

**Date: August 05, 2022**

**To**  
**The Manager- Listing Compliance**  
**National Stock Exchange India Limited**  
**Exchange Plaza, Plot No. C/1, G Block,**  
**Bandra Kurla complex, Bandra (E), Mumbai 400051.**

**Subject: Annual Report 2021-22 of Ksolves India Limited ('the company').**

**Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**Scrip Code: KSOLVES; ISIN: INE0D6I01015**

Dear Sir/Madam

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, enclosed herewith is the Annual Report of the Company for the Financial Year 2021-22.

We also have submitted the Notice convening 8<sup>th</sup> Annual General Meeting of the members of the Company, scheduled to be held on **Sunday, August 28, 2022 at 11:00 a.m.** through Video Conferencing ('VC')/ Other-Audio Visual Mode ('OAVM').

This is for your information and records.

**For Ksolves India Limited**



**Manisha Kide**  
**Company Secretary & Compliance Officer**



**ANNUAL**  
**REPORT**  

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**2022**

**The best value comes  
from the integrity  
towards our clients.**

**- Ratan Kumar Srivastava  
Founder, MD & CEO, Ksolves**



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 **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: HYPERLINK  
mailto: bhagwan@bigshareonline.com  
bhagwan@bigshareonline.com

 **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  
NSE Emerge Platform

 **Investor Relations**

Ms. Manisha Kide  
E-mail: ir@ksolves.com  
Contact: +91-0120-4163248



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

### **Dear Stakeholders,**

I feel immense pleasure to share with you all that 2021-22 has been an excellent year for Ksolves India Limited in terms of growth, expansion and accreditations, despite challenges like the recent global pandemic. The same did not impede our progress, and we have achieved extraordinary results.

We also achieved several significant milestones during the year. The company has shown tremendous financial growth as our revenue and profit figures showed immense growth. We retained our existing clients and added a new client base. We also became CMMI Level 3 certified organisation. We have also upgraded ourselves on various platforms for tech partnerships and entered into new tech partnerships. We also opened new office in India.

Elaborating on the above achievements, I would like to highlight that during the year our Company had fought with the rough time of pandemic and won by sustaining gracefully, with 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. Thus, the company could showcase grit and determination by posing itself as a partner in business and growth for its customers, thereby winning their faith, resulting in much more strengthened customer trust.

The Company has grown in terms of customer base. Along with International customers, the company has also added a good base of customers in the domestic market. The Company has a good business continuity plan, managing the deliverables appropriately and flawlessly even during the pandemic and post-pandemic effects. All the projects were successfully delivered.

**Client & Employee Retention:** The global pandemic negatively impacted employment and business opportunities. We are happy to successfully retain our clients and employees, which has resulted in the overall growth of the company and the people associated with it. The hybrid model of Work from Home and Work from Office has been managed successfully. During the year, the employee headcount increased to 356 employees.

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

The company continued ramping up businesses with existing clients and winning multiple new projects, including a multi-year IT services engagement with a Fortune 500 firm. The client base remained widely diversified, with 35+ IT services clients across 20+ countries with a top 5 client contribution of 48%. Growth remained broad-based and robust in the USA in MI/ML. So far, the company has seen no demand softening from the ongoing global recessionary talks.

Cost challenges of increased salary costs, Covid-19 reopen expenses, increased employee engagement expenses and re-start of business travels were adequately offset by "increased utilisation percentage and gradual billing rate revisions for legacy clients". This helped in improving the operating profit margin.

The financial benefits have been extended to employees in terms of regular annual appraisals and clients by providing more resources. Despite general business stress in the IT sector due to the Covid-19 crisis, this appraisal cycle is a testimonial to the company's strong track record of delivery in the past and confidence in the future growth.

We continue to invest heavily in building top - class teams via lateral hiring in key focus areas of Data Science/Big Data/AI & ML and Onshore presence of Sales and Client Management Teams.

Ksolves has adopted a strategy to balance the needs of all stakeholders and minimise 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 and complete transparency on outcomes are a must. The highest form of corporate governance is the underlying of everything 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:** The company has also initiated the migration of its equity shares from Emerge Platform of the National Stock Exchange of India Limited (NSE) to the mainboard of NSE and BSE Limited, subject to the approval of authorities. This change will take the trust of Ksolves Stakeholders to the next level in terms of credibility in front of the clients, resource hiring, process governance and corporate governance.

**More Tech Partnerships:** This year Company continued its focus on building on technology partnership programmes as quality assurance frameworks. As a result, Ksolves is now an Odoo Gold Partner, Adobe Bronze Partner, Salesforce Ridge (Silver) Partner, and Registered Red Hat ISV Partner, in addition to being Certified for level 3 of the Capability Maturity Model Integration (CMMI). Such partnerships add to the Company's credentials in front of existing and prospective clients.

**Financial Growth:** During the financial year under review, the company's revenue increased 70% YoY (48.23 Cr vs 28.42 Cr). As of 2021-22, the company maintained a high growth trajectory and showed 76% growth over the last year in these challenging Covid and post Covid times.

The year ended successfully for the company adding on to customers, employee headcount, revenue, profit and the number of projects.

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

With this statement full of hope and buoyant spirits, I hereby place the company's Annual Report for the financial year 2021-22 for your kind perusal.

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

**With 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, Managing Director, and Promoter of our company. He holds a degree in Bachelor of Technology in Computer Science & Engineering. He looks after the company's core management and is active and enthusiastic in business activities. He has been instrumental in taking major policy decisions for the Company. He has experience of more than 15 years in our industry and has worked with Tech Mahindra, Birlasoft (India) Limited, HSBC and Persistent Systems. He plays a vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of our company's business. 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 our company's promoter. She holds a degree in Master of Commerce. She has experience of more than seven years in the IT industry. She is involved in the business from the conceptualisation stage to the execution stage, like planning and monitoring of all the activities.



**Ms. Varsha Choudhry**

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



**Mr. Varun Sharma**

Mr. Varun Sharma serves as an Independent Director on the company's board. He is a finance researcher and PhD in Finance candidate at the London Business School. His research interest areas are 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 and Senior Business Consultant - Banking and Financial Services - IBM Global Services.



**Ms. Sushma Samarth**

Ms. Sushma Samarth serves as an Independent Director on the company's board. She brings over 16 years of experience in Information Technology Enabled Services (ITES) across leading corporates such as COSL (Citicorp Overseas Software Limited, later known as Orbitech and Polaris), Infosys, and Wipro; especially in the business domain of Banking & Capital Markets. She has extensive experience managing complex and large business transformation engagements, large multi - location IT Projects, and IT Enabled Services for Investment Banking Operations of MNCs. She is also an edupreneur and the founder of an educational institute in the K-12 segment. She is a frequent speaker in Schools and Colleges on Motivation, Science Research and Career Counseling. She has helped shape strategic vision and priorities for many small businesses. Sushma and her team won Toycathon 2021, organised by the Government of India. An alumna 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 an Independent Director on the company's board. He brings 20 years of experience in sales & marketing, talent management/HR and entrepreneurial challenges. He has worked with marquee firms such as Dabur and ICICI Lombard before starting his entrepreneurial journey as a co-founder of Headhunting & Recruitment Consulting firm, Golden Wheat Consultancy. He is also a Partner at Rangeela Pictures Pvt. Ltd., creating content/web series for OTT Platforms. He is also a co-writer for the web series Mirzapur 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  
15+ years of IT experience



**Manish Gurnani**  
Senior Technical Architect  
23+ years of IT experience



**Adhik Balwant Kadam**  
Vice President - Sales & Delivery  
24+ years of IT experience



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



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



**Mr. Vinod Verma**  
Technical Project Manager  
16+ years of IT experience



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



**Mr. Pravesh Mehta**  
Senior Project Manager  
10+ years of IT experience



**Arti Agrawal**  
Software Test Lead  
12+ years of IT experience



**Manisha Kide**  
Company Secretary & Compliance Officer  
7+ years of experience



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

## ▶ THE BEST AT KSOLVES

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

- **A publicly listed company** on India's largest stock exchange, National Stock Exchange (NSE), having a team of 350+ developers and architects and 30+ 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
- **Client Feedback and Escalation Mechanism:** Continuous customer feedback on the project planning and deliveries and weekly feedback. Concerns raised are addressed immediately via communication channels preferred by clients. Clients have escalation metrics by which they reach out to the CTO/CEO at any time in case of a critical issue. Clients appreciate this accountability culture and treat Ksolves as their development partner instead of just being a vendor, and that also gets reflected in relatively high CSAT across engagements.
- **Rock Solid Delivery Model:** The company has a sound delivery model that was already tried, tested and helped in successful project deliveries involving constant communication, support and maintenance. Because of this, no project deliveries or support operations were affected even during the pandemic and work from home times.

## ▶ THE BUSINESS OVERVIEW

### THE APPROACH

Ksolves is a CMMi Level 3, publicly listed, award-winning software development firm providing services to organisations of all sizes, from Small and Medium (SMEs) level organisations to Enterprise level organisations, 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 healthcare, logistics, customer service, and IT. Ksolves has completed 100+ software development projects covering the entire project life cycle and has a strong team of certified professionals.

Our desire to provide custom solutions to each client specific need has led to constant innovations in different process and business domains. Ksolves is supported and boosted by more than 350+ developers and architects with an average experience of over eight years in the IT industry. Services being an integral part of our offerings, the company focuses on delivering end-to-end services in each and every domain with increased focus in Telecom, Banking, Governance and Cyber Security.

## BUSINESS FIGURES

**10**

Years  
of Service

**12+**

Countries

**350+**

Employees

**30+**

Trusting  
Clients

**84.3%**

Repeat  
Business

## BUSINESS ALLIANCES & PARTNERSHIPS

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



Odoo Gold Partner



Salesforce (Ridge) Silver  
Consulting Partner



Bronze  
Solution Partner

Adobe Bronze Solution Partner



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>	

**BUSINESS 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.

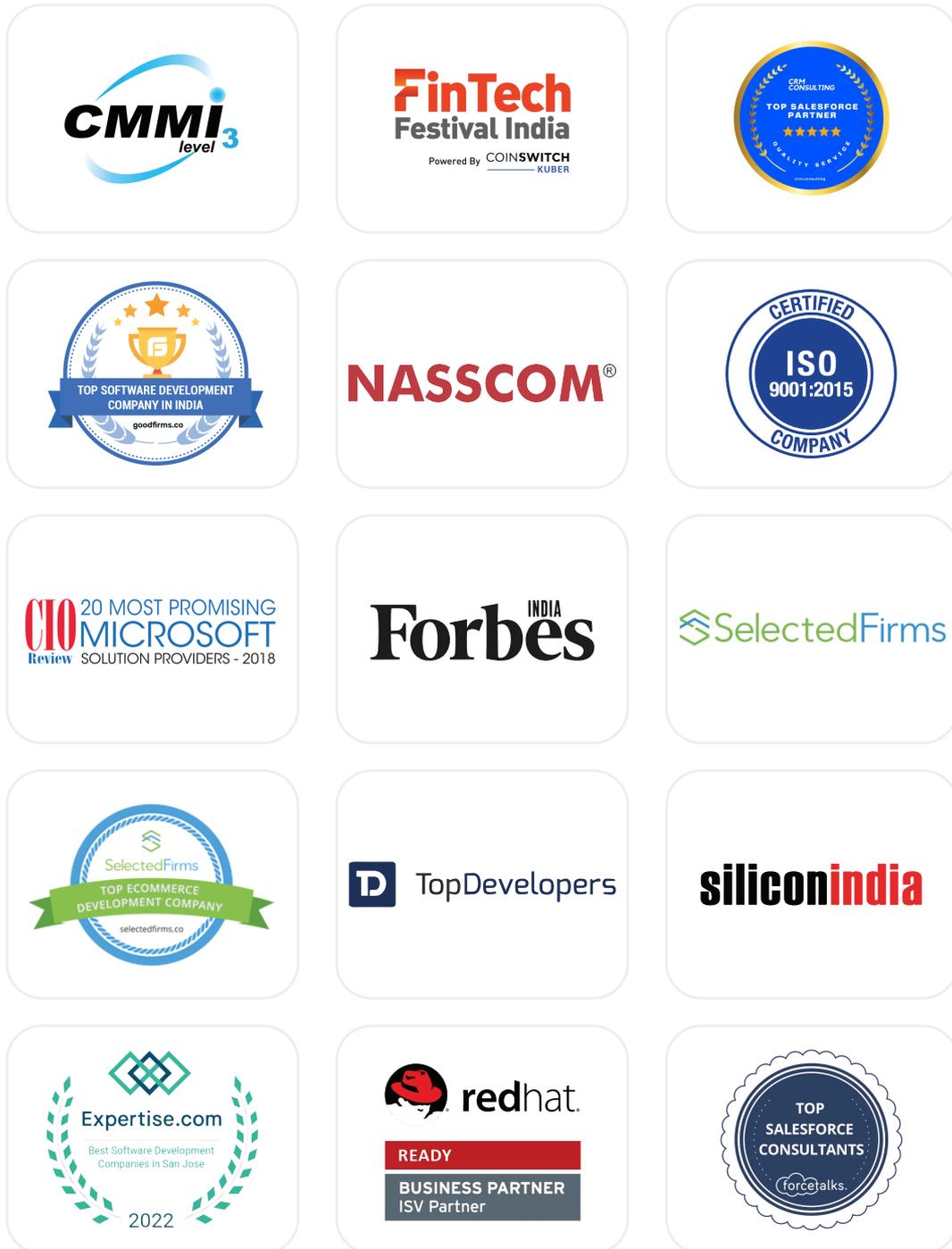
Proposed migration of company's shares to  
mainboard of National Stock Exchange &  
Bombay Stock Exchange. Registered as  
RedHat ISV Partner. Upgraded to Salesforce  
Ridge Silver Partner and Odoo Gold Partner.



**2022**

## ▶ AWARDS & RECOGNITION

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



## ▶ 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.

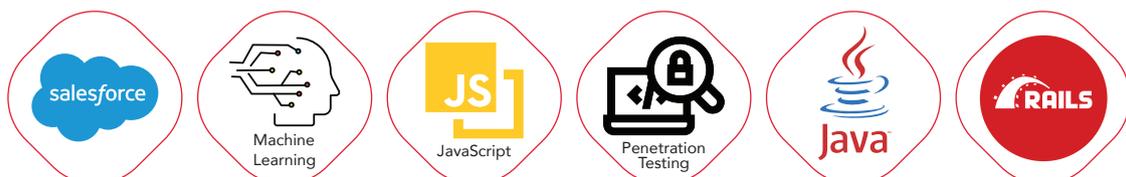
### Big Data Division



### Products Division



### Software Services



### Mobile Development Division



## ▶ NOTICE OF 8th ANNUAL GENERAL MEETING

Notice is hereby given that the 8th (eighth) Annual General Meeting (“AGM”) of the Members of Ksolves India Limited will be held on Sunday the 28th day of August 2022 at 11:00 A.M. (IST) through Video Conferencing (VC) to transact the following businesses:

### 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, 2022, and the reports of the Board of Directors (“the Board”) and auditors thereon.

