansion operations. For the year ending March 31, 2023, the profit before tax amounted to Rs. 3,299.31 Lakhs, compared to Rs. 2,029.03 Lakhs in the previous year. The total net profit for the year is Rs. 2,487.03 Lakhs, an increase from the previous year's net profit of Rs. 1,543.95 Lakhs.

### **Consolidated Performance:**

The company has consistently demonstrated growth and efficiency, as reflected in its net profit performance during the fiscal year 2022-23. Income from sales increased to Rs. 7,831.16 Lakhs from Rs. 4,706.86 Lakhs, representing a growth of 66.38%.

### **Dividend:**

During the year, the company paid a final dividend of Rs. 8 per equity share, resulting in a cash outflow of Rs. 9,48,48,000/- . This dividend was supported by a 1st interim dividend of Rs. 4.5 per share, involving an outflow of Rs. 5,33,52,000/- , and a 2nd interim dividend of Rs. 3 per share, involving an outflow of Rs. 3,55,68,000/- . Following the company's past practices, it expects to continue distributing dividends in the near future.

The company's deal funnel remains strong, and recent project wins are expected to contribute to revenue growth in the second quarter of FY 2023-24, supporting the momentum of growth. The company aims to achieve industry-leading growth in profit after tax (PAT). Going forward, the focus is on delivering sustainable long-term growth and maximizing shareholder value.

## **09 Human Resources/Industrial Relations**

The Company gives utmost importance to the capacity-building and well-being of its employees. The Industrial Relations in the Company continued to be on a cordial note. There are regular interactions between the management and the representative associations on issues about employee welfare. The Company has an atmosphere of trust and cooperation, which results in a motivated workforce and consistent growth in performance. Our clients and people are two sides of the same coin, and both are extremely important.

We have a unique way of hiring and retaining people. Robust technical tests along with aptitude and communication tests give us suitable hires. Fresh graduates are attracted to join us as we provide great projects and substantial learning opportunities. Our packages are at par with the industry.

There is a robust training department and centre of excellence constantly striving for upskilling and multi-skilling our people. Employees get to work on high-end technologies, which helps us contain our attrition. We always encourage our people to upskill themselves with the latest technology trends and help them get certified, which allows Ksolves to stand out in the crowd. Our HR department is always open to listening to suggestions and ideas of our people and constantly working towards making Ksolves a better place to work by implementing various policies like

- a.** Work-Life Balance
- b.** Whistle Blower Policy
- c.** Sexual Harassment Policy
- d.** Hiring for differently abled
- e.** Gender Equality

## **10 Environment Care, Social Accountability & Quality System**

Ksolves is committed to maintaining the highest standards of social accountability & quality standards. Ensuring sound corporate governance is imperative to improve and retain investors' trust.

## **11 ANALYSIS OF SIGNIFICANT CHANGES IN FINANCIAL RATIOS**

As per the recent amendments to the SEBI Listing Obligations & Disclosure Requirements (LODR), we give below additional information in respect of financial parameters that are applicable to our company:

Detail of Significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanation therefore as under:

**Debtor Turnover Ratio**

The Debtor Turnover ratio is zero

**Current Ratio**

The Current Ratio as on March 31, 2023 is 3.10 times as compared to previous year ended on March 31, 2022 is 3.50 times. The change in the ratio is (11.54) % as compared to Previous Year.

**Net Profit Margin**

The Net Profit Margin Ratio as on March 31, 2023 is 31.57 % as compared to previous year ended on March 31, 2022 is 33.77%. The change in the ratio is (6.52)% as compared to Previous Year.

## **12 Future Prospects of The Company**

Looking forward, Ksolves will continue seeking new and improved ways of efficiently delivering our clientele's services. In line with past practices, the company expects the distribution of dividends even in the near future. The company is aspiring to migrate to Main Board and has applied for main board listing its shares in NSE & BSE. The company also aspires to expand globally by opening physical offices in different places. We have formulated a sound corporate vision and long-term management plan while ensuring that we have constantly evolving management and business structures to respond quickly to the market needs & globalisation. We strive to create new avenues for adding more value for the "stakeholders", investors, business partners, employees, consumers, and communities

## **13 Disclosure of Accounting Treatment**

The Company has followed all the treatments in the Financial Statements as per the prescribed Accounting Standards.

**Cautionary Note:** Certain statements in the "Management Discussion and Analysis" section may be forward-looking and stated as applicable laws and regulations require. Many factors may affect the actual results, which could be different from what the Management envisages regarding future performance and outlook.

 **Annexure-F****Declaration in respect of Compliance with the Code of Conduct**

It is hereby declared that all Board Members, Key Managerial Personnel and Senior Management Personnel of the Company have affirmed Compliance with the Code of Conduct of the Company, for the financial year ended March 31, 2023.

S/d-

**Mr. Ratan Kumar Srivastava**  
**Chairman & Managing Director**

**Date: June 24, 2023**

**Place: Noida**

 **Annexure-G****MD and CFO Certification in Financial Results****To****The Board of Directors of  
Ksolves India Limited**

- A.** We have reviewed the Audited Standalone and Consolidated financial statements and Cash flow statement for the year ended on 31st March 2023, and to the best of our knowledge and belief:
- i.** These statements do not contain any materially untrue information or omit any material fact, or contain a statement that might be misleading;
  - ii.** These statements present a true and fair view of the company's affairs and comply with the existing accounting standards, applicable laws and regulations.
- B.** To the best of our knowledge and belief, no transactions entered into by the company during the year ended on 31st March 2023 are fraudulent, illegal or violative of the Company's code of conduct.
- C.** We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the company's internal control systems for financial reporting. If any, deficiencies in the design or operation of internal controls have been disclosed to the auditors, and the Audit Committee took steps to rectify these deficiencies.
- D.** We have indicated to the Auditors and Audit Committee:
- i.** there has not been any significant change in internal control over financial reporting during the quarter;
  - ii.** there has not been any significant change in accounting policies during the quarter; requiring disclosure in the notes to financial statements; and
  - iii.** We are unaware of any instances during the quarter of significant fraud with involvement from the management or any employee having an essential role in the Company's internal control system over financial reporting.

**Date: June 24, 2023****Place: Delhi****Mr. Ratan Kumar Srivastava  
Managing Director****Mr. Umang Soni  
Chief Financial Officer**

 **Annexure-H****Certificate On Non-disqualification Of Directors***(Pursuant to Clause 10 of Part C of Schedule V of LODR)*

To,  
The Members  
Ksolves India Limited  
317/276, Second Floor,  
Lane No.3, Mehrauli Road,  
Saidulajab, Saket,  
New Delhi - 110030

In Pursuance of sub-clause (i) of clause 10 of Part C of Schedule V of The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) regulations, 2015; (LODR) in respect of KSOLVES INDIA LIMITED (CIN: L72900DL2014PLC269020), I hereby certify that:

Based on the written representation/declaration received from the directors and taken on record by the Board of directors, as of March 31, 2023, none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/ Ministry of Corporate Affairs or any statutory authority.

**Place: Jaipur**  
**Date: June 24, 2023**

**For MSV & Associates**  
**Practicing Company Secretaries**  
**FRN: P2018RJ071900**  
**Peer Review Certificate No.: 1924/2022**

**Name of Company Secretary: Vivek Sharma**  
**Partner**  
**FCS No. 10663|CP. No. 14773**  
**UDIN: F010663E000496236**

**ANNEXURE-I**  
**BUSINESS RESPONSIBILITY REPORT**

- Business Responsibility Sustainability Reporting

**SECTION A: GENERAL DISCLOSURES**

**I. Details of the listed entity**

- 1.** Corporate Identity Number (CIN) of the Listed Entity - L72900DL2014PLC269020
- 2.** Name of the Listed Entity - KSOLVES INDIA LIMITED
- 3.** Year of Incorporation – 17.07.2014
- 4.** Registered office address – 317/276, Second floor, Lane no.3, Mehrauli Road, Saidulajab, Saket, New Delhi South Delhi DL 110030 IN
- 5.** Corporate address - Parexl, B-4, 1st Floor, B-Block, Sector 63, Noida-201301
- 6.** E-Mail – cs@ksolves.com
- 7.** Telephone - 89626-69996
- 8.** Website – www.ksolves.com
- 9.** Financial year for which reporting is being done – FY 2022-23
- 10.** Name of the Stock Exchange(s) where shares are listed – NSE/BSE
- 11.** Paid-up Capital - 11,85,60,000
- 12.** Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR Report – Manisha Kide at cs@ksolves.com
- 13.** Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (for the entity and all the entities which form a part of its consolidated financial statements, taken together) - Disclosures made in this report are on a standalone basis and pertain only to Ksolves India Limited.

**II. Products/services**

- 14.** Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Information and communication	Computer Programming, Consultancy and related activities	100%

**15. Products/Services sold by the entity (accounting for 90% of the entity's turnover):**

S. No.	Product/Service	NIC Code	% of Total Turnover Contributed
1.	Computer programming and related activities	6201	100%

### **III. Operations**

**16. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of Plants	Number of Offices/Presence	Total
National	Not Applicable	4	4
International	Not Applicable	1	1

**17. Markets served by the entity:**

a. Number of Locations

Location	Total
National (No. of States)	4
International (No. of Countries)	1

b. What is the contribution of exports as a percentage of the total turnover of the entity? -76.5%

c. A brief on types of customers-

Ksolves positions itself as a thought leader who partners with clients to deliver digital transformation, leveraging disruptive technologies. Led by this vision, the Company focuses on vertical/industry segments, which shows a high propensity to innovate and transform.

Based on market analysis, the Company expands into more verticals – e.g., The Company has put additional focus on healthcare since this fiscal. The Company also has specific GTM strategies for different Geos and Domains. Hence, the Market and Customers are also segmented by Geography, and the expansion in new geographies like ANZ and the Middle East is based on this. The Company also believes in forging long-term partnerships with clients & hence additional criteria such as client turnover and IT budget are used as lead indicators of potential to scale and deliver value in multiple areas.

o Verticals:

- EduTech
- HiTech
- Retail
- TME (Travel, Media, Entertainment)
- BFSI (Banking, Financial Services & Insurance)
- Industrial, Manufacturing
- Public Service Organizations
- Others

o Geographies:

- Americas
- Europe
- India
- Middle East
- Australia

#### **IV. Employees-**

##### **18. Details as at the end of Financial Year i.e. March 2023**

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (D)	383	296	77	87	23
2.	Other than Permanent (E)	34	26	76	8	24
3.	Total employees (D + E)	417	322	77.21	95	22.78

#### **EMPLOYEES**

1.	Permanent (D)	383	296	77	87	23
2.	Other than Permanent (E)	34	26	76	8	24
3.	Total employees (D + E)	417	322	77.21	95	22.78

\* Note: The Company does not have any workers as defined in the guidance note on BRSR.

b. Differently abled employees - 0

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1.	Permanent (D)					
2.	Other than Permanent (E)					
3.	Total employees (D + E)					

\* Note: The Company does not have any workers as defined in the guidance note on BRSR.

#### 19. Participation/inclusion/representation of women

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B/A)
Board of Directors	6	3	50 %
Key Management Personnel	4	2	50 %

#### 20. Turnover rate for permanent employees and workers-

	FY 2022-23 (YTD; Mar'22) (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	117	45	162	-					

## **V. Holding, subsidiary and associate companies (including joint venture)**

### **21. a. Name of the holding/subsidiary/associate companies / joint ventures (A) –**

S. No	Name of the holding/ subsidiary / associate companies / joint ventures (A)	Indicate Whether Holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by the listed entity	Do the entities indicated in column A participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Kartik Solutions Private Limited	Wholly Owned Subsidiary	100%	No
2.	Ksolves LLC	Wholly Owned Subsidiary	100%	No

## **VI. CSR details**

### **22.**

- i. Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes
- ii. Turnover: Rs. 45,34,58,335.98
- iii. Net worth: Rs. 16,23,35,882.7
- iv. Total amount spent on CSR for FY 2022-23: 21,10,000/-

## VII. Transparency and Disclosures Compliances

### 23. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism(s) in Place (Yes/No) (If yes, then provide a web link for Grievance Redressal Policy)	FY 2022- 23			FY 2021-22		
		Current Financial Year Number of Number of Remarks complaint(s) complaint(s) filed during pending the year resolution at the close of the year			Previous Financial Year		
		Number of complaint(s) filed during the year	Number of complaint(s) pending resolution at the close of the year	Remarks			
Communities	N/A	NIL	N/A	-	NIL	N/A	-
Investors (other than shareholders)	N/A	NIL	N/A	-	NIL	N/A	-
Shareholders	YES	1	0	-	NIL	NIL	-
Employees And workers	N/A	NIL	N/A	-	NIL	N/A	-
Customers	N/A	NIL	NIL	-	NIL	NIL	-
Value Chain Partners	N/A	NIL	N/A	-	NIL	N/A	-
Others	N/A	NIL	N/A	-	NIL	N/A	-

Weblink for Grievance Redressal Policy:

Grievance Resolution Policy is shared on Company's intranet platform.

### 24. Overview of the entity's material responsible business conduct issues: Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk, as per the following format:

S. No	Material Issue Identified	Indicate Whether risk or opportunity	Rationale for identifying the risk/opportunity	Approach to adapt or mitigate	Positive/Negative Implications
1	Corporate Governance	Risk	<p>Strong corporate governance that considers stakeholder concerns, engenders trust, oversees business strategies, and ensures fiscal accountability, ethical corporate behaviour, and fairness to all stakeholders is core to achieving the Company's longer-term mission.</p>	<ul style="list-style-type: none"> <li>• Robust corporate governance mechanism which ensures responsible business conduct and regulatory compliance</li> <li>• Adequate Independent Director representation to protect stakeholder interest</li> <li>• Robust enterprise risk management framework and consideration for ESG risks</li> <li>• Promoters to hold 59 % stake to ensure perpetuity in the Company's vision and culture</li> <li>• Strong checks in place to prevent corruption and non-compliance</li> </ul>	<p>Incorporating various policies and practices to ensuring effective corporate governance ensuring long term sustainability.</p>
2	Information Management Customer Privacy	Risk	<p>Ksolves works with a wide range of customer data which leads to increased regulatory scrutiny globally. Cloud-based software and IT services also raise concerns about potential access to user data by governments. Effective management in this area is important to</p>	<ul style="list-style-type: none"> <li>• Implemented Data privacy policies and controls as per the GDPR requirement to protect personal data</li> <li>• In process of implementing</li> </ul>	<p>Provides adequate assurance and confidence to the customer for the Protection of their Information Security and Privacy.</p>

			<p>reduce regulatory and reputational risks which can impact revenues, and market share, and lead to punitive actions involving potential fines and other legal costs.</p>	<p>the Privacy Information Management System as per the ISO 27701 standard</p> <ul style="list-style-type: none"> <li>• Undertaking annual security awareness sessions</li> </ul>	
3	Data Security	Risk	<p>Rising instances of cyber-attacks and social engineering puts the Company's as well as the customer's data at risk. Inadequate prevention, detection, and remediation of data security threats can damage the Company's reputation and thus influence customer acquisition and retention, resulting in decreased market share and lower demand for the Company's products.</p> <p>It can also result in increased expenses, due to remediation efforts</p>	<ul style="list-style-type: none"> <li>• Implemented multiple controls to ensure data security and privacy including user awareness and training programs, end point and N/W security controls</li> <li>• Proactive monitoring and analysis of any new vulnerabilities and threats</li> <li>• Ensuring all third parties have adequate data protection measures and procedures</li> </ul>	<p>Provides adequate assurance and confidence to the customer for the Protection of their Intellectual Property.</p>

4	Climate Change	Risk & Opportunity	<p>Climate change poses significant physical and transition risks to the Company's business. It can also impact the well-being of Ksolves as well as the Company's strategy and financial resources. It also offers opportunities arising from innovations in energy efficiency and renewable energy.</p>	<ul style="list-style-type: none"> <li>• Actively integrating ESG in the Company's business decisions and designing the Company's operations and business activities aligned with climate neutrality by leveraging innovative technologies, renewable energy, and upgrading existing systems for higher efficiency</li> <li>• Board-approved ESG policy aimed at enabling a low-carbon and resource-wise economy</li> <li>• Climate change risks and opportunities reviewed by a Board-approved management level ESG committee           <ul style="list-style-type: none"> <li>• Helping the Company's customers to transform their business into lean, energy-efficient, and agile cloud-based digital solutions, and embrace technology-led green solutions</li> </ul> </li> </ul>	<p>The Company believes that being environmentally sustainable is essential to long-term business prosperity. Furthermore, it leads to increased operational efficiency and long-term financial viability.</p>
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				<ul style="list-style-type: none"> <li>• Encouraging vendors to adhere to safe and environmentally responsible practices</li> </ul>	
5	Competitive Behaviour	Opportunity	<p>IT companies spend a significant proportion of their revenues on IP protection. While IP protection is intrinsic to the business model of some companies, it is also an important driver of innovation, and restricting competition from accessing its benefits can be a contentious societal issue.</p>	<ul style="list-style-type: none"> <li>• Ksolves ensures that its policies relating to IP sales &amp; commercial practices are in line with anti-trust regulations in the Company's leading markets</li> <li>• All of the Company's IP are based on technology stacks from industry leaders, which are widely available and supported.</li> </ul> <p>The Company also ensures that none of its IP infringe third-party patents etc. are based on restrictive proprietary technologies.</p>	<p>This helps the Company to strike a good balance between deriving competitive advantage through innovation while complying with anti-trust regulations. For the Company's customers, this ensures transparency and competitive pricing. For Company's customers, this ensures that their IT landscape is based on future technologies and open standards &amp; they have multiple options for support should the need arise.</p>

6	Systemic Risk Management	Risk	<p>Programming errors or server downtime have the potential to generate systemic risks, such as computing and data storage functions to the cloud. The risks are heightened for sensitive sectors, such as financial institutions or utilities, which are critical to national infrastructure. Investments in improving the reliability and quality of IT infrastructure and services are therefore critical.</p>	<ul style="list-style-type: none"> <li>• Adopted a Secure Software development process to ensure that security vulnerabilities are identified and fixed prior to release</li> <li>• Perform detailed security testing on the developed application/system</li> </ul>	<p>Ensures reduced / zero failure rate, better security controls on the software applications that the Company develops and a better culture that ensures security is by design.</p>
7	Talent and Skill Management	Opportunity	<p>The Company's people are the key contributors to value creation. Recruiting qualified members to fill the relevant positions and training them adequately in including niche skills is key to servicing our clients and driving future growth. It also enables the Company to provide a quality differentiator.</p>	<ul style="list-style-type: none"> <li>• Multiple learning and development programs to upskill and reskill people</li> <li>• Robust system for acquiring and retaining the right talent</li> </ul>	<p>Improves people experience that has a direct impact on the Company's members and customer satisfaction. It prepares them to achieve the Company's strategic goals, which increases customer satisfaction and business performance.</p>

8	People Engagement, Diversity, and Inclusion	Opportunity	<p>The health and safety of the Company's teams as well as their physical, emotional, and mental well-being is critical to keeping them motivated, driving their productivity, and influencing their retention. Diversity and Inclusion is essential as it helps in bringing diverse talent within the organization and thus drives a thriving and innovative culture. It also helps the Company understand the needs of its diverse and global customer base.</p>	<p>Ksolves believes that Diversity &amp; Inclusion is a journey and not a destination. The Company strives to ensure that everyone can retain their identity that reflects their cultural experiences and feelings. Ksolves focuses on building and sustaining a strong, diverse, equitable &amp; inclusive culture by implementing new programs and policies, guided by the feedback the Company receives from the members.</p> <p>Diverse Talent  - Tapping Talent across Tier 1 &amp; Tier 2 Cities within India to get diverse mix across  - Flexi work locations  - Indore, Ahmedabad Noida, Pune to support from various base locations  Transfers within  - Gender Diversity Ratio for Campus at 40%  - To Hire Diverse Talent – Review various avenues like Women Special Hiring Drive through job portal for hiring more women candidates</p>	<p>Ensures reduced / zero failure rate, better security controls on the software applications that the Company develops and a better culture that ensures security is by design.</p>
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				<p>- To make the Company's Job Descriptions more inclusive, it uses a gender neutral language to attract diverse talent</p> <p>Engagement &amp; Awareness The Company conducts sensitization programs on Diversity and Inclusion which focuses on building skills to enable Ksolvians to leverage the strengths of diverse teams and customers.</p>	
9	Social Responsibility	Opportunity	Business must be rooted in community and be aligned with its larger interests. Any adversarial relationship can hurt the Company's ability to create long-term value.	Ksolves strives to be a good corporate citizen with special emphasis on environmental responsibility and driving inclusivity.	Creating harmonious relationships with the community provides a secure, social license to operate. Also, being socially responsible, Ksolves believes in the holistic improvement of the ecosystem.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

**The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred to as P1-P9 as given below:**

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner



<p>5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.</p>	<p>To increase bottom line with retention of customers and employees and to ass new base of customers</p>
<p>6. Performance of the entity against specific commitments, goals and targets along with reasons in case the same are not met.</p>	<p>At each Board Meeting, the following are presented and reviewed:</p> <ol style="list-style-type: none"> <li>1. Performance against annual financial and strategy plan</li> <li>2. Objective set for the Management vs. Achievement</li> <li>3. Performance against priorities for the Management for the quarter</li> <li>4. Review of CSR, Environmental Compliances, sustainability framework, and Corporate Governance reports</li> </ol>

## Governance, Leadership and Oversight

**7. Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**  
**Please refer Director's Responsibility Statement forming part of this Annual Report**

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**8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies). Ratan Kumar Srivastava**

**Managing Director  
(DIN: 05329338)**

<p>9. Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details.</p>	<p>Yes.</p> <p>Ksolves Board responsible for decision-making and incorporating sustainability in core business decisions and internal operations.</p>
	<p>Board focuses on the Company's ESG strategy and road map to achieve set targets. It also works on improving the Company's ESG disclosures to effectively demonstrate the Company's ESG commitment to its stakeholders. The ESG Committee comprises of members across different functions and businesses that help in identifying ESG-related risks and related financial impacts for the Company.</p>

**10. Details of Review of NGRBCs by the Company:**

Disclosure questions																		
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against the above policies and follow-up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Q	Q	Q	Q	Q	Q	Q	Q	Q
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Q	Q	Q	Q	Q	Q	Q	Q	Q

Y - Yes, Q - Quarterly

**11. Has the entity carried out an independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.**

No. The processes and compliances, however, may be subject to scrutiny by internal auditors and regulatory compliances, as applicable. From a best practices perspective as well as from a risk perspective, policies are periodically evaluated and updated by various department heads and business heads and approved by the management or board. An internal assessment of the workings of the Business Responsibility (BR) policies has been done.

**12. If the answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:**  
 Not Applicable.

## ► SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

### ESSENTIAL INDICATOR

**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year.**

More than 50% in the category of employees and Key Managerial Personnel have attended the trainings imparted during the year.

**2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Nil

**3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non- monetary action has been appealed.**

Not Applicable

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.**

The Company does not have a separate Anti-bribery policy; however, Integrity, one of the core values, involves respecting commitments not just in letter, but in spirit, by being reliable, trustworthy & dependable, exhibiting professional, intellectual and financial integrity by being truthful, transparent & honest, and sticking up for the right, not just the convenient.

Ksolves India Ltd. Policy to build a shared understanding in a diverse, multi-cultural, multi-locational environment. Ksolves places a very high value on integrity. Each of its stakeholders – Directors, Members of the Board, Members of the Advisory Board, Ksolves (team), Partners, Suppliers, and Consultants (“Stakeholders”)– are responsible for complying with all applicable laws and regulations in each country in which the Company does business and for knowing and complying with the Integrity Policy. The Policy expects that no one at the Company practices any illegal or unfair means to do business and should not accept or give bribes, kickbacks, loans, inducements, gifts, favours, or any other improper payments, direct or indirect, to any government officials, current or prospective customers, suppliers or competitors to win a contract or for some commercial gain.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

Particulars	FY 2022-23	FY 2021-22
Directors		
KMPs	NIL	NIL
Employees		

**6. Details of complaints with regard to conflict of interest**

	FY 2022-23	FY 2022-23	FY 2022-23	FY 2021-22
	Number	Remarks	Number	Remarks
Number of Complaints Received in relation to issues of conflict of interest of directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of conflict of interest of KMPs	NIL	NIL	NIL	NIL

**7. Provide details of any corrective action taken or under way on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

### LEADERSHIP INDICATORS

**1. Awareness programmes conducted for value chain partners on any of the principles during the financial year.**

Total number of awareness programmes held	Topics/Principles covered under the training	% of value chain partners covered (by the value of business done with such partners) under the awareness programmes
1	Prevention Of Sexual Harassment (POSH) training	100%

**2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the board? (Yes/No) If yes, provide details of the same.**

Yes, the Code of Conduct for Directors and Senior Management covers the definition of 'conflict of interest'.

**PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe**

- 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23	FY 2021-22	Details of improvement in Environmental and Social impacts
R&D	NA	NA	NA
Capex	NA	NA	NA

**2. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

- a) Yes, Ksolves is working proactively with vendors and suppliers to drive social and environmental standards in the supply chain. To implement the ESG standards across the supply chain, a value chain sustainability framework is in place, along with a sustainable sourcing policy and vendor's code of conduct.
- a) If yes, what percentage of inputs were sourced sustainably?"  
60% of all inputs were sourced sustainably as per the sustainable sourcing policy.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for**

- (a) Plastics (including packaging),
- (b) E-waste,
- (c) Hazardous waste, and
- (d) other waste.

Being an IT company, there is limited scope for using recycled material as processed inputs. Nonetheless, the Company is constantly seeking out opportunities to recycle waste.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not Applicable

## LEADERSHIP INDICATORS

- 1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Not Applicable

- 2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.**

Not Applicable

- 3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Not Applicable

- 4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

Not Applicable

- 5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Not Applicable

## PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

### 1. a Details of measures for the well-being of employees

Category	% Of employees covered by									
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity benefits		Day care facilities
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)

### PERMANENT EMPLOYEES

Male	296	253	85							
Female	87	86	99			87	100			
<b>Total</b>	<b>383</b>	<b>339</b>	<b>88.5</b>							

Category	% Of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)

### OTHER THAN PERMANENT EMPLOYEES

Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-	-	-	-

#### b Details of measures for the well-being of workers

Not Applicable

### 2. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF		NA	Y		NA	Y
Gratuity		NA	Y		NA	Y
ESI		NA	Y		NA	Y
Others – please specify	-	-	-	-	-	-

### 3. Accessibility of workplaces

**Are the premises/offices accessible to differently-abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in the regard.**

Ksolves has a diverse and inclusive culture that prides itself on gender diversity, generational diversity, persons with different abilities, and so on. All the Company's facilities are wheelchair accessible, making it convenient for a person to move around. For those in need, the Company also provides motorized wheelchairs that one can use in the office premises. Every single Ksolvian is accepted, valued, and celebrated.

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

Yes, the Company has an 'Equal Opportunity Statement', which is shared on the Company's intranet platform.

### 5. Return to work and retention rates of permanent employees that took parental leave.

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	NA	NA
Female	NA	NA
<b>Total</b>	NA	NA

### 6. Is there a mechanism available to receive and redress grievances for the Permanent and Non-permanent employees' categories of employees? If yes, give details of the mechanism in brief.

Permanent Employees	Yes
Other than Permanent Employees	Yes

Who ever is a victim of or witness to sexual harassment or discrimination can raise a complaint on [hr@ksolves.com](mailto:hr@ksolves.com) with their name or anonymously. This complaint shall be directed to the HR and further action taken to have it addressed and resolved with the help of the Internal Committee (IC).

The IC members consist of more than 3 members and one more external member trained in handling any case without any bias.

1. The Audit Committee has been mandated to establish a vigil mechanism for reporting genuine concerns or grievances.
  2. The Administrative and Stakeholders Relationship Committee has been formed for the redressal of all security holders' and investors' grievances, such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of the balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., and assisting with quarterly reporting of such complaints.
  3. Internal Committee, as mandated by the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, has been set up to redress complaints received regarding sexual harassment. The company has also appointed a lawyer as an external member of the Internal Committee, who specializes in Prevention of Sexual Harassment ("POSH") and Protection of Children against Sexual Offences Acts.

**7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

There is no Union/Association in Ksolves that members are affiliated to

## **8. Details of training given to employees and workers**

## EMPLOYEES

## 9. Details of performance and career development reviews of employees and workers

Please refer total employees data mentioned.

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>EMPLOYEES</b>						

### EMPLOYEES

Male						
Female						
<b>Total</b>						

## 10. Health and Safety management system:

### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such a system?

Yes, the 'Health and Safety Policy' covers all Ksolves including Trainees, Consultants and Partners.

### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

- The Company has created and maintained a safe working environment by identifying hazards and assessing and minimizing risks.
- The Company monitors the internal health and safety performance, including work-related accidents, incidents, and significant ill-health occurrences such as epidemic threats and investigates those that do occur and helps reduce their number and severity.
- The Company works closely with appropriate external agencies and within its industry to ensure the continued adoption of appropriate best-practice in health and safety management.
- The Company communicates, involves, and actively engages in training all employees on health and safety issues.
- The Company ensures periodic review of Health and Safety reports to comply with health and safety legislation.
- The Company encourages its suppliers, contractors, and business partners to adopt best practices in health and safety.

### c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Given the nature of the business, this is not directly applicable.

**d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services?**

**11. Details of safety-related incidents**

Gender	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one Mn-person hours worked)	Employees	NIL	NIL
Total recordable work-related injuries	Employees	NIL	NIL
No. of fatalities (safety incident)	Employees	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace**

The organisation emphasises the importance of maintaining a safe and healthy workplace for all its members and third-party teams who work on its premises. The Company has Health and Safety Policy which includes measures such as:

1. Monitoring the internal health and safety performance, including work-related accidents, incidents, and significant ill-health occurrences such as epidemic threats, shall investigate those that occur and work to help reduce their number and severity.
2. Working closely with appropriate external agencies and within its industry to ensure the continued adoption of appropriate best-practice in health and safety management.
3. Emergency Team dealing with severe incidents involving safety threats to the Company's locations with potential health and safety implications for team members, clients, or visitors at the Company locations. The Facilities & Administration Team acts in case of fire alarms, medical situations, and partial or total evacuations of the Company location in question. The members of these teams receive relevant training on an annual basis.