#### 2. 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 is eligible for reappointment, offering herself for reappointment.

### SPECIAL BUSINESS

#### 3. Appointment of Ms. Sushma Samarth as an Independent Director

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

**RESOLVED THAT** Ms. Sushma Samarth (DIN: 03514831), who was appointed as an additional and independent director, pursuant to Sections 149, 152, 161, and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company, approvals and recommendations of the nomination and remuneration committee, and that of the Board, be and is hereby appointed as an independent director, not liable to retire by rotation, for a period up to November 15, 2026.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers to any committee of directors with the power to further delegate to any other officer(s)/authorised representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

#### 4. Appointment of Mr. Vineet Krishna as an Independent Director

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

**RESOLVED THAT** Mr. Vineet Krishna (DIN: 07200342), who was appointed as an additional and independent director, pursuant to Sections 149, 152, 161, and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company, approvals and recommendations of the nomination and remuneration committee, and that of the Board, be and is hereby appointed as an independent director, not liable to retire by rotation, for a period up to May 31, 2027.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers to any committee of directors with the power to further delegate to any other officer(s)/authorised representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient 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: August 04, 2022  
Place: Noida**

**Notes and e-voting instructions:**

1. Explanatory Statement is under Section 102 of the Act relating to Items nos. 3 & 4 of the Notice of the 8th AGM are annexed hereto. Also, relevant details regarding Directors 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, are also annexed to this notice.
2. As you are aware, given the situation arising due to the 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. 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 the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) to facilitate voting through electronic means as the authorised e-Voting agency. CDSL will provide the facility of casting votes by a member.
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 a 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 Members attending the AGM through VC/OAVM will be counted to ascertain 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 a proxy to attend and cast a 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., [www.evotingindia.com](http://www.evotingindia.com)
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. Given the outbreak of the COVID-19 pandemic, resultant difficulties involved in dispatching 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 8th 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 P participant(s) for communication purposes to the Shareholders and 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 8th AGM of the Company would also be available on the website of the Company at <https://www.ksolves.com/investors> The same can also be accessed from the website of the Stock Exchange, i.e., NSE at [www.nseindia.com](http://www.nseindia.com), respectively and on the website of CDSL, i.e., [www.evotingindia.com](http://www.evotingindia.com)
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 using 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 before the AGM may join the AGM through VC but shall not be entitled to cast their vote again.
13. Members seeking any information about the accounts or any matter to be placed at the AGM or who would like to ask questions or register 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](mailto:cs@ksolves.com) on or before August 21, 2022, to enable the management to keep the information ready. The Company reserves the right to restrict the number of speakers depending on the time available for the AGM.
14. Members holding the shares in the dematerialised form are requested to immediately notify 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 Monday, August 22, 2022 to Sunday, August 28, 2022 (both days will be inclusive)
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 Central Depository Securities Limited ("CDSL"), who will provide the e-voting facility for casting votes to a Shareholder using a remote e-voting system (e-voting from a place other than the 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 Sunday, August 21, 2022, as the "cut-off date" to determine the eligibility to vote by remote e-voting or e-voting at the AGM.

**VOTING THROUGH ELECTRONIC MEANS:**

- 18.** A person whose name is recorded in the Register of Members of the Register of Beneficial Owners maintained by the depositories as of the cut-off date, i.e., Sunday, August 21, 2022, shall be entitled to avail of 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 before the AGM and are otherwise not barred from doing so shall be eligible to vote through the e-voting system at the AGM.
- 19. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**
- (i) The voting period begins on August 25, 2022, at 9:00 a.m. (IST) and ends on August 27, 2022, at 5:00 p.m. (IST). During this period, shareholders of the Company, holding shares either in physical form or dematerialised form, as of the cut-off date of August 21, 2022, may cast their vote electronically. CDSL shall disable the e-voting module for voting thereafter.
  - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (iv) Click on the "Shareholders" module
  - (v) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company

**OR**

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can login at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log in to CDSL's **EASI/EASIEST** e-services, click on the **e-Voting** option and proceed directly to cast your vote electronically.

(vi) Next, enter the Image Verification as displayed and Click on Login

(vii) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used

(viii) If you are a first-time user, follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or the company records to log in.</p> <ul style="list-style-type: none"> <li>If the details are not recorded with the depository or company, please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

(ix) After entering these details appropriately, click the **"SUBMIT"** tab

(x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in Demat form will now get the 'Password Creation' menu, requiring them to enter their login password in the new password field manually. Kindly note that the demat holders also use this password to vote for resolutions of any other company on which they are eligible to vote, provided that the company opts for e-voting through the CDSL platform. It is strongly recommended not to share your password with anyone and to keep it confidential.

(xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice

(xii) Click on the 220729009 for the relevant **<KSOLVES INDIA LIMITED>** on which you vote

(xiii) On the voting page, you will see **"RESOLUTION DESCRIPTION"** against the option **"YES/NO"** for voting. Select the option YES or NO as desired. Option YES implies that you assent to the Resolution, and vote NO means that you dissent to the Resolution.

(xiv) Click on the **"RESOLUTIONS FILE LINK"** option to view the full Resolution details

- (xv) After selecting the resolution, you have decided to vote on, click **"SUBMIT"**. A confirmation box will be displayed. If you wish to confirm your vote, click "OK"; to change your vote, click "CANCEL" and modify your vote accordingly.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote
- (xvii) You can also take a print of the votes cast by clicking on the **"Click here to print"** option on the Voting page
- (xviii) If a Demat account holder has forgotten the login password, enter the User ID and the image verification code, click on Forgot Password & enter the details as prompted by the system
- (xix) Shareholders can also vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from the respective Store. Please follow the instructions prompted by the mobile app during Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by email to RTA at [bhagwan@bigshareonline.com](mailto:bhagwan@bigshareonline.com)
2. For Demat shareholders, please provide Demat account details (CDSL 16-digit beneficiary ID or NSDL 16-digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) to [bhagwan@bigshareonline.com](mailto:bhagwan@bigshareonline.com)

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at [www.evotingindia.com](http://www.evotingindia.com) under shareholders/members log in by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login, where the EVSN of the Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / iPad for a better experience
3. Further shareholders will be required to allow the camera and use an internet connection with a good speed to avoid any disturbance during the meeting

4. Please note that participants connecting from mobile devices or tablets or through laptops connected via mobile hotspot may experience audio/video loss due to fluctuation in their respective networks. Therefore, a stable Wi-Fi or LAN connection is recommended to mitigate any glitches above.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance **on or before August 20, 2022**, mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The Company reserves the right to restrict the number of speakers depending on the time available for the AGM. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered as speakers will only be allowed to express their views/ask questions during the meeting.

#### **INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of the AGM is the same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through the e-Voting system available during the AGM.
3. If the shareholders cast any Votes through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the conference is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

#### **(xx) Note for Non - Individual Shareholders and Custodians**

1. Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
2. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
3. After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) on which they wish to vote.
4. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com), and on approval of the accounts, they would be able to cast their vote.

5. A scanned copy of the Board Resolution and Power of Attorney (POA), which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same
6. Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/Authority letter etc., together with the attested specimen signature of the duly authorised signatory who is authorised to vote, to the scrutiniser at [caarpitgupta@hotmail.com](mailto:caarpitgupta@hotmail.com) and the Company at the email address viz; [cs@ksolves.com](mailto:cs@ksolves.com) (designated email address by the company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutiniser to verify the same.

Suppose you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System. In that case, you may refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under the help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Rakesh Dalvi (022-23058542/8738)

All grievances connected with the facility for voting by electronic means may be addressed to Mr Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/8738.

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 Scrutiniser to scrutinise the voting at the meeting and remote e-voting process fairly and transparently.

The Scrutinizer shall, after the conclusion of voting at the general meeting will first count the votes cast at the conference and, after that, 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 scrutiniser's report of the total votes cast in favour or against, if any to the chairman or a person authorised 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 the website of CDSL immediately after the declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to Stock Exchange.

▶ **Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013 and under Secretarial Standards on General Meetings (SS-2)**

**Item No. 3**

The Board, based on the recommendation of the nomination and remuneration committee, at its meeting held on October 18, 2021, appointed Ms Sushma Samarth as an additional and independent director of the Company with effect from November 15, 2021, pursuant to Section 161 of the Companies Act, 2013. The Company has received from her all-statutory disclosures and declarations.

In the opinion of the Board, she has an extensive and in-depth understanding of business and finance and will bring tremendous value to the Board and the Company. She fulfills the conditions for independence specified in the Act, the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other laws/regulations for the time being in force, to the extent applicable to the Company. A copy of the draft letter for the appointment of Ms Sushma Samarth as an independent director setting out the terms and conditions is available for electronic inspection without any fee by the members.

The resolution seeks the approval of members for the appointment of Ms Sushma Samarth as an independent director of the Company up to November 15, 2026, pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof). Her office shall not be liable to retire by rotation.

As per the provisions of Section 161 of the Act, an additional director appointed by the Board shall hold office up to the date of the ensuing annual general meeting and shall be appointed as a director by the members. At its meeting on October 18, 2021, the Board appointed Ms Sushma Samarth as an additional and independent director who will hold office up to the ensuing AGM. Accordingly, her appointment is placed for the approval of members. This item is considered unavoidable and forms part of this notice in compliance with the MCA's General circular 20/2020.

The Board of Directors recommends the Ordinary Resolution at Item No. 3 of the accompanying Notice for approval of the Members of the Company.

No director, key managerial personnel or their relatives except Ms Sushma Samarth, to whom the resolution relates, is interested in or concerned with the resolution in Item no. 3.

**A Brief Profile of Ms. Sushma Samarth is mentioned in Annexure - II to this notice.**

#### **Item No. 4**

The Board, based on the recommendation of the nomination and remuneration committee, at its meeting held on May 15, 2022, appointed Mr Vineet Krishna as an additional and independent director of the Company with effect from May 31, 2022, pursuant to Section 161 of the Companies Act, 2013. The Company has received from her all-statutory disclosures and declarations.

In the opinion of the Board, he has an extensive and in-depth understanding of business and finance and will bring tremendous value to the Board and the Company. He fulfills the conditions for independence specified in the Act, the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other laws/regulations for the time being in force, to the extent applicable to the Company. A copy of the draft letter for the appointment of Mr Vineet Krishna as an independent director setting out the terms and conditions is available for electronic inspection without any fee by the members.

The resolution seeks the approval of members for the appointment of Mr Vineet Krishna as an independent director of the Company up to May 31, 2027, pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof). His office shall not be liable to retire by rotation.

As per the provisions of Section 161 of the Act, an additional director appointed by the Board shall hold office up to the date of the ensuing annual general meeting and shall be appointed as a director by the members. At its meeting on May 15, 2022, the Board appointed Mr Vineet Krishna as an additional independent director who holds office up to the ensuing AGM. Accordingly, her appointment is placed for the approval of members. This item is considered unavoidable and forms part of this Notice in compliance with the MCA's General circular 20/2020.

The Board of Directors recommends the Ordinary Resolution at Item No. 4 of the accompanying Notice for approval of the Members of the Company.

No director, key managerial personnel or relatives except Mr Vineet Krishna, to whom the resolution relates, is interested in or concerned with the resolution in Item no. 4.

**A brief profile of Mr Vineet Krishna is as mentioned in Annexure - III to this notice.**

## ► Annexures to Notice of AGM

### Annexure - I

Additional information on directors recommended for appointment/re-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.	2	3	4
Name of the Director	Ms. Deepali Verma	Ms. Sushma Samarth	Mr. Vineet Krishna
Director Identification Number (DIN)	05329336	03514831	07200342
Age	43	49	44
Date of Appointment at current designation	29th April, 2020	15th November, 2021	31st May, 2022
Qualifications	She holds degree in Master of Commerce	An alumna of IIT Bombay and Indian School of Business, Hyderabad	He is an MBA from IIFT, New Delhi (2005 Batch) & a Hotel Management Graduate from Bangalore University (topper of his batch)
Experience (including expertise in specific functional area) / Brief Resume	She is having experience of 8 years in IT industry. She is involved in the business right from conceptualization stage to execution stage like planning, monitoring the all activities.	Annexure-II	Annexure-III
Terms and conditions of appointment / re-appointment	Whole-time Director, remuneration applicable as per Section 197 of companies Act 2013.	Non-Executive Independent Director not liable to retire by rotation	Non-Executive Independent Director not liable to retire by rotation
Remuneration proposed to be paid	--	Shall be eligible for the following: a) Sitting fees for attending meetings of the Board or committee thereof or for any other purpose whatsoever as maybe decided by the Board; b) Reimbursement of expenses for participation in the Board and other meetings.	Shall be eligible for the following: a) Sitting fees for attending meetings of the Board or committee thereof or for any other purpose whatsoever as may be decided by the Board; b) Reimbursement of expenses for participation in the Board and other meetings.
Names of listed entities in which the person also holds the directorship in other Companies	Nil	Nil	Nil

Resolution No.	2	3	4
Chairmanship/ Membership of Committees in other companies in which position of Director is held	Nil	Nil	Nil
Shareholding in the Company	35,58,400 equity shares	4000 equity shares	Nil
Relationship with Other Directors, Manager and other Key Managerial Personnel of the company.	Wife of Mr. Ratan Kumar Srivastava, Managing Director of the Company	Nil	Nil
The number of Meetings of the Board attended/ held during the FY 2021-22 i.e, upto 31st March, 2022	7/7	2/2	Nil (Appointed at the first Board Meeting for FY 2022-23, held on May 15, 2022)

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## Annexure - II

### ▶ A Brief Profile of Ms. Sushma Samarth

Ms. Sushma Samarth brings in over 16 years of experience in Information Technology Enabled Services (ITES) across leading corporates such as COSL (Citicorp Overseas Software Limited, later known as Orbitech and Polaris), Infosys Ltd and Wipro Ltd, especially in the business domain of Banking & Capital Markets. She has extensive experience managing complex and large business transformation engagements, large multi-location IT Projects, IT Enabled Services for Investment Banking Operations of MNCs. She is also an edupreneur and the founder of an educational institute in the K-12 segment. She is a frequent speaker in Schools and Colleges on Motivation, Science Research and Career Counseling. She has helped shape strategic vision and priorities for many small businesses. Sushma and her team won Toyathon 2021, organised by the Government of India. An alumna 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.

## Annexure - III

### ▶ A Brief Profile of Mr. Vineet Krishna

Mr. Vineet Krishna brings on board 20 years of experience in areas such as sales & marketing, talent management/HR and entrepreneurial challenges. He has worked with marquee firms such as Dabur and ICICI Lombard before starting his entrepreneurial journey as a co-founder of a Headhunting & Recruitment Consulting firm, Golden Wheat Consultancy. He is also a Partner at Rangeela Pictures Pvt Ltd, 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 BOARD'S 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 for the financial year ended, March 31, 2022.

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

Particulars	Standalone (Amount in Lacs)		Consolidated (Amount in Lacs)	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Revenue	4660.56	2408.07	4833.39	2842.45
Expenses	2617.68	1313.68	2709.36	1602.04
EBITDA	2042.32	1094.39	2124.03	1240.41
Finance costs	--	--	0.32	1.11
Depreciation and amortization expense	35.42	28.99	54.46	43.49
Profit before tax	2006.84	1065.00	2069.24	1195.82
Tax Expenses	479.49	268.57	496.44	302.02
<b>Profit for the year</b>	<b>1527.35</b>	<b>796.82</b>	<b>1572.79</b>	<b>893.80</b>
<b>Other Comprehensive Income/(Loss)</b>	--	--	--	--
<b>Total Comprehensive Income for the year</b>	<b>1527.35</b>	<b>796.82</b>	<b>1572.79</b>	<b>893.80</b>

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

#### **Consolidated Financial Highlights**

The audited consolidated financial statement of your company as on 31st March 2022 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 2021-22 are as follows:

### **Operational Highlights**

The company's consolidated revenue from Sales is Rs. 4706.86 lacs compared to Rs. 2821.54 lacs in the previous year.

### **Financial highlights**

The company's consolidated profit is Rs. 1572.79 lacs compared to Rs. 893.80 lacs in the previous year.

### **Standalone Financial Highlights:**

#### **Operational Highlights**

The company's standalone revenue from Sales is Rs. 4534.58 lacs compared to Rs. 2389.36 lacs in the previous year.

#### **Financial highlights**

The company's standalone profit is Rs. 1527.35 lacs compared to Rs. 796.82 lacs in the previous year.

## **03 Changes in Share Capital**

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

During the year under review, on May 29, 2021, the authorised capital of the company increased from Rs. 1,60,00,000/- (Rupees one crore sixty lacs only) divided into 16,00,000 (Sixteen lacs only) equity shares of Rs. 10/- (Rupees ten only) each to Rs. 12,00,00,000/- (Rupees Twelve Crore only) divided into 1,20,00,000 (One crore twenty lacs only) equity shares of Rs.10/- (Rupees ten only).

### **ii. Bonus Issue**

During the year under review, the company has made the following allotment of bonus shares:

- A.** On June 09, 2021, the company made an allotment of 44,46,000 equity shares of Rs. 10 each as fully paid-up bonus equity shares, in the ratio of 3:1. Thereby, the paid-up capital of the company increased to Rs. 5,92,80,000/- (Rupees Five crore ninety-two lacs eighty thousand only).
- B.** On September 09, 2021, the company made an allotment of 59,28,000 equity shares of Rs. 10.00 each as fully paid-up bonus equity shares, in the ratio of 1:1; thereby, the paid-up capital of the company increased to Rs. 11,85,60,000 /- (Rupees Eleven crore eighty-five lacs sixty thousand only).

## **04 Dividend**

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

- A.** Final Dividend of Rs. 30/- (Rupees Thirty) per share was declared on May 29, 2021.
- B.** Interim Dividend of Rs. 2.5/- (Two rupees and fifty paise) per share was declared on October 18, 2021
- C.** Interim Dividend of Rs. 3.25/- (Three rupees and twenty-five paise) per share was declared on January 23, 2021

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

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

## **06 Transfer to Reserves**

During the period under review, the Company transferred 1527.35 lacs 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**

No significant change was made in the company during the financial year under review.

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

No material changes and commitments are affecting the financial position of your Company, which has occurred between the end of the financial year of the Company, i.e., March 31, 2022, and the date of the Directors' Report, i.e., August 04, 2022.

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

During the year, the total foreign exchange used was Rs. 25.3 lacs, and the entire foreign exchange earned was Rs. 3209.91 lacs.

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

The details of conservation of energy and technology absorption do not apply to the company; hence not furnished.

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

The Board regularly reviews the affairs of the Company's subsidiaries and associates. 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-I, 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 Company's Registered Office members during business hours on all days except Saturday, Sunday and Public Holiday. Any person desirous of obtaining said financial statement might write at [cs@ksolves.com](mailto:cs@ksolves.com)

During the year under review, the company acquired shares equivalent to 100% (100 percent) of the total capital of Ksolves LLC, USA. The effective acquisition had zero debt as of the effective date. Ksolves LLC, USA, has become the wholly owned subsidiary of Ksolves India Limited 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. To efficiently manage such risk, the Company has established a well-defined risk management process 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, all efforts are made to minimise the impact of such risks on the operations of the Company.

Our robust internal control system for reducing the risk propels our culture of informed and responsible risk handling for attaining the organisational objectives with optimum utilisation 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-J, 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 repetitive 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

No significant and material orders passed by the Regulators/Courts would impact the Company's going concern status and 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 of the end of the financial year under review, the Company's Board comprises five (05) Directors; One Managing Director, one Whole-time Director and the remaining three Independent Directors. As on March 31, 2022, 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

**Note:** Mr. Vineet Krishna is appointed as Additional Director (Independent) of the company with effect from 31st May 2022 (appointed date), and his regularisation is recommended at this annual general meeting. The intimation to this effect has already been provided to the stock exchange.

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

S. N	Name and Designation of Director	Appointed on (Effective date)	Resigned on
1.	Mr. Varun Sharma, Independent Director	27th April, 2021	N. A
2.	Mr. Veer Pratap Singh, Independent Director	29th April, 2020	27th April, 2021
3.	Mr. Arpit Goyal, Independent Director	29th April, 2020	15th November, 2021
4.	Ms. Sushma Samarth, Independent Director	15th November, 2021	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 performance, Board Committees and the Directors individually.

The Board and the Nomination & Remuneration Committee reviewed the performance of the individual Directors based on the criteria and framework adopted by the Board. The evaluation criteria included various aspects such as the functionality of the Board, compositions, process & procedures including adequate & timely information, attendance, the 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 March 27, 2022, the performance of the Non Independent Directors, the Board as a whole and the Chairman was also evaluated based on a pre-set criterion. During the year, the 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.

### **iii. Nomination and Remuneration Policy**

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

The Remuneration Policy has been updated on the Company's website 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 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.

### **iv. Details of Director's Remuneration**

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

### **v. 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 the 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 comply with the Code of Conduct prescribed under Schedule IV of the Companies Act, 2013.

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

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

The Company's Board of Directors met seven (7) times during the year, i.e., on 26.04.2021, 09.06.2021, 27.07.2021, 09.09.2021, 18.10.2021, 23.01.2022 and 27.03.2022. 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 2021-22**

S. N.	Name of Director	No. of meeting(s) attended	No. of meeting(s) eligible to attend/held
1.	Mr. Ratan Kumar Srivastava	7	7
2.	Ms. Deepali Verma	7	7
3.	Mr. Arpit Goyal	4	5
4.	Mr. Veer Pratap Singh	1	1
5.	Mr. Varun Sharma	6	6
6.	Ms. Varsha Choudhry	6	7
7.	Ms. Sushma Samarth	2	2

## **20 General Meeting**

During the period under review, the Annual general meeting of the company was held on 29th May 2021. 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 issue of bonus shares in the ratio of 1:1 through the postal ballot dated July 27, 2021

## **22 Board Committees**

To have more focused attention on business and for better governance and accountability, the Board has the following committees as of March 31, 2022:

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

The Board determines the terms of reference of these Committees, and their relevance is reviewed from time to time. The respective Chairman of the Committee convenes meetings of each of these Committees. 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 the 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, and 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 of March 31, 2022, 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

**Note:** *The Audit Committee was reconstituted on April 26th, 2021.*

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 significantly 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 the report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in Regulation 32(7).

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board of Directors conforms with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and Section 178 of the Companies Act, 2013. The composition of the Nomination and Remuneration Committee as of March 31, 2022, is as follows:

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

**Note:** The Nomination and Remuneration Committee was reconstituted with effect from November 15, 2021, wherein on account of the resignation of Mr. Arpit Goyal, Ms. Sushma Samarth is appointed as Chairperson of the committee.

The committee was further reconstituted with effect from May 31, 2022. The current composition of the Nomination and Remuneration Committee as of the date of this report is as follows:

S. N.	Name of Director	Designation	Nature of Directorship
1.	Mr. Vineet Krishna	Chairman	Non-Executive Independent Director
2.	Ms. Varsha Choudhry	Member	Non-Executive Independent Director
3.	Mr. Varun Sharma	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 the Stakeholders' Relationship Committee as of March 31, 2022, is as follows:

S. N.	Name of Director	Designation	Nature of Directorship
1.	Ms. Varsha Choudhry	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 Stakeholder Relationship committee was reconstituted on April 26th, 2021, wherein Mr. Veer Pratap Singh and Mr. Arpit Goyal exited the committee from the position of Chairman and member of the committee, respectively and Ms. Varsha Choudhry and Mr. Varun Sharma appointed as Chairperson and member of the committee respectively.

The committee was further reconstituted with effect from May 15, 2022. The current composition of the Stakeholder Relationship Committee as of the date of this report is as follows:

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

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. We are carrying out other functions 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 Section 135 of the Companies Act, 2013. The composition of the Corporate Social Responsibility Committee as of March 31, 2022, is as follows:

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

The committee was further reconstituted with effect from May 31, 2022. The current composition of the Corporate Social Responsibility Committee as of the date of this report 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

## **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/2021-22.pdf>

## **24 Directors' Responsibility Statement**

Your Company's Directors make the 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, 2022; the applicable accounting standards have been followed along with proper explanation relating to material departures, if any
- ii. 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 to give a true and fair view of the state of affairs of the company as at March 31, 2022, 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
- iv. That the annual financial statements have been prepared on a going concern basis
- v. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively
- vi. That proper systems to ensure compliance with the provisions of all applicable laws 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 the appointment of Statutory Auditors at every AGM is no more required pursuant to the amendment brought by the Companies Amendment Act, 2017.

### ii. Auditors Report

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

### 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 2021-22. Thus, the company has appointed M/s MSV and Associates, Jaipur, as the Secretarial Auditors of the company for the financial year 2021-22. The Report of the Secretarial Audit for FY 2021-22 is attached herewith as **Annexure-B**. There are no qualifications, observations, adverse remarks, 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 Internal Auditors of the Company for Financial Year 2021-22. During the year, the Company continued implementing their suggestions and recommendations to improve the control environment. Their scope of work includes a review of the accuracy and reliability of the Corporation's accounting records and financial reports, a review of operational efficiency, the effectiveness of systems and processes, and an assessment of the internal control strengths and opportunities for cost saving and recommending company for improving cost efficiencies.

## **26 Report on Corporate Governance**

Your company provides utmost importance to best Governance Practices and is designated to act in the best interest of its stakeholders. Better governance practice enables the company to introduce more effective internal controls suitable to the changing nature of business operations, improve performance and also provide an opportunity to increase stakeholders' understanding of the key activities and policies of the organisation.

Your Company has incorporated the appropriate standards for corporate governance. Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, the company is not filing a Corporate Governance Report to the stock exchange quarterly and not providing the Corporate Governance Report as part of this Annual Report.

## **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**

No case was filled during the year under the sexual harassment of women in the workplace (Prevention, Prohibition & Redressal) Act, 2013. Further Company ensured a healthy and safe workplace atmosphere for every female employee and made the necessary policies for staff and a secure environment for women employees

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**

As stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective does not apply to your company being SME listed company as per the exemptions provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **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), colour, 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 employment decisions will be based on merit and business needs only.

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

Being an SME-listed Company, the exemption has been provided to the Company from formulating a Code of Conduct for the Board of Directors and Senior Management Personnel. However, the Board of Directors has developed and adopted the Code of Business Conduct Ethics for Director & Senior Management Executive policy. As an organisation, your Company places great importance on how business is conducted and how each employee performs their 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 issues. 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 does not apply to the company regarding 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, and cloth for eradicating hunger, poverty and malnutrition, contribute to and support financially weak people and provide training to children on a case-to-case basis.

The Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year 2021-22 by 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 **Annexure-I** to this report. The CSR Policy of the company is available at the following link

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

### **35 MD and CFO Certification**

In Regulation 17(8) of the Listing Regulations, the Managing Director and CFO have certified the Company Board of Directors about 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 2021-22 to The National Stock Exchange of India Limited (NSE) have been duly paid.

### **37 Appreciation & Acknowledgement**

The Board wishes to show sincere appreciation to all the Ksolvians and acknowledge gratitude for their efforts in adopting the Company's Vision, Mission and Values. The board immensely thank all the Departments of Central and State Governments, Tax Authorities, Bank of India, Ministry of Corporate Affairs, Securities and Exchange Board of India, The National Stock Exchange of India Limited (NSE) and other governmental bodies and look forward to their continued support in near future. The board also places on record a deep sense of appreciation and cooperation extended by bankers, shareholders, investors and all other stakeholders, other bodies or agencies for their continued and consistent support of the company during the year.

**Place: Noida**  
**Date: August 04, 2022**

**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. A brief outline of the Company's CSR policy, including an overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs

##### **Ksolves CSR Policy is aimed at:**

- A.** To nurture nature and adapt processes to enhance its sustainability.
- B.** To comply with applicable laws and regulations and respect 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 in 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:

##### **Promoting Health Care & Education**

The Company may provide food, and cloth for eradicating hunger, poverty and malnutrition, contribute to and support financially weak people and provide training to children on a case-to-case basis

During the Financial Year 2021-22, the Company has contributed an amount of **Rs. 7,84,546/-** towards various CSR activities/ projects as per the details mentioned below:

CSR Activity/ Project	Amount approved as recommended by CSR Committee	Amount contributed (Rs.)
Food distribution for eradicating hunger and malnutrition through Rakshak for Human Alliance Foundation, New Delhi	2,09,680	2,09,680
Projection Education for enhancing vocation skills among the children and other people through Rakshak for Human Alliance Foundation, New Delhi	2,64,000	2,64,000
Cloth distribution for eradicating Poverty through Rakshak for Human Alliance Foundation, New Delhi	98,800	98,800
Food distribution and Promoting orphans, day care centres and such other facilities for senior citizens and children through Rakshak for Human Alliance Foundation, New Delhi	1,58,616	1,58,616
Other Activity as per Schedule VII	53,450	Nil
Total	7,84,546	7,31,096

If the members wish to inspect the CSR policy, they can either visit the Company website at [www.ksolves.com](http://www.ksolves.com) or the same is also available at the Registered Office of the Company.