**13. Number of complaints on the following made by employees:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	NIL	NIL	-	NIL	NIL	-
Health and safety	NIL	NIL	-	NIL	NIL	-

**14. Assessments for the year:**

		FY 2022-23
Health and safety practices		There have been no assessments done so far. However, the company does cover health issues like COVID-19 and safety precautions in its Risk register with a Moderate risk impact
Working Conditions		

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.**

Not Applicable.

#### LEADERSHIP INDICATORS

**1. Does the entity extend any life insurance or any compensatory package in the event of death of?**

**(A) Employees (Y/N)      (B) Workers (Y/N).**

(A) Yes, Life Insurance is provided as part of the Group Term Life Policy, which provides compensation to the insured person's family in case of a Ksolves' death.

(B) Not applicable as Ksolves India Limited is an IT Company.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company ensures that statutory dues as applicable to the transactions within the remit of the Company are deducted and deposited in accordance with extant regulations. This activity is also reviewed as part of the internal and statutory audit. The Company expects its value chain partners to uphold business responsibility principles and values of transparency and accountability.

**3. Provide the number of employees having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees	No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
		FY 2021-22	FY 2020-21
Employees	NIL	NIL	NIL

**4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)**

**5. Details on assessment of value chain partners**

	% Of value chain partners (by the value of business done with such partners) that were assessed
Health and safety practices	As part of the Company's Value Chain Sustainability Framework, the Company expects all of its value chain partners to follow extant regulations, including health and safety practices and working conditions. Policy on Sustainable Sourcing and ESG are in place to ensure fair working conditions. These parameters are not explicitly captured or measured, but the Company has conducted a Vendors Feedback survey to ascertain the impact of health and safety practices.
Working Conditions	

**6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners**

No corrective action plan has been necessitated regarding the above-mentioned parameters in FY 2022-23. Still, the Company conducted a Vendors Feedback survey to ensure the health and safety practices to improve the process, which helps build a good relationship with value chain partners.

**PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders**

**ESSENTIAL INDICATOR**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

The stakeholders that could be identified can be employees, shareholders and investors, customers, channel partners, and key partners, regulators, lenders, vendors, credit rating agencies, communities, and non-governmental organizations. Key stakeholders are identified in consultation with the Company's management to prioritize. The Company understands that a broad and inclusive materiality process, including stakeholder engagement with individual or group of individuals or institutions that adds value to the business chain, is identified as a key stakeholder. The expectations and concerns of identified stakeholders help in the prioritization of strategy, policies, and action plans for the environment, economy, and society. The key stakeholder groups that will be the recipient of the Company's CSR contribution are decided by the Board of Directors' CSR Committee.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Key Stakeholders	Whether identified as Vulnerable & Marginalised Group(Yes/No)	Channels of communication (Email,SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half Yearly/Quarterly/ Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement

Customers	No	Project-related calls and meetings; project management reviews; relationship meetings and reviews; executive meetings and briefings; customer visits; responses to RFIs/RFPs; sponsored events; mailers; newsletters; brochures	As needed
		Company website; social media (LinkedIn, Twitter, Facebook, Instagram)	Continuous
		Customer Happiness Surveys; sponsored community events	Annual
People	No	Town halls; project or operations reviews; video conferences; audio conference calls; Performance Evaluation Programme; Wellness programs; Employee Engagement programs;	Continuous
		Annual reviews	Annual
Shareholders & Investors	No	Press releases and press conferences; email advisories; in-person meetings; investor conferences; disclosure; social and environmental sustainability	As needed

		Financial statements in Ind AS and IFRS; earnings call; exchange notifications; press conferences	Quarterly	<ul style="list-style-type: none"> <li>• Highest standards of Corporate Governance</li> <li>• Transparency and disclosure</li> <li>• Establish leadership in Environment Social and Governance standards</li> </ul>
		Investors page on the Ksolves website	Continuous	
		Annual General Meeting; Annual Report	Annual	
Alliance Partners	No	Meetings/calls; visits; Partner events; Conference calls; Business reviews	As needed	<ul style="list-style-type: none"> <li>• Enhance and actively engage in Innovations;</li> <li>• Be a partner for digital technologies</li> </ul>

<b>Key Stakeholders</b>	<b>Whether identified as Vulnerable &amp; Marginalised Group (Yes/No)</b>	<b>Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others</b>	<b>Frequency of engagement (Annually/ Half Yearly/ Quarterly/ Others – please specify)</b>	<b>Purpose and scope of engagement including key topics and concerns raised during such engagement</b>
Community	No	Presentations; Reviews; calls and meetings; surveys; consultative sessions; field visits; due diligence; conferences and seminars; surveys; press releases; press	As needed	<ul style="list-style-type: none"> <li>• Being a responsible Corporate Citizen;</li> <li>• Promote Sustainable Development and Socially</li> </ul>

		<p>conferences; sponsored events Contribute time and financial resources to a social cause. Actively engage, participate and support social and environmental causes and associate with organizations working towards this goal</p>		Responsible Culture
Vendors	No	Project management reviews; relationship meetings and reviews; contracts	As needed	<ul style="list-style-type: none"> <li>• Fair business practices</li> <li>• Governance</li> <li>• Sustainability of Demand</li> <li>• Creditworthiness</li> <li>• Promote small businesses</li> </ul>
Government and Regulatory Bodies	No	<ul style="list-style-type: none"> <li>• Representations on consultative papers by regulatory authorities</li> <li>• Interactions with statutory bodies like SEBI, Labour Authorities, CPCB, etc.</li> <li>• Policy Advocacy</li> <li>• Interactions / Representations with government through industry associations like NASSCOM, FICCI, ASSOCHAM, CII</li> </ul>	As needed	Participate in National economic development

## LEADERSHIP INDICATORS

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

Ksolves undertakes materiality as one of the critical processes in identifying and prioritizing the most pertinent issues. Key stakeholders are identified through an exercise undertaken in consultation with the Company's management. The prioritized list includes everyone from customers, employees, shareholders, investors, government and regulatory bodies, communities and NGOs, staffing agencies, alliance partners, and other vendors. A stakeholder interaction exercise with both internal and external stakeholders is then undertaken as part of the development of this report.

Consultation medium between stakeholders, Company Management, and Board takes place through various channels as listed below.

S.No.	Identified Stakeholder Group	Stakeholder Consultation Process
1	Customers	Project-related calls and meetings; project management reviews; relationship meetings and reviews; executive meetings and briefings; customer visits; responses to RFIs/RFPs; sponsored events; mailers; newsletters; brochures, Company website; social media (LinkedIn, Twitter, Facebook, Instagram); Customer Happiness Surveys; sponsored community events
2	People	Town halls; project or operations reviews; video conferences; audio conference calls;; Wellness programs; Employee Engagement programs; Annual reviews; Employee Committees
3	Shareholders & Investors	Press releases and press conferences; email advisories; in-person meetings; investor conferences; disclosure; social and environmental sustainability, financial statements in Ind AS and IFRS; earnings call; exchange notifications; press conferences; Investors page, on Ksolves website Annual General Meeting; Annual Report
4	Alliance Partners	Meetings/calls; visits; Partner events; Conference calls; Business reviews

5	Community	Presentations; Project meetings; Reviews; calls and meetings; surveys; consultative sessions; field visits; due diligence; conferences and seminars; surveys; press releases; press conferences; sponsored events; Contribute time and financial resources in a social cause, actively engage, participate and support social and environmental causes and associate with organizations working towards this goal
6	Vendors	The Company has conducted a vendor satisfaction survey during the year and are in the process of implementing the Vendor Audit and the Self-assessment questionnaire on ESG
7	Government & Regulatory Bodies	Inputs towards drafting new policies, rules & regulations

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.**

Yes. ESG requirements in RfP from customers demand information and commitment on carbon neutrality, science-based targets, diversity, inclusion, equity, etc. Such requirements have been taken into account and have internalized the ESG requirements with the existing ESG framework in consultation with Ksolves' Executive Board.

**3. Provide details of instances of engagement with, and actions are taken to, address the concerns of vulnerable/marginalised stakeholder groups.**

Not Applicable

**PRINCIPLE 5 Businesses should respect and promote human rights**

**1. All employees under employment**

Category	Total (A)	FY 2022-23			FY 2021-22		
		No. of employees covered (B)	% (B/A)	Total (C)	No. of employees covered (D)	% (D/C)	
Permanent	-	-	-	-	-	-	-
Other than Permanent	-	-	-	-	-	-	-
<b>Total employees</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**EMPLOYEES**

Permanent	-	-	-	-	-	-	-	-	-	-	-
Other than Permanent	-	-	-	-	-	-	-	-	-	-	-
<b>Total employees</b>	<b>-</b>										

\*Note: The Company does not have any workers as defined in the guidance note on BRSR.

## 2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 2022-23				FY 2021-22					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>EMPLOYEES</b>										
Permanent	-	-	-	-	-	-	-	-	-	
Male	-	-	-	-	-	-	-	-	-	
Female	-	-	-	-	-	-	-	-	-	
Other than Permanent	-	-	-	-	-	-	-	-	-	
Male	-	-	-	-	-	-	-	-	-	
Female	-	-	-	-	-	-	-	-	-	

\*Note: The Company does not have any workers as defined in the guidance note on BRSR.

## 3. Details of remuneration/salary

As mentioned in Part C of Annual report

	Male		Female	
	Number	Median remuneration/salary/wages of respective category in	Number	Median remuneration/salary/wages of respective category in
Board of Directors(BoD) (Whole-time directors)	-	-	-	-
Key Managerial Personnel (other than BoD)	-	-	-	-
Employees other than BoD and KMP*	-	-	-	-
Workers	NA	NA	NA	NA

## 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, Ksolves has an Internal committee that handles all human rights impacts or issues.

## 5. Describe the internal mechanisms in place to redress grievances related to human rights issues

Describe the Internal Committee (IC) has been set up to redress complaints received regarding sexual harassment. The company has also appointed a lawyer as an external Internal Committee member who specializes in the Prevention of Sexual Harassment ("POSH") and Protection of Children against Sexual Offences Act.e internal mechanisms in place to redress grievances related to human rights issues

## 6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	NIL	NIL	-	NIL	NIL	-
Discrimination at workplace	NIL	NIL	-	NIL	NIL	-
Child labour	NIL	NIL	-	NIL	NIL	-
Forced labour / Involuntary labour	NIL	NIL	-	NIL	NIL	-
Wages	NIL	NIL	-	NIL	NIL	-
Other human rights related issues	NIL	NIL	-	NIL	NIL	-

## 7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

Describe the Internal Committee (IC) has been set up to redress complaints received regarding sexual harassment. The company has also appointed a lawyer as an external Internal Committee member who specializes in the Prevention of Sexual Harassment ("POSH") and Protection of Children against Sexual Offences Act.e internal mechanisms in place to redress grievances related to human rights issues

- An awareness program is conducted for all new hires on discrimination and harassment.
- The policy is drafted and shared across the organization for quick reference.
- Posters are put up in all common areas on Do's and Don'ts with contact details in the case, employees wish to raise a complaint.

The Company has a policy against sexual harassment and a formal process for dealing with complaints of harassment or discrimination. The Company has strict guidelines for preventing sexual harassment. POSH training is conducted regularly; this is mandatory for all new joiners. The Company encourages participation of women & building representation through focused initiatives and interventions. Regarding the same, Ksolves has policies implemented to build a conducive workplace for women.

To prevent any adverse impact, the Company has undertaken initiatives to make the workplace safe for women, which include building employee awareness and stringent guidelines on Prevention of Sexual Harassment.

As a responsible organization, Ksolves has always believed in providing its members with a supportive work environment.

#### **8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes. All business agreements and contracts with Ksolves are bound by the Code of Conduct, and abiding by the fundamentals of Human Rights is a pre-requisite to conducting the business.

#### **9. Assessments for the year**

	<b>% Of offices that were assessed (by the entity or statutory authorities or third parties)</b>
Child labour	The Company follows the laws, as applicable. Although no assessment was done by the Company, no complaints were received.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

#### **10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.**

With a detailed assessment of topics mentioned above related to Human Rights, the Company has followed the applicable laws. Hence, it does not foresee any significant risks/concerns.

## ► LEADERSHIP INDICATORS

### 1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

The Company has not received any grievances or complaints regarding Human Rights Violation in FY 22-23. The following tools and processes were implemented to strengthen the Human Rights policy in the Company:

- Response to the grievance raised will be within 2 working days

### 2. Details of the scope and coverage of any human rights due diligence conducted.

The Company has a Code of Conduct in place to ensure that all Human Rights protocols are respected and followed.

### 3. Is the premise/office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Ksolves has a diverse and inclusive culture that prides itself on gender diversity, generational diversity, persons with different abilities, and so on. All facilities are wheelchair accessible, making it convenient for a person to move around. For those in need, the Company also provides motorized wheelchairs that one can use in the office premises. Every single ksolvian is accepted, valued, and celebrated.

### 4. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	
Discrimination at workplace	
Child labour	
Forced labour/Involuntary labour	
Wages	
Others – please specify	

### 5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No corrective action plan has been necessitated on the above-mentioned parameters in FY 2022-23.

► **PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity**

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A) (GJ)	23509 Units	NA
Total fuel consumption (B) (GJ)	NA	NA
Energy consumption through other sources (C)	NA	NA
Total energy consumption (A+B+C) (GJ)	NA	NA
Energy intensity per rupee of turnover (Total energy consumption/ turnover in Lacs rupees)	23509 Units	NA

\* Based on select offices

The organizational boundary has been established using the 'Operational Control Approach'.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

NO

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not Applicable

**3. Provide details of the following disclosures related to water.**

The Company did not tracked this data

Parameter	FY 2022-23	FY 2021-22
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others - Produced water; (Drinking Water)	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	-	-

Total volume of water consumption (in kilolitres)		
Water intensity per Lacs rupees of turnover (litres of Water consumed / turnover)		

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

**5. Please provide details of air emissions (other than GHG emissions) by the entity.**

Not Applicable

Parameter	Unit	FY 2022-23	FY 2021-22
NOx mg/Nm3			
SOx mg/Nm3			
Particulate matter (PM) mg/Nm3			
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others – please specify	NA	NA	NA

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity**

Not Applicable

Parameter	FY 2022-23	FY 2021-22
Total Scope 1 emissions Metric tonnes of CO2 equivalent		
Total Scope 2 emissions Metric tonnes of CO2 equivalent		
Total Scope 1 and Scope 2 emissions (per Mn rupees of turnover) tCO2e		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

NO

**7. Does the entity have any project related to reducing Green House Gas emissions? If yes, then provide details. No.**

**8. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 22- 23	FY 2021-22	FY 2020-21
<b>Total Waste Generated (in metric tonnes)</b>			
Plastic waste (A)	-	-	-
E-waste (B)	-	-	NA
Bio-medical waste (C)	NA	NA	NA
Construction and demolition waste (D)	NA	NA	NA
Battery waste (E)	NA	NA	NA
Radioactive waste (F)	NA	NA	NA
Other Hazardous waste (G)	-	-	-
Other Non-hazardous waste generated (H).	NA	NA	NA
Other Non-hazardous waste generated (H). H-1: Wet Waste (Food Waste)			
H-2: Dry wastepaper waste			
Total (A+B + C + D + E + F + G + H)			
<b>For each category of waste generated, total waste recovered through recycling, re-using, or other recovery operations (in metric tonnes)</b>			
<b>Category of waste</b>			
(i) Recycled	-	-	-
(ii) Re-used	-	-	-
(iii) Other recovery operations	NA	NA	NA
Category 1 (Wet waste food waste)	0	0	
Category 2 (Dry wastepaper waste)	0	0	0

<b>Total</b>	0	0	
For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)	NA	NA	NA
Category of waste	NA	NA	NA
(i) Incineration	NA	NA	NA
(ii) Landfilling	NA	NA	NA
(iii) Other disposal operations	NA	NA	NA
Category 1 (Wet waste food waste)	0	0	
Category 2 (Dry wastepaper waste)			
<b>Total</b>			

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Given the nature of the business, there is no usage of hazardous and toxic chemicals by the organisation.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/ clearances are required, please specify details in the following format:**

S no.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
NA	NA	NA	NA

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA

**12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non- compliances.**

Yes, Ksolves is compliant with all the applicable environmental laws and regulations based on its nature of business.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA	NA	NA	NA	NA

## ► LEADERSHIP INDICATOR

**1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non- renewable sources, in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>From renewable sources</b>		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
<b>From non-renewable sources</b>		
Total electricity consumption (D)	23509 Units	

Total fuel consumption (E)		
Energy consumption through other sources (F)	NA	NA
Total energy consumed from non-renewable sources (D+E+F)	23509 Units	

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

NO

**2. Provide the following details related to water discharged: NA**

Parameter	FY 2022-23	FY 2021-22
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	-	-
No treatment	-	-
With treatment – STP	NA	NA
(ii) To Groundwater	-	-
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(iii) To Seawater	NA	NA
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
<b>Total water discharged (in kilolitres)</b>	NA	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

NO

**3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**  
Not Applicable.

**4. Please provide details of total Scope 3 emissions & its intensity, in the following format:**  
The Company is presently not tracking Scope 3 emissions.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NO

**5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.**

N/A

**6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

N/A

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web-link**

Ksolves follows a well-defined Business Continuity Plan (BCP) that guides the Company's response to natural or human-made calamities and disasters, which could disrupt or severely contain the Company's operations. The BCP program addresses all aspects of business continuity – Governance, Situation Monitoring, Risk Assessment, Mitigation Planning & Tracking, Stakeholder Communication, Liaison with external entities, and Scenario Planning. The Company has a specific task force to drive the transition to work-from-home and ensure business continuity. Over the years and currently during the pandemic, the Company has successfully implemented its business continuity plans including achieving efficient work-from-home practices to ensure connectivity across the enterprise.

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

N/A

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

N/A

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

## ► ESSENTIAL INDICATORS

### 1. a. Number of affiliations with trade and industry chambers/associations.

Nil

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.

Not Applicable

### 2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not Applicable

## ► LEADERSHIP INDICATORS

### 1. Details of public policy positions advocated by the entity:

Not Applicable

## PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

### 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

The Company has not undertaken any SIAs in the current financial year.

### 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement is being undertaken by your entity.

Not Applicable

### 3. Describe the mechanisms to receive and redress grievances of the community.

Not Applicable

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	NA	
Sourced directly from within the district and neighbouring districts	NA	As per requirement, efforts are made to procure locally.

**► LEADERSHIP INDICATORS**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Not Applicable

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Not Applicable

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised / vulnerable groups? (Yes/No)**

No. However, the Company has a Procurement Manual in place, the process is followed according to the Manual.

**(b) From which marginalised / vulnerable groups do you procure?**

NA

**(c) What percentage of total procurement (by value) does it constitute?**

NA

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.**

Not applicable

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Not applicable

**6. Details of beneficiaries of CSR Projects : Refer Annual Report on CSR forming a part of this Annual Report.****PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner ESSENTIAL INDICATORS****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company has a holistic customer experience framework to understand the behaviours, needs, and expectations of individual customers, which helps in developing a roadmap for continuous engagement and enriching the customer relationship. These programs are successful in providing early alerts, and appropriate course corrections are planned by Business and Delivery Leaders to provide high-quality products/services to the customers.

Customer perceptions are periodically reviewed through the below instruments:

- Structured, multi-layered governance processes
  - Weekly governance between the project teams to track the progress of various engagement streams, review weekly plans to ensure the Company is aligned
  - Monthly governance involving the sales/delivery leadership and client executives – to capture customer feedback and perceptions, assess key risks & mitigation strategies, if any
  - Quarterly governance meetings involving BU heads and customer leadership to review relationship progress, update customers on new initiatives and projects at Ksolves & discuss additional areas for value addition.

o Quarterly onsite visits to different countries to ensure face to face feedback, understand CSAT score and create more business opportunities

(a) Number of total customer complaints/feedback received during the last two financial years.

Fiscal Year	2023	2022
No. of complaints	NIL	NIL

(b) Total outstanding at the end of each year for the last two financial years.

All customer escalations are resolved within the stipulated time and there are none open.

(c) Total cases raised in consumer forums year-wise, during the last two financial years.

None

(d) What is the customer complaint resolution time?

The first response time for any customer complaint is 2 - 4 hrs.

## 2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

Not Applicable

## 3. Number of consumer complaints in respect of the following:

Fiscal Year	FY 2022-23			FY 2021-22		
	Received	Pending	Remark during resolution	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NIL	0	0	NIL
Advertising	NIL	NIL		NIL	NIL	
Cyber-security	0	0	NIL	0	0	NIL

Restrictive Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Unfair Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Others			All customer complaints were resolved successfully			All customer complaints were resolved successfully

**4. Details of instances of product recalls on account of safety issues:**

Not applicable

**5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, the Company has Information Security Policies

These policies are shared on the intranet platform of the Company.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

During the financial year 2022-23, Company did not have such events. Nonetheless, the Company has been instrumental in coming up with the below actions:

- Enhancing the overall Cyber Security and Data privacy by implementing strong technical controls, including the rollout of data classification and labelling,
- User awareness,
- Network segmentation and
- Proactive scanning of deep and dark web to look for any leaked credentials/data.
- IP protection clauses and undertaking is made mandatory for all people joining and leaving the organization.

The organization is also putting in place a detailed Privacy Information Management System (PIMS), which will act as a foundation for addressing multiple privacy regulations and safeguarding employee and customer privacy.

## ► Leadership Indicators

### **1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Information relating to all the products and services provided by the Company is available on the Company's website,

### **2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

A set of programs and activities are designed under the 'Circle of Happiness' to ensure the Company is socially and environmentally responsible when conducting its business.

### **3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

All such communications to the customer are authorized by Executive Board / respective Sales Representative.

### **4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Customer satisfaction is measured through annual surveys. CSAT and Net Promoter Score (NPS) are part of the KRA goals for the senior leadership as well as all sales & delivery professionals for the clients managed by them, and this is measured within the Performance Management System.

- Customer Happiness Survey (CHS): This is an annual survey rolled to multiple customer touchpoints (Ex: CXOs and Line managers). The CHS targets to cover 90% of the customers by Revenue base.
- Project Feedback: Apart from the Customer Happiness survey, the pulse of the customers is also tracked throughout the year through two programs: "Project End Feedback" for small engagements and "Ongoing Engagement Feedback" for long-running engagements.

**5. Provide the following information relating to data breaches:**

a. Number of instances of data breaches along with impact –

NIL

b. Percentage of data breaches involving personally identifiable information of customers -

No

## Annexure J

### ► Corporate Governance Report

#### **I. Brief Statement on Company's Philosophy on Code of Corporate Governance**

Ksolves' philosophy on Corporate Governance is to create and conduct sustainable growing business with the highest standards of integrity, transparency and accountability to maximize stakeholders' value while duly complying with all applicable laws and regulations.

Ksolves firmly believesthat Corporate Governance is critical to success of its businessand its governance practices are reflected in its strategy, plan, culture, policies and relationship with stakeholders.

#### **II. Board of Directors**

The Board of Directors of Ksolves as on March31, 2023, comprised of six (6) Directors with optimum combination of Executive and Non-Executive Directors i.e., two Executive Directors and four Non-Executive Independent Directors including three-woman Directors and each of them are professionals in their respective areas of specialization and have held eminent positions. The Board Membersare not related to each other, and the number of Directorships/Committee memberships held by Executive and Non-Executive Independent Directors are within the permissible limits under SEBI (LODR), Regulations, 2015 and Companies Act, 2013.

##### **(a) Composition of Board of Directors**

The composition and category of Directors as on March 31, 2023:

Sl. No.	Name of the Director	Category	Number of other Director-ships held in other public Companies	Number of Committee membership held in other public companies (limited to only Audit and Stakeholders' Relationship Committees)	No. and % of Equity Shares held in the Company (%)
				As Chairperson      As Member	
1	Ratan Kumar Srivastava	Promoter, Chairman & Managing Director	Nil	Nil      Nil	37,72000 (31.82%)
2	Deepali Verma	Promoter and Whole -Time Director	Nil	Nil      Nil	32,16,400 (27.13%)
3	Varsha Choudhry	Non-Executive Independent Director	Nil	Nil      Nil	Nil
4	Varun Sharma	Non-Executive Independent Director	Nil	Nil      Nil	Nil
5	Sushma Samarth	Non-Executive Independent Director	Nil	Nil      Nil	Nil
6	Vineet Krishna	Non-Executive Independent Director	Nil	Nil      Nil	Nil

### Directorship in other listed entities as on March 31, 2023:

Sl. No.	Name of the Director	Directorship in other listed entities	Category of Directorship
1	Ratan Kumar Srivastava	Nil	NA
2	Deepali Verma	Nil	NA
3	Varsha Choudhry	Nil	NA
4	Sushma Samarth	Nil	NA
5	Vineet Krishna	Nil	NA
6	Varun Sharma	Nil	NA

During the financial year 2022-23, Six (6) meetings of the Board were held and the gap between two meetings did not exceed one hundred and twenty days. The Board Meetings are prescheduled, and adequate notice is given to the Board members. Board Meetings are generally held at the registered office of the Company either through video conference or through physical presence.

These Board Meetings were held on May 15, 2022; July 12, 2022; August 4, 2022; October 16, 2022, January 15, 2023 and February 22, 2023. The necessary quorum was present for all the meetings.

### b) Core Skills/Expertise/Competencies of the Board of Directors

The Directors of the Company bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process. The following are the core skills, expertise and competencies identified for effective functioning of the Board and the names of directors who have such skills/expertise/competence:

Name of the Director	Interpersonal skills and personal qualities/values	Information Technology business & Industry knowledge	Legal, regulatory and financial knowhow	Strategic and analytical mindset	Leadership, Management & Governance
Ratan Kumar Srivastava	✓	✓	✓	✓	✓
Deepali Verma	✓	✓	✓	✓	✓
Varsha Choudhry	✓	✓	✓	✓	✓
Varun Sharma	✓	✓	✓	✓	✓
Sushma Samarth	✓	✓	✓	✓	✓
Vineet Krishna	✓	✓	✓	✓	✓

**(c) Attendance of Directors at the Board Meetings and Annual General Meeting (AGM) held during the financial year 2022-23:**

Name of the Director	Board Meetings entitled to attend	Board Meetings attended	Whether present at AGM held on August 28, 2022*
Ratan Kumar Srivastava	6	6	Yes
Deepali Verma	6	6	Yes
Varsha Choudhry	6	6	Yes
Varun Sharma	6	6	Yes
Sushma Samarth	6	5	Yes
Vineet Krishna	5	5	Yes

\*Note: The AGM was held through video conferencing and other audio-visual means ("VC") because of COVID restrictions.

**(d) Independent Directors**

The Board is of the opinion that the Independent Directors fulfil the conditions specified in the Companies Act, 2013 and SEBI(LODR), Regulations, 2015 and that they are independent of the management.

During the financial year 2022-23, there held one(1) meeting of the Independent Directors on January 15, 2023, inter alia to review the following and the meeting was attended by all the Independent Directors:

- (i) Review performance of non-independent directors and the Board of Directors as a whole;
- (ii) Review performance of the Chairperson of the Company;
- (iii) Assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board to effectively and reasonably perform their duties.

The familiarization program and other disclosures as specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available on the Company's website at <https://www.ksolves.com/assets/pdf/1-Corporate/4-Familiarization-programme-for-Independent-Directors.pdf>

No Independent Director had resigned during the financial year 2022-23

**(e) CEO/CFO Certification**

As required under Regulation 17 (8) of SEBI (LODR) Regulations, CEO/CFO have certified to the Board that the Financial Statements for the financial year ended March 31, 2023 do not contain any untrue statement and that these statements represent a true and fair view of the Company's affairs and other matters as specified thereunder. Copy of the Certificate is attached as Annexure I to this Report.

**(f) Code of Conduct for Directors and Senior Management**

The Company has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel to ensure that the business of the Company is conducted with the highest standards of ethics and values in accordance with the applicable laws, regulations and rules and is critical to the success of the Company. The Code is available on the Company's website at <https://www.ksolves.com/assets/pdf/5-Policies/4-Code-of-Conduct-for-Director-and-Senior-Executives.pdf>

All the Board Members and Senior Management Personnel have affirmed compliance with the Code. A declaration signed by the CEO/CFO to this effect is enclosed as part of Annexure I to this Report.

**III. Audit Committee****(a) Terms of Reference**

The Audit Committee has inter alia the following mandate:

- (i) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (ii) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor and statutory auditor, of the Company and the fixation of audit fee;
- (iii) Approval of payments to Statutory Auditors for any other services rendered by the Statutory Auditors of the Company;

- (iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act;
  - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
  - (iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
  - (iv) Significant adjustments made in the financial statements arising out of audit findings;
  - (v) Compliance with listing and other legal requirements relating to financial statements;
  - (vi) Disclosure of any related party transactions; and
  - (vii) Qualifications / modified opinion(s) in the draft audit report.
- (v) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- (vi) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
- (ix) Approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;

- (x) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- (xi) Scrutiny of inter-corporate loans and investments;
- (xii) Valuation of undertakings or assets of the company, wherever it is necessary;
- (xiii) Evaluation of internal financial controls and risk management systems;
- (xiv) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xv) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xvi) Discussion with internal auditors of any significant findings and follow up there on;
- (xvii) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (xviii) Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xix) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xx) Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- (xxi) Reviewing the functioning of the whistleblower mechanism;
- (xxii) Approval of the appointment of the Chief Financial Officer of the Company ("CFO") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;

- (xxiii) Carrying out any other functions as provided under the Companies Act, the SEBI Listing Regulations and other applicable laws;
- (xxiv) To formulate, review and make recommendations to the Board to amend the Audit Committee charter from time to time;
- (xxv) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances; and
- (xxvi) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- (xxvii) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower.
- (xxviii) Such roles as may be prescribed under the Companies Act and SEBI Listing Regulations.

**(b) Number of Meetings:** During the financial year 2022-23, six (6) meetings were held i.e., on May 15, 2023, July 12, 2023, August 04, 2022, October 16, 2023, January 15, 2023 and February 22, 2023.

**(c) Composition of the Committee and Meetings attended by each member:**

Name of the Member	Category	Position	Meetings	
			Held	Attended
Varun Sharma	Independent Director	Chairperson	6	6
Deepali Verma	Executive Director	Member	6	6
Varsha Choudhry	Independent Director	Member	6	6
Vineet Krishna	Independent Director	Member	3	3

\*Note: Mr.Vineet Krishna was appointed as member of the Audit Committee w.e.f August 04, 2023

**(iv) Nomination, Remuneration and Board Governance Committee****a) Terms of Reference**

The Nomination, Remuneration and Board Governance Committee has interalia the following mandate:

i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and

(ii) other employees;

(iii) Formulation of criteria for evaluation of performance of Independent Directors and the Board;

(iv) Devising a policy on Board diversity;

(v) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

(vi) Analyzing, monitoring and reviewing various human resource and compensation matters;

(vii) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(viii) Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);

(ix) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(x) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

- (xi) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (xii) Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme")
- (xiii) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;
- (xiv) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time.
- (xv) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination, Remuneration and Board Governance Committee.
- (xvi) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

**(b) Number of Meetings:** During the financial year 2022-23, two (2) meetings were held i.e., on May 15, 2022; and January 15, 2023.

**(c) Composition of the Committee and Meetings attended by each member:**

Name of the Member	Category	Position	Meetings	
			Held	Attended
Vineet Krishna	Independent Director	Chairperson	2	2
Varsha Choudhry	Independent Director	Member	2	2
Sushma Samarth	Independent Director	Member	2	2

\*Note: Mr. Vineet Krishna was appointed as Chairperson of Nomination and Remuneration committee w.e.f May 31, 2023 and Ms. Sushma Samarth ceased to be the Chairperson of Nomination and Remuneration committee w.e.f May 31, 2023

- (d) Performance evaluation criteria for the Independent Directors The indicative criteria for evaluation of performance of the Independent Director that are provided in their terms of appointment are as under:
- (i) Attendance and contribution at Board and Committee meetings.
  - (ii) Appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align company's value and standards.
  - (iii) Knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes and corporate governance.
  - (iv) Ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
  - (v) Effective decision making ability.
  - (vi) Ability to open channels of communication with executive management and other colleagues on Board to maintain high standards of integrity and probity.
  - (vii) His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.
  - (viii) His/her ability to monitor the performance of management and satisfy himself/herself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders
  - (ix) His/her contribution to enhance overall brand image of the Company.

**(v) Remuneration to Directors:**

**(a) Criteria of making payments to Non-Executive Directors**

Non-Executive Directors are paid sitting fees for attending the Meetings of the Board and of Committees of which they are members at the rate of `1,00,000/- (Rupees One Lacs Only) per meeting and commission based on their performance provided however that the aggregate remuneration including commission, so paid to such Directors in a financial year shall not exceed 1% of the net profits of the Company.

**(b) Criteria of making payments to Executive Directors**

The Executive Directors are paid as per the remuneration approved by the Shareholders at the time of their appointment which are in line with the statutory requirements and Company's policies. The revision in remuneration, if any is recommended by the Nomination Remuneration and Board Governance Committee to the Board for its consideration by taking into account their individual performance and as well performance of the Company in a given year. Perquisites, performance linked incentives and retirement benefits are paid in accordance with the Company's compensation policies, as applicable to all employees, which also details criteria for such payments. As per the current terms of their appointment, none of the Executive Directors are entitled to commission on the net profits of the Company.

**(c) Details of Remuneration paid to Directors for the financial year 2022-23**

Name of the Director	Salary in Lacs		Perquisites	Sitting Fees & Commission	Shares issued under ESOPs	Total Remuneration paid (In Lacs)	Details of Service Contracts, Notice Period & Severance fees
	Fixed	Variable					
Ratan Srivastava	Nil	Nil	Nil	Nil	Nil	Nil	NA
Deepali Srivastava	Nil	Nil	Nil	Nil	Nil	Nil	NA
Varsha Choudhry	Nil	Nil	Nil	1.4	Nil	1.4	NA
Varun Sharma	Nil	Nil	Nil	1.4	Nil	1.4	NA
Sushma Samarth	Nil	Nil	Nil	1.4	Nil	1.4	NA
Vineet Krishna	Nil	Nil	Nil	1.05	Nil	1.05	NA

**(vi) Administrative and Stakeholders Relationship Committee****(a) Terms of Reference**

The Administrative and Stakeholders Relationship Committee has interalia the following mandate:

- (i) Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., and assisting with quarterly reporting of such complaints.
- (ii) Reviewing of measures taken for effective exercise of voting rights by shareholders.
- (iii) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities.
- (iv) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- (v) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- (vi) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
- (vii) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

**(b) Number of Meetings:** During the financial year 2022-23, four meetings were held i.e., on May 15, 2022; July 12, 2022 and October 16, 2022 And January 15, 2023

**(c) Composition of the Committee and Meetings attended by each member:**

<b>Name of the Member</b>	<b>Category</b>	<b>Position</b>	<b>Meetings</b>	
			<b>Held</b>	<b>Attended</b>
Sushma Samarth	Independent Director	Chairperson	3	3
Varun Sharma	Independent Director	Member	4	4
Ratan Kumar Srivastava	Managing Director	Member	4	4

\*Note: Ms. Sushma Samarth appointed as Chairperson of Stakeholders Relationship Committee w.e.f May 31, 2023 and Ms. Varsha Choudhry ceased to be the Chairperson of Stakeholders Relationship Committee w.e.f May 31, 2023.

**(d) Name and designation of compliance officer :** Ms. Manisha Kide, Company Secretary & Compliance Officer.

**(e) Details of shareholders' complaints:**

- (i) Number of shareholders complaints received upto March 31, 2023: 1
- (ii) Number of shareholders complaints resolved upto March 31, 2023: 1
- (iii) Number of pendingcomplaints as on March 31, 2023: Nil

## **(vii) Corporate Social Responsibility Committee**

### **(a) Terms of Reference**

- (i) The Corporate Social Responsibility Committee has interalia the following mandate:  
To formulate and recommend to the board, a corporatesocial responsibility policy which shall indicate the activities tobe undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;
- (ii) To Identify corporate social responsibility policypartners and corporate social responsibility policyprogrammes;
- (iii) To recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
- (iv) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

- (v) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and
  - (vi) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act.
- (b) **Number of Meetings:** During the financial year 2022-23, two (2) meetings were held i.e., on August 04, 2022, and January 15, 2023.
- (c) **Composition of the Committee and Meetings attended by each member:**

Name of the Member	Category	Position	Meetings	
			Held	Attended
Deepali Verma	Whole -Time Director	Chairperson	2	2
Varsha Choudhry	Independent Director	Member	2	2
Vineet Krishna	Independent Director	Member	1	1

\*Note: Mr. Vineet Krishna appointed as member of CSR committee w.e.f May 31, 2022 and Mr. Varun Sharma ceased to be the member of CSR Committee w.e.f May 31, 2022.

#### (viii) Risk Management Committee

The provisions of risk management committee is not applicable to the company.

#### (ix) General Body Meetings

The Annual General Meetings of the Company were held at the registered office of the Company either through video conference or through physical presence. Details of last three AGMs held are as below:

Financial Year	Date	Time (IST)	Mode of Meeting
2019-20	April 29, 2020	10:00 a.m	Physical
2020-21	May 29, 2021	11:00 a.m	Video Conference
2021-22	August 28, 2022	11:00 a.m	Video Conference

All resolutions moved at the Annual General Meetings were passed through remote e-voting or by show of hands by the requisite majority of members attending the meeting. The following are the special resolutions passed at the previous three AGMs:

AGM held on	Summary of Special Resolutions
29-April-20	1.Appointment of Mr. Veer Pratap Singh as an Independent Director of the Company 2.Appointment of Mr. Hemant Kumar as an Independent Director of the Company. 3.Appointment of Mr. Arpit Goyal as an Independent Director of the Company. 4.To Create Charge under section 180 (a) of The Companies Act, 2013 5.Authorization to Board of Directors to borrow funds under Section 180(1)(c ) of the Companies Act, 2013 6.Change in designation and fixing of remuneration of Mr. Ratan Kumar Srivastava as Chairman cum Managing Director of the company. 7.Change in designation and fixing of remuneration of Ms. Deepali Verma as Whole time Director of the company. 8.Approval of Initial Public Offer of the company 9.Regularization of Mr. Suraj Mishra as Non-Executive Independent Director of the Company.
29-May-21	No Special Resolutions were placed.
28-Aug-22	No Special Resolutions were placed.

**(x) Postal Ballot**

During the year under review, the company has proposed the agenda for the Migration of equity shares of the company from Emerge platform of the National Stock Exchange of India Limited (NSE) to the mainboard of the National Stock Exchange of India Limited (NSE) AND BSE Limited (BSE) through the postal ballot dated July 14, 2022

**(xi) Means of Communication**

**(a) Financial Results and Newspaper Publication**

Quarterly and annual financial results are filed with stock exchanges and displayed on stock exchanges websites. The results are also made available on Company's website. The results are also normally published in Business Standards or Pioneer (English and Hindi newspaper – Delhi NCR edition).

**(b) Website**

The Company maintains an active website at <https://www.ksolves.com/investors> wherein all the information relevant for the Shareholders are displayed.

**(c) Press Releases and Analysts/Investors Presentations**

The official news releases, meetings scheduled with analysts and detailed presentations made to analysts are disseminated to stock exchanges and as well displayed on the Company's website at <https://www.ksolves.com/investors>

**(d) Annual report**

Annual Report containing audited standalone and consolidated financial statements together with Board's Report, Auditors' Report and other reports/information are circulated to members entitled thereto and is also made available on the Company Website at <https://www.ksolves.com/assets/pdf/annual-report/2023.pdf>

**(xii) General Shareholders Information**

General shareholder information is provided under "Shareholders Information" section attached as Annexure II to this Report.

**(xiii) Other Disclosures****(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large**

During the financial year ended March 31, 2023, there were no materially significant related party transactions that had potential conflict with the interest of the Company at large.

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

The Company became listed company from July 06, 2020. No penalty or stricture was imposed by the Stock Exchanges or SEBI or any other authority, from the date of listing.All applicable requirements were fully complied with.

**(c) Vigil Mechanism/Whistle-Blower Policy**

The Company has adopted a Whistle Blower Policy and has established necessary Vigil Mechanisms required under Regulation 22 of the SEBI (LODR) Regulations, the details of which have been provided in the Board's Report. The Company affirms that no personnel has been denied access to the Audit Committee.

**(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**

The Company has complied with all the applicable mandatory requirements of SEBI (LODR) Regulations. Details of adoption of non-mandatory requirements are provide in clause XV below.

**(e) Weblink for Policy on determination of Material Subsidiary and Policy on Related Party Transactions**

Both the policies can be accessed at <https://www.ksolves.com/assets/pdf/5-Policies/7-Policy-on-Related-Party-Transactions.pdf>

**(f) Disclosure of Commodity price risks and commodity hedging activities**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI (LODR)Regulations are not applicable.

**(g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)**

During the financial year ended March 31, 2023, there were no funds raised through preferential allotment or qualified institutions placement.

**(h) Certificate from Practicing Company Secretary on Non-Disqualification of Directors**

The Company has obtained a certificate from a Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority in accordance with SEBI (LODR) Regulations. Copy of the Certificate is attached as Annexure III.

**(i) Recommendation of Committees**

During the financial year ended March 31, 2023, the Board of Directors of the Company had accepted recommendation of all the committees of the Board, which were mandatorily required.

**(j) Auditors' Remuneration**

The details of total fees for all services paid by the Company during FY 2022-23,to the Statutory Auditors are as follows:

Particulars	Amount (in Lacs )
Payment to Statutory Audit fees (including out of pocket	6.50
Total	6.50

**(k) Disclosures as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place a gender neutral Anti-Sexual Harassment Policy at workplace which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the applicable rules, the details of which have been provided in the Boards' Report.

**(l) Details of sexual harassment complaints received:**

- (i) No. of complaints received during financial year 2022-23: Nil
- (ii) No. of complaints disposed of during financial year 2022-23: NA
- (iii) No. of complaints pending as on end of the financial year 2022-23: NA

**(m) Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested:**

During the Financial Year ended March 31, 2023, there are no loans or advances provided by the Company and its subsidiaries to firms/companies in which directors are interested.

**(xiv) Non-compliance of Regulations relating to Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any**

The Company is fully compliant with SEBI (LODR) Regulations and there are no such non-compliances to report.

**(xv) Discretionary Requirements**

The Company has adopted the following discretionary requirements as provided in the SEBI (LODR) Regulations:

**(a) Modified opinion(s) in Audit Report**

The Company is in the regime of unmodified opinions on financial statements and that the Auditors of the Company have issued Audit Reports with unmodified opinion on the standalone and consolidated financial statements for the financial year ended March 31, 2023.

**(b) Reporting of Internal Auditor**

The Internal Auditors of the Company report directly to the Audit Committee and are invited to be present as invitees at the Audit Committee meetings held every quarter.

**(xvi) Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account**

The Company does not have any unclaimed shares and hence the disclosure pursuant to SEBI (LODR) Regulations are not applicable.

**(xvii) Compliance**

The Company is in compliance with all the mandatory requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR), Regulations, 2015 as applicable with regards to Corporate Governance.

The Company has obtained a certificate from a Practicing Company Secretary on compliance of conditions of Corporate Governance as stipulated in SEBI (LODR)Regulations. Copy of the Certificate is attached to the Boards'Report.

## ► ANNEXURE I TO CG REPORT

### SHAREHOLDERS INFORMATION

#### 1. Annual General Meeting (AGM) of the Company

Date: Sunday, the July 23, 2023

Time: 11:00 a.m (IST)

Venue: Through Video Conference. For details, please refer to Notice of this AGM.

#### 2. Financial Year

The financial year of the Company was from April 1, 2022 to March 31, 2023. The quarterly results for the financial year were announced as follows:

For the quarter ended June 30, 2022	: July 12, 2022
For the quarter ended September 30, 2022	: October 16,
2022	
For the quarter ended December 31, 2022	: January 15,
2023	
For the quarter and Financial Year ended March 31, 2023	: April 23, 2023

Company's tentative calendar (subject to change) for the announcement of quarterly results & AGM during the financial year 2023-24 would be as below:

For the quarter ended June 30, 2023	: July, 2023
For the quarter ended September 30, 2023	: October, 2023
For the quarter ended December 31, 2023	: January, 2024
For the quarter and Financial Year ended March 31, 2024	: April, 2024
Annual General Meeting for FY 2023-24	: August, 2024

#### 3. Dividend Payment

The Board of Directors of the Company have recommended a final dividend of `8/- per equity share for the financial year ended March 31, 2023, subject to the approval of the shareholders at the ensuing AGM.

The Register of Members of the Company will be closed from Saturday, July 15, 2023 to Sunday, July 23, 2023 (both days inclusive) for the purpose of AGM, The record date for payment of final dividend would be July 14, 2023.

The final dividend, if approved, will be paid within 30 days of AGM

#### 4. Stock Exchanges

The Company's equity shares are listed on following Stock Exchanges as on March 31, 2023:

Name of the Exchange and Stock Code	Address & Contact details
BSE Limited("BSE") Stock Code : 543599	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra, India Tel: +91 22 22721233/34; Fax: +91 22 22721919
National Stock Exchange of India Limited ("NSE") Stock Code : KSOLVES	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051, Maharashtra, India Tel: +91 22 26598100-14; Fax: +91 22 26598120

The Company hereby confirms it has duly paid the listing fees for the financial year 2023-24 to both BSE and NSE. It further confirms that the equity shares of the Company have never been suspended from trading either by BSE or NSE from the time it has been listed

#### 5. Stock Market Price Data

High and Low (based on daily closing prices) and volume (total number of equity shares traded) during each month in the last financial year ended March 31, 2023, is as follows:

Month	BSE			NSE		
	High (Amt in Lacs)	Low (Amt in Lacs)	Total Volume (in Lacs)	High (Amt in Lacs)	Low (Amt in Lacs)	Total Volume (in Lacs)
April, 2022	-	-	-	404.80	335	2.85
May, 2022	-	-	-	369	321.60	2.38
June, 2022	-	-	-	365	320.10	2.96
July, 2022	-	-	-	413.75	357.50	4.64
August, 2022	-	-	-	519	352.25	7.36
September, 2022	440	396.15	0.28325	483.95	395.55	9.66
October, 2022	494.6	392	0.97112	495	401.15	6.69
November, 2022	489.15	398.4	1.4732	487	356	7.53
December, 2022	450	356.65	0.52664	452.95	381	3.85
January, 2023	475.45	423	0.64483	476	426	5.79
February, 2023	460	405	0.57089	461.50	413	3.32
March, 2023	470	400.95	0.68032	469.80	427.05	4.34

Note: The equity shares of the company was migrated on Mainboard exchange of NSE and Listed on BSE on September 2023

## 6. Stock Performance

Performance of the Company's equity shares (closingshare price on last tradingday of each month) on NSE in comparison to BSESensex and must be NSE Nifty IT during the financial year ended March 31, 2023 is as follows:

Month	Ksolves	BSE Sensex	NSE Nifty 50
April, 2022	361	57060.87	17,102.55
May, 2022	348.35	55566.41	16,584.55
June, 2022	362.50	53018.94	15,780.25
July, 2022	361.55	57570.25	17,158.25
August, 2022	433.40	59537.07	17,759.30
September, 2022	403.30	57426.92	17,094.35
October, 2022	476.45	60746.59	18,012.20
November, 2022	441.90	63099.65	18,758.35
December, 2022	423.75	60840.74	18,105.30
January, 2023	434.65	59549.9	17,648.95
February, 2023	437.05	58962.12	17,303.95
March, 2023	442.25	58991.52	17,359.75

## 7. Registrars and Transfer Agents (RTA)

All work related to Share Registry, both in physical and electronic form, are handled by the Company's Registrar and Share Transfer Agent, whose name and contact details are as given below:

## 8. Share Transfer System

Bigshare Services Pvt Ltd

Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre,  
Mahakali Caves Road, Andheri (East) Mumbai - 400093, India.

Pursuant to Regulation 40 (1) of SEBI (LODR) Regulations, effective from April 1, 2019, transfer of shares in physical mode has been discontinued and accordingly the Company has not processed transfer of shares in physical mode (except in case of request received for transmission or transposition of shares) from the time the said Regulation was applicable and all the transfer of shares would be carried out only in dematerialized form by the respective Depository Participants of the shareholders.

Accordingly, shareholders holding shares in physical form are urged to have their shares dematerialized at the earliest so that they can transfer them in dematerialized form and participate in various corporate actions.

## 9. Distribution of Shareholding

(a). Distribution of equity shareholding as on March 31, 2023:

Category (No. of Shares)	No. of Shareholders	% of Shareholders	No. of Shares	% of Total No. of Shares
1 – 5,000	12612	99.1977	2011578	16.9668
5,001 – 10,000	52	0.4090	377439	3.1835
10,001 – 20,000	20	0.1573	286561	2.4170
20,001 – 30,000	9	0.0708	220118	1.8566
30,001 – 40,000	3	0.0236	104000	0.8772
40,001 – 50,000	3	0.0236	134994	1.1386
50,001 – 100,000	7	0.0551	569810	4.8061
100,001 & Above	8	0.0629	8151500	68.7542
<b>Total</b>	<b>12714</b>	<b>100</b>	<b>11856000</b>	<b>100.00</b>

(b). Shareholding pattern:

Category of Shareholders	As on March 31,2023			As on March 31,2022		
	No. of Share-holders	% of total Share-holders	Total Shares	No. of Share-holders	% of total Share-holders	Total Shares
Promoters and Promoter group	4	59.944	6988400	4	62.4494	7404000
Body corporates	35	2.0583	244031	21	0.7591	90000
FII's/NRIs/FPI's	284	2.2287	264237	124	1.8522	219600
Mutual funds/ Banks/ FI's/ QIB	0	0	0	1	0.0101	1200
Clearing Members	14	0.0459	5439	10	0.1316	15600
Trust	0	0	0	0	0	0
Public	12376	36.7164	4353092	1579	34.3185	4068800
KMP	1	0.0068	801	0	0	0
Others				41	0.4791	56800
<b>Total</b>	<b>12713</b>	<b>100</b>	<b>11856000</b>	<b>1780</b>	<b>100</b>	<b>11856000</b>

\*Post consolidation of multiplefolios/client IDs, Total is 12714.

## 10. Dematerialization of shares and liquidity

100% of the Company's shares are in dematerialized form as on March 31, 2022, held with both the Depositories viz., the National Securities Depository Limited ('NSDL') and the Central Depository Services (India) Limited ('CDSL') and the break-up is as follows:

Description	31-Mar-22			31-Mar-21		
	No. of Holders	No. of Shares	% to Total Shares	No. of Holders	No. of Shares	% to Total Shares
NSDL	2851	7030179	22.42	701	7332800	61.85
CDSL	9863	4825821	77.58	1,36,398	4523200	38.15
Physical	0	0	0	0	0	0
<b>Total</b>	<b>12714</b>	<b>11856000</b>	<b>100</b>	<b>1807</b>	<b>11856000</b>	<b>100</b>

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's equity shares is INE419U01012.

**11. Outstanding Global Depository Receipts (GDR) or American Depository Receipts (ADR) or warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has no outstanding GDR / ADR / warrants or any convertible of March 31, 2023.

**12. Commodity price risk or foreign exchange risk and hedging activities**

The Company does not deal in commodities and hence the disclosure (LODR) Regulations are not applicable. For a detailed discussion on foreign exchange risk and hedging activities with regard to Company's revenue in foreign currency, please refer to Management Discussion and Analysis Report forming part of the Annual Report.

**13. Locations**

The registered office address and the branch locations along with the contact details has been provided separately in the Annual Report and the details are

**14. Address for Correspondence**

Shareholders can send their correspondence with respect to their for annual reports and grievances, if any to the Company's RTA as per contact details provided in Sl.No.7 above. They can also correspond with the Company as per below contact details:

Ms. Manisha Kide  
Company Secretary & Compliance Officer  
Ksolves India Limited  
Parexl, B-4, 1st Floor, B-Block, Sector 63, Noida-201301

The Company has also email at [cs@ksolves.com](mailto:cs@ksolves.com).

## ► INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

### TO THE MEMBERS OF KSOLVES INDIA LIMITED

#### OPINION

We have audited the accompanying Standalone Financial Statements of KSOLVES INDIA LIMITED ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), for the year ended on March 31, 2023, the Statement of Changes in Equity & the Statement Cash flow statement for the year ended on that date & and 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 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 state of affairs of the Company as at March 31, 2021, and its Profit and total Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

#### BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the standards on Auditing specified under section 143(10) of the Act (SAs). 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) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provision 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No.	Key Audit Matter
1.	<p><b>Assessment of Trade Receivables:</b>            The company has trade receivables amounting to Rs. 1508.39 Lakhs (i.e. 44.18% of total assets) at the Balance Sheet Date March 31, 2023.            The increasing challenges over the economy and operating environment in the IT industry during the year have increased the risks of default on receivables from the company's customers. In particular, in the event of insolvency of customers, the company is exposed to potential risk of financial loss when the customers fail to meet their contractual obligations accordance with the requirements of the agreements.            Based on historical default rates and overall credit worthiness of customers, management believes that no impairment allowance is required in respect of outstanding trade receivables as on March 31, 2023.            For the purpose of impairment assessment, significant judgements and assumptions, including the credit risks of customers, the timing and amount of realisation of these receivables, are required for the identification of impairment events and the determination of the impairment charge.</p>
<b>Auditor Response to key Audit Matter:</b>	
<p>Principal Audit Procedures:            We have performed the following procedures in relation to the recoverability of trade receivables::</p> <ul style="list-style-type: none"> <li>• Tested the accuracy of aging of trade receivables at year end on a sample basis;</li> <li>• Obtained a list of outstanding receivables and assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers.</li> <li>• Tested the Requirement for Provision for Expected Credit Loss on Trade Receivables</li> <li>• Tested subsequent settlement of trade receivables after the balance sheet date on sample basis..</li> </ul> <p><b>Conclusion:</b>            We found the key judgement and assumptions used by management in the recoverability assessment of trade receivables to be supportable based on the available evidence.</p>	

## **INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON.**

The company's board is responsible for the preparation of the other information. The other information comprises the information included Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the Standalone Financial Statements and our Auditor's report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

## **MANAGEMENT'S RESPONSIBILITY 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 to give a true and fair view of the financial position, financial performance, & cash flows of the Company in accordance with accounting standard & accounting principles generally accepted in India. 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 are responsible for overseeing the company's financial reporting process.

## **AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF 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 decision of userstaken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatements of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 management.
- Conclude on the appropriateness of management's use of 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 inaggregate, 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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss & Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - 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 internal financial control over financial reporting of the company & the operating effectiveness of such controls, refer to our separate report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls with reference to the standalone financial statements.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss & Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - 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 internal financial control over financial reporting of the company & the operating effectiveness of such controls, refer to our separate report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls with reference to the standalone financial statements.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to 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 explanation given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - (ii) The Company has made provision, as at March 31, 2023 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - (iii) The Company is not liable to transfer any amounts, to the Investor Education and Protection Fund during the year ended March 31, 2023.
  - (iv)
    - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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;
    - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - c) Based on the audit procedures that have been 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 (a) and (b) above, contain any material misstatement.
  - (v)
    - a) The Final Dividend Proposed in the previous year, declared and paid by the company during the year is in accordance with section 123 of the Act, as applicable.
    - b) The Interim Dividend declared and Paid by the company during the year & until the date of this report is in compliance with Section 123 of the Act.

- c) The Board of Directors have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- (vi) Provision to Rule 3(1) of the companies (Accounts) Rule, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 01, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit & Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For A Y & Company  
Chartered Accountants  
FRN : 020829C**

**Yashika Gianchandani  
Partner  
M.NO. : 420219  
UDIN : 23420219BGXXXV2537  
Place : Delhi  
Date : 23.04.2023**

## ► ANNEXURE "A" TO THE AUDITOR'S REPORT

### **Report on the Internal Financial Control under clause (i) of sub section 3 of Section 143 of companies Act , 2013 ('The Act')**

We have audited the internal financial control over financial reporting of Ksolves India Limited ('the company') as of 31st March, 2023 in conjunction with our audit of the standalone financial statement of the company for the year ended on that date.

#### **Management Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the standards on auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For A Y & Company  
Chartered Accountants  
FRN : 020829C**

**Yashika Gianchandani  
Partner  
M.NO. : 420219  
UDIN : 23420219BGXXXV2537  
Place : Delhi  
Date : 23.04.2023**

## ► ANNEXURE "B" TO THE AUDITOR'S REPORT

### **Referred to in Paragraph 2 Under "Report on Other Legal and Regulatory Requirements" of Our Report to the member of Ksolves India Limited of Even Date**

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:

- 1) In respect of the Company's Property, Plant and Equipment, right of use assets and Intangible Assets:
  - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) The company doesn't have any immovable property so that reporting under this clause is not applicable. .
  - d) The company has not revalued its Property, Plant & Equipment (including Right of use assets) or intangible assets during the year
  - e) No proceeding have been initiated or are pending against the company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.  
(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

- 3) In our opinion the investments made by the company are *prima facie*, not prejudicial to the interest of the company. Further the company has not, provided any guarantee or security, granted any loans or advances in the nature of loans , secured or unsecured to companies, firms, LLP or other parties covered in register maintained under section 189 of the companies act 2013. Hence the question of reporting such loans are not prejudicial to the company's interest or whether the receipt of the principal amount and interest are regular and whether reasonable steps for recovery of overdues of such loan are taken, does not arise.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- 7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods & Service Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities and no statutory dues were outstanding as at 31 st March, 2023 for a period of more than six months from the date they became payable except as followings:  
  
b) According to the information and explanation given to us, there are no dues of income tax, Goods & service tax & duty of customs outstanding on account of any dispute.
- 8) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 9) a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.  
  
b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.  
  
c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.
  - e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
  - f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- 10) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- 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.
- 11) a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) 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) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- 12) The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- 14) a) In our opinion the company has an internal audit system commensurate with the size and 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.
- 15) The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 16) 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.
- 17) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- 18) During the year under review, there has been no resignation of statutory auditors during the year.
- 19) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20) There are no unspent amounts towards Corporate Social Responsibility (CSR) 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.