## 2. The Composition of the CSR Committee:

As on 31st March 2022, the composition of the CSR Committee is comprised of the following 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	1	1
2.	Mr. Varun Sharma	Member	1	1
3.	Ms. Varsha Choudhry	Member	1	1

### 3. Average net profit of the company for the last three financial years:

The average net profit of the Company for the last three financial years is Rs. 3,92,27,320/-

### 4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above):

Rs. 7,84,546/- being 2% of average net profits of the last three immediately preceding Financial Year(s) as recommended by the CSR Committee be spent on various CSR activities/ projects for the Financial Year 2021-22 as per the CSR Policy of the Company.

### 5. Details of CSR spent during the financial year:

A. Total amount to be spent for the financial year: Rs. 7,31,096/-

B. Amount unspent, if any: 53,450/-

(Kindly refer to the reason for the Unspent amount as mentioned below)

C. How the amount spent during the financial year is detailed below.

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs	Amount outlay (budget) project or programs wise (Rs.)	Amount spent on the projects or programs Sub Heads	Cumulative expenditure up to the reporting period (Rs.)
	-	-	(1) Local Area or other	-	(1) Direct Expenditure on projects or programs	-
	-	-	(2) Specify the State and district where projects or programs was undertaken	-	(2) Overheads:	-
1.	Eradicating hunger and malnutrition project Rakshak for Human Alliance Foundation	Eradicating hunger, poverty & malnutrition, promoting preventive health care & sanitation & making available safe drinking water - Schedule VII (i)	Sahibabad and Delhi	2,09,680	Direct Expenditure	2,09,680

2.	Facilitating education Rakshak for Human Alliance Foundation	Promoting education, including special education & employment enhancing vocation skills especially among children, women, elderly & the differently abled & livelihood enhancement projects: Schedule VII (ii)	Sahibabad and Delhi	2,64,000	Direct Expenditure	2,64,000
3.	Cloth distribution to Poor People through Rakshak for Human Alliance Foundation	Eradicating hunger, poverty & malnutrition, promoting preventive health care & sanitation & making available safe drinking water - Schedule VII (i)	Sahibabad and Delhi	98,800	Direct Expenditure	98,800
4.	Promoting orphans, day care centres and such other facilities for senior citizens and children through Rakshak for Human Alliance Foundation, New Delhi	Promoting gender equality, empowering women, setting up homes & hostels for women & orphans; setting up old age homes, day care centres & such other facilities for senior citizens & measures for reducing inequalities faced by socially & economically backward groups -Schedule VII (iii)	Sahibabad and Delhi	1,58,616	Direct Expenditure	1,58,616
5.	Other activity as per Schedule VII through Rakshak for Human Alliance Foundation, New Delhi	NA	Sahibabad and Delhi	53,450	NA	NIL
	Total			7,84,546		7,31,096

**In case the Company has failed to spend the two per cent of the average net profit of the last three Financial Year(s) or any part thereof, the Company shall provide the reasons for the same in its Board report** – Company has not identified the Focus areas of activities that the Company may undertake under the ambit of CSR as listed under Schedule VII of the Companies Act, 2013. Although the Company has already paid the amount of Rs. 53,450/- to Rakshak for Human Alliance Foundation before the end of Financial Year 2022 for spending the said amount on CSR activity as per Schedule VII of the Companies Act, 2013

**In the opinion of the CSR Committee, the implementation and monitoring of CSR Policy comply with the CSR objectives and policy of the Company.**

**For & On behalf of Board of Directors  
Ksolves India Limited**

**Place: Noida**

**Date: August 04, 2022**

**(Deepali Verma)**

**Whole time Director &**

**Chairperson CSR Committee**

**DIN: 05329336**

**(Ratan Kumar Srivastava)**

**Chairman cum**

**Managing Director**

**DIN: 05329338**

## **Annexure-B**

### **Form No. Mr-3 Secretarial Audit Report**

For The Financial Year Ended On 31st March, 2022

**[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 with 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 authorised representatives during the conduct of the secretarial audit, the explanations and clarifications given to us and their 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 2022 ('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 2022 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 Company's 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., except as follows:

- i. The company has issued/allotted 44,46,000 Equity shares of Rs. 10/- each by way of Bonus issue in the proportion of 3:1 to the persons holding Equity Shares as on the record date June 07, 2021.
- ii. The Company has issued/allotted 59,28,000 equity shares of Rs. 10/- each by way of Bonus issue in the proportion of 1:1 to the persons holding Equity Shares as on the record date September 07, 2021.
- iii. Acquisition of shares in Ksolves LLC, USA at price of Rs 7.86 lacs pursuant to the share purchase agreement entered into by the Company

**Place: Jaipur**  
**Date: 28/07/2022**

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: F010663D000698130

**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. The maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that the correct fact was 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, nor the correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws. However, we have relied to a certain extent on the information furnished in such returns.
4. Given the challenges and limitations posed by Covid-19, as well as considering the effectiveness of information technology tools in the audit processes, we have conducted only online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, we have followed the guidance published by the Institute.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, and standards is the responsibility of management. Our examination was limited to the verification of procedures on a test basis.
7. Due to an audit's inherent limitations, 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 by audit practices.
8. The Secretarial Audit report is neither an assurance as to the company's future viability nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Jaipur**  
**Date: 28/07/2022**

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: F010663D000698130

## ▶ 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 2021-22, the ratio of the remuneration of the employees of the Company for the financial year 2021-22 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 2021-22 (in Lacs)	% Increase in Remuneration in the FY 2021-22	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>Umang Soni</b> Chief Financial Officer	8.67	334%	2.8889
7.	<b>Manisha Kide</b> Company Secretary & Compliance Officer	9.75	129%	3.25

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. 3,00,000/-
- iii. In the Financial year, the median remuneration of employees increased by 22.03%

- iv.** There were 356 permanent employees on the rolls of the Company as of March 31, 2022;
- v.** The average percentage increase in the salaries of employees other than the managerial personnel compared to the last financial year is 16.79%. There is an average DECREASE of (47.19) % in the remuneration of Managerial personnel in contrast to the previous 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: August 04, 2022**

**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; of-
- (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. The Committee may recommend increments to the board's existing remuneration/ compensation structure, which should be within the slabs approved by the Shareholders in the case of the Managerial Person. Increments will be effective from the date of reappointment in respect of Managerial Person and 1st April about 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**

2021 has been another challenging year owing to the continuing and pervasive impact of COVID-19, especially with the advent of new variants causing increased fatalities. Supply side constraints disrupted financial markets and businesses. Central banks proposed various measures to ensure credit was available to companies and individuals. Large-scale vaccination drives worldwide, and accommodative policy measures boosted economic recovery. However, many low-income, emerging economies continue to struggle with the uncertainties unleashed by the pandemic. Rising supply chain disruptions, semiconductor shortages and the continued energy crisis have worsened the situation. According to the International Monetary Fund (IMF) outlook, as of January 2022, global growth is predicted to be 4.4% in 2022, down from 5.9% in 2021, and drop to 3.8% in 2023. But the forecast hinges upon improved health conditions induced by aggressive vaccination drives and the availability of advanced and effective therapies. By the second quarter of 2022, the negative impact is expected to lessen, provided there are no fresh outbreaks.

The US economy bounced back on the growth trajectory in the fourth quarter by restocking to meet strong demands from consumers, recording its best performance in nearly four decades. US Commerce Department's GDP increased at a 6.9% annualised rate in the October-December quarter. 2020 saw the US economy contract to 3.4%, the lowest performance in 74 years. Massive fiscal stimulus coupled with meagre interest rates helped the nation post its most robust growth since 1984 in 2021. However, December saw the Omicron variant rise, damaging the growth rate. At its March meeting, the US Federal Reserve announced an increase in its target for the federal funds rate to 0.25%-0.5% and anticipated further ongoing increases, as appropriate. Growth is moderating in the Euro area, but the economy is expected to recover strongly during the year, boosted by ample policy support. Robust domestic demand and improved labour markets are expected to be the primary growth drivers. To mitigate the effects of the ongoing pandemic, some Euro area countries have reintroduced tighter containment measures, delaying recovery, especially in travel, tourism, hospitality and entertainment. In addition, rising energy costs, supply chain bottlenecks and shortages of equipment, materials and labour in some sectors hamper production and slow recovery. The European Central Bank (ECB) has announced it will end net asset purchases under the Pandemic Emergency Purchase Programme by March 2022.

However, the ECB has committed to maintaining its key interest rates at current levels until adequate progress is made toward stabilising inflation at its medium-term target. The ongoing Russia-Ukraine crisis also acts as a headwind for speedy economic recovery. In the UK, a series of issues, including supply chain disruptions, labour shortages, Brexit trade restrictions and panic buying, moderated growth in the second half of 2021. Private consumption, rather than investment, remained a fundamental driver of activity. In the UK, most of the population has already received a booster dose. Still, lower-income households continue to struggle to manage the inflationary pressures as they attempt to re-enter the workforce post furlough.

Manufacturing activity has increased substantially within emerging markets and developing countries (EMDEs). Lockdowns scrambled the supply delivery time for production materials and final goods to other parts of the world. Along with continued supply chain disruptions and tight labour markets, inflation continues to rise in many EMs owing to higher fuel and food prices. There are initial signs of a diverging growth trend between developing and developed economies in the post-pandemic era. According to the IMF, the recent Russia-Ukraine conflict will continue to substantially impact the global economy and financial markets, with significant spillovers to other countries.

Despite the impact of the pandemic, the unprecedented collective policy efforts by governments and central banks, paired with the resilience and innovations of private enterprises, have helped minimise lasting economic and physical damage worldwide. The pandemic has accelerated the pace of digitalisation, with businesses ramping up their technology use and digital presence. This trend will likely continue into the 'next normal' and will aid in chasing newer avenues of growth led by innovation while enhancing efficiency. While the direction of the Russia-Ukraine crisis remains uncertain, its impact on the global economy will remain. In the near term, many governments will need to cushion the blow of higher energy prices, diversify energy sources and increase efficiency wherever possible. Full economic revival seems to be further away. Still, when businesses and governments work in tandem, across borders and disciplines, we will be able to weather this storm and come out stronger and more resilient by the end of it

## India

While forecasting real GDP growth of 9.2% for FY22, the Reserve Bank of India has projected the growth for FY23 at 7.8% in its February 2022 update, expecting some loss of momentum due to adverse global events. As per the National Statistical Office, the country's real GDP expanded by 5.4% on a year-on-year basis in the third quarter of FY22. Record-breaking Kharif crop productions have kept the growth of the farm sector steady, while Industrial and services activity experienced a staggering recovery. The Union Budget 2022-23 aims to bolster a sharp economic recovery from the pandemic lows against a strong capital market. The budget's focus has been on growth revival, and the government has focused on driving capital expenditure and supporting the manufacturing sector. These measures will deliver inclusive growth, job creation and welfare for its citizens while slowly guiding the economy towards modern and renewable energy. India has made rapid strides on the vaccination front, conducting the world's largest vaccination drive, covering its adult population, and extending it to children of 12-18.

As per the government COWIN portal, as of March 31, 2022, India had administered 184+ Crore vaccine doses across ~58,000 sites, including 99+ Crore first doses, 83+ Crore as second shots, and ~2.2 Crore precaution doses. India has also become the first to administer a DNA vaccine through ZyCoV-D, a plasmid DNA vaccine developed by Zydus Cadila. The Indian equity market has been the beneficiary of strong inflows from both institutional and retail markets, led by its continuing efforts at economic reforms to fill the void left by the Chinese enterprises struggling with regulations and debt. Amidst the prospect of global interest rate hikes to tame inflation, the offloading of holdings by Foreign Institutional Investors (FIIs) in India has led to a market correction, albeit propped up a little with support from Domestic Institutional Investors (DIIs). However, a strong balance sheet, optimism about business potential, the Indian Government's PLI schemes, and a strong CAPEX outlook provides the confidence of a resilient economy.

India's broad range of fiscal, monetary and health responses to the crisis supported its recovery, as several economic reforms helped mitigate the long-lasting adverse impact of the problem. The country also appears well-poised for a pick-up in private sector investment, with a solid financial system and a conducive economic budget to support the economic revival.

### **Industry Review**

India is emerging as the hub for digital skills. The IT industry in India is the largest employer within the private sector. The performance of the IT sector was boosted in FY22 by the rapid pace of digitalisation and higher discretionary expenditure by enterprises. India is also a preferred destination for setting up Global Capability Centers (GCCs). According to NASSCOM, the Indian technology industry crossed the USD 200 billion revenue mark, reaching USD 227 Billion in revenue in FY22, with a USD 30 Billion incremental revenue in the year and an overall growth rate of 15.5%. This has been the highest-ever growth since 2011.

NASSCOM expects the industry to achieve an ambitious target of USD 350 Billion by FY26, growing at a rate of 11-14%. Another landmark that the sector achieved was to cross 5 Million in the total direct workforce, the highest-ever net addition of 445,000. The industry's 'people first employee-centric approach saw tech firms quickly adapt to hybrid work models, scale up the industry's digital capacity and enhance its capability-building programs. According to the NASSCOM Enterprise CXO Survey 2022, 60% CXOs indicate a 6% higher tech spend in 2022 over 2021, with focus areas around customer service, supply chain and sales and marketing; 72% of tech CEOs indicate 2022 tech spend to be in line with 2021.

## **02 Summary Of Our Business**

Ksolves India Limited is an ISO-certified software service and product company offering solutions enabling client organisations to develop powerful applications addressing their strategic business needs rapidly. Our applications would allow organisations 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 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 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 a 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 e-commerce stores using requirement appropriate store platforms, providing innovative supply management solutions and modernizing ERP solutions etc. which improve traffic, retain existing customers and grow their businesses to more significant 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 delivering 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 extensive data/ Machine learning, and attrition is controlled by offering suitable salary hikes/ variables for billability and flexible work from home environment.

For delivering the best services, the 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 has set up an additional place of business in Indore, India, with good infrastructure facilities. Now the company has its domestic offices in Noida and Indore. Talent acquisition drive is ongoing for Sales and service deliveries. The company is constantly adopting new technologies and employing senior resources. This set-up has been formed so the customer can directly contact 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 the global delivery model, with a smooth transition into the virtual framework of client management, project development and delivery. The work from anywhere model has led to higher productivity. In the "work from anywhere" model, margin % has gone up as cost levers of extra cyber security and equipment costs are offset by the even higher benefit from lower travel and physical space costs. Ksolves sees a hybrid model of "work from anywhere" and "On-premise working" as an optimal and targeted work model for the next two years and will closely align with Industry direction on this. With the pandemic risk reduction, the company expects an increase in travel costs and facility expenses but will remain well below the pre-COVID level.

Ksolves will focus on strengthening the Indore location to support two location strategies for de-risking operations. It will continue to hire the workforce at the bottom of the pyramid and focus on re-skilling and training exercises to address cost and demand dynamics. The existing strategy of "just in time Lateral hiring" post-project wins will continue. Any short-term gap, especially in niche technologies, will continue to be filled by trusted long-term consultants who work as professional contractors on an hourly billing basis. The year ended successfully for the company adding on to customers, employee headcount, revenue, profit and no. of projects.



## **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 approximately fifteen years and seven years of experience. 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.

## 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**

We aim to build long-term sustainable business relationships with our customers to increase revenues. We plan to continue expanding the scope and range of services our existing customers provide by building 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 more significant portion of our customers' entire product development life cycle by offering targeted services for each software product life cycle phase. We also plan to assist our customers as they deploy their products to end-users through on-site consulting and professional services. In addition, we intend to continue to build relationships with various global companies as business partners, which can provide us with better benefits 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, and maintenance of a culture of innovation and by creating both a challenging and rewarding work environment. Our talent development strategy focuses on engaging, motivating and developing a high-performing workforce. 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, enabling them to deliver their products more efficiently. We have been building products and solutions and providing services to leading companies. We have innovated and customised 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 will enable us to integrate product components and deliver products to our customers efficiently. This helps reduce time to market and the risk of engineering failures.

### **Optimal Utilization of Resources**

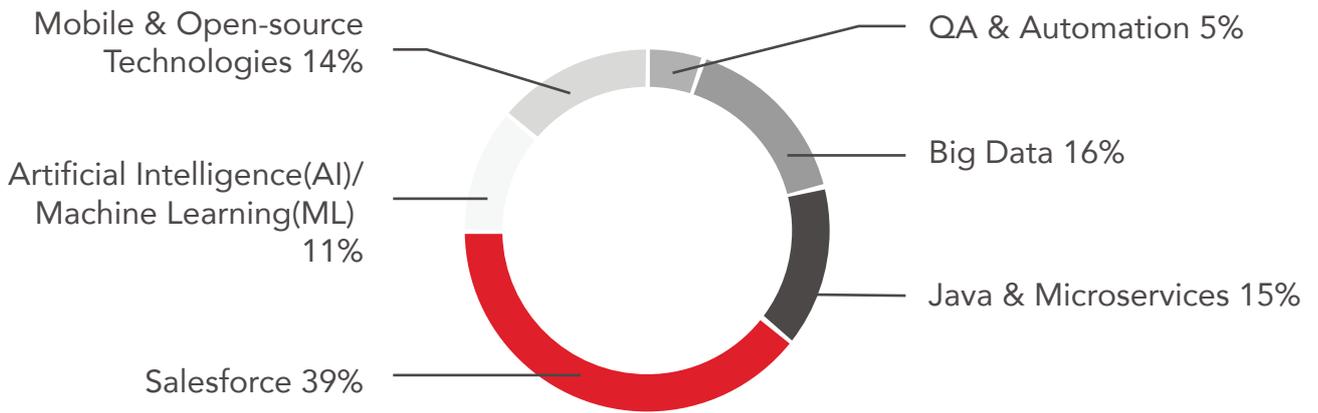
Our Company constantly endeavours to improve our technical process and will increase service activities to optimise the utilisation of resources. We have invested significant resources and intend to further invest in our activities to develop customised systems and processes to ensure effective management control. We regularly analyse 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**

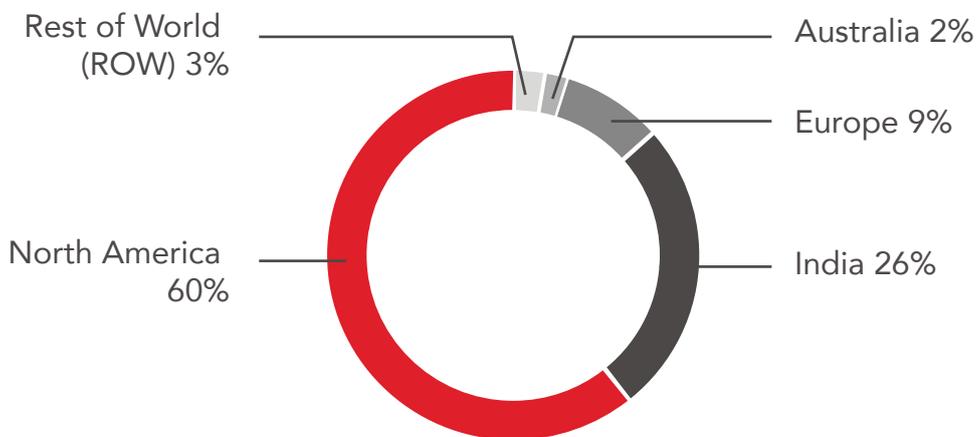
Our Company believes in making investments for continuously achieving higher levels of excellence in its products & services and implementing dynamic and diverse specifications of our customers. We have invested significantly in equipping our technical team with the latest, specialised infrastructure and modern technology. We want to continue working towards upgrading and modernising our infrastructure and technology.

## 05 Segment-wise Or Product-wise Performance

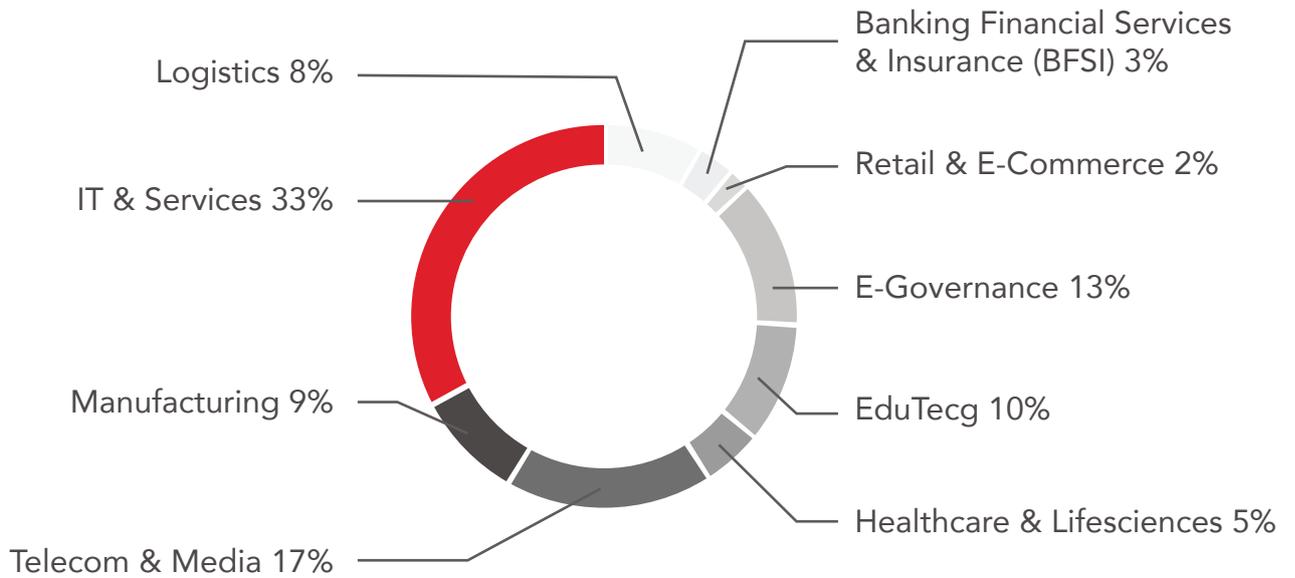
### REVENUE BY TECHNOLOGY



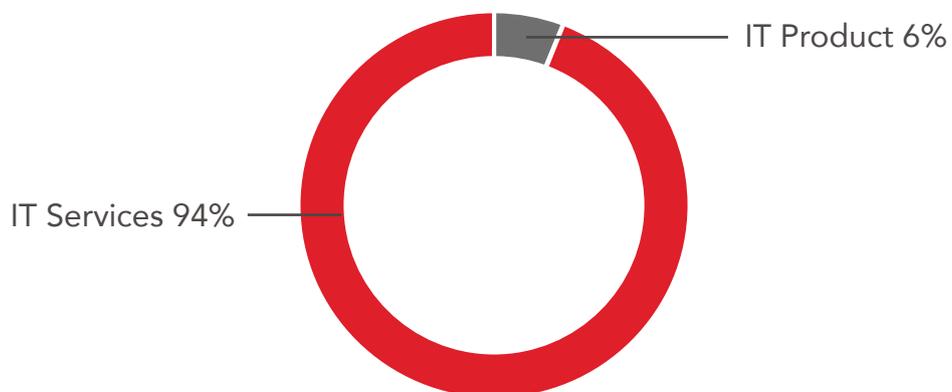
### REVENUE BY GEOGRAPHY



**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:** During the year under review, your company reported a good rise in revenue from operations of Rs. 4534.58 Lacs compared to the Previous Year of Rs. 2389.36 Lacs, a growth of 89.78% due to planned and executed operations of expanding the business. For the year ended March 31, 2022, Profit before tax stood at Rs. 2006.84 Lacs as against a Profit before tax of Rs. 1065.40 Lacs during the year ended March 31, 2021. The total net profit is Rs. 1527.35 Lacs compared to the previous year's Net Profit of Rs. 796.82 Lacs.

**Consolidated Performance:** The Company has shown a proven record of consistency and growth by its efficient performance in terms of net profit during the year 2021-22, income from sales has grown to Rs. 4706.86 lacs from Rs. 2821.54 Lacs, thereby growth of 66.81%.

**Dividend:** During the year, the company had paid a final dividend of Rs. 30 per equity share, involving a cash outflow of Rs. 4,44,60,000.00/-, followed by the 1st interim dividend of Rs. 2.5 per share involved an outflow of Rs.2,96,40,000/- and the 2nd interim dividend of Rs. 3.25 per share involved an outflow of Rs. 3,85,32,000/-.

In line with past practices, the company expects the distribution of dividends even in the near future.

The deal funnel continues to remain strong, and many recent projects will likely see revenue ramp up in Q2 FY 2022-23, supporting growth momentum. The company is aspiring to deliver industry-leading annual revenue growth and PAT %.

## **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 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

## **12 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, 2022.

**S/d-**  
**Mr. Ratan Kumar Srivastava**  
**Chairman & Managing Director**

**Date: August 04, 2022**  
**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 2022, 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 2022 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: May 15, 2022  
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, 2022, 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: July 28, 2022**

**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: F010663D000698108**

## ▶ Annexure-I

### 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)	FY 2021-22	FY 2021-22
3	Reporting currency and Exchange Rate as on the last date of relevant Financial Year in case of foreign subsidiaries.	INR	INR
4	Share Capital	1,00,000	38,310
5	Reserves and Surplus	55,08,010	38,10,372
6	Total Assets	62,59,767 (Both current and non-current Assets)	52,81,003 (Both current and non current Assets)
7	Total Liabilities	6,51,757 (Without Share Capital)	52,42,693
8	Investments	0	0
9	Turnover	1,13,95,715 (Revenue from operations) 55,866 (Other Income)	1,68,12,538
10	Profit before Taxation	19,80,845	19,38,657
11	Provision for Taxation	6,15,192 (excluding Deferred Tax of Rs. 1,16,356)	11,96,479
12	Profit after Taxation	14,82,009	7,42,178
13	Proposed Dividend	0	0
14	% of shareholding	99.99%	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations. Nil
- Names of subsidiaries which have been liquidated or sold during the year. Nil

## ▶ Annexure-J

### 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

## 2. Details of material contracts or arrangements or transactions at arm's length basis

S. No.	Particulars	Details	Details
a)	Name(s) of the related party and nature of Relationship	Ksolves LLC	Kartik Solutions Private Limited
b)	Nature of Relationship	Sister concern (100% Subsidiary)	Sister concern (100% Subsidiary)
c)	Nature of contracts/ arrangements/transactions	Sale of Services and Amount of debtors of Ksolves received in Ksolves LLC	Purchase of Services
d)	Duration of the contracts/ arrangements/transactions	FY 2021-22	FY 2021-22
e)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Sale of services in the ordinary course of business	Purchase of services in the in ordinary course of business
f)	Date(s) of approval by the Board, if any:	26th April, 2021	26th April, 2021
g)	Amount incurred during the year:	Rs. 2,403,000/- (Sale of Services) and Rs. 2,561,000/- ( Amount of debtors of Ksolves received in Ksolves LLC)	Rs. 29, 75, 000/-

## ▶ **FINANCIALS & AUDITOR'S REPORT**

- **01 Standalone Financial Statements**
- **02 Consolidated Financial Statements**

## ► 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 comprises the Standalone Balance Sheet as of March 31, 2022, the Standalone Statement of Profit and Loss for the year ended on March 31, 2022, the Statement Cash flow statement for the year 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 Standalone Financial Statements provide the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act & other accounting principles generally accepted in India, of the state of affairs of the Company as of March 31, 2022, its Profit/(loss) 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.

<b>S.No.</b>	<b>Key Audit Matter</b>
1.	<p><b>Assessment of Trade Receivables:</b>            The company has trade receivables amounting to Rs. 893.59 Lacs (i.e. 38.49% of total assets) at the Balance Sheet Date March 31, 2022.</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, 2022.</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>
<p><b>Auditor Response to key Audit Matter:</b></p>	
<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 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 standards & 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 to ensure 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 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 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.

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) Based on the written representations received from the directors as of March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, 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 of March 31, 2022, as required under the applicable law or accounting standards, for foreseeable material 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, 2022.