- 21) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For A Y & Company  
Chartered Accountants  
FRN : 020829C**

**Yashika Gianchandani  
Partner  
M.NO. : 420219  
UDIN : 23420219BGXXXV2537  
Place : Delhi  
Date : 23.04.2023**

**KSOLVES INDIA LIMITED**  
Standalone Balance Sheet

as at 31st March 2023

(Amount in Lakhs)

Particulars	Note	As at 31 st March 2023	As at 31st March 2022	As at 1st April 2021
<b>I. ASSETS</b>				
<b>(1)Non-CurrentAssets</b>				
(a) Property,Plantand Equipment	3	98.61	60.01	39.87
(b)Deferred TaxAsset	4	49.33	23.54	13.80
(c)Financial Assets				
(i)Investment	5	60.36	60.36	52.50
(ii)Other Financial Assets	6	43.81	17.02	15.52
<b>Total Non Current Assets</b>		<b>252.11</b>	<b>160.93</b>	<b>121.68</b>
<b>(2)Current Assets</b>				
(a)Financial Assets				
(i)Trade Receivables	7	1,508.39	893.59	350.12
(ii)Cash and Cash Equivalents	8	822.19	670.20	737.86
(iii)Other Bank Balance	8	3.38	4.91	2.83
(iv)Other Financial Assets	9	3.11	27.05	36.23
(b)Other Current Assets	10	824.74	552.77	306.15
<b>Total Current Assets</b>		<b>3,161.81</b>	<b>2148.52</b>	<b>1,433.18</b>
<b>Total Assets</b>		<b>3,413.92</b>	<b>2,309.45</b>	<b>1,554.87</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>(1)Equity</b>				
(a)Equity Share capital	11	1,185.60	1,185.60	148.20
(b)Other Equity	12	1,064.11	441.82	1,074.17
<b>Total Equity</b>		<b>2,249.71</b>	<b>1,627.42</b>	<b>1,222.37</b>
<b>(2)Liabilities</b>				
<b>(A)Non-current liabilities</b>				
(a)Borrowings		-	-	-
(b)Provisions	13	135.79	67.07	28.19
<b>Total Non Current Liabilities</b>		<b>135.79</b>	<b>67.07</b>	<b>28.19</b>
<b>(B)Current liabilities</b>				
(a)Financial Liabilities				
(i)Borrowings		-	-	-
(ii)Trade Payables	14	-	4.32	-
Total Outstanding dues of Micro Enterprises and Small Enterprises		-	4.32	-
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		46.69	49.88	1.27
(iii)Other Financial Liabilities	15	14.67	14.24	6.93
(b)Provisions	16	842.06	496.82	281.46
(c)Other Current Liabilities	17	125.01	49.70	14.65
<b>Total Current Liabilities</b>		<b>1,028.42</b>	<b>614.96</b>	<b>304.30</b>
<b>Total Equity and Liabilities</b>		<b>3,413.92</b>	<b>2,309.45</b>	<b>1,554.87</b>
<b>Significant Accounting Policies</b>	1			

The accompanying notes 1 to 39 for man integral part of these financial statements

As per our annexed Report of even date

For and on behalf of the Board of Directors

For AY & Company  
Chartered Accountants  
FRN020829C

Deepali Verma  
(Director)  
DIN:05329336

Ratan Kumar Srivastava  
(Director)  
DIN:05329338

Yashika Gianchandani  
Partner  
M.No. 420219  
UDIN: 23420219BGXXXV2537  
Place: Delhi  
Date: 23.04.2023

Umang Soni  
CFO

Manisha Kide  
Company Secretary

**KSOLVES INDIA LIMITED**  
**Standalone Statement of Profit and Loss**  
for the year ended 31st March, 2023

(Amount in Lakhs)

	Particulars	Note	Year ended 31st March, 2023	Year ended 31st March, 2022
I	Revenue from Operations	18	7,711.65	4,534.58
	<b>Net Revenue from operation</b>		<b>7,711.65</b>	<b>4,534.58</b>
II	Other Income	19	62.18	125.97
III	<b>Total Income(I+II)</b>		<b>7,773.83</b>	<b>4,660.56</b>
IV	<b>Expenses:</b>			
	Employee Benefits Expense	20	3,439.22	2,042.76
	Depreciation & Amortisation Expense	21	40.18	30.09
	Other Expenses	22	995.12	558.68
	<b>Total Expenses (IV)</b>		<b>4,474.52</b>	<b>2,631.54</b>
V	<b>Profit/(Loss) before Exceptional Items &amp; Tax (III-IV)</b>		<b>3,299.31</b>	<b>2,029.03</b>
VI	Exceptional Items		-	-
VII	<b>Profit/(Loss) Before Tax (V-VI)</b>		<b>3,299.31</b>	<b>2,029.03</b>
VIII	<b>Tax Expense:</b>			
	Current Tax		828.98	494.82
	Deferred Tax		-16.69	-9.74
	Income Tax for Earlier Year		-	-
	<b>Total Tax Expenses (VIII)</b>		<b>812.28</b>	<b>485.08</b>
IX	<b>Profit/(loss) for the year (VII-VIII)</b>		<b>2,487.03</b>	<b>1,543.95</b>
X	<b>Other Comprehensive Income</b>			
	<b>Items that will not be reclassified to profit or loss</b>			
	-Remeasurement Gains/(Losses) on Defined Benefit Plans		-36.16	-16.80
	-Income tax on above		9.10	4.23
XI	Total Other Comprehensive Income for the year		-27.06	-12.57
XII	<b>Total Comprehensive Income for the year (IX+XI)</b>		<b>2,459.97</b>	<b>1,531.38</b>
XIII	<b>Earnings per Equity Share : (Face value per Equity Share of ₹ 10 each)</b>	23	20.98	13.02
	Basic and Diluted(in ₹)			
	<b>Significant Accounting Policies</b>	1		

The accompanying notes 1 to 39 form an integral part of these financial statements

As per our annexed Report of even date

For and on behalf of the Board of Directors

**For AY & Company  
Chartered Accountants**  
FRN020829C

**Deepali Verma  
(Director)**  
DIN:05329336

**Ratan Kumar Srivastava  
(Director)**  
DIN:05329338

**Yashika Gianchandani  
Partner**  
M.No. 420219  
UDIN: 23420219BGXXXV2537  
Place: Delhi  
Date: 23.04.2023

**Umang Soni  
CFO**

**Manisha Kide  
Company Secretary**

**KSOLVES INDIA LIMITED**  
**Standalone Statement Of Changes In Equity**  
For The Year Ended 31 March, 2023

**A. Equity Share Capital**

(Amount in Lakhs)

Particulars	Amount
As at 1st April 2021	148.20
Add: Issue of Bonus Shares	1,037.40
As at 31st March 2022	1,185.60
Changes in equity share capital during the year	-
As at 31st March 2023	1,185.60

**B. Other Equity**

Year ended 31st March 2023

(Amount in Lakhs)

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance As at 1st April, 2022	-	441.82	441.82
Profit for the year	-	2,487.03	2,487.03
Other Comprehensive Income (expense)(net of tax)	-	(27.06)	(27.06)
Dividend Paid (including Dividend tax)	-	(1,837.68)	(1,837.68)
<b>Balance as at 31st March, 2023</b>	<b>-</b>	<b>1,064.11</b>	<b>1,064.11</b>

Year ended 31st March 2022

(Amount in Lakhs)

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance As at 1st April, 2021	361.80	728.50	1,090.30
<b>Opening Balance IND AS Adjustment</b>		<b>-16.13</b>	<b>-16.13</b>
<b>Balance as at 01 April 2021 (After adjustment)</b>	<b>361.80</b>	<b>712.37</b>	<b>1,074.17</b>
Profit for the year	-	1,543.95	1,543.95
Other Comprehensive Income (expense)(net of tax)	-	-12.57	-12.57
Dividend Paid	-	-1,126.33	-1,126.33
Utilisation for issue of bonus shares	-361.80	-675.60	-1,037.40
<b>Balance as at 31st March, 2022</b>	<b>-</b>	<b>441.82</b>	<b>441.82</b>

As per our annexed Report of even date

For and on behalf of the Board of Directors

**For AY & Company****Chartered Accountants**

FRN 020829C

Deepali Verma  
(Director)  
DIN: 05329336

Ratan Kumar Srivastava  
(Director)  
DIN: 05329338

**Yashika Gianchandani****Partner**

M.No. 420219  
UDIN: 23420219BGXXXV2537  
Place: Delhi  
Date: 23.04.2023

Umang Soni  
CFO

Manisha Kide  
Company Secretary

**KSOLVES INDIA LIMITED**  
**Standalone Statement of Cashflows**  
for the year ended 31st March, 2023

Particulars	Year ended 31st March 2023		Year ended 31st March 2022	
<b>A. Cash Flow from Operating Activities</b>				
Profit before tax		3,299.31		2,029.03
Adjustments for:				
Remeasurement Gains/(Losses) on Defined Benefit Plans	40.18		30.09	
Depreciation & Amortisation expense	39.41		24.66	
Provision for Gratuity	(62.17)		(122.01)	
Investment Income		17.42		(67.26)
<b>Operating profit before working capital changes</b>		3,316.73		1,961.77
Adjustments for				
Trade receivables	(614.80)		(543.47)	
Other Financial Assets and Other Current Assets	(246.51)		(257.52)	
Trade Payables	(7.51)		52.93	
Other Financial Liabilities	0.43		7.31	
Other Current Liabilities/Other Financial Liabilities	75.30		35.05	
<b>Cash from Operating Activities</b>		(793.08)		(705.71)
Income Tax Paid		2,523.65		1,256.06
<b>Net Cash from Operating Activities(A)</b>		(490.59)		(277.81)
		2,033.06		978.25
<b>B. CashFlow from Investing Activities</b>				
Purchase of property, plant and equipment	(78.78)		(50.23)	
Investment Income	(26.79)		16.50	
Non-Current Investment	62.17		122.01	
<b>Net CashFlow from Investing Activities(B)</b>		-	(7.86)	
		(43.40)		80.42
<b>C. Cash Flow from Financing Activities</b>				
Proceeds from long term borrowings	-		-	
Proceeds from short term borrowings	-		-	
Payment of Interim Dividend		(1,837.68)		(1,126.32)
Finance Cost	-		-	
<b>Net cash used in Financing Activities(C)</b>		(1,837.68)		(1,126.32)
<b>Net increase incash andcash equivalents(A+B+C)</b>		151.99		(67.66)
Cash and cash equivalents at the beginning of the year		670.20		737.86
Cash and cash equivalents at the close of the year		822.19		670.20

**Cash and Cash Equivalent includes:-**

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Cash on hand	0.00	-	0.45
Balance with Banks-Current Accounts	170.84	15.17	16.65
Balance with Banks-Deposit Accounts	638.05	642.88	720.50
Credit Card Amount	13.26	11.65	-
Balance with Imprest	0.04	0.51	0.26
<b>Total</b>	<b>822.19</b>	<b>670.20</b>	<b>737.86</b>

**Note:** The above Statement of CashFlow has been prepared under the 'IndirectMethod' asset out in Ind AS 7, 'Statement of Cash Flows'.

As per our annexed Report of even date

For and on behalf of the Board of Directors

**For AY & Company  
Chartered Accountants  
FRN 020829C**

**Deepali Verma  
(Director)  
DIN: 05329336**

**Ratan Kumar Srivastava  
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DIN:05329338**

**Yashika Gianchandani  
Partner  
M.No. 420219  
UDIN: 23420219BGXXXV2537  
Place: Delhi  
Date: 23.04.2023**

**Umang Soni  
CFO**

**Manisha Kide  
Company Secretary**

## 1.01 Corporate Information

Ksolves India Limited (the "Company") is a Company incorporated on 17 July 2014, under the Companies Act, 2013 with the Registrar of Companies, Delhi bearing Registration No. 269020 and limited by shares (CIN: L72900DL2014PLC269020). Its authorized share capital is Rs. 12,00,00,000 and its paid up capital is INR 11,85,60,000. It is involved in Other computer related activities [for example maintenance of websites of other firms/ creation of multimedia presentations for other firms etc.]. The address of the Company's registered office is 317/276, Second floor, Lane no.3, Mehrauli Road, Saidulajab, Saket, New Delhi South Delhi DL 110030 IN. The Company has its primary listings on the Bombay Stock Exchange Ltd and National Stock Exchange of India Limited. The Standalone financial statements are approved for issue by the Company's Board of Directors on April 23, 2023.

## 1.02 Basis of Preparation of Financial Statements

### Statement of compliance and basis of preparation and presentation

These financial statements are prepared on going concern basis following accrual basis of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable). These are the Company's first Ind AS compliant financial statements and Ind AS 101 'First Time Adoption of Indian Accounting Standards' has been applied. For all the periods upto and including 31 March 2022, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India, accounting standards specified under Section 133 of the Companies Act, 2013, the Companies Act, 2013 (to the extent notified and applicable). The Company followed the provisions of Ind AS 101 in preparing its opening Ind AS Balance Sheet as of the date of transition, viz. 01st April 2021. Some of the Company's Ind AS accounting policies used in the opening Balance Sheet are different from its previous GAAP policies applied as at 31st March 2021, and accordingly the adjustments were made to restate the opening balances as per Ind AS. The resulting adjustments arose from events and transactions before the date of transition to Ind AS. Therefore, as required by Ind AS 101, those adjustments were recognized directly through retained earnings as at 01st April 2021. This is the effect of the general rule of Ind AS 101 which is to apply Ind AS retrospectively.

## 1.03 Basis of preparation

These Standalone financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after. As the year-end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year end figures reported in this statement.

### 1.a Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 2. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### 1.b Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency and the currency of the primary economic environment in which the Company operates. All financial information presented in INR has been rounded off to the nearest Lakhs (up to two decimals) as per the requirements of Schedule III, unless otherwise stated.

### 1.c Classification of Assets and Liabilities as Current and Non-Current

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

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when: - It is expected to be settled in normal operating cycle; - It is held primarily for the purpose of trading; - It is due to be settled within twelve months after the reporting period; or - There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets/liabilities are classified as non-current.

### 1.d Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

## 1.e Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the financial statements are given below. These accounting policies have been applied consistently to all periods presented in the financial statements. The Company has elected to utilize the option under Ind AS 101 by not applying the provisions of Ind AS 16 & Ind AS 38 retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS. Therefore, the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at 1 April 2021, i.e.; the Company's date of transition to Ind AS, were maintained on transition to Ind AS.

### 1.03 Revenue recognition

The Company derives revenues primarily from IT services comprising software development and related services, cloud and infrastructure services, maintenance, consulting and package implementation, licensing of software products and platforms across the Company's core and digital offerings (together called as "software related services"). Contracts with customers are either on a time-and-material, unit of work, fixed price or on a fixed-timeframe basis.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved in writing, by the parties to the contract, the parties have committed to perform their obligations under the contract and the contract is legally enforceable. Revenue is recognized 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 Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on the relative standalone selling price. The price that is regularly charged for an item, when sold separately, is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Company estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services. The Company's contracts may include variable consideration including rebates, volume discounts and penalties. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on the relative standalone selling price. The price that is regularly charged for an item, when sold separately, is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Company estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

The Company's contracts may include variable consideration including rebates, volume discounts and penalties. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Revenues in excess of billing are classified as unbilled revenues, while billing in excess of revenues is classified as contract liabilities (which we refer to as "unearned revenues"). In arrangements for software development and related services and maintenance services, the revenue recognition criteria for each distinct performance obligation is applied and the arrangements with customers generally meet this criteria for considering software development and related service as distinct performance obligations. For allocating the transaction price, the Company measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered, since the customer generally obtains control of the work as it progresses.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

#### **1.04 Dividends**

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

## 1.05 Property, plant and equipment

### Initial recognition and measurement

An item of property, plant and equipment is recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

When parts of an item of property, plant and equipment have different useful lives, they are recognised separately.

Property, Plant and Equipment are stated at cost of acquisition/installation or construction less accumulated depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management.

### Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of Property, Plant and Equipment is recognized in the carrying amount of the item, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. When each major inspection is performed, its cost is recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in profit or loss as incurred.

### Derecognition

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains or losses on Derecognition of an item of Property, Plant and Equipment are determined by comparing net disposable proceeds with the carrying amount of Property, Plant and Equipment and are recognized in the statement of profit and loss under "Other Income/Other Expenses" when the asset is derecognised.

### Depreciation/Amortization

Depreciation is recognized in profit or loss on a Straight-line method (SLM) basis over the estimated useful lives of each part of an item of Property, Plant and Equipment. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and depreciated individually.

Estimated useful lives of assets are determined based on technical parameters/assessment, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation on additions to property, plant and equipment is provided on a pro-rata basis from the date of acquisition, or installation, or construction, when the asset is ready for intended use.

Depreciation on an item of property, plant and equipment sold, discarded, demolished or scrapped, is provided up to the date on which the said asset is sold, discarded, demolished or scrapped.

Capitalised spares are depreciated over their own estimated useful life or the estimated useful life of the parent asset whichever is lower.

In respect of an asset for which impairment loss, if any, is recognised, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The determination of depreciation and amortization charge depends on the useful lives which is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The residual values, useful lives, and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Residual Value has been taken between 0-5%

Useful life of the all Property, Plant and Equipment and Intangible assets are in accordance with Schedule II of the Companies Act, 2013 which are as follows:

Asset Name	Useful Lives
Furniture & Fixtures	10
Laptop	3
CCTV	8
Mobile	3
Office Appliance	8
Office Equipment	8

## 1.06 Intangible assets and intangible assets under development

### Initial recognition and measurement

An intangible asset is recognised if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets are stated at cost of acquisition net of recoverable taxes, trade discounts and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs and any other cost directly attributable to bringing the asset to its working condition for the intended use.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

### Subsequent Measurement

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

### Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

### Amortization

Intangible assets having definite life are amortized on straight line method over their useful lives. If life of any intangible asset is indefinite then it is not amortized and tested for impairment at each reporting date.

## 1.07 Impairment

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 Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized 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 depreciation) had no impairment loss been recognized for the asset in prior years.

## 1.8 Income tax

Tax expense comprises current tax and deferred tax. Current tax expense is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current taxes are recognized under 'Income tax payable' net of payments on account, or under 'Tax receivables' where there is a debit balance.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

## 1.09 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of twelve months or less, which are subject to an insignificant risk of changes in value.

## 1.10 Financial assets and financial liabilities

Financial assets and financial liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realized or settled within operating cycle of the company, otherwise they are classified as non-current. The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

**(i) Financial Assets measured at amortized cost**

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate.

The above Financial Assets subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

**(ii) Financial assets at fair value through other comprehensive income (FVOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

**(iii) Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**(iv) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**(v) Investment in subsidiaries**

Investment in subsidiaries is carried at cost in the separate financial statements.

### **1.11 Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### **1.12 Fair value of Financial Instruments**

Fair value of Financial Instruments In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

### **1.13 Impairment**

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

### **1.14 Retirement and Other Employee benefits**

#### **Short-term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Short term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

#### **Post-Employment benefits**

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two types:

##### **a) Defined contribution plans**

Defined contribution plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund, Employee State Insurance and Employee Pension Fund are Defined Contribution Plans in which company pays a fixed contribution and will have no further obligation. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

**b) Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme, additional gratuity scheme and post-employment benefit scheme are considered as defined benefit plans.

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is determined annually on the basis of Actuarial Valuation using the projected unit credit method.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Defined benefit costs are categorised as follows:

- i. The current service cost of the defined benefit plans, recognised in the Statement of Profit and Loss in employee benefits expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs, which comprise plan amendments and curtailments, as well as gains or losses on the settlement of pension benefits are recognised immediately in the Statement of Profit and Loss when they occur.
- ii. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in finance cost in the Statement of Profit and Loss.
- iii. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

**Other long-term employee benefits**

Long service awards and accumulated compensated absences which are not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service are treated as other long-term employee benefits for measurement purposes.

Benefits under the Company's leave encashment constitute other long-term employee benefits. The liabilities that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The Company's liability is determined on the basis of an actuarial valuation. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds.

### **Other long-term employee benefits**

Long service awards and accumulated compensated absences which are not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service are treated as other long-term employee benefits for measurement purposes.

Benefits under the Company's leave encashment constitute other long-term employee benefits. The liabilities that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The Company's liability is determined on the basis of an actuarial valuation. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds.

Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in the Statement of Profit and Loss, using the projected unit credit method, as at the date of the balance sheet. Actuarial gains / losses, if any, are immediately recognised in the statement of profit and loss.

### **Termination Benefits**

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

#### **Presentation and disclosure**

For the purpose of presentation of defined benefit plans, the allocation between the current and non-current provisions has been made as determined by an actuary. The Company presents the entire compensated absences as short-term provisions, since employee has an unconditional right to avail the leave at any time during the year.

### **1.15 Provisions and contingent liabilities and Contingent Assets**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

### **1.16 Foreign currency transactions and translation**

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss in the year in which it arises.

Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

### **1.17 Other income**

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend income is recognized in profit or loss on the date that the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

### 1.18 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.

### 1.19 Equity share capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital. Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

### 1.20 Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### 1.21 Statement of Cash Flows

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows' for operating activities.

### 1.22 Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. Operating Segments are identified and reported taking into account the different risk and return, organisation structure and internal reporting system.

### 1.23 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1** —Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2** —Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

**Level 3** —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value only and applicable fair value disclosures, to the extent required and applicable, are given elsewhere in the notes.

## 1.24 Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards 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) Amendment Rules, 2023, as below :

Ind AS 1, Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

Ind AS 12, Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

## 2 Use of Estimates and Judgements

The preparation of the Standalone financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone financial statements.

### 2.1 Critical Accounting Estimates and Judgements

The key judgments, made by the management, in applying the Company's accounting policies having an effect on these financial statements are around the amount of provisions and contingencies that have been recognized in accordance with Ind AS 37-'Provisions, Contingent Liabilities and Contingent Assets' as the evaluation of the likelihood of the contingent events requires best judgment by management regarding the probability of exposure to potential loss.

## 2.2 Key source of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

## 2.3 Useful lives of property, plant and equipment

The estimated useful lives of property, plant and equipment are based on a number of factors including the effects of obsolescence, demand, competition, internal assessment of user experience and other economic factors (such as the stability of the industry, and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset. The Company reviews the useful life of property, plant and equipment at the end of each reporting date.

## 2.4 Recoverable amount of property, plant and equipment

The recoverable amount of property plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and expected future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

## 2.5 Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

## 2.6 Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

## 2.7 Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are recognised when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

## 2.8 Post-retirement benefit plans

Employee benefit obligation (gratuity) are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**KSOLVES INDIA LIMITED**

Notes Forming Part of Standalone Financial Statements

**Property, Plant and Equipment**

Refer Note 1.05 for accounting policy on Property, Plant and Equipment

(Amount in Lakhs)

Particulars	Furniture & Fixtures	Laptop	CCTV	Mobile	Office Appliance	Office Equipment	Total
<b>GrossCarrying Value</b>							
Balance at April 1, 2021	13.35	74.53	1.30	5.12	1.21	0.25	95.77
Additions	3.68	45.00	0.00	1.56	0.00	0.00	50.23
Deductions/disposals	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-
Reclassification of assets from investment	-	-	-	-	-	-	-
Balance at March 31, 2022	17.02	119.53	1.30	6.68	1.21	0.25	146.00
Balance at April 1, 2022	17.02	119.53	1.30	6.68	1.21	0.25	146.00
Additions	2.60	72.58	0.00	3.60	0.00	0.00	78.78
Deductions/disposals	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-
Reclassification of assets to investment	-	-	-	-	-	-	-
Balance at March 31, 2023	19.62	192.11	1.30	10.28	1.21	0.25	224.78
<b>Accumulated Depreciation</b>							
Balance at April 1, 2021	6.03	46.36	0.44	2.59	0.43	0.06	55.90
Depreciation for the year	1.36	26.90	0.16	1.48	0.15	0.03	30.09
Impairment Allowance	-	-	-	-	-	-	-
Deductions/disposals	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-
Balance at March 31, 2022	7.39	73.25	0.60	4.07	0.58	0.09	85.99
Balance at April 1, 2022	7.39	73.25	0.60	4.07	0.58	0.09	85.99
Depreciation for the year	1.83	36.27	0.16	1.73	0.15	0.03	40.18
Impairment Allowance	-	-	-	-	-	-	-
Deductions/disposals	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-
Balance at March 31, 2023	9.22	109.53	0.77	5.80	0.74	0.12	126.17
<b>Net Carrying Value</b>							
Balance at March 31, 2023	10.40	82.59	0.54	4.47	0.48	0.13	98.61
Balance at March 31, 2022	9.63	46.28	0.70	2.60	0.63	0.17	60.01

#### 4 Deferred Tax Assets(Net)

(Amount in Lakhs)

Refer Note 1'1.08 for accounting policy on Income tax

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Deferred Tax Assets, on account of (Fixed assets, gratuity & IPO expenses)	49.33	23.54	13.80
<b>Deferred Tax Liabilities</b>	-	-	-
<b>Net Deferred Tax Assets</b>	<b>49.33</b>	<b>23.54</b>	<b>13.80</b>

(a) Deferred tax asset sand deferred tax liabilities have been offset as they relate to the same governing laws.

#### 5 Non current financial assets-Investment

(Amount in Lakhs)

Refer Note 1'1.10 for accounting policy on Financial assets and financial liabilities

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Investment in Wholly Owned Subsidiaries (Carried at Cost)			
Investment in Ksolves LLC	7.86	7.86	0.00
Investment in Shares of Kartik Solutions Pvt. Ltd. (10,000 equity shares of ₹10 each, fully paid up)	52.50	52.50	52.50
<b>Total</b>	<b>60.36</b>	<b>60.36</b>	<b>52.50</b>
Aggregated cost of quoted investments	0.00	0.00	0.00
Aggregated market value of quoted investments	0.00	0.00	0.00
Aggregated cost of unquoted investment	60.36	60.36	52.50
Aggregate amount of impairment in value of investments.	0.00	0.00	0.00

#### 6 Other Financial Assets-Non Current

(Amount in Lakhs)

Refer Note 1'1.10 for accounting policy on Financial assets and financial liabilities

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
NDSL Security Deposit	0.10	0.10	0.10
Security Deposit (Installation)	0.05	0.05	0.05
Security Deposit Law Services	-	1.50	0.00
Security Deposit NSE	0.25	4.27	4.27
Security Deposit with CDSL	0.10	0.10	0.10
Security Deposit with Shreni Share	0.00	11.00	11.00
Other Security Deposits	43.31	-	-
<b>Total</b>	<b>43.81</b>	<b>17.02</b>	<b>15.52</b>

#### 7 Current Financial Assets: Trade Receivables

(Amount in Lakhs)

Refer Note 1'1.11 for accounting policy on Derecognition of financial instruments

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Trade receivable considered good-Unsecured	1508.39	893.59	350.12
Less : Allowance for doubtful trade receivables	0.00	0.00	0.00
	<b>1508.39</b>	<b>893.59</b>	<b>350.12</b>
<b>Total Receivables</b>	<b>1508.39</b>	<b>893.59</b>	<b>350.12</b>

**The trade receivables ageing schedule for the year ended March31, 2023 is as follows:**

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed trade receivables-considered good	-	1,508.39	-	-	-	-	1,508.39
Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-	-
Disputed trade receivables-credit impaired	-	-	-	-	-	-	-

**The trade receivables ageing schedule for the year ended March31, 2022 is as follows:**

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6	6 months to 1	1-2 Years	2-3 Years	More than 3	
Undisputed trade receivables-considered good	-	893.59	-	-	-	-	893.59
Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-	-
Disputed trade receivables-credit impaired	-	-	-	-	-	-	-

The trade receivables ageing schedule for the period ended April 1, 2021 is as follows:

Particulars	Not Due	Outstanding for following periods from due date of					Total
		Less than 6 months	6 months to 1 years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed trade receivables-considered good	-	350.12	-	-	-	-	350.12
Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-	-
Disputed trade receivables-credit impaired	-	-	-	-	-	-	-

## 8 Cash & Cash Equivalents

(Amount in Lakhs)

Refer Note 1'1.09 for accounting policy on Cash & Cash Equivalents

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>Cash and Cash Equivalents</b>			
Cash on Hand	0.00	0.00	0.45
Balance with Banks - Current Accounts	170.84	15.17	16.65
Balance with Banks - Deposit Accounts	638.05	642.88	720.50
Credit Card Amount	13.26	11.65	0.00
Balance with Imprest	0.04	0.51	0.26
	822.19	670.20	737.86
<b>Bank Balances other than Cash and Cash Equivalents</b>			
Fixed Deposit with Banks	3.09	2.95	2.83
Unclaimed Dividend Account	0.29	1.95	0.00
<b>Total</b>	<b>3.38</b>	<b>4.91</b>	<b>2.83</b>

## 9 Other Financial Assets- Current

Refer Note 1'1.10 for accounting policy on Financial assets and financial liabilities

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Interest Accrued but not received on Bank Fixed Deposits	2.71	1.39	10.45
Security Deposit for Rent	0.00	3.61	18.00
Advance to Employee/ Advance Salary	0.40	21.11	7.05
Other Advances	-	-	0.43
Other Receivables	-	0.94	0.30
<b>Total</b>	<b>3.11</b>	<b>27.05</b>	<b>36.23</b>

## 10 Other Current Assets

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Advance Tax	598.00	381.00	268.00
Income Tax Refundable	-	0.01	0.01
TDS Recoverable	164.96	117.67	1.97
Prepaid Expense	48.65	43.51	13.24
GST Input/Refundable	13.13	10.59	22.94
<b>Total</b>	<b>824.74</b>	<b>552.77</b>	<b>306.15</b>

## 11 Equity Share Capital

Refer Note 1'1.19 for accounting policy on Equity Share Capital

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>Authorised</b>			
(1,20,00,000 Equity shares of ₹ 10/- each as at 31st March 2023; (1,20,00,000 Equity shares of ₹ 10/- each as at 31st March 2022; (16,00,000 Equity shares of ₹ 10/- each as at 1st April 2021)	1200.00	1200.00	160.00
<b>Issued, Subscribe and Fully Paid Up</b>			
(1,18,56,000 Equity shares of ₹ 10/- each as at 31st March 2023; (1,18,56,000 Equity shares of ₹ 10/- each as at 31st March 2022; (14,82,000 Equity shares of ₹ 10/- each as at 1st April 2021)	1185.60	1185.60	148.20
<b>Total</b>	<b>1185.60</b>	<b>1185.60</b>	<b>148.20</b>

### (a) The reconciliation of the Number of Equity Shares Outstanding:

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
	No. of Shares	No. of Shares
Shares outstanding at the beginning of the year (A series)	118.56	14.82
Add: Shares Issued during the year by way of Right Issue	0.00	0.00
Add: Shares Issued during the year by way of Bonus Issue	0.00	103.74
Add: Shares Issued during the year by way of IPO	0.00	0.00
Less: Shares bought back during the year	0.00	0.00
<b>Shares outstanding at the end of the year</b>	<b>118.56</b>	<b>118.56</b>

**(b) Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is entitled to one vote per equity share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder. No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the company has, and has exercised, any right of lien.

**(c) Details of Shareholders holding more than 5% shares in the Company:**

Name of Shareholder	Equity Shares					
	As at 31st March, 2023		As at 31st March, 2022		As at 1st April, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Sharesheld	% of Holding
Deepali Verma	37,72,000	31.82%	35,55,200	29.99%	5,04,000	34.01%
Ratan Kumar Srivastava	32,16,400	27.13%	38,42,400	32.41%	5,03,800	33.99%
Sachin Balkrishna Ramdasi	6,28,800	5.30%	6,23,200	5.26%	1,31,800	8.89%
Total	76,17,200	64.25%	80,20,800	67.65%	11,39,600	76.90%

(b) The Company does not have any holding/ultimate holding company.

**(e) Shares held by promoters and change in shareholding of promoters**

## 12 Other Equity

### Refer Note 1 '1.19 for accounting policy on Equity Share Capital

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is entitled to one vote per equity share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder. No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the company has, and has exercised, any right of lien.