- (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 a 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;
- (v)** The dividend declared and paid during the year by the Company complies with Section 123 of the Act.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government, in 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: 22420219AJASYU2498**  
**Place: Delhi**  
**Date: 15.05.2022**

## ▶ 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, 2022, 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 : 22420219AJASYU2498**  
**Place : Delhi**  
**Date : 15.05.2022**

## ► 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 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 to cover all the assets once every three years, which, in our opinion, is reasonable regarding the Company's size and the nature of its assets. Pursuant to the program, certain Properties, 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 during such verification.
  - (c) The title deeds of immovable properties are held in the name of the Company.
  - (d) The Company has not revalued its Property, Plant & Equipment (including Right of use assets) or intangible assets during the year
  - (e) No proceedings have been initiated or are pending against the Company as of March 31, 2022 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 Rs. 5 crores, in aggregate, at any point 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 the register maintained under section 189 of the companies act 2013. Hence the question of reporting such loans is 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 sections 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 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 Company's business activities. Hence, reporting under clause (vi) of the Order does not apply 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 of 31st March 2022 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 & customs duty outstanding on 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 a 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 money by way of an 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 up to the date of this report.
- c)** We have taken into consideration the whistle-blower complaints received by the Company during the year (and up to the date of this report) while determining the nature, timing and the extent of our audit procedures.
- 12)** The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order do not apply to the Company.
- 13)** In our opinion, the Company complies with Sections 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 The Company during the year and to date, in determining the nature, timing and extent of our audit procedures.
- 15)** In our opinion, during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. And hence provisions of section 192 of the Companies Act, 2013 do not apply 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 clauses 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 the immediately preceding financial year.
- 18)** During the year under review, there has been no resignation of statutory auditors during the year.
- 19)** Based on the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, and 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 the Company is not capable of meeting its liabilities existing at the date of the 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 does not apply to the 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: 22420219AJASYU2498**  
**Place: Delhi**  
**Date: 15.05.2022**

**Ksolves India Limited**  
 (CIN-L72900DL2014PLC269020)  
 Standalone Balance Sheet as at 31st March, 2022

(Amount in Lakhs)

Particulars	Refer Note No.	As on 31st March 2022	As on 31st March, 2021
1	2	3	4
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	1,185.60	148.20
(b) Reserves and surplus	4	453.92	1,090.30
<b>2 Non-current liabilities</b>			
(a) Long Term Borrowings		0.00	0.00
(b) Deferred Tax Liabilities (Net)	5	0.00	0.00
(c) Other Long Term Liabilities		0.00	0.00
(d) Long Term Provision	6	67.07	28.19
<b>3 Current liabilities</b>			
(a) Short Term Borrowings		0.00	0.00
(b) Trade Payables	7		
(i) Total outstanding dues of micro enterprises and small enterprises		4.32	0.00
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	7	49.88	1.27
(c) Other Current Liabilities	8	63.94	21.58
(d) Short Term Provisions	9	496.82	281.46
<b>TOTAL</b>		<b>2,321.55</b>	<b>1,571.00</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>Property Plant &amp; Equipments</b>			
<b>1 (a) Fixed assets</b>			
(i) Tangible Assets	10	60.01	39.87
(ii) Intangible Assets		0.00	0.00
(b) Non Current Investments	11	63.31	55.33
(c) Long Term Loans & Advances	12	20.63	33.52
(d) Deferred Tax Assets	5	19.48	8.38
(e) Other Non Current Assets	13	16.16	21.55
<b>3 Current assets</b>			
(a) Current Investments		0.00	0.00
(b) Trade Receivables	14	893.59	350.12
(c) Cash and cash equivalents	15	670.20	737.86
(d) Short Term Loans & Advances		0.00	0.00
(e) Other Current Assets	16	578.16	324.37
<b>TOTAL</b>		<b>2,321.55</b>	<b>1,571.00</b>

Notes forming part of the Accounts 3 to 21

Standard Accounting Policies 1

Additional Notes forming part of accounts 2

As per our report of even date attached.

**For A Y & COMPANY**  
**Chartered Accountants**

FRN 020829C

**Yashika Gianchandani**  
**Partner**

M.No.: 420219

UDIN: 22420219AJASYU2498

Place: Delhi

Date: 15.05.2022

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

**Deepali Verma**  
**Director**  
 DIN - 05329336

**Ratan Kumar Srivastava**  
**Managing Director**  
 DIN - 05329338

**Umang Soni**  
**CFO**

**Manisha Kide**  
**Company Secretary**

**Ksolves India Limited**

(CIN-L72900DL2014PLC269020)

Standalone Statement of Profit and loss for the Year Ended on 31st March 2022

(Amount in Lakhs)

Particulars	Refer Note No.	As on 31st March	
		2022	2021
1	2	3	4
I. Revenue from operations	17	4534.58	2389.36
II Other Income	18	125.97	18.71
<b>III. Total Revenue (I + II)</b>		<b>4660.56</b>	<b>2408.07</b>
<b>IV. Expenses:</b>			
Cost of Material Consumed		0.00	0.00
Employee benefits expense	19	2059.56	1055.15
Finance costs		0.00	0.00
Depreciation and amortization expense	20	35.48	28.99
Other expenses	21	558.68	258.53
<b>Total expenses</b>		<b>2653.72</b>	<b>1342.68</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		2006.84	1065.40
VI. Exceptional items			
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		2006.84	1065.40
VIII. Extraordinary Items/Prior Period items		0.00	0.00
<b>IX. Profit before tax (VII- VIII)</b>		2006.84	1065.40
X Tax expense:			
(1) Current tax		490.59	277.80
(2) Deferred tax		(11.10)	(9.23)
<b>XI Profit (Loss) for the period from continuing operations (IX-X)</b>		1527.35	796.82
XII Profit/(loss) from discontinuing operations		0.00	0.00
XIII Tax expense of discontinuing operations		0.00	0.00
<b>XV Profit (Loss) for the period (XI + XIV)</b>		<b>1527.35</b>	<b>796.82</b>
XVI Earnings per equity share:			
(1) Basic		12.88	6.72
(2) Diluted		12.88	6.72

Notes forming part of the Accounts 3 to 21  
 Standard Accounting Policies 1  
 Additional Notes forming part of accounts 2

As per our report of even date attached.

**For A Y & COMPANY**  
**Chartered Accountants**  
 FRN 020829C

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

**Yashika Gianchandani**  
**Partner**  
 M.No.: 420219  
 UDIN: 22420219AJASYU2498  
 Place: Delhi  
 Date: 15.05.2022

**Deepali Verma**  
**Director**  
 DIN - 05329336

**Ratan Kumar Srivastava**  
**Managing Director**  
 DIN - 05329338

**Umang Soni**  
 CFO

**Manisha Kide**  
 Company Secretary

## Ksolves India Limited

(CIN-L72900DL2014PLC269020)

Standalone Statement of Cash Flow for the period from 01.04.2021 to 31.03.2022

(Amount in Lakhs)

Particulars	2021-22	2020-21
<b>Cash flows from operating activities</b>		
Profit before taxation	2,006.84	1,065.40
<b>Adjustments for:</b>		
Depreciation	30.09	23.62
Provision for Gratuity	41.46	31.85
Investment Income	(122.01)	(17.70)
<b>Working capital changes:</b>		
(Increase) / Decrease in Trade Receivables	(543.47)	(350.12)
(Increase) / Decrease in Other Current Assets	(253.79)	(286.00)
Increase / (Decrease) in Trade Payables	52.93	(18.86)
Increase / (Decrease) in Other Current Liabilities	42.36	(14.58)
Cash generated from operations	1,254.40	433.60
Payment/Adjustmen on Account of Tax Expenses	277.80	22.17
<b>Net cash from operating activities</b>	<b>976.59</b>	<b>411.43</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(50.23)	(12.37)
Increase in Loans & Advances	12.89	(15.47)
Decrease in Other Non Current Assets	5.39	(21.55)
Investment income	122.01	17.70
Increase in Non Current Investments	(7.99)	(1.83)
<b>Net cash used in investing activities</b>	<b>82.07</b>	<b>(33.52)</b>
<b>Cash flows from financing activities</b>		
Proceeds from Issue of Share Capital	-	50.20
Proceeds from Security Premium	-	452.80
Payment of Interim Dividend	(1,126.32)	(148.20)
<b>Net cash used in financing activities</b>	<b>(1,126.32)</b>	<b>354.80</b>
<b>Net increase in cash and cash equivalents</b>	<b>(67.66)</b>	<b>732.71</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>737.86</b>	<b>5.15</b>
<b>Cash and cash equivalents at end of period</b>	<b>670.20</b>	<b>737.86</b>
Notes forming part of the Accounts	3 to 21	
Standard Accounting Policies	1	
Additional Notes forming part of accounts	2	

As per our report of even date attached.

**For AY & COMPANY**  
**Chartered Accountants**  
 FRN 020829C

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

**Yashika Gianchandani**  
**Partner**  
 M.No. 420219  
 UDIN: 22420219AJASYU2498  
 Place: Delhi  
 Date: 15.05.2022

**Deepali Verma**  
**Director**  
 DIN - 05329336

**Ratan Kumar Srivastava**  
**Managing Director**  
 DIN - 05329338

**Umang Soni**  
 CFO

**Manisha Kide**  
 Company Secretary

## ▶ Additional Notes On Accounts

Accounting Policies and Notes forming part of accounts for the year ended March 31, 2022

### **01 Significant Accounting Policies:**

#### **Basis of Accounting:**

These financial statements have been prepared under historical cost convention from books of accounts maintained on an accrual basis (unless otherwise stated hereinafter) in conformity with accounting principles generally accepted in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and referred to Sec 129 & 133 of the Companies Act, 2013, of India. The accounting policies applied by the company are consistent with those used in previous year.

#### **Fixed Assets:**

Fixed Assets are stated at their original cost, which includes expenditure incurred in the acquisition of Assets/construction of Assets, Pre-operative expenses till the commencements of operation and Interest up to the date of commencement of commercial production.

#### **Depreciation:**

Depreciation has been provided based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013 uses the Straight Line Method.

#### **Investments:**

Long-term Investments are stated at acquisition cost, and provision is made for diminution, other than temporary, in value of the investments. Current investments are valued at a lower cost or market/net asset value.

#### **Inventories:**

Since the company is in the business of providing services so that there are no inventories.

#### **Revenue recognition:**

##### ***Revenue from rendering of services***

Revenue from professional services consists primarily of services performed on a "time and material" basis. The related revenue is recognized as and when services are performed.

The amount received or billed in advance of services performed is recorded as unearned revenue. Unbilled revenue, including in debtors, represents amounts recognized based on services performed in advance of billing in accordance with contract terms.

**Employee Benefits:****(a) Post-employment benefits:****(i) Defined Contribution plan**

The company's contribution plan to defined contribution plan paid/payable for the year is charged to the Statement of Profit and loss.

**(iii) Defined Benefit plan**

The Liabilities towards defined benefit schemes are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognized immediately to the extent of benefits are already vested and otherwise it is amortized on straight-line basis over the remaining average period until the benefits become vested. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as reduced by the plan assets.

**(b) Short-term employee benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered as a liability. These benefits include salary, wages, bonus, performance incentives etc.

**(c) Long Term Employee Benefits:**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized on the basis of unutilised leave balances at the end of the year.

**Taxation:**

Provision is made for income tax liability estimated to arise on the results for the year at the current rate of Tax in accordance with Income Tax Act, 1961.

In accordance with the Accounting standard 22, Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India, deferred Tax resulting from timing differences between book profit and Tax profit is accounted for, at the current rate of Tax, to the extent the timing differences are expected to crystallize.

During the FY 2021-22 company has earned profit of Rs. 2006.84 Lacs before tax and the company have charged deferred tax Assets of Rs. (11.10) to Profit & Loss A/c as per notes no. vii calculated.

**Provisions:**

A provision is recognised when an enterprise has a present obligation as a result of a past event, and an outflow of resources will probably be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions other than employee benefits are not discounted to their present value and are determined based on the management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

**Expenditure:**

Expenses are net of taxes recoverable, where applicable.

**Impairment of Assets:**

Impairment losses, if any, are recognised in accordance with the accounting standard 28 issued in this regard by The Institute of Chartered Accountants of India.

## 02 Notes on Accounts forming part of accounts

**i. Remuneration to Directors**

(Amount in Lacs)

Particulars	2021-22	2020-21
Remuneration to Directors	NIL	55.70

- ii. In the opinion of the Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated if realized in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

**iii. Related Party Disclosures**
**(a) List of Related Parties**
**Director/Key Managerial Personnel**

Name	Relationship
Ratan Kumar Srivastava	Chairman Cum Director
Deepali Verma	Whole Time Director
Umang Soni	Chief Financial Officer
Manisha Kide	Company Secretary & Compliance Officer

**Subsidiary/Sister Concern**

Name	Relationship
Kartik Solutions Private Limited	Subsidiary Company
Ksolves LLC	Subsidiary Entity incorporated in USA

**(b) Transactions with Related Parties**

Name	Nature of Transactions	Amount (in lacs)
Ksolves LLC	Sale of Services	24.03
Ksolves LLC	Amount of debtors of Ksolves received in Ksolves LLC	25.61
Umang Soni	Salary	8.03
Umang Soni	Reimbursements of Expenses	0.40
Manisha Kide	Salary	9.02
Manisha Kide	Reimbursements of Expenses	0.40
Kartik Solutions Private Limited	Purchase of Services	29.75
Kartik Solutions Private Limited	Reimbursements of Expenses	11.53

**iv. Earnings per share**

Particulars	2021-22	2020-21
Net profit after tax before adjustment of Income Taxes of earlier year Particulars	1527.35	796.83
Weighted Average Number of Equity Shares (No's)	118.56	118.56
Earnings Per Share before adjustment of Income Tax of earlier years (Rs.)	12.88	6.72

#### v. Segment Reporting

The Company at present is engaged in the business of software development services, which constitutes a single business segment. In view of above, primary and secondary reporting disclosures for business/geographical segment as envisaged in AS –17 are not applicable to the Company.

#### vi. Auditors Remuneration

Sr. No.	Particulars	Current Year	Previous Year
1.	Audit Fee	6,00,000.00	4,50,000.00
	Total	6,00,000.00	4,50,000.00

#### vii. Deferred Tax Calculation

WDV as per IT	60.01
WDV as per Co Act	64.09
Provision for Gratuity	73.30
Net Timing Difference	77.38
Deferred Tax Assets on above as on 31.03.2022	19.48
Deferred Tax Assets as on 31.03.2021	8.37
Deferred Tax Assets charged to P&L a/c	11.10

**viii. Earnings and Expenditure in foreign currency**

Foreign Exchange Earning: Export of service:

S.No.	Currency	Amount in Foreign Currency (In lacs)	Amount in Indian Currency (In lacs)
1	CAD	0	0
2	EURO	2.03	174.92
3	USD	40.79	3034.99
<b>Total:</b>			3209.91

Foreign Exchange outgo:

S.No.	Currency	Amount in Foreign Currency	Amount INR ( in Lacs)
1	EURO	4054.08	3.70
2	GBP	45.57	0.09
3	MZN	54943.2	0.68
4	USD	26272.57	20.83

**ix. Defined Benefit Plans:**
**(i) Gratuity:**

The company has obtained report from the actuarial valuer for provision of employee benefits as required to be obtained as referred in AS-15.

Amounts recognized in the Financial Statements in respect of defined benefit plan are as follows:

<b>I. Assumptions</b>	<b>For the Year Ended on March 31, 2022</b>
Discount Rate	6.25 % per annum
Expected Rate of Salary Increase	10.00 % per annum
Withdrawal Rate	20.00% p.a.
Mortality Rate	IALM 2012-14
Retirement	58 Years
<b>II. Change In The Present Value Of Defined Benefit Obligations</b>	<b>For the Year Ended on March 31, 2022</b>
Defined Benefit Obligation at beginning of the year	31.85
Current Service Cost	24.11
Interest cost	1.99
Benefits Paid	(1.44)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	16.79
Defined Benefit Obligation as at end of the year	73.30
<b>III. Amount recognized in the balance sheet:</b>	<b>For the Year Ended on March 31, 2022</b>
Net liability as at beginning of the year	31.85
Net expense recognized in the Statement of Profit and Loss	42.89
Benefits Paid	(1.44)
Net liability as at end of the year	73.30

IV. Balance Sheet Reconciliation:	For the Period Ended on March 31, 2022
Opening net liability	31.85
Expense as above	42.89
Benefits Paid	(1.44)
Net liability/(asset) recognized in the balance sheet	73.30

**x. Interim Dividend**

Company has paid an interim dividend of Rs. 5.75 per share during the current year.

**xi.** The company has compiled the above accounts based on the revised/modified schedule III applicable for the accounting period 2021-22. The disclosure requirements are made in the notes to accounts or by way of additional statements. The other disclosures as required by the Companies Act are made in the notes to accounts.

**xii. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 :**

Disclosure under Micro, Small and Medium Enterprises Act, 2006 are provided as under for the year 2021-22, to the extent the company has received intimation from the 'Suppliers' regarding their status under the Act:

S.No.	Particulars	March 31, 2022	March 31, 2021
a)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)	4.32	--
b)	Principal amount due to micro and small enterprise	--	--
c)	Interest due on above	--	--
d)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	--	--

e)	Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	--	--
f)	The amount of interest accrued and remaining unpaid at the end of each accounting year	--	--
g)	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 enterprises	--	--

### xiii. Contingent Liabilities:

The company doesn't have any contingent liabilities as of March 31, 2022.

### xiv. 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. CSR activities include eradicating hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. The company has formed a CSR committee as per the Act. The funds were primarily utilized throughout the year on these activities, which are specified in Schedule VII of the Companies Act, 2013:

Particulars	(Amount in Lacs)	
	As at March 31, 2022	As at March 31, 2021
i) Amount required to be spent by the company during the year	5.87	Not applicable
ii) Amount of expenditure incurred	7.85	Not applicable
iii) Shortfall at the end of the year	NIL	Not applicable

**xv. Statement of Various Accounting Ratios**

S. No.	Particular	Numerator	Denominator	Ratio		Movement in %	Reason for Movements (if movement is more than 25%)
				31.03.2022	31.03.2021		
a)	Current Ratio	Current Assets	Current Liabilities	3.48	4.64	-24.95	Reason is not required
(b)	Debt-Equity Ratio	Total Debt	Shareholders' Equity	-	-	-	
(c)	Debt Service Coverage Ratio	Net Operating Income	Total Debt Service	-	-	-	
(d)	Return on Equity Ratio	Profit After Tax	Average Shareholders' Equity	1.06	1.20	-11.73	Reason is not required
(e)	Trade Receivables turnover ratio (in times)	Revenue	Average Trade Receivable	7.29	13.65	-46.57	Total receivable turnover ratio decreased as Ksolves on-boarded few large clients which have much longer payment cycle as standard agreement for all its IT partners. These being multi billion market cap firms, credit risk is negligent.
(f)	Trade payables turnover ratio (in times)	Purchase of Services & other Expenses	Average Trade Payables	20.15	24.16	-16.63	Reason is not required

(g)	Net capital turnover ratio (in times)	Revenue	Net Working Capital	2.97	2.16	37.71	Ksolves being an IT services continues to grow on asset light business model. Expansion of business is capital intensive hence improvement observed in this ratio.
(h)	Net profit ratio	Profit After Tax	Revenue	33.68	33.35	1.00	Reason is not required
(i)	Return on Capital employed	Operating Profit	Total Capital Employed	1.22	0.86	42.29	Ksolves being an IT services continues to grow on asset light business model. Revenue and Profit growth realized without similar need of capital employed
(j)	Return on investment	Profit After Tax	Initial Value of Investments	123.32	917.26	-86.56	Ksolves being an IT services continues to grow on asset light business model. Revenue and Profit growth realized without similar need of capital employed

As per our report of even date attached

**For AY & COMPANY**  
 Chartered Accountants  
 FRN. 020829C

**Deepali Verma**  
 Director  
 DIN- 05329336

**Ratan Kumar Srivastava**  
 Managing Director  
 DIN-05329338

**Yashika Gianchandani**  
 Partner  
 M.No.: 420219  
 Date: 15.05.2022  
 UDIN: 22420219AJASYU2498  
 Place: New Delhi

**Umang Soni**  
 CFO

**Manisha Kide**  
 Company Secretary

**Ksolves India Limited**

Notes to Financial Statement for the year ended 31st March 2022

**Note 3: Share Capital**

(Amount in Lakhs)

Share Capital	As at 31 March 2022		As at 31 March 2021	
	Number of Shares	Amount	Number of Shares	Amount
<b>Nominal / Authorized / Registered</b>				
Equity Shares of Rs 10 each	120.00	1,200.00	16.00	160.00
<b>Issued, Subscribed &amp; Paid up</b>				
Equity Shares of Rs. 10 each	118.56	1,185.60	14.82	148.20
<b>Total</b>	<b>118.56</b>	<b>1,185.60</b>	<b>14.82</b>	<b>148.20</b>

**Disclosure as per the requirement of Companies Act, 2013**

Particulars	Equity Shares		Equity Shares	
	Number of Shares	Rs	Number of Shares	Rs
Shares outstanding at the beginning of the year (A series)	14.82	148.20	0.20	2.00
Shares Issued during the year by way of Right Issue	-	-	1.00	10.00
Shares Issued during the year by way of Bonus Issue	103.74	1,037.40	9.60	96.00
Shares Issued during the year by way of IPO	-	-	4.02	40.20
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>118.56</b>	<b>1,185.60</b>	<b>14.82</b>	<b>148.20</b>

**Disclosure as per requirement of Companies Act. 2013  
(if holding more than 5% at any point of time during the year)**

SR NO	Name of Shareholder	As at 31 March 2022		As at 31 March 2021	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Deepali Verma	35,55,200	29.99%	5,04,000	34.01%
2	Ratan Kumar Srivastava	38,42,400	32.41%	5,03,800	33.99%
3	Sachin Balkrishna Ramdasi	6,23,200	5.26%	1,31,800	8.89%
		<b>80,20,800</b>	<b>67.65%</b>	<b>11,39,600</b>	<b>76.90%</b>

**Shareholding of Promoters**

SR NO	Name of Shareholder	As at 31		% Change in Shareholding	As at 31		% Change in Shareholding
		No. of Shares held	% of Holding		No. of Shares held	% of Holding	
1	Deepali Verma	35,55,200	29.99%	605.40%	5,04,000	34.01%	6200.00%
2	Ratan Kumar Srivastava	38,42,400	32.41%	662.68%	5,03,800	33.99%	6197.50%
		<b>73,97,600</b>	<b>62.40%</b>		<b>10,07,800</b>	<b>68.00%</b>	

**Ksolves India Limited**

Notes to Financial Statement for the year ended 31st March 2022

**NOTE 4 : Reserves & Surplus**

Particulars	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
<b>Security Premium</b>		
Opening balance	361.80	-
Security Premium Received during the Period	-	452.80
Utilization for Issue of Bonus shares	361.80	91.00
Closing balance	-	<b>361.80</b>
<b>Reserves &amp; Surplus</b>		
Opening balance	728.50	84.87
Utilization for Issue of Bonus shares	-675.60	-5.00
Net Profit/(Net Loss) For the current Period	1,527.35	796.82
Interim Dividend Paid	-1,126.32	-148.20
Closing Balance	453.92	728.50
<b>Total</b>	<b>453.92</b>	<b>1,090.30</b>

**Note 5 : Deferred Tax Liabilities/(Assets)**

Particulars	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
<b>Deferred Tax liability due to Timing Difference</b>		
Opening Balance	-8.38	0.85
Addition during the year	-11.10	-9.23
Closing Balance	-19.48	-8.38
<b>Deferred Tax Liability/(Assets) at the end of the year</b>	<b>-19.48</b>	<b>-8.38</b>

**Note 6 : Long Term Provisions**

Particulars	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Provision for Gratuity	67.07	28.19
<b>Total</b>	<b>67.07</b>	<b>28.19</b>

**Note 7 : Trade Payables**

Particulars	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
<b>Trade Payable Due to</b>		
- Micro and Small Enterprises	4.32	-
- Others	49.88	1.27
<b>Total</b>	<b>54.20</b>	<b>1.27</b>

**Note 7.1 Ageing Analysis of Trade Payables:  
As on 31.03.2022**

Particulars	Outstanding for following periods from due date of payment/Invoice Date				
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
- MSME	4.32	-	-	-	4.32
- Others	49.88	-	-	-	49.88
- Disputed dues - MSME	-	-	-	-	-
- Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>54.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54.20</b>

**As on 31.03.2021**

Particulars	Outstanding for following periods from due date of payment/Invoice Date				
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
- MSME	-	-	-	-	-
- Others	1.27	-	-	-	1.27
- Disputed dues - MSME	-	-	-	-	-
- Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>1.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.27</b>

<b>Note 8 : Other Current Liabilities</b>		
	<b>(Amount in Lakhs)</b>	
<b>Particulars</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
Auditor Remuneration Payable		
Statutory Auditors	1.50	1.50
Internal Auditors	4.00	2.00
PF & ESIC Contribution Payable	19.30	9.22
TDS Payable	17.61	5.11
IGST Payable	12.24	0.30
Equalization Levy Payable	0.06	0.02
Unclaimed Dividend Payable	1.95	-
Salary Payable	2.89	0.83
Credit Card Payable	-	2.20
Provision for Warranty	0.48	-
Expenses Payable	3.90	0.40
<b>Total</b>	<b>63.94</b>	<b>21.58</b>

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Note 10: Property, Plant & Equipments										
S.NO	Particulars	Gross Block			Accumulated Depreciation (Depreciation on SLM Rates)			Net Block		
		Gross Block As On 01-Apr-21	Additions during the year	Deductions during the year	Total As On 31-Mar-22	Depreciation up to 01-Apr-21 (Amount in Lakhs)	Depreciation For the Period	Total Dep As on 31-Mar-22	W.D.V As On 31-Mar-22	W.D.V As On 31-Mar-21
<b>A</b>	<b>Tangible Assets</b>									
1	Furniture & Fixtures	13.35	3.68	-	17.02	6.03	1.36	7.39	9.63	7.32
2	Laptop	74.53	45.00	-	119.53	46.36	26.90	73.25	46.28	28.18
3	CCTV	1.30	-	-	1.30	0.44	0.16	0.60	0.70	0.86
4	Mobile	5.12	1.56	-	6.68	2.59	1.48	4.07	2.60	2.53
5	Office Appliance	1.21	-	-	1.21	0.43	0.15	0.58	0.63	0.78
6	Office Equipment	0.25	-	-	0.25	0.06	0.03	0.09	0.17	0.20
	<b>Total</b>	<b>95.77</b>	<b>50.23</b>	<b>-</b>	<b>146.00</b>	<b>55.90</b>	<b>30.09</b>	<b>85.99</b>	<b>60.01</b>	<b>39.87</b>

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**Note 9 : Short Term Provisions**

Particulars	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Provision for Income Tax	490.59	277.80
Provision for Gratuity	6.23	3.65
<b>Total</b>	<b>496.82</b>	<b>281.46</b>

**Note 11 : Non Current Investments**

Particulars	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Fixed Deposits with Banks	2.95	2.83
<b>Investment in Whole Owned Subsidiaries ( Carried at Cost)</b>		
Investment in Ksolves LLC	7.86	-
Investment in Shares of kartik Solutions Pvt. Ltd.	52.50	52.50
<b>Total</b>	<b>63.31</b>	<b>55.33</b>

**Note 12 : Long Term Loans & Advances**

Particulars	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Security Deposit for Rent	3.61	18.00
NDSL Security Deposit	0.10	0.10
Security Deposit ( Installation )	0.05	0.05
Security Deposit Law Services	1.50	-
Security Deposit NSE	4.27	4.27
Security Deposit with CDSL	0.10	0.10
Security Deposit with Shreni Share	11.00	11.00
<b>Total</b>	<b>20.63</b>	<b>33.52</b>

**12.1 Loans & Advances granted to Promoter, Director, KMP & Related Parties**

Type of Borrower	Amount of Loan	Percentage of Total Loan & Advances in the nature of loan
Directors	-	-
KMPS	-	-
Related Parties	-	-

**Note 13 : Other Non Current Assets**

Particulars	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
Deferred IPO Expenditure	16.16	21.55
<b>Total</b>	<b>16.16</b>	<b>21.55</b>

**Note 14 : Trade Receivable**

Particulars	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
<b>Unsecured, Considerd Good</b>		
Outstanding for More Than Six Months	-	-
Outstanding for Less Than Six Months	875.63	350.12
Unbilled Accounts Receivable	17.96	-
<b>Total</b>	<b>893.59</b>	<b>350.12</b>

**Note 14.1 Ageing Analysis of Trade Receivables**

As on 31.03.2022

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 Years	
- Undisputed Trade Receivable - Considered Good	893.59	-	-	-	-	893.59
- Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-
- Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
- Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>893.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>893.59</b>

As on 31.03.2021

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 Years	
- Undisputed Trade Receivable - Considered Good	350.12	-	-	-	-	350.12
- Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-
- Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
- Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>350.12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>350.12</b>

**Note 15 : Cash & Cash Equivalents**

Particulars	(Amount in Lakhs)	
	As at 31 March 2022	As at 31 March 2021
<b>a. Balances with banks</b>		
In Current Accounts	15.17	16.65
In Deposits Accounts	642.88	720.50
Cash on hand (as certified by the management)	-	0.45
Credit Card	11.65	-
Balance with Imprest	0.51	0.26
<b>Total</b>	<b>670.20</b>	<b>737.86</b>

<b>Note 16 : Other Current Assets</b>		
<b>(Amount in Lakhs)</b>		
<b>Particulars</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
Advance Tax	381.00	268.00
Accrued Interest on FD	1.39	10.45
Income Tax Refundable	0.01	0.01
TDS Recoverable	117.67	1.97
Prepaid Expense	43.51	13.24
Advance to Employee/Advance Salary	21.11	7.05
Unclaimed Dividend Account	1.95	-
Other Advances	-	0.43
GST Input/Refundable	10.59	22.94
Other Receivables	0.94	0.30
<b>Total</b>	<b>578.16</b>	<b>324.37</b>

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## Ksolves India Limited

### Notes to Financial Statement for the year ended 31st March 2022

#### Note 17 : Revenue from Operations

Particulars	(Amount in Lakhs)	
	For the year ended on 31 March 2022	For the year ended on 31 March 2021
Revenue from Operation	4,534.58	2,396.21
Less : Discount Allowed	-	6.85
<b>Total</b>	<b>4,534.58</b>	<b>2,389.36</b>