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Securities Premium	-	-	361.80
Retained Earnings	1,064.12	441.82	712.37
<b>Total</b>	<b>1,064.12</b>	<b>441.82</b>	<b>1,074.17</b>

### Nature, Purpose and Movement of Each Reserve

#### (i) Securities Premium

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
At the beginning of the year	-	361.80
Add: Transfer during the year	-	-
Less: Utilization for Issue of Bonus shares	-	(361.80)
Add: DTA on Deferred Tax Expenditure	-	-
<b>At the end of the year</b>	<b>-</b>	<b>-</b>

#### (ii) Retained Earnings

Retained earnings are the profits that Company has earned till date, less dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans (net of taxes) that will not be reclassified to Profit and Loss. Retained earnings is a free reserve available to the Company.

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
At the beginning of the year	441.82	712.37
Add : Profit/(Loss)fortheyear	2,487.03	1,543.95
Less: Other Comprehensive Income	(27.06)	(12.57)
Less: Dividend Paid	(1,837.68)	(1,126.33)
Less: Utilisation for issue of bonus shares	-	(675.60)
<b>At the end of the year</b>	<b>1,064.12</b>	<b>441.82</b>

### 13 Non Current Liabilities: Provisions

**Refer Note 1 '1.14 for accounting policy on Retirement and Other Employee benefits**

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Provision for Employee Benefits:			
Gratuity	135.79	67.07	28.19
Total	135.79	67.07	28.19

### 14 Current Financial Liabilities: Trade Payables

**Refer Note 1 '1.11 for accounting policy on Derecognition of financial instruments**

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Payable to:			
Micro and Small Enterprises	0.00	4.32	0.00
Other than Micro and Small Enterprises	46.69	49.88	1.27
Total	46.69	54.20	1.27

**The trade payables ageing schedule for the years ended as on March 31, 2023 is as follows:**

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Outstanding dues to MSME		-	-	-	-	-
Other		46.69	-	-	-	46.69
Total Trade Payables		46.69	-	-	-	46.69

**The trade payables ageing schedule for the years ended as on March 31, 2022 is as follows:**

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Outstanding dues to MSME		4.32	-	-	-	4.32
Other		49.88	-	-	-	49.88
Total Trade Payables		54.20	-	-	-	54.20

**The trade payables ageing schedule for the years ended as on April 1, 2021 is as follows:**

Particulars	Not Due	payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Outstanding dues to MSME		-	-	-	-	-
Other		1.27	-	-	-	1.27
Total Trade Payables		1.27	-	-	-	1.27

## 15 Other Current Financial Liabilities

**Refer Note 1 '1.10 for accounting policy on Financial assets and financial liabilities**

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Auditor Remuneration Payable			
Statutory Auditors	2.00	1.50	1.50
Internal Auditors	0.80	4.00	2.00
Unclaimed Dividend Payable	0.32	1.95	0.00
Salary Payable	10.65	2.89	0.83
Credit Card Payable	0.00	0.00	2.20
Expenses Payable	0.91	3.90	0.40
<b>Total</b>	<b>14.67</b>	<b>14.24</b>	<b>6.93</b>

## 16 Short Term Provisions

**Refer Note 1 '2.6 for accounting policy on Provision for income tax and deferred tax assets**

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Provision for Gratuity	13.08	6.23	3.65
Income Tax Provision	828.98	490.59	277.80
<b>Total</b>	<b>842.06</b>	<b>496.82</b>	<b>281.46</b>

## 17 Other Current Liabilities

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
PF & ESIC Contribution Payable	28.67	19.30	9.22
TDS Payable	81.39	17.61	5.11
IGST Payable	14.29	12.24	0.30
Provision for Warranty	0.48	0.48	0.00
Equivalization Levy Payable	0.04	0.06	0.02
Profession Tax	0.14	0.00	0.00
<b>Total</b>	<b>125.01</b>	<b>49.69</b>	<b>14.65</b>

**KSOLVES INDIA LIMITED**  
**Notes Forming Part of Standalone Financial Statements**

### 18 Revenue From Operations

Refer Note 1 '1.03 for accounting policy on Revenue recognition

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Sale of services	7,711.65	4,534.58
<b>Total</b>	<b>7,711.65</b>	<b>4,534.58</b>

#### Disaggregation of revenue

#### Revenue based on Geography

(Amount in Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Domestic	1,798.60	1,324.54
Export	5,913.05	3,210.04
<b>Revenue from operations</b>	<b>7,711.65</b>	<b>4,534.58</b>

### 19 Other Income

Refer Note 1 '1.17 for accounting policy on Other Income

(Amount in Lakhs)

Particulars	Year ended 31 st March 2023	Year ended 31st March 2022
Interest Income		
-On Fixed Deposits	19.17	19.01
Dividend Income	43.00	103.00
Misc. Income	0.01	3.96
<b>Total</b>	<b>62.18</b>	<b>125.97</b>

### 20 Employee Benefit Expense

Refer Note 1 '1.14 for accounting policy on Retirement and  
Other Employee benefits

(Amount in Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Salariesand Wages	2996.42	1822.69
<b>Contributions to-</b>		
-Admin Charges (PF)	8.82	5.94
-Leave Encashment Expenses	9.07	4.98
-Employer PF Contribution	150.71	90.03
-Bonus to Employees	152.29	76.70
-ESIC Expense	0.13	1.97
Staff Welfare Expense	75.33	14.36
Gratuity	46.45	26.09
<b>Total</b>	<b>3439.22</b>	<b>2042.76</b>

Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note XXXX

## 21 Depreciation & Amortisation Expense

Refer Note 1 '1.05 for accounting policy on Property, Plant and Equipment

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Depreciation on Property, Plant & Equipment	40.18	30.09
<b>Total</b>	<b>40.18</b>	<b>30.09</b>

## 22 Other Expenses

(Amount in Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Advertisement Expense	11.85	33.08
Auditor's Remuneration	13.25	6.00
Secreterial Audit Fees	0.75	0.50
Bank Charges	0.58	1.98
Business Development Expenses	15.82	2.88
Computer Accessories & Maintenance Expense	12.70	7.93
Conveyance Expense	0.20	0.52
Certification Charges	13.97	15.96
Director Sitting Fees	5.25	3.00
Donation	0.00	1.00
Electricity Expense	5.25	0.39
Meals & Entertainment Expense	51.65	6.49
Exchange Fluctuation & conversion charges	17.28	15.84
Equivalization Levy	0.92	0.37
Insurance Expenses	0.04	13.59
Interest & Fine	2.81	1.33
Internet Expense	18.79	13.99
Miscellaneous Expense	10.53	4.18
Office Expense	3.73	0.27
Postage & Courier Expenses	5.31	4.60
Printing & Stationery Expenses	2.30	3.69
Legal & Professional Expense	0.27	0.76
Professional & Consultancy Fees	516.74	252.23
Online Access Subscription Expenses	79.89	12.81
Operational Loss	0.00	2.10
Office Rent Expense	68.58	62.98
Repair & Maintenance	6.13	3.35
Server & Website Expense	29.38	40.66
Stock Exchange Fees	14.18	7.31
ROC Fee & Registration Fee	0.54	9.41
Telephone Expense	2.85	1.58
Software Development & Subscription	30.44	0.00
Bad Debts	0.12	13.62
Expenses incurred towards Corporate Social Responsibility	21.10	7.85
Warranty Charges	0.00	0.48
Travelling Expenses	31.94	5.97
<b>Total</b>	<b>995.12</b>	<b>558.68</b>

**22 (a) Payment To Auditors includes:-**

Refer Note 1 '1.05 for accounting policy on Property, Plant and Equipment

(Amount in Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31 st March 2022
Statutory Audit Fees	6.50	2.00
Internal Audit fees	5.25	4.00
Tax Audit Fees	1.50	-
<b>Total</b>	<b>13.25</b>	<b>6.00</b>

**23 Earning Per Share**

Refer Note 1 '1.20 for accounting policy on Earning Per Share

(Amount in Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31 st March 2022
Net Profit after tax available for equity share holders(a)	2487.03	1543.95
Weighted Average number of equity shares(b)	118.56	118.56
Basic & Diluted Earning per share(a/b)	20.98	13.02
Nominal Value per share(Rs.)	<b>10.00</b>	<b>10.00</b>

## 24 Income Taxes

### (a) Income Tax Expense

#### (i) Income Tax recognized in the statement of profit and loss account

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Current Tax Expense</b>		
Current Income Tax	828.98	494.82
Adjustment for earlier year	-	-
<b>Total current tax expenses</b>	<b>828.98</b>	<b>494.82</b>
<b>Deferred Tax</b>		
Deferred Tax expenses	-16.69	-9.74
<b>Total deferred tax expenses</b>	<b>-16.69</b>	<b>-9.74</b>
<b>Total Income Tax Expenses</b>	<b>812.29</b>	<b>485.08</b>

#### (ii) Income Tax recognized in other comprehensive income (OCI)

(Amount in lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Deferred Tax Expenses Actuarial gain/(loss) on defined benefit plans	9.10	4.23
<b>Total Deferred Tax expenses</b>	<b>9.10</b>	<b>4.23</b>

#### (iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

(Amount in lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
<b>Profit before tax</b>	3,299.31	2029.03
Applicable Tax Rate	25.17%	0.25
	830.37	510.67
<b>Adjustments for:</b>		
Gratuity Disallowed	11.69	10.43
IPO Expenses Allowed Under Income Tax	1.36	1.36
Previous year tax liability	-	0.00
Other Adjustment	(14.44)	-27.64
<b>Tax as per Statement of Profit &amp; Loss</b>	<b>828.98</b>	<b>494.82</b>

### (b) Movement in Deferred Tax balances

31st March 2023

(Amount in lakhs)

Particulars	As at 1st April 2022	Recognised in Profit or Loss	Recognised in OCI	As at 31st March 2023
Deferred Tax Liability, on account of Property, Plant & Equipment and Intangible Assets	1.02	-0.97	0	0.05
Expenses deductible on payment basis	26.75	17.66	9.10	53.51
Other adjustments	-4.23	0	0	-4.23
<b>Total</b>	<b>23.54</b>	<b>16.69</b>	<b>9.10</b>	<b>49.33</b>

31st March 2022

(Amount in lakhs)

Particulars	As at 1st April 2022	Recognised in Profit or Loss	Recognised in OCI	As at 31st March 2023
Deferred Tax Liability, on account of Property, Plant & Equipment and Intangible Assets	0.36	0.66	-	1.02
Expenses deductible on payment basis	13.44	9.08	4.23	26.75
Other adjustments	-	-	-4.23	-4.23
<b>Total</b>	<b>13.80</b>	<b>9.74</b>	<b>-</b>	<b>23.54</b>

The Company has exercised the option of availing lower tax rate of 25.17% (inclusive of surcharge and cess) under section 115BBA of The Income Tax Act, 1961 introduced by The Taxation Laws (Amendment) ordinance, 2019 effective from 01st April, 2019.

## 25 Disclosure of Corporate social responsibility (CSR)

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. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Average Net Profits of the Company for three immediate Preceding financial years (A)	1053.93	392.27
Gross amount required to be spent by the company during the year i.e. 2% of (A)	21.08	7.84
Amount spent during the year on :		
Food distribution i.e., mid day meal	7.83	2.10
Projection Education for enhancing vocation skills among the children and other people	5.95	2.64
Cloth distribution	0.55	0.99
Promoting day care centres for orphans	2.13	1.59
Facilities for poor senior citizens	1.10	-
Focusing on Women Empowerment and Skills	0.15	-
Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects and Supplies participants of Educational Assistance Program and Alternative Learning System for street children	3.59	-
Distribution of green four, Animal Fodder etc. to Gaushala	0.34	-
<b>Total</b>	<b>21.63</b>	<b>7.31</b>

In 2021-22 total CSR budget was Rs. 7.84 Lakhs of which in 21-22 Rs. 7.31 Lakhs was utilised and balance Rs. 0.53 Lakhs has been utilised in 2022-23.

## 26 Employee Benefits

### a) Defined Contribution plan

The Company has defined contribution plan for its employees' retirement benefits comprising Provident Fund & Family Pension Fund. The contribution of ` 150.71 Lakhs(Pr. Yr. ` 90.03 Lakhs) towards provident fund are charged to Profit & loss account. The contributions payable to the plan by the company are at a rate specified in rules to the schemes of GOI.

### b) Defined benefit plan

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>(i) Change in defined benefit obligation</b>		
Present value of the obligation at the beginning of the period	73.30	31.85
Interest Cost	4.58	1.99
Current service cost	41.87	24.11
Past service cost	0.00	0.00
Benefits paid	-7.04	-1.44
Actuarial (gains)/losses	36.16	16.80
<b>Present value of the obligation at the end of the period</b>	<b>148.87</b>	<b>73.30</b>
<b>(ii) Net Liability/(Asset) recognized in the Balance Sheet</b>		
Present value of the obligation at the end of the period	148.87	73.30
Fair value of plan assets at end of period	-	-
Net liability/(asset) recognized in Balance Sheet and related analysis	148.87	73.30
Funded Status - Surplus/ (Deficit)	-148.87	-73.30
<b>Non- Current</b>	<b>135.79</b>	<b>67.07</b>
<b>Current</b>	<b>13.08</b>	<b>6.23</b>
<b>(iii) Expenses recognized in Statement of Profit or Loss</b>		
Interest Costs	4.58	1.99
Past Service cost	0.00	0.00
Current service cost	41.87	24.11
Expected return on plan asset	0.00	0.00
<b>Total Expense recognised in statement of profit or loss</b>	<b>46.45</b>	<b>26.10</b>
<b>(iv) Remeasurements recognized in other comprehensive income(OCI)</b>		
Cumulative unrecognized actuarial (gain)/loss opening. B/F	16.80	0.00
Actuarial (gain)/loss - obligation	36.16	16.80
Actuarial (gain)/loss - plan assets	0.00	0.00
<b>Total Actuarial (gain)/loss</b>	<b>36.16</b>	<b>16.80</b>
<b>Cumulative total actuarial (gain)/loss. C/F</b>	<b>52.96</b>	<b>16.80</b>

Maturity Profile of Defined Benefit Obligation	(Amount in Lakhs)
01 Apr 2023 to 31 Mar 2024	13.08
01 Apr 2024 to 31 Mar 2025	1.56
01 Apr 2025 to 31 Mar 2026	1.80
01 Apr 2026 to 31 Mar 2027	1.90
01 Apr 2027 to 31 Mar 2028	1.86
01 Apr 2028 Onwards	128.67

Sensitivity Analysis for significant assumptions*	
Increase/(Decrease) on present value of defined benefits obligation at the end of the year	
1% increase in salary escalation rate	15651869.00
1% decrease in salary escalation rate	14180153.00
1% increase in Attrition rate	14596719.00
1% decrease in Attrition rate	15194089.00
1% increase in discount rate	14170716.00
1% decrease in discount rate	15677966.00

Actuarial Assumptions	As at 31st March 2023	As at 31st March 2022
Discount rate (p.a)	7.50%	6.25%
Salary Escalation Rate (p.a.)	10.00%	10.00%
Mortality	IALM 2012-14	IALM 2012-14
Withdrawl Rate (p.a.)	20.00%	20.00%

\* These Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

**Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow :**

- a) **Changes in Discount rate** - Reduction in discount rate in subsequent valuations can increase the plan's liability.
- b) **Salary increase risk** - Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- c) **Life expectancy** - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

## 27 Related Parties

The company has identified all the realated parties as per details given below:

### (A) List of Related Parties :

#### a) Key Management Personnel :

Mr. Ratan Kumar Srivastava	Chairman Cum Director
Mrs. Deepali Verma	Whole time Director
Mr. Umang Soni	Chief Financial Officer
Ms. Manisha Kide	Company Secretary & Compliance Officer
Ms. Sushma Samarth	Non-Executive Independent Director
Ms. Varsha Choudhry	Non-Executive Independent Director
Mr. Varun Sharma	Non-Executive Independent Director
Mr. Vineet Krishna	Non-Executive Independent Director

#### b) Wholly owned subsidiaries :

Kartik Solutions Private Limited	100% Subsidiary incorporated in India
Ksolves LLC	100% Subsidiary incorporated in USA

### (B) Transaction carried out with related parties referred above, in ordinary course of business:

(Amount in lakhs)

Nature of Transaction	As at 31st March 2023	As at 31st March 2022
A. Revenue		
Sale of services		
Wholly owned subsidiary		
Ksolves LLC	80.13	24.03
B. Expenses		
Kartik Solutions Private Limited	21.56	29.75
D. Key Managerial Personnel		
Director Sitting Fees	4.90	3.00
Umang Soni (Chief Financial Officer)	13.28	8.03
Manish Kide (Company Secretary & Compliance Officer)	13.84	9.02

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

## 28 Contingent Liabilities

Particulars	Note	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
A. Claims against the company not acknowledged as debt		NA	NA	NA
B. Bank Guarantee Issued		NA	NA	NA
In the form of Earnest Money Deposit & others		NA	NA	NA
In the form of performance		NA	NA	NA
		NA	NA	NA

## 29 Operating Segments

(a) The Company operates mainly in one segment i.e. the business of software development services, which constitutes a primary segment. The secondary segment is geographical, information related to which is given as under:

### (b) Geographical Information

The Company operates in geographical areas - India (country of domicile) and others (outside India).

(Amount in lakhs)

Particulars	Revenue from Customers	
	Year ended 31st March 2023	Year ended 31st March 2022
Within India	1798.6	1324.54
Outside India	5913.05	3210.04
<b>Total</b>	<b>7711.65</b>	<b>4534.58</b>

## 30 Financial Risk Management

### Risk management framework

The Company's activities are exposed to a variety of financial risks. The key financial risks include market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed with the Company's policies and risk objectives. The Board of Directors reviews and agrees to policies for managing each of these risks which are summarized as below:

### (i) Credit risk management

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹1,508.39 Lakhs, ₹893.59 Lakhs and ₹350.12 Lakhs as at March 31, 2023, March 31, 2022, and 01 April 2021 respectively. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue from customers majorly located in US. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of the customers to which the Company grants credit terms in the normal course of business. The Company uses the expected credit loss model to assess any required allowances; and uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. This matrix takes into account credit reports and other related credit information to the extent available.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Exposure to customers is diversified and there is no single customer contributing more than 10% of outstanding trade receivables and unbilled revenues.

#### **Provision for Expected Credit or Loss**

##### **i) Financial assets for which loss allowance is measured using 12 month expected credit losses.**

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

##### **ii) Financial assets for which loss allowance is measured using life time expected credit losses.**

The Company provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

**Carrying amount of maximum credit risk as on reporting date**

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Financial assets for which loss allowance is measured using Lifetime Expected Credit Loss			
Trade Receivables	1508.39	893.59	350.12
<b>Total</b>	<b>1508.39</b>	<b>893.59</b>	<b>350.12</b>

**Movement of Allowance for expected credit losses**

(Amount in lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Opening balance	-	-
Allowance created during the year	-	-
Amount written off	-	-
<b>Closing Balance</b>	<b>-</b>	<b>-</b>

**Ageing of trade receivables**

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Less than 6 months	1508.39	893.59	350.12
6 to 12 months	-	-	-
More than 1 year	-	-	-
<b>Total</b>	<b>1508.39</b>	<b>893.59</b>	<b>350.12</b>

**i Financial instruments and bank deposits**

Cash and cash equivalents and deposits with banks are neither past due nor impaired.

Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

**ii) Liquidity Risk Management**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time. The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding borrowings. The Company believes that the working capital is sufficient to meet its current requirements.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Amount in lakhs)

Particulars	On Demand	0-1 year	1-5 years	More than 5 years	Total
<b>As at 31st March 2023</b>					
Trade Payables	-	46.69	-	-	46.69
Other Financial Liabilities	-	14.67	-	-	14.67
<b>Total</b>	-	<b>61.35</b>	-	-	<b>61.35</b>
<b>As at 31st March 2022</b>					
Trade Payables	-	54.20	-	-	54.20
Other Financial Liabilities	-	14.24	-	-	14.24
<b>Total</b>	-	<b>68.44</b>	-	-	<b>68.44</b>
<b>As at 1st April 2021</b>					
Trade Payables		-	1.27	-	1.27
Other Financial Liabilities		-	6.93	-	6.93
<b>Total</b>		<b>-</b>	<b>8.20</b>	<b>-</b>	<b>8.20</b>

### iii) Market Risk Management

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by maximising the use of fixed rate instruments.

#### b) Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating and financing activities (when revenue or expense and borrowing is denominated in foreign currency). The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

(Amount in lakhs)

Outstanding Foreign currency exposure	Currency	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
(a)Net Financial Asset	USD	1.11	6.86	3.59
	EUR	0.21	0.23	0.08
	AED	0.95	0	
(b)Net Financial Liabilities	-	-	-	-
<b>Total (a-b)</b>		2.27	7.09	3.67

### Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EURO and AED, with all other variables held constant. The impact on the Company profit before tax and equity is due to changes in the fair value of monetary assets and liabilities. Foreign currency exposures recognised by the Company that have not been hedged by a derivative instrument or otherwise are as under:

**5% increase or decrease in foreign exchanges rates will have the following impact on profit before tax:**

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Foreign Currency - USD	1.11	6.86	3.59
Indian Rupees	104.46	519.69	263.05
5% movement in USD			
Impact on P&L (Strengthning)	5.22	25.98	
Impact on P&L (Weakening)	5.22	25.98	13.15
Foreign Currency - EURO	0.21	0.23	13.15
Indian Rupees	32.38	19.65	
5% movement in EURO			0.08
Impact on P&L (Strengthning)	1.62	0.98	6.58
Impact on P&L (Weakening)	1.62	0.98	
Foreign Currency - AED	0.95	0	0.33
Indian Rupees	21.25	0	0.33
5% movement in AED			
Impact on P&L (Strengthning)	1.06	0	
Impact on P&L (Weakening)	1.06	0	

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

## 31 Capital Management

For the purpose of Company's Capital Management, Capital includes issued equity share capital & Borrowings. The primary objective of Company's Capital Management is to maximize shareholder's value and to maintain an appropriate capital structure of debt and equity. The company manages it's capital structure and makes adjustments in the light of changes in economic environment and the requirements of financial covenants. The company manages it's capital using Debt to Equity Ratio which is Net Debt/Total Equity. Net Debt is total borrowing (Non-current and current) less cash and cash equivalent.

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Borrowings	0	0	-
Less: Cash and Cash Equivalents	822.19	670.20	737.86
<b>Net Debt (a)</b>	<b>-822.19</b>	<b>-670.20</b>	<b>(737.86)</b>
<b>Total Equity (b)</b>	<b>2249.71</b>	<b>1627.42</b>	<b>1,222.37</b>
Net Debt to Equity Ratio (a/b)	-0.37	-0.41	(0.60)

## 32 Fair Value Measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

### Financial Instruments by category

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>Financial Assets at amortised cost</b>			
Investment	60.36	60.36	52.50
Cash and cash equivalents(incl. other bank balance)	825.57	675.11	740.69
Trade receivables	1508.39	893.59	350.12
Other Financial Assets	46.92	44.07	51.75
<b>Total Financial Assets</b>	<b>2441.24</b>	<b>1673.13</b>	<b>1,195.05</b>
<b>Financial Liabilities at amortised cost</b>			
Trade Payables	46.69	54.20	1.27
Other Financial Liabilities	14.67	14.24	6.93
<b>Total Financial Liabilities</b>	<b>61.35</b>	<b>68.44</b>	<b>8.20</b>

The carrying value of the financial assets & liabilities are equivalent to fair value due to the nature of the instruments.

## Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.

The Company has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The carrying amounts of all the financial instruments mentioned in the table above are considered to be the same as their fair values due to the short term maturities or payable/receivable on demand and are classified as Level 3 in the fair value hierarchy. There have been no transfers between Level 1, Level 2 and Level 3 during the period.

## 33 Other Information in terms of the amendment in schedule III of the companies Act vide notification dated 24th March, 2021

- a) The Company does not have any Benami Property, and no proceeding has been initiated or pending against the Company for holding any Benami Property.
- b) The Company does not have any transactions with companies which are struck off.
- c) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- d) The Company have not traded or invested in crypto currency or virtual currency during the financial year.

e) 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:

- (i) 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
- (ii) Provide any Guarantee, Security, or the like to or on behalf of the Ultimate Beneficiaries

f) The Company have 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.

g) The Company has no 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).

h) The Company have not been declared willful defaulter by any Banks or any other Financial Institution at any time during the financial year.

i) The company has utilized the borrowings from banks and financial institutions for the specific purpose for which it was taken during the financial year.

j) There is no change in opening balance of other equity due to change in any accounting policy and prior period errors

#### **34 Events occurring after the Balance Sheet Date**

The Board of Directors of the Company in its meeting held on April 23, 2023 has recommended a dividend @ 80% to Equity Shareholders i.e. Rs. 8 per Equity share amounting to Rs. 948.48 Lakh for the Year ended 31st March, 2023 subject to the approval of the shareholders of the Company at the Annual General Meeting.

### 35 Code on social security

The Code on Social Security, 2020 ('code') relating to employee benefits, during employment and post-employment, received Presidential assent on September 28, 2020. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders. The Company will assess the impact on its financial statements in the period in which the related rules to determine the financial impact are notified and the Code becomes effective.

### 36 Details of dues to Micro and Small Enterprises as per MSMED Act 2006

The Code on Social Security, 2020 ('code') relating to employee benefits, during employment and post-employment, received Presidential assent on September 28, 2020. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders. The Company will assess the impact on its financial statements in the period in which the related rules to determine the financial impact are notified and the Code becomes effective.

(Amount in lakhs)

Particulars	31-Mar-23	March 31, 2022	01-Apr-21
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	(INR in lakhs)	(INR in lakhs)	(INR in lakhs)
i) Principal amount due to micro and small enterprise	-	4.32	-
ii) Interest due on above	-	-	-
iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Ad 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
iv) 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 year) but without adding the interest specified under the MSMED Act 2006.	-	-	-
v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
vi) 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.	-	-	-

## 37 Ratio Analysis and its elements

Sl. No.	Ratio	Numerator	Denominator		31 Mar 2023	31 Mar 2022	% variance	Reason for variance
1	Current Ratio	Current Assets	Current Liabilities	Times	3.07	3.49	-12.00%	Not required
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	Times	NA	NA	NA	Not required
3	Debt Service Coverage Ratio	PAT+Depreciation / Amortisation +Interest on term loan	Principal repayments of Current Maturity of Long term borrowings+ Interest on Term Loan	Times	NA	NA	NA	Not required
4	Return on Equity	Net Profit after tax	Average Shareholder's Equity	% age	32.07%	27.09%	18.40%	Not required
5	Inventory Turnover	Net Sales	Average Inventory	Times	NA	NA	NA	Not required
6	Trade receivables Turnover	Net Sales	Average trade receivables	Times	1.61	1.82	-11.94%	Not required
7	Trade payables Turnover	Net Purchases	Average Trade payables	Times	16.41	12.03	36.41%	Increased cash accruals and effective management of debts and cash flow has resulted into increased trade payable turnover ratio.
8	Net Capital Turnover	Net Sales	Working Capital	Times	3.61	2.96	22.25%	Not required
9	Net Profit ratio	Net Profit after tax	Net Sales	% age	32.25%	34.05%	-5.28%	Not required
10	Return on Capital Employed	EBIT	Capital employed (Tangible Networth+Total Debt+Deferred tax liability)	% age	146.65%	124.68%	17.63%	Not required
11	Return on Investments	Total Return	Cost of Investment	% age	NA	NA	NA	Not required

As per our annexed Report of even date

For and on behalf of the Board of Directors

**For A Y & Company  
Chartered Accountants  
FRN : 020829C**

**Deepali Verma  
(Director)  
DIN: 05329336**

**Ratan Kumar Srivastava  
(Director)  
DIN: 05329338**

**Yashika Gianchandani  
Partner  
M.NO. : 420219  
UDIN : 23420219BGXXXV2537  
Place : Delhi  
Date : 23.04.2023**

**Umang Soni  
CFO**

**Manisha Kide  
Company Secretary**

## KSOLVES INDIA LIMITED

### Notes Forming Part of Standalone Financial Statements

#### 38 First Time Adoption of Ind AS(Ind AS 101)

##### I. Basis of Preparation

These are the Company's first financial statements in accordance with Ind AS. For periods up to and including the year ended 31 March 2022, the Company prepared its financial statements in accordance with previous GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The effective date for Company's Ind AS Opening Balance Sheet is 1 April 2021 (the date of transition to Ind AS).

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31st March 2022, the comparative information presented in these financial statements for the year ended 31 March 2022 and in the preparation of an opening Ind AS Balance Sheet at 1 April 2021 (the Company's date of transition). According to Ind AS 101, the first Ind AS financial statements must use recognition and measurement principles that are based on standards and interpretations that are effective at 31 March 2022, the date of first-time preparation of financial statements according to Ind AS. These accounting principles and measurement principles must be applied retrospectively to the date of transition to Ind AS and for all periods presented within the first Ind AS financial statements. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including the balance sheet as at April 01, 2021 and the financial statements as at and for the year ended March 31, 2022 and how the transition from Previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

##### II. Optional exemptions availed and mandatory exceptions

In the Ind AS Opening Balance Sheet as at 1 April 2021, the carrying amounts of assets and liabilities from the previous GAAP as at 31 March 2021 are generally recognized and measured according to Ind AS in effect as on 31 March 2022. However for certain individual cases, Ind AS 101 provides for optional exemptions and mandatory exceptions to the general principles of retrospective application of Ind AS. The Company has made use of the following exemptions and exceptions in preparing its Ind AS Opening Balance Sheet: Ind AS 101 provides for optional exemptions and mandatory exceptions to the general principles of retrospective application of Ind AS.

## Ind AS Optional Exemptions

### (a) Investment in Subsidiary

The Company has elected to carry its investment in subsidiary, joint venture and associates at deemed cost which is its previous GAAP carrying amount at the date of transition to Ind AS.

### (b) Deemed cost for property, plant and equipment and intangible assets:

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities, if any. The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets as recognised as of April 01, 2021 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

### (c) Borrowings

Ind AS 101 permits that if it is impracticable for an entity to apply retrospectively the effective interest method in Ind AS 109 'Financial Instruments', the fair value of the financial liability at the date of transition to Ind AS shall be the new amortised cost of that financial liability at the date of transition to Ind AS. Accordingly company has elected to apply this exemption.

### (d) Derecognition of financial assets and financial liabilities

As per Ind AS 101. para B2, a first-time adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind ASs.

### (e) Fair Value of Financial Liabilities

As per Ind AS 109, the Company is required to measure financial liabilities at fair value on initial recognition, and account for the difference between fair value and transaction price as a gain/loss. The Company has elected to apply the exemption provided in Ind AS 101 to apply these requirements prospectively to transactions entered into after the date of transition.

### (f) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2021 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required/made under previous GAAP:

- Impairment of financial assets based on expected credit loss model.

### Reconciliation of Balance Sheet as at 31st March, 2022 and 1 April, 2021

(Amount in lakhs)

Particulars	Note	As per Previous GAAP 1 April, 2021	Ind AS Adjustments	As per Ind AS 1 April, 2021	As per Previous GAAP 31 March, 2022	Ind AS Adjustments	As per Ind AS 31 March, 2022
<b>I. ASSETS</b>							
<b>(1) Non-Current Assets</b>							
(a) Property, Plant and Equipment		39.87	-	39.87	60.01		60.01
(b) Capital Work in progress			-	-	-		-
(c) Deferred Tax Asset		8.38	5.42	13.80	19.48	4.07	23.54
(d) Financial Assets							
(i) Investment		55.33	-2.83	52.50	63.31	-2.95	60.36
(ii) Other Financial Assets		33.52	-18.00	15.52	20.63	-3.61	17.02
(e) Other Non-Current Assets		21.55	-21.55	0.00	16.16	-16.16	-
<b>Total Non Current Assets</b>		158.64	-36.96	121.68	179.59	-18.66	160.93
<b>(2) Current Assets</b>							
<b>(a) Financial Assets</b>							
(ii) Trade Receivables		350.12		350.12	893.59	0.00	893.59
(iii) Cash and Cash Equivalents		737.86		737.86	670.20	0.00	670.20
(iii) Other Bank Balance			2.83	2.83		4.91	4.91
(vi) Other Financial Assets			36.23	36.23		27.05	27.05
(c) Other Current Assets		324.37	-18.23	306.15	578.16	-25.39	552.77
<b>Total Current Assets</b>		1412.35	20.83	1433.18	2141.95	6.56	2148.52
<b>Total Assets</b>		1571.00	-16.13	1554.87	2321.55	-12.10	2309.45
<b>II. EQUITY AND LIABILITIES</b>							
<b>(1) Equity</b>							
(a) Equity Share capital		148.20		148.20	1185.60		1185.60
(b) Other Equity		1090.30	-16.13	1074.17	453.92	-12.10	441.83
<b>Total Equity</b>		1238.50	-16.13	1222.37	1639.52	-12.10	1627.43
<b>(2) Liabilities</b>							
(A) Non-current liabilities							
(b) Provisions		28.19		28.19	67.07	0.00	67.07
(c) Deferred tax Liabilities (Net)		-		-	-	-	-
<b>Total Non Current Liabilities</b>		28.19	0.00	28.19	67.07	0.00	67.07

(Amount in lakhs)

Particulars	Note	As per Previous GAAP 1 April, 2021	Ind AS Adjustments	As per Ind AS 1 April, 2021	As per Previous GAAP 31 March, 2022	Ind AS Adjustments	As per Ind AS 31 March, 2022
<b>(B) Current liabilities</b>							
(a) Financial Liabilities							
(ii) Trade Payables							
Total Outstanding dues of Micro Enterprises and Small Enterprises					4.32	-	4.32
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		1.27	-	1.27	49.88	-	49.88
(ii) Other Financial Liabilities			6.93	6.93		14.24	14.24
(b) Provisions		281.46	-	281.46	496.82		496.82
(c) Other current liabilities		21.58	-6.93	14.65	63.94	-14.24	49.69
<b>Total Current Liabilities</b>		<b>304.30</b>	<b>-</b>	<b>304.30</b>	<b>614.95</b>	<b>-</b>	<b>614.95</b>
<b>Total Equity and Liabilities</b>		<b>1571.00</b>	<b>-16.13</b>	<b>1554.87</b>	<b>2321.55</b>	<b>-12.10</b>	<b>2309.45</b>

\*Balances as per Previous GAAP have been reclassified/regrouped to match with Ind AS classification.

#### IV Reconciliation of Total Comprehensive Income for the period ended 31st March 2022

PARTICULARS	Note	As per Previous GAAP	Ind AS Adjustments	As per Ind AS
I. Revenue from operations		4534.58	-	4534.58
II. Other income		125.97	-	125.97
III. Total Income (I+II)		4660.56	-	4660.56
<b>IV. Expenses:</b>				
Employee Benefits Expense		2059.56	-16.80	2042.76
Depreciation & Amortisation Expense		35.48	-5.39	30.09
Other Expenses		558.68		558.68
Total Expenses (IV)		2653.72	-22.19	2631.53
V. Profit/(Loss) before Exceptional Items & Tax (III-IV)		2006.84	22.19	2029.03
VI. Exceptional Items		-	-	-
VII. Profit/(Loss) Before Tax (V-VI)		2006.84	22.19	2029.03
VIII. Tax Expense:				
Current Tax		490.59	4.23	494.82
Deferred Tax		-11.10	1.36	-9.74
Income Tax for Earlier Year				-
Total Tax Expenses (VIII)		479.49	5.59	485.08
IX. Profit/(loss) for the year (VII-VIII)		1527.35	16.60	1543.95
X. Other Comprehensive Income		-	-	-
Items that will not be reclassified to profit or loss			-	-
- Remeasurement Gains/(Losses) on Defined Benefit Plans		-	-16.80	-16.80
- Income tax on above		-	4.23	4.23
XI. Total Other Comprehensive Income for the year		-	-12.57	-12.57
XII. Total Comprehensive Income for the year (IX+XI) (Comprising Profit/(Loss) and Other Comprehensive Income for the year)		1527.35	4.03	1531.38

\*Balances as per Previous GAAP have been reclassified/regrouped to match with Ind AS classification.

#### V Reconciliation of total Equity as at 31 March, 2022 and 1 April, 2021

(Amount in lakhs)

Particulars	Note	As at 31st March 2022	As at 1st April 2021
<b>Total Equity (shareholder's fund) as per previous GAAP</b>		1639.52	1238.50
Adjustments:			
Deferred IPO Expense		-16.16	-21.55
DTA on Deferred Exp. Of IPO		4.06	5.42
<b>Total Equity as per Ind AS</b>		<b>1627.42</b>	<b>1222.37</b>

## VI Reconciliation of Total Comprehensive Income for the year ended 31 March, 2022

Particulars	Note	Year ended 31st March 2022
<b>Net Profit under Previous GAAP ( After Tax )</b>		1527.35
Add/(less) adjustments for Ind AS:		
Provision for Gratuity		16.80
Depreciation and Amortisation		5.39
Deferred Tax on Amortisation		-1.36
Deferred Tax on Actuarial Gain/Loss		-4.23
		<b>1543.95</b>
<b>Other Comprehensive Income</b>		
Actuarial Gain/(Loss) on Defined Benefit Plan recognised in OCI (Net of Tax)		-12.57
<b>Total Comprehensive Income as per Ind AS</b>		<b>1531.38</b>

## VII Notes to the reconciliation of equity as at April 1, 2021 and March 31, 2022 and total comprehensive income for the year ended March 31, 2022

### a) Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12-Income Taxes requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of asset or liability in the balance sheet and its corresponding tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences.

According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or as separate component of equity.

### b) Fixed Deposit with Bank

Under previous GAAP, all fixed deposits with banks were classified under Cash and Cash Equivalents. Under IndAS, deposits with maturity more than 12 months have been presented under "Other non-current financial assets", and deposits with maturity more than 3 months but upto 12 months, or deposits not freely available are presented under "Bank Balances other than Cash and Cash Equivalents".

**c) Actuarial Loss/(Gain) on Defined Benefit Plan Recognised in OCI (Net of Tax)**

Both under Indian GAAP and IND AS, the company recognized costs related to its post employment defined benefits plan on an actuarial basis. Under Indian GAAP the entire cost including actuarial gain/loss are charged to profit or loss. Under IND AS, remeasurements are recognized in Other Comprehensive Income.

**d) Other Equity**

Retained earnings as at 1st April 2021 & 31 March 2022 has been adjusted consequent to the above Ind AS transition adjustments. Refer 'Reconciliation of total equity as at 31st March 2022 and 1st April 2021 as given above for details.

**e) Other Comprehensive income**

Under previous GAAP, the Company has not presented other comprehensive income (OCI) separately. Items that have been reclassified from statement of profit and loss to other comprehensive income includes remeasurement of defined benefit plans. Hence, previous GAAP profit or loss is reconciled to total comprehensive income as per Ind AS. Certain amount of Cash and cash equivalents has been reclassified to Other Bank Balances in accordance with Ind AS 7- Statement of Cash Flows and Divison II of Schedule III of Companies Act, 2013..

**39 Regrouped, Recast, Reclassified**

Previous period's figures in the financial statements, including the notes thereto, have been reclassified wherever required to conform to the current period's presentation/classification.

As per our annexed Report of even date

For and on behalf of the Board of Directors

**For A Y & Company  
Chartered Accountants**  
FRN : 020829C

**Deepali Verma  
(Director)**  
DIN: 05329336

**Ratan Kumar Srivastava  
(Director)**  
DIN: 05329338

**Yashika Gianchandani**  
Partner  
M.NO. : 420219  
UDIN : 23420219BGXXXV2537  
Place : Delhi  
Date : 23.04.2023

**Umang Soni  
CFO**

**Manisha Kide  
Company Secretary**

## ►Independent Auditor's Report To The Members

**To**

**The Members Of  
KSOLVES INDIA LIMITED**

### **Opinion**

We have audited the accompanying consolidated financial statements of KSOLVES INDIA LIMITED ("the Company"), and its subsidiaries i.e. Kartik Solution Private Limited & Ksolves LLC (Incorporated in USA) (the Company and its subsidiaries 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) for the year ended on March 31, 2023, the Statement of Changes in Equity, the Consolidated Cash flow statement for the period ended & and 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 Consolidated Financial Statements give the information required by the Companies Act, 2013 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") & other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Profit/(loss) & total comprehensive Income, changes in equity and its cash flows for the year ended on that date.

### **Basis For Opinion**

We conducted our audit of the Standalone Financial Statements in accordance with the standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI), together with the independence requirements that are relevant to our audit of the financial statements under the provision 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

**We have determined the matters described below to be the key audit matters to be communicated in our report.**

S.No.	Key Audit Matter
1.	<p><b>Assessment of Trade Receivables:</b>            The company has trade receivables amounting to Rs. 1513.01 Lakhs (i.e. 44.39% of total assets) at the Balance Sheet Date March 31, 2023</p> <p>The increasing challenges over the economy and operating environment in the IT industry during the year have increased the risks of default on receivables from the company's customers. In particular, in the event of insolvency of customers, the company is exposed to a potential risk of financial loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.</p> <p>Based on historical default rates and overall credit worthiness of customers, management believes that no impairment allowance is required in respect of outstanding trade receivables as of March 31, 2023.</p> <p>For impairment assessment, significant judgements and assumptions, including the credit risks of customers, the timing and amount of realisation of these receivables are required for the identification of impairment events and the determination of the impairment charge.</p>
<b>Auditor Response to key Audit Matter:</b>	
	<p><b>Principal Audit Procedures:</b>            We have performed the following procedures regarding the recoverability of trade receivables:</p> <ul style="list-style-type: none"> <li>• Tested the accuracy of ageing of trade receivables at year-end on a sample basis;</li> <li>• Obtained a list of outstanding receivables and assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management's assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and the latest correspondence with customers</li> <li>• Tested subsequent settlement of trade receivables after the balance sheet date on a sample basis.</li> </ul> <p><b>Conclusion:</b>            We found the key judgement and assumptions used by management in the recoverability assessment of trade receivables to be supportable based on the available evidence.</p>

## **Information Other Than The Standalone Financial Statements and Auditor's Report Thereon.**

The company's board is responsible for the preparation of the other information. The other information comprises the information included Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the Consolidated Financial Statements, Standalone Financial Statements and our Auditor's report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the additional information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during our audit or otherwise appears to be materially misstated.

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

## **Management's Responsibility 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 & presentation of these consolidated financial statements to give a true and fair view of the financial position, financial performance, & cash flows of the Group in accordance with accounting principles generally accepted in India. The respective Boards 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 of the assets of the Group 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 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 preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements,, the respective Board of Directors of the companies included in the Group are responsible for assessing the group's ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so

The respective board of directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

## Auditor's Responsibility For The Audit Of 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 it 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 decision of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit 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 management.
- Conclude on the appropriateness of management's use of 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. Suppose we conclude that a material uncertainty exists. In that case, 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities 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 financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in scarce circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report On Other Legal And Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief were necessary for 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 Balance Sheet, the Statement of Profit and Loss & Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d) 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
  - 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 and the report of statutory auditor of subsidiary company incorporated in India, 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 internal financial control over financial reporting of the Company & the operating effectiveness of such controls refer to our separate report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g)** With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h)** With respect to 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 explanation given to us:
  - (i)** The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - (ii)** The Company has made provision, as at March 31, 2023 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - (iii)** The Company is not liable to transfer any amounts to the Investor Education and Protection Fund during the year ended March 31, 2023.
  - (iv)**
    - a)** The respective management of the companies & its subsidiaries incorporated in India whose financial statements are audited under the Act, have represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or subsidiary to or in any other person or entity, including foreign entity ("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 or subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b)** The respective management of the companies & its subsidiaries incorporated in India whose financial statements are audited under the Act, has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or subsidiary 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;
  - (v)**
    - a)** The Final Dividend Proposed in the previous year, declared and paid by the company during the year is in accordance with section 123 of the Act, as applicable.

- (b) The Interim Dividend declared and Paid by the company during the year & until the date of this report is in compliance with Section 123 of the Act.
  - (c) The Board of Directors have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- (vi) Provision to Rule 3(1) of the companies (Accounts) Rule, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 01, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit & Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- (vii) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports

**For A Y & Company  
Chartered Accountants  
FRN : 020829C**

**Yashika Gianchandani  
Partner  
M. NO.: 420219  
UDIN: 23420219BGXXXU5332  
Place: Delhi  
Date: 23.04.2023**

## ► Annexure "A" To The Auditor's Report

### **Report on the Internal Financial Control under clause (i) of sub section 3 of Section 143 of companies Act , 2013 ('The Act')**

We have audited the internal financial control over financial reporting of Ksolves India Limited ('the company') as of 31st March 2022 in conjunction with our audit of the standalone financial statement of the company for the year ended on that date.

#### **Management Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of fraud 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the standards on auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For A Y & Company  
Chartered Accountants  
FRN : 020829C**

**Yashika Gianchandani  
Partner  
M.NO.: 420219  
UDIN : 23420219BGXXXU5332  
Place : Delhi  
Date : 23.04.2023**

## KSOLVES INDIA LIMITED

Consolidated Balance Sheet as at 31st March 2023

(Amount in Lakhs)

Particulars	Note	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>I. ASSETS</b>				
<b>(1) Non-Current Assets</b>				
(a) Property, Plant and Equipment	3	104.30	100.80	95.68
(b) Intangible Assets	3	5.99	5.99	5.99
(b) Deferred Tax Asset	4	50.44	25.87	14.97
(c) Financial Assets				
(i) Investment		-	-	-
(ii) Other Financial Assets	5	43.81	17.02	15.52
<b>Total Non Current Assets</b>		<b>204.54</b>	<b>149.68</b>	<b>132.16</b>
<b>(2) Current Assets</b>				
(a) Financial Assets				
(i) Trade Receivables	6	1,513.01	925.69	364.26
(ii) Cash and Cash Equivalents	7	857.31	689.50	808.92
(iii) Other Bank Balance	8	3.38	4.90	2.83
(iv) Other Financial Assets	9	3.11	27.08	42.34
(b) Other Current Assets	10	827.44	571.60	355.10
<b>Total Current Assets</b>		<b>3,204.25</b>	<b>2218.77</b>	<b>1,573.45</b>
<b>Total Assets</b>		<b>3,408.79</b>	<b>2,368.45</b>	<b>1,705.60</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
(a) Equity Share Capital	11	1,185.60	1,185.60	148.20
(b) Other Equity	12	1,052.75	482.02	1,171.92
<b>Total Equity</b>		<b>2,238.35</b>	<b>1,667.62</b>	<b>1,320.12</b>
<b>(2) Liabilities</b>				
<b>(A) Non-current Liabilities</b>				
(a) Borrowings		-	-	-
(b) Provisions	13	135.79	67.07	28.19
<b>Total Non Current Liabilities</b>		<b>135.79</b>	<b>67.07</b>	<b>28.19</b>
<b>(B) Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	14	-	-	7.75
(ii) Trade Payables	15	-	4.32	-
Total Outstanding dues of Micro Enterprises and Small Enterprises			4.32	-
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		46.67	52.49	10.80
(iii) Other Financial Liabilities	16	14.67	14.36	8.95
(b) Provisions	17	848.18	512.65	314.15
(c) Other Current Liabilities	18	125.11	49.94	15.64
<b>Total Current Liabilities</b>		<b>1,034.64</b>	<b>633.77</b>	<b>357.29</b>
<b>Total Equity and Liabilities</b>		<b>3,408.79</b>	<b>2,368.45</b>	<b>1,705.60</b>
<b>Significant Accounting Policies</b>	1 & 2			

The accompanying notes 1 to 41 form an integral part of these financial statements

**As per our annexed Report of even date**

**For and on behalf of Board of Directors**

**For A Y & Company**  
Chartered Accountants  
FRN : 020829C

Deepali Verma  
(Director)  
DIN: 05329336

Ratan Kumar Srivastava  
(Director)  
DIN: 05329338

**Yashika Gianchandani**  
Partner  
M.N.O. : 420219  
UDIN : 23420219BGXXXU5332  
Place : Delhi  
Date : 23.04.2023

Manisha Kide  
Company Secretary

Umang Soni  
CFO

**KSOLVES INDIA LIMITED**  
**Consolidated Statement of Profit and Loss**  
(for the year ended 31st March, 2023)

(Amount in Lakhs)

	Particulars	Note	Year ended 31st March, 2023	Year ended 31st March, 2022
I	Revenue from Operations	19	7831.16	4706.86
	<b>Net Revenue from operation</b>		<b>7831.16</b>	<b>4706.86</b>
II	Other Income	20	62.57	126.52
III	<b>Total Income (I+II)</b>		<b>7893.73</b>	<b>4833.38</b>
IV	<b>Expenses:</b>			
	Employee Benefits Expense	21	3464.28	2050.55
	Finance Cost	22	-	0.32
	Depreciation & Amortisation Expense	23	54.73	49.07
	Other Expenses	24	1081.15	642.02
	<b>Total Expenses (IV)</b>		<b>4600.17</b>	<b>2741.96</b>
V	<b>Profit/(Loss) before Exceptional Items &amp; Tax (III-IV)</b>		<b>3293.56</b>	<b>2091.42</b>
VI	Exceptional Items		-	-
VII	<b>Profit/(Loss) Before Tax (V-VI)</b>		<b>3293.56</b>	<b>2091.42</b>
VIII	<b>Tax Expense:</b>			
	Current Tax		836.99	512.93
	Deferred Tax		-15.46	-10.90
	Income Tax for Earlier Year		-	-
	<b>Total Tax Expenses (VIII)</b>		<b>821.52</b>	<b>502.03</b>
IX	<b>Profit/(loss) for the year (VII-VIII)</b>		<b>2472.04</b>	<b>1589.39</b>
X	<b>Other Comprehensive Income</b>			
	<b>Items that will not be reclassified to profit or loss</b>			
	- Remeasurement Gains/(Losses) on Defined Benefit Plans		-36.16	-16.80
	- Income tax on above		9.10	4.23
XI	Total Other Comprehensive Income for the year		-27.06	-12.57
XII	<b>Total Comprehensive Income for the year (IX+XI)</b>		<b>2444.98</b>	<b>1576.82</b>
XIII	<b>Earnings per Equity Share: (Face value per Equity Share of ₹ 10 each)</b>			
	Basic and Diluted (in ₹)	25	20.85	13.41
	Significant Accounting Policies	1 & 2		

The accompanying notes 1 to 41 form an integral part of these financial statements

**As per our annexed Report of even date**

**For A Y & Company**  
**Chartered Accountants**  
FRN : 020829C

**Yashika Gianchandani**  
Partner  
M.NO. : 420219  
UDIN : 23420219BGXXXU5332  
Place : Delhi  
Date : 23.04.2023

**For and on behalf of Board of Directors**

<b>Deepali Verma</b> (Director) DIN: 05329336	<b>Ratan Kumar Srivastava</b> (Director) DIN: 05329338
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<b>Manisha Kide</b> Company Secretary	<b>Umang Soni</b> CFO
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**KSOLVES INDIA LIMITED**  
**Consolidated Statement of Cashflows**  
(for the year ended 31st March, 2023)

(Amount in Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	-	3,293.56
Adjustments for:		
Remeasurement Gains/(Losses) on Defined Benefit Plans		
Depreciation & Amortisation expense	54.73	49.07
Provision for Gratuity	39.41	24.66
Finance Cost	-	0.32
Investment Income	62.56)	(122.57)
	31.57	-
<b>Operating profit before working capital changes</b>	-	3,325.13
Adjustments for:		
Trade receivables	(587.31)	(561.44)
Other Financial Assets and Other Current Assets	(230.35)	(227.68)
Trade Payables	(10.14)	46.38
Other Financial Liabilities	0.32	5.41
Other Current Liabilities/Other Financial Liabilities	75.17	26.55
	(752.31)	(710.78)
<b>Cash from Operating Activities</b>	2,572.82	1,332.12
Income Tax Paid	(501.88)	(312.78)
<b>Net Cash from Operating Activities (A)</b>	2,070.94	1,019.34
<b>B. Cash Flow from Investing Activities</b>		
Purchase of property, plant and equipment	(58.23)	(54.19)
Other Financial Assets (Non Current)	(26.79)	22.50
Investment Income	62.56	122.57
Non-Current Investment		-
<b>Net Cash Flow from Investing Activities(B)</b>	(22.46)	90.88
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from long term borrowings	-	-
Proceeds from short term borrowings	-	-
Payment of Interim Dividend	(1,880.68)	(1,229.33)
Finance Cost		(0.32)
<b>Net cash used in Financing Activities (C)</b>	(1,880.68)	(1,229.65)
<b>Net increase in cash and cash equivalents(A+B+C)</b>	167.81	(119.44)
Cash and cash equivalents at the beginning of the year	689.50	808.92
Cash and cash equivalents at the close of the year	857.31	689.50

**Cash and Cash Equivalent includes:-**

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Cash on hand	0.10	0.10
Balance with Banks - Current Accounts	204.11	34.36
Balance with Banks - Deposit Accounts	639.80	642.88
Credit Card Amount	13.26	11.65
Balance with Imprest	0.04	0.51
Total	857.31	689.50

**As per our annexed Report of even date**

**For A Y & Company  
Chartered Accountants  
FRN : 020829C**

**Yashika Gianchandani  
Partner  
M.NO. : 420219  
UDIN : 23420219BGXXXU5332  
Place : Delhi  
Date : 23.04.2023**

**For and on behalf of Board of Directors**

<b>Deepali Verma (Director) DIN: 05329336</b>	<b>Ratan Kumar Srivastava (Director) DIN: 05329338</b>
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<b>Umang Soni CFO</b>	<b>Manisha Kide Company Secretary</b>
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**KSOLVES INDIA LIMITED**  
**Consolidated Statement Of Changes In Equity**  
(for the year ended 31st March, 2023)

**A. Equity Share Capital**

(Amount in Lakhs)

Particulars	Amount
As at 1st April 2021	148.20
Add: Issue of Bonus Shares	1037.40
As at 31st March 2022	1185.60
Changes in equity share capital during the year	-
<b>As at 31st March 2023</b>	<b>1185.6</b>

**B. Other Equity**

Year ended 31st March 2023

(Amount in Lakhs)

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
<b>Balance As at 1st April, 2022</b>	-	482.02	482.02
Profit for the year	-	2472.04	2472.04
Other Comprehensive Income (expense)(net of tax)	-	-27.06	-27.06
Prior Period Items of Subsidiary Company	-	6.43	0.00
Dividend Paid (including Dividend tax)	-	-1880.68	-1880.68
<b>Balance as at 31st March, 2023</b>	-	<b>1052.75</b>	<b>1052.75</b>

Year ended 31st March 2022

(Amount in Lakhs)

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
<b>Balance As at 1st April, 2021</b>	361.80	826.25	1,188.05
Opening Balance IND AS Adjustment	-	-16.13	-16.13
<b>Balance as at 01 April 2021 ( After adjustment)</b>	361.80	<b>810.12</b>	<b>1,171.92</b>
Profit for the year	-	1,589.39	1,589.39
Other Comprehensive Income (expense)(net of tax)	-	-12.57	-12.57
Dividend Paid	-	-1,229.33	-1,229.33
Utilisation for issue of bonus shares	-361.80	-675.60	-1,037.40
<b>Balance as at 31st March, 2022</b>	-	<b>482.02</b>	<b>482.02</b>

**As per our annexed Report of even date****For and on behalf of Board of Directors**

**For A Y & Company  
Chartered Accountants  
FRN : 020829C**

**Deepali Verma  
(Director)  
DIN: 05329336**

**Ratan Kumar Srivastava  
(Director)  
DIN: 05329338**

**Yashika Gianchandani**  
Partner  
M.NO. : 420219  
UDIN : 23420219BGXXXU5332  
Place : Delhi  
Date : 23.04.2023

**Umang  
Soni  
CFO**

**Manisha Kide  
Company Secretary**

## **KSOLVES INDIA LIMITED**

### **Notes to the Consolidated Financial Statements**

as at and for the year ended 31st March, 2023

#### **1 Company Overview and Accounting Policies**

##### **1.01 Company Overview**

Ksolves India Limited (the "Company") is a Company incorporated on 17 July 2014, under the Companies Act, 2013 with the Registrar of Companies, Delhi bearing Registration No. 269020 and limited by shares (CIN: L72900DL2014PLC269020). Its authorized share capital is Rs. 120000000 and its paid up capital is INR 11,85,60,000. It is involved in Other computer related activities [for example maintenance of websites of other firms/ creation of multimedia presentations for other firms etc.]. The address of the Company's registered office is 317/276, Second floor, Lane no.3, Mehrauli Road, Saidulajab, Saket, New Delhi South Delhi DL 110030 IN.

The Company has its primary listings on the Bombay Stock Exchange Ltd and National Stock Exchange of India Limited.

The Consolidated financial statements are approved for issue by the Company's Board of Directors on April 23, 2023.

##### **1.02 Basis of Preparation of Financial Statements**

###### **Statement of compliance and basis of preparation and presentation**

These financial statements are prepared on going concern basis following accrual basis of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable). These are the Company's first Ind AS compliant financial statements and Ind AS 101 'First Time Adoption of Indian Accounting Standards' has been applied.

For all the periods upto and including 31 March 2022, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India, accounting standards specified under Section 133 of the Companies Act, 2013, the Companies Act, 2013 (to the extent notified and applicable). The Company followed the provisions of Ind AS 101 in preparing its opening Ind AS Balance Sheet as of the date of transition, viz. 01st April 2021. Some of the Company's Ind AS accounting policies used in the opening Balance Sheet are different from its previous GAAP policies applied as at 31st March 2021, and accordingly the adjustments were made to restate the opening balances as per Ind AS. The resulting adjustments arose from events and transactions before the date of transition to Ind AS. Therefore, as required by Ind AS 101, those adjustments were recognized directly through retained earnings as at 01st April 2021. This is the effect of the general rule of Ind AS 101 which is to apply Ind AS retrospectively.

## Basis of preparation

These Consolidated financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

As the year-end figures are taken from the source and rounded to the nearest digits, the figures reported for the previous quarters might not always add up to the year end figures reported in this statement.

## Principals of Consolidation

- The financial statements of the Holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equities, incomes and cashflows, after fully eliminating intragroup balances and intra – group transactions.
- Profits & losses resulting from intra group transaction that are recognized in assets, such as inventory and property, plant and equipments are eliminated in full.
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- The carrying amount of parent's investments in subsidiary is offset against the parent's portion of equity in subsidiary.
- Since both are wholly owned subsidiary so that there are minorities or non-controlling interest.

### a) Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 2. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**b) Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency and the currency of the primary economic environment in which the Company operates.

All financial information presented in INR has been rounded off to the nearest Lakhs (up to two decimals) as per the requirements of Schedule III, unless otherwise stated.

**c) Classification of Assets and Liabilities as Current and Non-Current**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

**d) Operating Cycle**

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

**e) Significant Accounting Policies**

A summary of the significant accounting policies applied in the preparation of the financial statements are given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

The Company has elected to utilize the option under Ind AS 101 by not applying the provisions of Ind AS 16 & Ind AS 38 retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS. Therefore, the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at 1 April 2021, i.e.; the Company's date of transition to Ind AS, were maintained on transition to Ind AS.

### 1.03 Revenue recognition

The Company derives revenues primarily from IT services comprising software development and related services, cloud and infrastructure services, maintenance, consulting and package implementation, licensing of software products and platforms across the Company's core and digital offerings (together called as "software related services"). Contracts with customers are either on a time-and-material, unit of work, fixed price or on a fixed-timeframe basis.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on the relative standalone selling price. The price that is regularly charged for an item, when sold separately, is the best evidence of its standalone selling price. In the absence of such evidence, the primary method used to estimate standalone selling price is the expected cost plus a margin, under which the Company estimates the cost of satisfying the performance obligation and then adds an appropriate margin based on similar services.

The Company's contracts may include variable consideration including rebates, volume discounts and penalties. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Revenues in excess of billing are classified as unbilled revenues, while billing in excess of revenues is classified as contract liabilities (which we refer to as "unearned revenues"). In arrangements for software development and related services and maintenance services, the revenue recognition criteria for each distinct performance obligation is applied and the arrangements with customers generally meet this criteria for considering software development and related service as distinct performance obligations. For allocating the transaction price, the Company measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered, since the customer generally obtains control of the work as it progresses.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

## 1.04 Dividends

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

## 1.05 Property, plant and equipment

### Initial recognition and measurement

An item of property, plant and equipment is recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

When parts of an item of property, plant and equipment have different useful lives, they are recognised separately.

Property, Plant and Equipment are stated at cost of acquisition/installation or construction less accumulated depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management.

### Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of Property, Plant and Equipment is recognized in the carrying amount of the item, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. When each major inspection is performed, its cost is recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in profit or loss as incurred.

### Derecognition

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains or losses on Derecognition of an item of Property, Plant and Equipment are determined by comparing net disposable proceeds with the carrying amount of Property, Plant and Equipment and are recognized in the statement of profit and loss under "Other Income/Other Expenses" when the asset is derecognised.

## Depreciation/Amortization

Depreciation is recognized in profit or loss on a Straight-line method (SLM) basis over the estimated useful lives of each part of an item of Property, Plant and Equipment. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment and depreciated individually.

Estimated useful lives of assets are determined based on technical parameters/ assessment, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation on additions to property, plant and equipment is provided on a pro-rata basis from the date of acquisition, or installation, or construction, when the asset is ready for intended use.

Depreciation on an item of property, plant and equipment sold, discarded, demolished or scrapped, is provided up to the date on which the said asset is sold, discarded, demolished or scrapped.

Capitalised spares are depreciated over their own estimated useful life or the estimated useful life of the parent asset whichever is lower.

In respect of an asset for which impairment loss, if any, is recognised, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The determination of depreciation and amortization charge depends on the useful lives which is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The residual values, useful lives, and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Residual Value has been taken between 0-5%

Useful life of the all Property, Plant and Equipment and Intangible assets are in accordance with Schedule II of the Companies Act, 2013 which are as follows:

Asset Name	Useful Lives
Furniture & Fixtures	10
Laptop	3
CCTV	8
Mobile	3
Office Appliance	8
Office Equipment	8

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

The cost of assets not ready to use before such date are disclosed under 'Capital work-in-progress'. 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 recognized 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 recognized in the Statement of Profit and Loss.

## 1.06 Intangible assets and intangible assets under development

### Initial recognition and measurement

An intangible asset is recognised if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets are stated at cost of acquisition net of recoverable taxes, trade discounts and rebates less accumulated amortisation/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs and any other cost directly attributable to bringing the asset to its working condition for the intended use.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

### Subsequent Measurement

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

### Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

## Amortization

Intangible assets having definite life are amortized on straight line method over their useful lives. If life of any intangible asset is indefinite then it is not amortized and tested for impairment at each reporting date.

## Non-current assets (or disposal groups) classified as held for sale:

Assets classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell.

An Asset is classified as "Asset held for sale" when the asset is available for immediate sale and its sale is highly probable. Such assets or group of assets are presented separately in the Balance Sheet, in the line "Assets held for sale". Once classified as held for sale, intangible assets and PPE are no longer amortized or depreciated.

## 1.07 Impairment

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 Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized 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 depreciation) had no impairment loss been recognized for the asset in prior years.

## 1.08 Income tax

Tax expense comprises current tax and deferred tax. Current tax expense is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current taxes are recognized under 'Income tax payable' net of payments on account, or under 'Tax receivables' where there is a debit balance.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

### **1.08 Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of twelve months or less, which are subject to an insignificant risk of changes in value.

### **1.09 Financial assets and financial liabilities**

Financial assets and financial liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realized or settled within operating cycle of the company, otherwise they are classified as non-current. The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

**(i) Financial Assets measured at amortized cost**

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate.

The above Financial Assets subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

**(ii) Financial assets at fair value through other comprehensive income (FVOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model

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**(iii) Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**(iv) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**(v) Investment in subsidiaries**

Investment in subsidiaries is carried at cost in the separate financial statements.

## Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## Fair value of Financial Instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

## Impairment

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

## 1.10 Employee benefits

### Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Short term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

### Post-Employment benefits

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two types:

**b) Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme, additional gratuity scheme and post-employment benefit scheme are considered as defined benefit plans.

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is determined annually on the basis of Actuarial Valuation using the projected unit credit method.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Defined benefit costs are categorised as follows:

- i. The current service cost of the defined benefit plans, recognised in the Statement of Profit and Loss in employee benefits expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs, which comprise plan amendments and curtailments, as well as gains or losses on the settlement of pension benefits are recognised immediately in the Statement of Profit and Loss when they occur.
- ii. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in finance cost in the Statement of Profit and Loss.
- iii. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

### Other long-term employee benefits

Long service awards and accumulated compensated absences which are not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service are treated as other long-term employee benefits for measurement purposes.

Benefits under the Company's leave encashment constitute other long-term employee benefits. The liabilities that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The Company's liability is determined on the basis of an actuarial valuation. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds.

Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in the Statement of Profit and Loss. using the projected unit credit method, as at the date of the balance sheet. Actuarial gains / losses, if any, are immediately recognised in the statement of profit and loss.

### Termination Benefits

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

### Presentation and disclosure

For the purpose of presentation of defined benefit plans, the allocation between the current and non-current provisions has been made as determined by an actuary. The Company presents the entire compensated absences as short-term provisions, since employee has an unconditional right to avail the leave at any time during the year.

### 1.11 Provisions and contingent liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

### **1.12 Foreign currency transactions and translation**

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss in the year in which it arises.

Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

### **1.13 Other income**

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend income is recognized in profit or loss on the date that the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

#### **1.14 Material Prior Period Errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.

#### **1.15 Equity share capital**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital. Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

#### **1.16 Earnings per share**

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

#### **1.17 Statement of Cash Flows**

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows' for operating activities.

## 1.18 Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. Operating Segments are identified and reported taking into account the different risk and return, organisation structure and internal reporting system.

## 1.19 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 —Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value only and applicable fair value disclosures, to the extent required and applicable, are given elsewhere in the notes.

### **1.19 Recent accounting pronouncements**

The Ministry of Corporate Affairs (MCA) notifies new standards 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) Amendment Rules, 2023, as below :

Ind AS 1, Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the Consolidated financial statements.

Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Consolidated financial statements.

Ind AS 12, Income Taxes – This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Consolidated financial statements.

## 2 Use of Estimates and Judgements

The preparation of the Consolidated financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

### 2.1 Critical Accounting Estimates and Judgements

The key judgments, made by the management, in applying the Company's accounting policies having an effect on these financial statements are around the amount of provisions and contingencies that have been recognized in accordance with Ind AS 37- 'Provisions, Contingent Liabilities and Contingent Assets' as the evaluation of the likelihood of the contingent events requires best judgment by management regarding the probability of exposure to potential loss.

#### Key source of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### Useful lives of property, plant and equipment

The estimated useful lives of property, plant and equipment are based on a number of factors including the effects of obsolescence, demand, competition, internal assessment of user experience and other economic factors (such as the stability of the industry, and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flows from the asset. The Company reviews the useful life of property, plant and equipment at the end of each reporting date.

### **Recoverable amount of property, plant and equipment**

The recoverable amount of property plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and expected future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

### **Fair value measurement of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### **Provision for income tax and deferred tax assets**

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

### **Provisions and contingent liabilities**

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are recognised when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the Consolidated financial statements.

### **Post-retirement benefit plans**

Employee benefit obligation (gratuity) are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## KSOLVES INDIA LIMITED

Notes Forming Part of Consolidated Financial Statements

### 3 Property, Plant and Equipment

(Amount in lakhs)

Particulars	Furniture & Fixtures	Laptop	CCTV	Mobile	Office Appliance	Motor Car	Office Equipment	Goodwill	Total
<b>Gross Carrying Value</b>									
Balance at April 1, 2021	32.73	115.00	1.30	5.49	1.21	54.66	2.86	5.99	219.25
Additions	3.68	48.96	0.00	1.56	0.00	0.00	0.00	0.00	54.19
Deductions/ disposals	-	-	-	-	-	0	-	-	0.00
Assets classified as held for sale	-	-	-	-	-	-	-	-	-
Reclassification of assets from investment property	-	-	-	-	-	-	-	-	-
<b>Balance at March 31, 2022</b>	<b>36.41</b>	<b>163.96</b>	<b>1.30</b>	<b>7.05</b>	<b>1.21</b>	<b>54.66</b>	<b>2.86</b>	<b>5.99</b>	<b>273.44</b>
Balance at April 1, 2022	36.41	163.96	1.30	7.05	1.21	54.66	2.86	5.99	273.44
Additions	2.60	73.24	0.00	3.60	0.00	-21.21	0.00	0.00	58.23
Deductions/ disposals	-	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-	-	-
Reclassification of assets to investment property	-	-	-	-	-	-	-	-	-
<b>Balance at March 31, 2023</b>	<b>39.00</b>	<b>237.20</b>	<b>1.30</b>	<b>10.65</b>	<b>1.21</b>	<b>33.45</b>	<b>2.86</b>	<b>5.99</b>	<b>331.67</b>
<b>Accumulated Depreciation</b>									
Balance at April 1, 2021	17.44	71.42	0.44	2.73	0.43	23.11	2.01	0.00	117.58
Depreciation for the year	3.30	37.73	0.16	1.53	0.15	5.91	0.29	0.00	49.07
Impairment Allowance	-	-	-	-	-	-	-	-	-
Deductions/ disposals	-	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-	-	-
<b>Balance at March 31, 2022</b>	<b>20.74</b>	<b>109.15</b>	<b>0.60</b>	<b>4.26</b>	<b>0.58</b>	<b>29.02</b>	<b>2.30</b>	<b>0.00</b>	<b>166.65</b>
Balance at April 1, 2022	20.74	109.15	0.60	4.26	0.58	29.02	2.30	0.00	166.65
Depreciation for the year	3.77	44.23	0.16	1.78	0.15	4.43	0.20	0.00	54.73
Impairment Allowance	-	-	-	-	-	-	-	-	-
Deductions/ disposals	-	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-	-	-
<b>Balance at March 31, 2023</b>	<b>24.51</b>	<b>153.38</b>	<b>0.77</b>	<b>6.04</b>	<b>0.74</b>	<b>33.45</b>	<b>2.50</b>	<b>0.00</b>	<b>221.38</b>
<b>Net Carrying Value</b>									
Balance at March 31, 2023	14.49	83.82	0.54	4.61	0.48	0.00	0.36	5.99	110.29
Balance at March 31, 2022	15.66	54.81	0.70	2.79	0.63	25.64	0.56	5.99	106.79

## KSOLVES INDIA LIMITED

### Notes Forming Part of Consolidated Financial Statements

#### 4 Deferred Tax Assets (Net)

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Deferred Tax Assets, on account of (Fixed assets, gratuity & IPO expenses)	50.44	25.87	14.97
Deferred Tax Liabilities	-	-	-
<b>Net Deferred Tax Assets</b>	<b>50.44</b>	<b>25.87</b>	<b>14.97</b>

(a) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

#### 5 Other Financial Assets - Non Current

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
NDSL Security Deposit	0.10	0.10	0.10
Security Deposit ( Installation )	0.05	0.05	0.05
Security Deposit Law Services	-	1.50	0.00
Security Deposit NSE	0.25	4.27	4.27
Security Deposit with CDSL	0.10	0.10	0.10
Security Deposit with Shreni Share	0.00	11.00	11.00
Other Security Deposits	43.31	-	0.00
<b>Total</b>	<b>43.81</b>	<b>17.02</b>	<b>15.52</b>

Aggregated cost of quoted investments 0.00 0.00 0.00

Aggregated market value of quoted investments 0.00 0.00 0.00

43.81 17.02 15.52

Aggregated cost of unquoted investment 0.00 0.00 0.00

Aggregate amount of impairment in value of investments.

#### 6 Current Financial Assets: Trade Receivables

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Trade receivable considered good – Unsecured	1570.50	927.72	364.26
Less : Allowance for doubtful trade receivables	0.00	0.00	0.00
	<b>1570.50</b>	<b>927.72</b>	<b>364.26</b>
Less : Inter Company Elimination	-57.50	-2.02	0.00
<b>Total Receivables</b>	<b>1513.01</b>	<b>925.69</b>	<b>364.26</b>

The trade receivables ageing schedule for the year ended March 31, 2023 is as follows:

<b>Particulars</b>	<b>Not Due</b>	<b>Outstanding for following periods from due date of payment</b>					<b>Total</b>
		Less than 6 months	6 months to 1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed trade receivables – considered good	-	1,513.01	-	-	-	-	1,513.01
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-

The trade receivables ageing schedule for the year ended March 31, 2022 is as follows:

<b>Particulars</b>	<b>Not Due</b>	<b>Outstanding for following periods from due date of payment</b>					<b>Total</b>
		Less than 6 months	6 months to 1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed trade receivables – considered good	-	925.69	-	-	-	-	925.69
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-

The trade receivables ageing schedule for the year ended April 1, 2021 is as follows:

<b>Particulars</b>	<b>Not Due</b>	<b>Outstanding for following periods from due date of payment</b>					<b>Total</b>
		Less than 6 months	6 months to 1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed trade receivables – considered good	-	364.26	-	-	-	-	364.26
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-

**7 Cash & Cash Equivalents**

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>Cash and Cash Equivalents</b>			
Cash on Hand	0.10	0.10	0.64
Balance with Banks - Current Accounts	204.11	34.36	37.52
Balance with Banks - Deposit Accounts	639.80	642.88	770.50
Credit Card Amount	13.26	11.65	0.00
Balance with Imprest	0.04	0.51	0.26
	<b>857.31</b>	<b>689.50</b>	<b>808.92</b>
<b>8 Bank Balances other than Cash and Cash Equivalents</b>			
Fixed Deposit with Banks	3.09	2.95	2.83
Unclaimed Dividend Account	0.29	1.95	0.00
<b>Total</b>	<b>3.38</b>	<b>4.90</b>	<b>2.83</b>

**9 Other Financial Assets - Current**

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Interest Accrued but not received on Bank Fixed Deposits	2.71	1.39	10.56
Security Deposit for Rent	0.00	3.61	24.00
Advance to Employee/Advance Salary	0.40	21.11	7.05
Other Advances	-	-	0.43
Other Receivables	-	0.98	0.30
<b>Total</b>	<b>3.11</b>	<b>27.08</b>	<b>42.34</b>

**10 Other Financial Assets - Current**

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Advance Tax	598.5	384	312.00
Income Tax Refundable	-	11.25	0.01
TDS Recoverable	167.16	120.70	2.19
Prepaid Expense	48.65	43.55	13.24
GST Input/Refundable	13.14	12.10	27.67
<b>Total</b>	<b>827.44</b>	<b>571.60</b>	<b>355.10</b>

## 11 Equity Share Capital

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>Authorised</b> (1,20,00,000 Equity shares of ₹ 10/- each as at 31st March 2023;	1200.00	1200.00	160.00
(1,20,00,000 Equity shares of ₹ 10/- each as at 31st March 2022;			
(16,00,000 Equity shares of ₹ 10/- each as at 1st April 2021)			
<b>Issued, Subscribed and Fully Paid Up</b> (1,18,56,000 Equity shares of ₹ 10/- each as at 31st March 2023;			
(1,18,56,000 Equity shares of ₹ 10/- each as at 31st March 2022;			148.20
(14,82,000 Equity shares of ₹ 10/- each as at 1st April 2021)	1185.60	1185.60	148.20
<b>Total</b>	<b>1185.60</b>	<b>1185.60</b>	<b>160.00</b>

### a) The reconciliation of the Number of Equity Shares Outstanding: (Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
	No. of Shares	No. of Shares
Shares outstanding at the beginning of the year (A series)	118.56	14.82
Add: Shares Issued during the year by way of Right Issue	0.00	0.00
Add: Shares Issued during the year by way of Bonus Issue	0.00	103.74
Add: Shares Issued during the year by way of IPO	0.00	0.00
Less: Shares bought back during the year	0.00	0.00
<b>Shares outstanding at the end of the year</b>	<b>118.56</b>	<b>118.56</b>

### b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is entitled to one vote per equity share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the company has, and has exercised, any right of lien.

**c) Details of Shareholders holding more than 5% shares in the Company:** (Amount in lakhs)

Name of Shareholder	Equity Shares					
	As at 31st March, 2023		As at 31st March, 2022		As at 1st April, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Deepali Verma	3,772,000	31.82%	3,555,200	29.99%	5,04,000	34.01%
Ratan Kumar Srivastava	3,216,400	27.13%	3,842,400	32.41%	5,03,800	33.99%
Sachin Balkrishna Ramdasi	628,800	5.30%	623,200	5.26%	1,31,800	8.89%
<b>Total</b>	<b>7,617,200</b>	<b>64.25%</b>	<b>8,020,800</b>	<b>67.65%</b>	<b>11,39,600</b>	<b>76.90%</b>

**d) The Company does not have any holding/ultimate holding company.**

**e) Shares held by promoters and change in shareholding of promoters** (Amount in lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022			As at April 1, 2021		
	Number of Shares	% of shares held	% Change during the year	Number of Shares	% of shares held	% Change during the year	Number of Shares	% of shares held	% Change during the year
Deepali Verma	3772000.00	31.82%	6.10%	3555200.00	29.99%	605.40	504000	34.01	605.4
Ratan Kumar Srivastava	3216400.00	27.13%	-16.29%	3842400.00	32.41%	662.68	503800	33.99	662.68

**12 Other Equity** (Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Securities Premium	-	-	361.80
Retained Earnings	1,052.75	482.02	810.12
<b>Total</b>	<b>1,052.75</b>	<b>482.02</b>	<b>1,171.92</b>

**Nature, Purpose and Movement of Each Reserve**

**i) Securities Premium** (Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
At the beginning of the year	-	361.80
Add: Transfer during the year	-	-
Less: Utilization for Issue of Bonus shares	-	(361.80)
Add: DTA on Deferred Tax Expenditure	-	-
<b>At the end of the year</b>	<b>-</b>	<b>-</b>

### i) Securities Premium

Retained earnings are the profits that Company has earned till date, less dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans (net of taxes) that will not be reclassified to Profit and Loss. Retained earnings is a free reserve available to the Company. (Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>At the beginning of the year</b>	482.02	810.12
Add : Profit/(Loss) for the year	2,472.04	1,589.39
Less: Other Comprehensive Income	(27.06)	(12.57)
Add: Prior Period Items of Subsidiary Companies	6.43	-
Less: Dividend Paid	(1,880.68)	(1,229.33)
Less: Utilisation for issue of bonus shares	-	(675.60)
<b>At the end of the year</b>	<b>1,052.75</b>	<b>482.02</b>

### 13 Non Current Liabilities: Provisions

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>Provision for Employee Benefits:</b>			
Gratuity	135.79	67.07	28.19
<b>Total</b>	<b>135.79</b>	<b>67.07</b>	<b>28.19</b>

### 14 Current Financial Liabilities: Short Term Borrowings

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Current Maturities of Long Term Debt	0.00	0.00	7.75
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>7.75</b>

### 15 Current Financial Liabilities: Trade Payables

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>Payable to:</b>			
Micro and Small Enterprises	0.00	4.32	0.00
Other than Micro and Small Enterprises	104.17	54.51	10.80
Less: Inter Company Elimination	-57.50	-2.02	
<b>Total</b>	<b>46.67</b>	<b>56.81</b>	<b>10.80</b>

The trade payables ageing schedule for the years ended as on March 31, 2023 is as follows: (Amount in lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Outstanding dues to MSME		-	-	-	-	-
Other		46.67	-	-	-	
Total Trade Payables		46.67	-	-	-	46.67

The trade payables ageing schedule for the years ended as on March 31, 2022 is as follows: (Amount in lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Outstanding dues to MSME		4.32	-	-	-	4.32
Other		52.49	-	-	-	
Total Trade Payables		56.81	-	-	-	56.81

The trade payables ageing schedule for the years ended as on April 1, 2021 is as follows: (Amount in lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Outstanding dues to MSME		4.32	-	-	-	-
Other		52.49	-	-	-	
Total Trade Payables		56.81	-	-	-	10.80

## 16 Other Current Financial Liabilities (Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>Auditor Remuneration Payable</b>			
Statutory Auditors	2.00	1.60	3.50
Internal Auditors	0.80	4.00	2.00
Unclaimed Dividend Payable	0.32	1.95	0.00
Salary Payable	10.65	2.89	0.83
Credit Card Payable	0.00	0.00	2.20
Expenses Payable	0.91	3.92	0.42
<b>Total</b>	<b>14.67</b>	<b>14.36</b>	<b>8.95</b>

**17 Short Term Provisions**

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Provision for Gratuity	13.08	6.23	3.65
Income Tax Provision	835.10	506.42	310.50
Total	848.18	512.65	314.15

**18 Other Current Liabilities**

(Amount in lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
PF & ESIC Contribution Payable	28.67	19.30	9.22
TDS Payable	81.39	17.86	6.10
IGST Payable	14.29	12.24	0.30
Other Payables	0.10		
Provision for Warranty	0.48	0.48	0.00
Equivalization Levy Payable	0.04	0.06	0.02
Profession Tax	0.14	0.00	0.00
<b>Total</b>	<b>125.11</b>	<b>49.94</b>	<b>15.64</b>

**19 Revenue From Operations**

(Amount in lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Sale of services	8,005.36	4,798.52
Less: Inter Company Elimination	-174.20	-91.66
<b>Total</b>	<b>7,831.16</b>	<b>4,706.86</b>

**Disaggregation of revenue**
**Revenue based on Geography**

(Amount in lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Domestic	1,798.60	1,324.54
Export	6,206.76	3,473.98
<b>Revenue from operations</b>	<b>8,005.36</b>	<b>4,798.50</b>

**20 Other Income**

(Amount in lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Interest Income		
- On Fixed Deposits	19.17	19.56
Dividend Income	43.00	103.00
Misc. Income	0.40	3.96
<b>Total</b>	<b>62.57</b>	<b>126.52</b>

## 21 Employee Benefit Expense

(Amount in lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Salaries and Wages	3014.15	1830.36
Contributions to -		
-Admin Charges(PF)	8.82	5.94
-Leave Encashment Expenses	9.07	4.98
-Employer PF Contribution	150.71	90.03
-Bonus to Employees	152.29	76.70
-ESIC Expense	0.13	1.97
- Social Security Tax	7.33	0.00
Staff Welfare Expense	75.33	14.48
Gratuity	46.45	26.09
<b>Total</b>	<b>3464.28</b>	<b>2050.55</b>

Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Notes

## 22 Finance Cost

(Amount in lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Interest on borrowings		0.32
<b>Total</b>	<b>-</b>	<b>0.32</b>

## 23 Depreciation & Amortisation Expenses

(Amount in lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Depreciation on Property, Plant & Equipment	54.73	49.07
<b>Total</b>	<b>54.73</b>	<b>49.07</b>

## 24 Other Expenses

(Amount in lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Advertisement Expense	27.50	41.27
Auditor's Remuneration	13.35	6.10
Automobile Expenses	0.00	0.52
Secretarial Audit Fees	0.75	0.50
Bank Charges	1.22	2.26
Business Development Expenses	15.82	2.88
Computer Accessories & Maintenance Expense	12.70	7.99
Conveyance Expense	0.20	0.52
Certification Charges	13.97	15.96
Director Sitting Fees	5.25	3.00
Donation	0.00	1.00
Electricity Expense	5.25	0.39
Meals & Entertainment Expense	51.65	6.49
Exchange Fluctuation & conversion charges	17.79	18.23
Equivalization Levy	0.92	0.37
Insurance Expenses	0.04	13.59
Interest & Fine	3.09	1.33
Internet Expense	18.79	13.99
Loss on Sale of Car	0.21	0.00
Membership & Subscription Expenses	1.08	0.10
Miscellaneous Expense	10.53	6.57
Office Expense	4.28	0.64
Postage & Courier Expenses	5.37	4.60
Printing & Stationery Expenses	2.30	3.69
Legal & Professional Expense	0.27	2.43
Professional & Consultancy Fees	578.82	309.22
Online Access Subscription Expenses	79.89	12.81
Operational Loss	0.00	2.10
Office Rent Expense	72.04	72.98
Repair & Maintenance	6.13	3.35
Server & Website Expense	29.50	40.93
Stock Exchange Fees	14.18	7.31
ROC Fee & Registration Fee	0.54	9.41
Telephone Expense	2.85	1.58
Software Development & Subscription	30.44	0.00
Bad Debts	0.12	13.62
Expenses incurred towards Corporate Social Responsibility	21.10	7.85
Warranty Charges	0.00	0.48
Travelling Expenses	33.23	5.97
<b>Total</b>	<b>1081.15</b>	<b>642.02</b>

### (a) Payment To Auditors includes:-

(Amount in Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Statutory Audit Fees	6.50	2.00
Internal Audit fees	5.25	4.00
Tax Audit Fees	1.50	0.00
<b>Total</b>	<b>13.25</b>	<b>6.00</b>

## 25 Earning Per Share

(Amount in lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Net Profit after tax available for equity shareholders (a)	2472.04	1589.39
Weighted Average number of equity shares (b)	118.56	118.56
Basic & Diluted Earning per share (a/b)	20.85	13.41
Nominal Value per share (Rs.)	10.00	10.00

## 26 Income Taxes

### (a) Income Tax Expense

#### (i) Income Tax recognized in the statement of profit and loss account

(Amount in lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
<b>Current Tax Expense</b>		
Current Income Tax	836.99	512.93
Adjustment for earlier year	-	-
<b>Total current tax expenses</b>	<b>836.99</b>	<b>512.93</b>
<b>Deferred Tax</b>		
Deferred Tax expenses	(15.46)	(10.90)
<b>Total deferred tax expenses</b>	<b>(15.46)</b>	<b>(10.900)</b>
<b>Total Income Tax Expenses</b>	<b>821.53</b>	<b>502.03</b>

#### (ii) Income Tax recognized in other comprehensive income (OCI) (Amount in lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
<b>Deferred Tax Expenses</b>		
Actuarial gain/(loss) on defined benefit plans	9.10	4.23
<b>Total Deferred Tax expenses</b>	<b>9.10</b>	<b>4.23</b>

#### (iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate (Amount in lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Profit before tax	3293.56	2091.42
Applicable Tax Rate	25.17%	25.17%
	828.92	526.37
Adjustments for:		
Gratuity Disallowed	11.69	10.43
IPO Expenses Allowed Under Income Tax	1.36	1.36
Previous year tax liability	0	0
Other Adjustment	-4.98	-25.23
<b>Tax as per Statement of Profit &amp; Loss</b>	<b>836.99</b>	<b>512.93</b>

### (b) Movement in Deferred Tax balances

31st March 2023

(Amount in lakhs)

Particulars	As at 1st April 2022	Recognised in Profit or Loss	Recognised in OCI	As at 31st March 2023
Deferred Tax Asset, on account of Property, Plant & Equipment and Intangible Assets	3.36	(2.20)	-	1.16
Expenses deductible on payment basis	26.74	16.43	9.10	52.27
Other adjustments	(4.23)	-	-	(4.23)
<b>Total</b>	<b>25.87</b>	<b>15.46</b>	<b>9.10</b>	<b>50.43</b>

31st March 2022

(Amount in lakhs)

Particulars	As at 1st April 2022	Recognised in Profit or Loss	Recognised in OCI	As at 31st March 2023
Deferred Tax Asset, on account of Property, Plant & Equipment and Intangible Assets	1.53	1.83	-	3.36
Expenses deductible on payment basis	13.44	9.07	4.23	26.74
Other adjustments	-	-	(4.23)	(4.23)
<b>Total</b>	<b>14.97</b>	<b>10.90</b>	<b>-</b>	<b>25.87</b>

The Company has exercised the option of availing lower tax rate of 25.17% (inclusive of surcharge and cess) under section 115BBA of The Income Tax Act, 1961 introduced by The Taxation Laws (Amendment) ordinance, 2019 effective from 01st April, 2019.

### 27 Disclosure of Corporate social responsibility (CSR)

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. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Average Net Profits of the Company for three immediate Preceding financial years (A)	1053.93	392.27
Gross amount required to be spent by the company during the year i.e. 2% of (A)	<b>21.08</b>	<b>7.84</b>
<b>Amount spent during the year on :</b>		
Food distribution i.e., mid day meal	7.83	2.10
Projection Education for enhancing vocation skills among the children and other people	5.95	2.64
Cloth distribution	0.55	0.99
Promoting day care centres for orphans	2.13	1.59
Facilities for poor senior citizens	1.10	-
Focusing on Women Empowerment and Skills	0.15	-
Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects and Supplies participants of Educational Assistance Program and Alternative Learning System for street children	3.59	-
Distribution of green four, Animal Fodder etc. to Gaushala	0.34	-
<b>Total</b>	<b>21.63</b>	<b>7.31</b>

In 2021-22 total CSR budget was Rs. 7.84 Lakhs of which in 21-22 Rs. 7.31 Lakhs was utilised and balance Rs. 0.53 Lakhs has been utilised in 2022-23.

## 28 Employee Benefits

### a) Defined Contribution plan

The Company has defined contribution plan for its employees' retirement benefits comprising Provident Fund & Family Pension Fund. The contribution of ` 150.71 Lakhs(Pr. Yr. ` 90.03 Lakhs) towards provident fund are charged to Profit & loss account. The contributions payable to the plan by the company are at a rate specified in rules to the schemes of GOI.

### b) Defined benefit plan

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>(i) Change in defined benefit obligation</b>		
Present value of the obligation at the beginning of the period	73.30	31.85
Interest Cost	4.58	1.99
Current service cost	41.87	24.11
Past service cost	-	-
Benefits paid	-7.04	-1.44
Actuarial (gains)/losses	36.16	16.80
Present value of the obligation at the end of the period	<b>148.87</b>	<b>73.30</b>
<b>(ii) Net Liability/(Asset) recognized in the Balance Sheet</b>		
Present value of the obligation at the end of the period	148.87	73.30
Fair value of plan assets at end of period	-	-
<b>Net liability/(asset) recognized in Balance Sheet and related analysis</b>	<b>148.87</b>	<b>73.30</b>
Funded Status - Surplus/ (Deficit)	-148.87	-73.30
<b>Non- Current</b>	<b>135.79</b>	<b>67.07</b>
<b>Current</b>	<b>13.08</b>	<b>6.23</b>
<b>(iii) Expenses recognized in Statement of Profit or Loss</b>		
Interest Costs	4.58	1.99
Past Service cost	0.00	0.00
Current service cost	41.87	24.11
Expected return on plan asset	-	-
Total Expense recognised in statement of profit or loss	<b>46.45</b>	<b>26.10</b>
<b>(iv) Remeasurements recognized in other comprehensive income(OCI)</b>		
Cumulative unrecognized actuarial (gain)/loss opening. B/F	16.80	0.00
Actuarial (gain)/loss - obligation	36.16	16.80
Actuarial (gain)/loss - plan assets	0.00	0.00
<b>Total Actuarial (gain)/loss</b>	<b>36.16</b>	<b>16.80</b>
<b>Cumulative total actuarial (gain)/loss. C/F</b>	<b>52.96</b>	<b>16.80</b>

Maturity Profile of Defined Benefit Obligation	(Amount in Lakhs)
01 Apr 2023 to 31 Mar 2024	13.08
01 Apr 2024 to 31 Mar 2025	1.56
01 Apr 2025 to 31 Mar 2026	1.80
01 Apr 2026 to 31 Mar 2027	1.90
01 Apr 2027 to 31 Mar 2028	1.86
01 Apr 2028 Onwards	128.67

Sensitivity Analysis for significant assumptions*	
Increase/(Decrease) on present value of defined benefits obligation at the end of the year	
1% increase in salary escalation rate	15651869
1% decrease in salary escalation rate	14180153
1% increase in Attrition rate	14596719
1% decrease in Attrition rate	15194089
1% increase in discount rate	14170716
1% decrease in discount rate	15677966

Actuarial Assumptions	As at 31st March 2023	As at 31st March 2022
Discount rate (p.a)	7.50%	6.25%
Salary Escalation Rate (p.a.)	10.00%	10.00%
Mortality	IALM 2012-14	IALM 2012-14
Withdrawl Rate (p.a.)	20.00%	20.00%

\* These Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

**Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow :**

- a) **Changes in Discount rate** - Reduction in discount rate in subsequent valuations can increase the plan's liability.
- b) **Salary increase risk** - Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- c) **Life expectancy** - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- d) **Withdrawals** - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

## 28 Related Parties

The company has identified all the realated parties as per details given below:

### (A) List of Related Parties :

#### a) Key Management Personnel :

Mr. Ratan Kumar Srivastava	-	Chairman Cum Director
Mrs. Deepali Verma	-	Whole time Director
Mr. Umang Soni	-	Chief Financial Officer
Ms. Manisha Kide	-	Company Secretary & Compliance Officer
Ms. Sushma Samarth	-	Non-Executive Independent Director
Ms. Varsha Choudhry	-	Non-Executive Independent Director
Mr. Varun Sharma	-	Non-Executive Independent Director
Mr. Vineet Krishna	-	Non-Executive Independent Director

**(B) Transaction carried out with related parties referred above, in ordinary course of business:**

Nature of Transaction	As at 31st March 2023	As at 31st March 2022
<b>A. Key Managerial Personnel</b>		
Director Sitting Fees	4.9	3
Umang Soni (Chief Financial Officer)	13.28	8.03
Manish Kide (Company Secretary & Compliance Officer)	13.84	9.02

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

## 29 Contingent Liabilities

Particulars	Note	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
A. Claims against the company not acknowledged as debt		NA	NA	NA
B. Bank Guarantee Issued		NA	NA	
In the form of Earnest Money Deposit & others		NA	NA	
In the form of performance		NA	NA	NA

## 30 Operating Segments

a) The Company operates mainly in one segment i.e. the business of software development services, which constitutes a primary segment. The secondary segment is geographical, information related to which is given as under:

### b) Geographical Information

The Company operates in geographical areas - India (country of domicile) and others (outside India).

(Amount in Lakhs)

Particulars	Revenue from Customers	
	Year ended 31st March 2023	Year ended 31st March 2022
Within India	1,798.60	1324.54
Outside India	6,206.76	3,473.98
<b>Total</b>	<b>8,005.36</b>	<b>4,798.52</b>

## 31 Financial Risk Management

### Risk management framework

The Company's activities are exposed to a variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed with the Company's policies and risk objectives. The Board of Directors reviews and agree to policies for managing each of these risks which are summarized as below:

#### Credit risk management

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹1,508.39 Lakhs, ₹893.59 Lakhs and ₹350.12 Lakhs as at March 31, 2023, March 31, 2022, and 01 April 2021 respectively. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue from customers majorly located in US. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of the customers to which the Company grants credit terms in the normal course of business. The Company uses the expected credit loss model to assess any required allowances; and uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues. This matrix takes into account credit reports and other related credit information to the extent available. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Exposure to customers is diversified and there is no single customer contributing more than 10% of outstanding trade receivables and unbilled revenues.

#### Provision for Expected Credit or Loss

##### i) Financial assets for which loss allowance is measured using 12 month expected credit losses.

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

##### ii) Financial assets for which loss allowance is measured using life time expected credit losses.

The Company provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

**Carrying amount of maximum credit risk as on reporting date** (Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Financial assets for which loss allowance is measured using Lifetime Expected Credit Loss			
Trade Receivables	1,513.01	925.69	364.26
<b>Total</b>	<b>1,513.01</b>	<b>925.69</b>	<b>364.26</b>

**Movement of Allowance for expected credit losses** (Amount in Lakhs)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Opening balance	-	-
Allowance created during the year	-	-
Amount written off	-	-
Closing Balance	-	-

**Ageing of trade receivables** (Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Less than 6 months	1,513.01	925.69	364.26
6 to 12 months	-	-	-
More than 1 year	-	-	-
<b>Total</b>	<b>1,513.01</b>	<b>925.69</b>	<b>364.26</b>

**Financial instruments and bank deposits**

Cash and cash equivalents and deposits with banks are neither past due nor impaired.

Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

**Liquidity Risk Management**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time. The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding borrowings. The Company believes that the working capital is sufficient to meet its current requirements.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Amount in Lakhs)

Particulars	On Demand	0-1 year	1-5 years	More than 5 years	Total
<b>As at 31st March 2023</b>					
Trade Payables	-	46.67	-	-	46.67
Other Financial Liabilities	-	14.67	-	-	14.67
<b>Total</b>	<b>-</b>	<b>61.35</b>	<b>-</b>	<b>-</b>	<b>61.35</b>
<b>As at 31st March 2022</b>					
Trade Payables	-	56.81	-	-	56.81
Other Financial Liabilities	-	14.36	-	-	14.36
<b>Total</b>	<b>-</b>	<b>71.17</b>	<b>-</b>	<b>-</b>	<b>71.17</b>

### iii) Market Risk Management

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by maximising the use of fixed rate instruments.

#### b) Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating and financing activities (when revenue or expense and borrowing is denominated in foreign currency). The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

(Amount in Lakhs)

Outstanding Foreign currency exposure	Currency	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
(a)Net Financial Asset	USD	1.72	7.28	3.66
	EUR	0.21	0.23	0.08
(b)Net Financial Liabilities	AED	0.95	-	
	USD	-	0.04	-
Total (a-b)		2.88	7.48	3.74

### Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EURO and AED, with all other variables held constant. The impact on the Company profit before tax and equity is due to changes in the fair value of monetary assets and liabilities. Foreign currency exposures recognised by the Company that have not been hedged by a derivative instrument or otherwise are as under:

**5% increase or decrease in foreign exchnages rates will have the following impact on profit before tax:**

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Foreign Currency - USD	1.72	7.25	3.66
Indian Rupees	154.37	549.16	267.83
5% movement in USD	7.72	27.46	
Impact on P&L (Strengthning)	7.72	27.46	13.39
Impact on P&L (Weakening)	0.21	0.23	13.39
Foreign Currency - EURO	32.38	19.65	
Indian Rupees	1.62	0.98	6.58
5% movement in EURO	1.62	0.98	
Impact on P&L (Strengthning)	0.95	-	0.33
Impact on P&L (Weakening)	21.25	-	0.33
Foreign Currency - AED	1.06	-	
Indian Rupees	1.06	-	
5% movement in AED	1.06	-	
Impact on P&L (Strengthning)			
Impact on P&L (Weakening)			

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

### 33 Capital Management

For the purpose of Company's Capital Management, Capital includes issued equity share capital & Borrowings. The primary objective of Company's Capital Management is to maximize shareholder's value and to maintain an appropriate capital structure of debt and equity. The company manages it's capital structure and makes adjustments in the light of changes in economic environment and the requirements of financial covenants. The company manages it's capital using Debt to Equity Ratio which is Net Debt/Total Equity. Net Debt is total borrowing (Non-current and current) less cash and cash equivalent.

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Borrowings	-	-	7.75
Less: Cash and Cash Equivalents	857.31	689.50	808.92
<b>Net Debt (a)</b>	(857.31)	(689.50)	(801.17)
<b>Total Equity (b)</b>	<b>2,238.35</b>	<b>1,667.62</b>	<b>1,320.12</b>
Net Debt to Equity Ratio (a/b)	(0.38)	(0.41)	(0.61)

### 34 Fair Value Measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

#### Financial Instruments by category

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
<b>Financial Assets at amortised cost</b>			
Investment	-	-	-
Cash and cash equivalents(incl. other bank balance)	860.69	694.40	811.75
Trade receivables	1,513.01	925.69	364.26
Other Financial Assets	46.92	44.10	57.86
<b>Total Financial Assets</b>	<b>2,420.62</b>	<b>1,664.20</b>	<b>1,233.86</b>
<b>Financial Liabilities at amortised cost</b>			
Short Term Borrowings	-	-	7.75
Trade Payables	46.67	56.81	10.80
Other Financial Liabilities	14.67	14.36	8.95
<b>Total Financial Liabilities</b>	<b>61.35</b>	<b>71.17</b>	<b>27.50</b>

The carrying value of the financial assets & liabilities are equivalent to fair value due to the nature of the instruments.

## Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.

The Company has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The carrying amounts of all the financial instruments mentioned in the table above are considered to be the same as their fair values due to the short term maturities or payable/receivable on demand and are classified as Level 3 in the fair value hierarchy. There have been no transfers between Level 1, Level 2 and Level 3 during the period.

## 35 Other Information in terms of the amendment in schedule III of the companies Act vide notification dated 24th March, 2021

- a) The Company does not have any Benami Property, and no proceeding has been initiated or pending against the Company for holding any Benami Property.
- b) The Company does not have any transactions with companies which are struck off.
- c) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- d) The Company have not traded or invested in crypto currency or virtual currency during the financial year.
- e) 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:
  - (i) 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
  - (ii) Provide any Guarantee, Security, or the like to or on behalf of the Ultimate Beneficiaries

f) The Company have 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.

g) The Company has no 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).

h) The Company have not been declared willful defaulter by any Banks or any other Financial Institution at any time during the financial year.

i) The company has utilized the borrowings from banks and financial institutions for the specific purpose for which it was taken during the financial year.

j) There is no change in opening balance of other equity due to change in any accounting policy and prior period errors.

## **36 Events occurring after the Balance Sheet Date**

The Board of Directors of the Company in its meeting held on April 23, 2023 has recommended a dividend @ 80% to Equity Shareholders i.e. Rs. 8 per Equity share amounting to Rs. 948.48 Lakh for the Year ended 31st March, 2023 subject to the approval of the shareholders of the Company at the Annual General Meeting.

## **37 Code on social security**

The Code on Social Security, 2020 ('code') relating to employee benefits, during employment and post-employment, received Presidential assent on September 28, 2020. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders. The Company will assess the impact on its financial statements in the period in which the related rules to determine the financial impact are notified and the Code becomes effective.

### 38 Details of dues to Micro and Small Enterprises as per MSMED Act 2006

Particulars	31-Mar-23	31-Mar-23	01-Apr-21
	(INR in lakhs)	(INR in lakhs)	(INR in lakhs)
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
i) Principal amount due to micro and small enterprise		4.32	-
ii) Interest due on above	-	-	-
iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Ad 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
iv) 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 year) but without adding the interest specified under the MSMED Act 2006.	-	-	-
v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
vi) 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 Ad 2006.	-	-	-

### 39 Ratio Analysis and its elements

Sl. N o.	Ratio	Numerator	Denominator		31 Mar 2023	31 Mar 2022	% variance	Reason for variance
1	Current Ratio	Current Assets	Current Liabilities	Times	3.10	3.50	-11.54%	Not required
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	Times	NA	NA	NA	Not required
3	Debt Service Coverage Ratio	PAT+Depreciation / Amortisation +Interest on term loan	Principal repayments of Current Maturity of Long term borrowings+ Interest on Term Loan	Times	NA	NA	NA	Not required
4	Return on Equity	Net Profit after tax	Average Shareholder's Equity	% age	31.64%	26.60%	18.97%	Not required
5	Inventory Turnover	Net Sales	Average Inventory	Times	NA	NA	NA	Not required
6	Trade receivables Turnover	Net Sales	Average trade receivables	Times	1.61	1.82	-11.99%	Not required
7	Trade payables Turnover	Net Purchases	Average Trade payables	Times	87.85	79.65	10.30%	Not required
8	Net Capital Turnover	Net Sales	Working Capital	Times	3.61	2.97	21.55%	Not required
9	Net Profit ratio	Net Profit after tax	Net Sales	% age	31.57%	33.77%	-6.52%	Not required
10	Return on Capital Employed	EBIT	Capital employed (Tangible Networth+Total Debt+Deferred tax liability)	% age	147.14%	125.41%	17.33%	Not required
11	Return on Investments	Total Return	Cost of Investment	% age	NA	NA	NA	Not required

## 40 First Time Adoption of Ind AS(Ind AS 101)

### I. Basis of Preparation

These are the Company's first financial statements in accordance with Ind AS. For periods up to and including the year ended 31 March 2022, the Company prepared its financial statements in accordance with previous GAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The effective date for Company's Ind AS Opening Balance Sheet is 1 April 2021 (the date of transition to Ind AS).

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31st March 2022, the comparative information presented in these financial statements for the year ended 31 March 2022 and in the preparation of an opening Ind AS Balance Sheet at 1 April 2021 (the Company's date of transition).

According to Ind AS 101, the first Ind AS financial statements must use recognition and measurement principles that are based on standards and interpretations that are effective at 31 March 2022, the date of first-time preparation of financial statements according to Ind AS. These accounting principles and measurement principles must be applied retrospectively to the date of transition to Ind AS and for all periods presented within the first Ind AS financial statements. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including the balance sheet as at April 01, 2021 and the financial statements as at and for the year ended March 31, 2022 and how the transition from Previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

### II. Optional exemptions availed and mandatory exceptions

In the Ind AS Opening Balance Sheet as at 1 April 2021, the carrying amounts of assets and liabilities from the previous GAAP as at 31 March 2021 are generally recognized and measured according to Ind AS in effect as on 31 March 2022. However for certain individual cases, Ind AS 101 provides for optional exemptions and mandatory exceptions to the general principles of retrospective application of Ind AS. The Company has made use of the following exemptions and exceptions in preparing its Ind AS Opening Balance Sheet: Ind AS 101 provides for optional exemptions and mandatory exceptions to the general principles of retrospective application of Ind AS.

## Ind AS Optional Exemptions

### (a) Deemed cost for property, plant and equipment and intangible assets:

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities, if any. The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets as recognised as of April 01, 2021 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

### (b) Borrowings

Ind AS 101 permits that if it is impracticable for an entity to apply retrospectively the effective interest method in Ind AS 109 'Financial Instruments', the fair value of the financial liability at the date of transition to Ind AS shall be the new amortised cost of that financial liability at the date of transition to Ind AS. Accordingly company has elected to apply this exemption.

### (c) Derecognition of financial assets and financial liabilities

As per Ind AS 101. para B2, a first-time adopter shall apply the derecognition requirements in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind ASs.

### (d) Fair Value of Financials Liabilities

As per Ind AS 109, the Company is required to measure financial liabilities at fair value on initial recognition, and account for the difference between fair value and transaction price as a gain/loss. The Company has elected to apply the exemption provided in Ind AS 101 to apply these requirements prospectively to transactions entered into after the date of transition.

### (e) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2021 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required/made under previous GAAP:

- Impairment of financial assets based on expected credit loss model.

**III. Reconciliation of Balance Sheet as at 31st March, 2022 and 1 April, 2021** (Amount in Lakhs)

Particulars	Note	As per Previous GAAP 1 April, 2021	Ind AS Adjustments	As per Ind AS 1 April, 2021	As per Previous GAAP 31 March, 2022	Ind AS Adjustments	As per Ind AS 31 March, 2022
<b>I. ASSETS</b>							
(1) Non-Current Assets							
(a) Property, Plant and Equipment		95.68	-	95.68	100.80		100.80
(b) Intangible Assets		5.99	-	5.99	5.99		5.99
(c) Deferred Tax Asset		9.55	5.42	14.97	21.80	4.07	25.87
(d) Financial Assets							
(i) Investment		2.83	(2.83)	-	2.95	(2.95)	-
(ii) Other Financial Assets		39.52	(24.00)	15.52	20.63	(3.61)	17.02
(e) Other Non-Current Assets		21.55	(21.55)	-	16.16	(16.16)	-
<b>Total Non Current Assets</b>		<b>175.11</b>	<b>(42.96)</b>	<b>132.16</b>	<b>168.34</b>	<b>(18.66)</b>	<b>149.67</b>
(2) Current Assets							
(a) Financial Assets							
(ii) Trade Receivables		364.26		364.26	925.69	-	925.69
(iii) Cash and Cash Equivalents		808.92		808.92	689.50	-	689.50
(iii) Other Bank Balance		-	2.83	2.83	-	4.90	4.90
(vi) Other Financial Assets		-	42.34	42.34	-	27.08	27.08
(c) Other Current Assets		373.07	(17.97)	355.10	597.02	(25.42)	571.60
<b>Total Current Assets</b>		<b>1,546.25</b>	<b>27.19</b>	<b>1,573.44</b>	<b>2,212.21</b>	<b>6.56</b>	<b>2,218.77</b>
<b>Total Assets</b>		<b>1,721.36</b>	<b>(15.76)</b>	<b>1,705.60</b>	<b>2,380.56</b>	<b>(12.10)</b>	<b>2,368.45</b>
<b>II. EQUITY AND LIABILITIES</b>							
(1) Equity							
(a) Equity Share capital		148.20		148.20	1,185.60		1,185.60
(b) Other Equity		1,188.05	(16.13)	1,171.92	494.12	(12.10)	482.02
<b>Total Equity</b>		<b>1,336.25</b>	<b>(16.13)</b>	<b>1,320.12</b>	<b>1,679.72</b>	<b>(12.10)</b>	<b>1,667.62</b>
(2) Liabilities							
(A) Non-current liabilities							
(b) Provisions		28.19		28.19	67.07	-	67.07
(c) Deferred tax Liabilities (Net)		-		-	-	-	-
<b>Total Non Current Liabilities</b>		<b>28.19</b>	<b>-</b>	<b>28.19</b>	<b>67.07</b>	<b>-</b>	<b>67.07</b>

(Amount in Lakhs)

Particulars	Note	As per Previous GAAP 1 April, 2021	Ind AS Adjustments	As per Ind AS 1 April, 2021	As per Previous GAAP 31 March, 2022	Ind AS Adjustments	As per Ind AS 31 March, 2022
<b>(B) Current liabilities</b>							
(a) Financial Liabilities							
(i) Short Term Borrowings		-	7.75	7.75			
(ii) Trade Payables					4.32	-	4.32
Total Outstanding dues of Micro Enterprises and Small Enterprises		10.43	0.37	10.80	52.49	-	52.49
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises						14.36	14.36
(ii) Other Financial Liabilities		314.15	-	314.15	512.65		512.65
(b) Provisions		32.34	(16.70)	15.64	64.30	(14.36)	49.94
(c) Other current liabilities							
<b>Total Current Liabilities</b>		<b>356.92</b>	<b>0.37</b>	<b>357.29</b>	<b>633.77</b>	<b>-</b>	<b>633.77</b>
<b>Total Equity and Liabilities</b>		<b>1,721.36</b>	<b>(15.76)</b>	<b>1,705.60</b>	<b>2,380.56</b>	<b>(12.10)</b>	<b>2,368.45</b>

\*Balances as per Previous GAAP have been reclassified/regrouped to match with Ind AS classification.

**IV) Reconciliation of Total Comprehensive Income for the period ended 31st March 2022**  
(Amount in Lakhs)

PARTICULARS	Note	As per Previous GAAP	Ind AS Adjustments	As per Ind AS
I. Revenue from operations		4,706.86	-	4,706.86
II. Other income		126.52	-	126.52
<b>III. Total Income (I+II)</b>		<b>4,833.39</b>	-	<b>4,833.39</b>
<b>IV. Expenses:</b>				
Employee Benefits Expense		2,067.34	(16.80)	2,050.54
Finance Cost		0.32	-	0.32
Depreciation & Amortisation Expense		54.46	(5.39)	49.07
Other Expenses		642.02	-	642.02
<b>Total Expenses (IV)</b>		<b>2,764.15</b>	<b>(22.19)</b>	<b>2,741.96</b>
<b>V. Profit/(Loss) before Exceptional Items &amp; Tax (III-IV)</b>		<b>2,069.23</b>	<b>22.19</b>	<b>2,091.42</b>
<b>VI. Exceptional Items</b>		-	-	-
<b>VII. Profit/(Loss) Before Tax (V-VI)</b>		<b>2,069.23</b>	<b>22.19</b>	<b>2,091.42</b>
<b>VIII. Tax Expense:</b>				
Current Tax		508.70	4.23	512.93
Deferred Tax		(12.26)	1.36	(10.90)
Income Tax for Earlier Year		-	-	-
<b>Total Tax Expenses (VIII)</b>		<b>496.44</b>	<b>5.59</b>	<b>502.03</b>
<b>IX. Profit/(loss) for the year (VII-VIII)</b>		<b>1,572.79</b>	<b>16.60</b>	<b>1,589.39</b>
<b>X. Other Comprehensive Income</b>		-	-	-
<b>Items that will not be reclassified to profit or loss</b>		-	-	-
- Remeasurement Gains/(Losses) on Defined Benefit Plans		-	(16.80)	(16.80)
- Income tax on above		-	4.23	4.23
<b>XI. Total Other Comprehensive Income for the year</b>		<b>-</b>	<b>(12.57)</b>	<b>(12.57)</b>
<b>XII. Total Comprehensive Income for the year (IX+XI)</b> (Comprising Profit/(Loss) and Other Comprehensive Income for the year)		<b>1,572.79</b>	<b>4.03</b>	<b>1,576.82</b>

\*Balances as per Previous GAAP have been reclassified/regrouped to match with Ind AS classification.

**V) Reconciliation of total Equity as at 31 March, 2022 and 1 April, 2021** (Amount in Lakhs)

Particulars	As at 31st March 2022	As at 1st April 2021
Total Equity (shareholder's fund) as per previous GAAP	1,679.72	1,336.25
Adjustments :		
Provision for gratuity		
Deferred IPO Expense	(16.16)	(21.55)
DTA on Deferred Exp. Of IPO	4.06	5.42
Ind AS adjustments Prior period		
Actuarial Gain/(Loss) on Defined Benefit Plan recognised in OCI (Net of Tax)		
<b>Total Equity as per Ind AS</b>	<b>1,667.62</b>	<b>1,320.12</b>

**VI) Reconciliation of Total Comprehensive Income for the year ended 31 March, 2022**

(Amount in Lakhs)

Particulars	Note	Year ended 31st March 2022
<b>Net Profit under Previous GAAP ( After Tax)</b>		<b>1,572.79</b>
<b>Add/(less) adjustments for Ind AS:</b>		
Provision for Gratuity		16.80
Depreciation and Amortisation		5.39
Deferred Tax on Amortisation		(1.36)
Deferred Tax on Actuarial Gain/Loss		(4.23)
		<b>1,589.39</b>
<b>Other Comprehensive Income</b>		
Actuarial Gain/(Loss) on Defined Benefit Plan recognised in OCI (Net of Tax)		(12.57)
<b>Total Comprehensive Income as per Ind AS</b>		<b>1,576.82</b>

**VII) Notes to the reconciliation of equity as at April 1, 2021 and March 31, 2022 and total comprehensive income for the year ended March 31, 2022**
**a) Deferred Tax**

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12-Income Taxes requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of asset or liability in the balance sheet and its corresponding tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences.

According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or as separate component of equity.

**b) Fixed Deposit with Bank**

Under previous GAAP, all fixed deposits with banks were classified under Cash and Cash Equivalents. Under IndAS, deposits with maturity more than 12 months have been presented under "Other non-current financial assets", and deposits with maturity more than 3 months but upto 12 months, or deposits not freely available are presented under "Bank Balances other than Cash and Cash Equivalents".

**c) Actuarial Loss/(Gain) on Defined Benefit Plan Recognised in OCI (Net of Tax)**

Both under Indian GAAP and IND AS, the company recognized costs related to its post employment defined benefits plan on an actuarial basis. Under Indian GAAP the entire cost including actuarial gain/loss are charged to profit or loss. Under IND AS, remeasurements are recognized in Other Comprehensive Income.

**d) Other Equity**

Retained earnings as at 1st April 2021 & 31 March 2022 has been adjusted consequent to the above Ind AS transition adjustments. Refer 'Reconciliation of total equity as at 31st March 2022 and 1st April 2021 as given above for details.

**e) Other Comprehensive income**

Under previous GAAP, the Company has not presented other comprehensive income (OCI) separately. Items that have been reclassified from statement of profit and loss to other comprehensive income includes remeasurement of defined benefit plans. Hence, previous GAAP profit or loss is reconciled to total comprehensive income as per Ind AS. Certain amount of Cash and cash equivalents has been reclassified to Other Bank Balances in accordance with Ind AS 7- Statement of Cash Flows and Divison II of Schedule III of Companies Act, 2013.

**41 First Time Adoption of Ind AS(Ind AS 101)**

Previous period's figures in the financial statements, including the notes thereto, have been reclassified wherever required to conform to the current period's presentation/classification.

As per our annexed Report of even date

For A Y & Company  
 Chartered Accountants  
 FRN : 020829C

Yashika Gianchandani  
 Partner  
 M.NO. : 420219  
 UDIN : 23420219BGXXXU5332  
 Place : Delhi  
 Date : 23.04.2023

For and on behalf of Board of Directors

Deepali Verma  
 (Director)  
 DIN: 05329336

Ratan Kumar Srivastava  
 (Director)  
 DIN: 05329338

Umang Soni  
 CFO

Manisha Kide  
 Company Secretary

**ANNEXURE-K**  
**CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of,  
KSOLVES INDIA LIMITED

We have examined the compliance of the conditions of Corporate Governance by KSOLVES INDIA LIMITED ("the Company") for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

For MSV & Associates  
Practicing Company Secretaries  
FRN: P2018RJ071900  
Peer Review Certificate No.: 1924/2022

VIVEK SHARMA  
Managing Partner  
FCS No. 10663|COP No. 14773  
UDIN – F010663E000530589

PLACE: JAIPUR  
DATE: July 01, 2023


**Annexure-L**
**Form No. AOC-1**

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

The statement containing salient features of the financial information of subsidiaries/associate companies/ joint ventures

**Part "A": Subsidiaries**

(Information regarding each subsidiary to be presented with amounts in Rs.

S. No.	Particulars	Amount	Amount (In.Rs)
1	Name of the Subsidiary	Kartik Solutions Private Limited	KSOLVES LLC
2	Reporting period for the subsidiary concerned, (if different from holding company's reporting period)	FY2022-23	FY2022-23
3	Reporting currency and Exchange Rate as on the last date of relevant Financial Year in case of foreign subsidiaries.	NR	USD, Exchange Rate: 82.181
4	Share Capital	1,00,000	38,310
5	Reserves and Surplus	17,83,735	23,78,710
6	Total Assets	23,73,273 (Both current and noncurrent Assets)	8,300,063 (Both current and noncurrent Assets)
7	Total Liabilities	4,89,538 (Without Share Capital)	5883052 (Without Share Capital)
8	Investments	0	0
9	Turnover	94,06,425.31 (Revenue from operations) 38,740.72 (Other Income)	19,964,677 (Revenue from operations) 38,740.72 (Other Income)
10	Profit before Taxation	15,34,308.16	(2,486,130)
11	Provision for Taxation	5,47,568.74 (including Deferred Tax of Rs.1,23,091.54)	0
12	Profit after Taxation	986,739.42	(2,486,130)
13	Proposed Dividend	0	0
14	% of shareholding	99.99%	100%

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

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


**Annexure-M**
**Form No. AOC-2**

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013, including specific arm's length transactions under third proviso thereto below:

**1. Details of contracts or arrangements or transactions not at arm's length basis**

S.No	Particulars	Details
a)	Name(s) of the related party and nature of relationship	Nil
b)	Nature of contracts/arrangements/transactions	Nil
c)	Duration of the contracts/arrangements/transactions	Nil
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or Transactions	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Nil

**Contd..**

**Details of material contracts or arrangement or transactions at arm's length basis:**

S.No	Particulars	Details
a)	Name(s) of the related party and nature of relationship	Ksolves LLC
b)	Nature of Relationship	Sister concern
c)	Nature of contracts/arrangements/transactions	Sale of Services
c)	Duration of the contracts/arrangements/transactions	2022-23
d)	Salient terms of the contracts or arrangements or Transactions including the value, if any:	Upto 1 crore
e)	Date(s)of approval by the Board, if any:	
f)	Amount incurred during the year:	Total Value of Sale (in Ksolves India): 80,13,411

Notes: The Company has received the disclosure of interest from all the Directors and Key Managerial Personnel (KMP) of the Company in the form MBP-1 as prescribed under the provisions of Section 184 of the Companies Act, 2013 read with rules made there under along with the list of their relatives as per Clause (77) of Section 2 of the Companies Act, 2013. The details of the transactions/contract/arrangements have been entered by or with any of the Directors/KMP of the Company and their relatives during the FY 2022-23 is mentioned above. Any shareholder interested in obtaining the details of the same may write to the Company Secretary at the registered office of the Company.