#### Note 18 : Other Incomes

Particulars	(Amount in Lakhs)	
	For the year ended on 31 March 2022	For the year ended on 31 March 2021
Interest on FDR	19.01	17.70
Dividend Income	103.00	-
Other Misc. Income	3.96	1.02
<b>Total</b>	<b>125.97</b>	<b>18.71</b>

#### Note 19 : Employee Benefit Expenses

Particulars	(Amount in Lakhs)	
	For the year ended on 31 March 2022	For the year ended on 31 March 2021
	Rs	Rs
Salary Expenses	1,822.69	849.49
Director's Remuneration	-	55.70
Admin Charges(PF)	5.94	3.00
Leave Encashment Expenses	4.98	-
Employer PF Contribution	90.03	44.34
Bonus to Employees	76.70	65.19
ESIC Expense	1.97	3.01
Staff Welfare Exp	14.36	0.31
Gratuity Expenses	42.89	34.11
<b>Total</b>	<b>2,059.56</b>	<b>1,055.15</b>

#### Note 20 : Depreciation & Amortization

Particulars	(Amount in Lakhs)	
	For the year ended on 31 March 2022	For the year ended on 31 March 2021
Depreciation on Fixed Assets	30.09	23.62
IPO Expenses Written Off	5.39	5.37
<b>Total</b>	<b>35.48</b>	<b>28.99</b>

**Note 21 : Other Expenses**

Particulars	(Amount in Lakhs)	
	For the year ended on 31 March 2022	For the year ended on 31 March 2021
Advertisement Expense	33.08	6.63
Auditor's Remuneration	6.00	4.50
Secreterial Audit Fees	0.50	-
Bank Charges	1.98	0.30
Business Development Expenses	2.88	2.45
Computer Accessories & Maintenance Expense	7.93	2.18
Conveyance Expense	0.52	1.27
Certification Charges	15.96	-
Director Sitting Fees	3.00	1.50
Donation	1.00	0.54
Electricity Expense	0.39	-
Meals & Entertainment Expense	6.49	4.44
Exchange Fluctuation & conversion charges	15.84	22.01
Event Expense	-	0.20
Equivalization Levy	0.37	0.36
Insurance Expenses	13.59	5.81
Interest & Fine	1.33	1.72
Internet Expense	13.99	4.53
Miscellaneous Expense	4.18	1.11
Office Expense	0.27	2.42
Postage & Courier Expenses	4.60	1.31
Printing & Stationery Expenses	3.69	1.34
Legal & Professional Expense	0.76	0.22
Professional & Consultancy Fees	252.23	87.25
Online Access Subscription Expenses	12.81	10.09
Operational Loss	2.10	-
Office Rent Expense	62.98	52.39
Repair & Maintenance	3.35	3.11
Server & Website Expense	40.66	33.58
Stock Exchange Fees	7.31	0.27
ROC Fee & Registration Fee	9.41	1.15
Telephone Expense	1.58	1.49
Testing Expenses	-	1.17
Bad Debts	13.62	-
Expenses incurred towards Corporate Social Responsibility	7.85	-
Warranty Charges	0.48	-
Travelling Expenses	5.97	3.21
<b>Total</b>	<b>558.68</b>	<b>258.53</b>

## 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 the USA) (the Company and its subsidiaries together referred to as "the Group" ) which comprise the Consolidated Balance Sheet as of March 31, 2022, the Consolidated Statement of Profit and Loss for the period ended on March 31, 2022, 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 Consolidated above Financial Statements provide the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act & other accounting principles generally accepted in India, of the state of affairs of the Company as of March 31, 2022, its Profit/(loss) and its cash flows for the year ended on that date.

### **Basis For Opinion**

We conducted our audit of the Consolidated 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 auditing 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 relevant to our audit of the financial statements under the provision of the Act and the Rules made thereunder. 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 Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements 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 discussed in our report.

<b>S.No.</b>	<b>Key Audit Matter</b>
1.	<p><b>Assessment of Trade Receivables:</b>            The company has trade receivables amounting to Rs. 925.69 Lacs (i.e., 38.89% of total assets) on the Balance Sheet Date of March 31, 2022.</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 the 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, 2022.</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>
<p><b>Auditor Response to key Audit Matter:</b></p>	
<p><b>Principal Audit Procedures:</b></p> <p>We have performed the following procedures concerning 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 Consolidated Financial Statements and Auditor's Report Thereon**

The company's board is responsible for the preparation of the other information. The additional information includes Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Business Responsibility Report. Still, it does not include the Consolidated Financial Statements, Consolidated Financial Statements and our Auditor's report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the additional information is materially inconsistent with the Consolidated 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 say in this regard.

## **Management's Responsibility For The Consolidated 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") concerning the preparation & presentation of these consolidated financial statements to provide a true and fair view of the financial position, financial performance, & cash flows of the group by accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for the 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, implement and maintain adequate internal financial controls that were operating effectively to ensure 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 has been used for the 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 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 Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements are free from material misstatement 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 users based on these Consolidated 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 Consolidated Financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 the 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 and its subsidiary companies have adequate internal financial controls system 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 significantly doubt the company's ability to continue as a going concern. Suppose we conclude that a material uncertainty exists. In that case, we must draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or modify our opinion if such disclosures are inadequate. 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 Consolidated Financial Statements, including the disclosures and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities 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 are included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and evaluating the results of our work; and (ii) evaluating the effect of any identified misstatements in the Consolidated 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 deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are, therefore, critical 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 & its subsidiaries 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, those above Consolidated 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) Based on the written representations received from the directors as of March 31, 2022, taken on record by the Board of Directors and the report of the statutory auditor of the the subsidiary company incorporated in India, none of the directors is disqualified as of March 31, 2022, from being appointed as a director in terms of Section 164 (2) of the Act
- f) Concerning 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 operational effectiveness of the company's internal financial controls over financial reporting.
- g) Concerning 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) Concerning 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 Consolidated financial statements
- (ii) The Company has made provision, as of March 31, 2022, as required under the applicable law or accounting standards for foreseeable material 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, 2022
- (iv) a) The respective management of the companies & their subsidiaries incorporated in India, whose financial statements are audited under the Act, has 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 entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company 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 & their 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)** The dividend declared and paid during the year by the Company or its subsidiary complies with Section 123 of the Act
- (vi)** 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: 22420219AJATEH4250**  
**Place: Delhi**  
**Date: 15.05.2022**

## ► 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') & its subsidiaries as of 31st March 2022 in conjunction with our audit of the Consolidated financial statement of the company for the year ended on that date.

#### **Management Responsibility for Internal Financial Controls**

The respective Board of Directors of the company and its subsidiary company, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 to ensure the orderly and efficient conduct of its business, including adherence to the 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 were established and maintained and if such controls operated effectively.

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 assessing 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 the degree of compliance with the policies or procedures deteriorate.

## **Opinion**

In our opinion, the Company and its subsidiary company, which is a company incorporated in India 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, 2022, based on the internal control over financial reporting criteria established by the respective companies 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: 22420219AJATEH4250**  
**Place: Delhi**  
**Date: 15.05.2022**

**Ksolves India Limited**  
(CIN-L72900DL2014PLC269020)  
Consolidated Balance Sheet as at 31st March 2022

(Amount in Lakhs)

Particulars	Refer Note No.	As on 31st March, 2022	As on 31st March, 2021
1	2	3	4
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	1,185.60	148.20
(b) Reserves and surplus	4	494.12	1,188.05
<b>2 Minority Interest</b>			
<b>3 Non-current liabilities</b>			
(a) Long Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provision	6	67.07	28.19
<b>4 Current liabilities</b>			
(a) Short Term Borrowings		-	-
(b) Trade Payables	7		
(i) Total outstanding dues of micro enterprises and small enterprises		4.32	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		52.49	10.43
(c) Other Current Liabilities	8	64.30	32.34
(d) Short Term Provisions	9	512.65	314.15
<b>TOTAL</b>		<b>2,380.56</b>	<b>1,721.36</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>Property Plant &amp; Equipments</b>			
<b>1 (a) Fixed assets</b>			
(i) Tangible Assets	10	100.80	95.68
(ii) Intangible Assets	10	5.99	5.99
(b) Non Current Investments	11	2.95	2.83
(c) Deferred Tax Assets	5	21.81	9.55
(d) Long Term Loans & Advances	12	20.63	39.52
(e) Other Non Current Assets	13	16.16	21.55
<b>2 Current assets</b>			
(a) Current Investments		-	-
(b) Trade Receivables	14	925.69	364.26
(c) Cash and cash equivalents	15	689.50	808.92
(d) Short Term Loans & Advances		-	-
(e) Other Current Assets	16	597.03	373.07
<b>TOTAL</b>		<b>2,380.56</b>	<b>1,721.36</b>

Notes forming part of the Accounts 3 to 23

Standard Accounting Policies 1

Additional Notes forming part of accounts 2

As per our report of even date attached.

**For A Y & COMPANY**  
Chartered Accountants

FRN 020829C

**Yashika Gianchandani**  
Partner

M.No. 420219

UDIN: 22420219AJATEH4250

Place: New Delhi

Date : 15.05.2022

**For and on behalf of Board of Directors**
**Deepali Verma**  
Director  
DIN - 05329336

**Ratan Kumar Srivastava**  
Managing Director  
DIN - 05329338

**Umang Soni**  
CFO

**Manisha Kide**  
Company Secretary

**Ksolves India Limited**  
(CIN-L72900DL2014PLC269020)  
**Consolidated Statement of Profit and loss for the Year Ended on 31st March 2022**

(Amount in Lakhs)

Particulars	Refer Note No.	As on 31st March, 2022	As on 31st March, 2021
1	2	3	4
I. Revenue from operations	18	4,706.86	2,821.54
II Other Income	19	126.53	20.91
<b>III. Total Revenue (I + II)</b>		<b>4,833.39</b>	<b>2,842.45</b>
<b>IV. Expenses:</b>			
Cost of Material Consumed		-	-
Employee benefits expense	20	2,067.34	1,155.51
Finance costs	21	0.32	1.11
Depreciation and amortization expense	22	54.46	43.49
Other expenses	23	642.02	446.53
<b>Total expenses</b>		<b>2,764.15</b>	<b>1,646.64</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		2,069.24	1,195.82
VI. Exceptional items			
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		2,069.24	1,195.82
VIII. Extraordinary Items/Prior Period items		-	-
<b>IX. Profit before tax (VII- VIII)</b>		2,069.24	1,195.82
X Tax expense:			
(1) Current tax		508.70	310.50
(2) Deferred tax		-12.26	-9.10
(3) Previous Tax		-	0.62
<b>XI Profit (Loss) for the period from continuing operations (IX-X)</b>		1,572.79	893.80
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
<b>XV Profit (Loss) for the period (XI + XIV)</b>		<b>1,572.79</b>	<b>893.80</b>
<b>Allocated to Non Controlling Interest - (Transferred to Minority Interest)</b>		-	-
<b>Allocated to Owner of Parents (Transferred to Reserve &amp; Surplus)</b>		<b>1,572.79</b>	<b>893.80</b>
XVI Earnings per equity share:			
(1) Basic		13.27	7.54
(2) Diluted		13.27	7.54
Notes forming part of the Accounts	3 to 23		
Standard Accounting Policies	1		
Additional Notes forming part of accounts	2		

As per our report of even date attached.

**For A Y & COMPANY**  
**Chartered Accountants**  
FRN 020829C

**Yashika Gianchandani**  
**Partner**  
**M.No. 420219**  
UDIN: 22420219AJATEH4250  
Place: New Delhi  
Date : 15.05.2022

**Deepali Verma**  
**Director**  
DIN - 05329336

**Umang Soni**  
CFO

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

**Ratan Kumar Srivastava**  
**Managing Director**  
DIN - 05329338

**Manisha Kide**  
Company Secretary

**Ksolves India Limited**

(CIN-L72900DL2014PLC269020)

Consolidated Statement of Cash Flow for the period from 01.04.2020 to 31.03.2022

(Amount in Lakhs)

Particulars	2021-22	2020-21
<b>Cash flows from operating activities</b>		
Profit before taxation	2,069.24	1,195.82
Prior Period Items		
<b>Adjustments for:</b>		
Depreciation	49.07	38.12
Provision for Gratuity	41.46	31.85
Investment Income	(122.57)	(19.90)
Finance Cost	0.32	1.11
<b>Working capital changes:</b>		
(Increase) / Decrease in Trade Receivables	(561.44)	(364.26)
(Increase) / Decrease in Other Current Assets	(223.96)	(312.58)
Increase / (Decrease) in Trade Payables	46.38	(15.86)
Increase / (Decrease) in Other Current Liabilities	31.96	(18.20)
Cash generated from operations	1,330.47	536.10
Payment/Adjustment on Account of Tax Expenses	312.78	34.57
<b>Net cash from operating activities</b>	<b>1,017.69</b>	<b>501.52</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(54.19)	(22.12)
Increase in Loans & Advances	18.89	(15.47)
Increase in Other Non Current Assets	5.39	(21.55)
Investment income	122.57	19.90
Increase in Non Current Investments	(0.13)	(1.83)
<b>Net cash used in investing activities</b>	<b>92.52</b>	<b>(41.07)</b>
<b>Cash flows from financing activities</b>		
Payment of Finance Cost	(0.32)	(1.11)
Repayment of Borrowings	-	(10.75)
Payment of Dividend	(1,229.32)	(148.20)
Proceeds from Issue of Share Capital	-	50.20
Proceeds from Security Premium	-	452.80
<b>Net cash used in financing activities</b>	<b>(1,229.64)</b>	<b>342.94</b>
<b>Net increase in cash and cash equivalents</b>	<b>(119.43)</b>	<b>803.40</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>808.92</b>	<b>5.54</b>
<b>Cash and cash equivalents at end of period</b>	<b>689.5</b>	<b>808.92</b>
Notes forming part of the Accounts	3 to 23	
Standard Accounting Policies	1	
Additional Notes forming part of accounts	2	

As per our report of even date attached.

**For A Y & COMPANY**  
**Chartered Accountants**  
 FRN 020829C

**Yashika Gianchandani**  
**Partner**  
 M.No. 420219  
 UDIN: 22420219AJATEH4250  
 Place: New Delhi  
 Date : 15.05.2022

**For and on behalf of Board of Directors**
**Deepali Verma**  
**Director**  
 DIN - 05329336

**Umang Soni**  
 CFO

**Ratan Kumar Srivastava**  
**Managing Director**  
 DIN - 05329338

**Manisha Kide**  
 Company Secretary

## ▶ Additional Notes On Accounts

Accounting Policies and Notes forming part of consolidated financials for the year ended March 31, 2022

### **01 Significant Accounting Policies:**

#### **General Information:**

The Company is primarily engaged in Information and Information Enabled Services. Our Company, with its wholly owned subsidiary Kartik Solutions Private Limited & Ksolves LLC, will be referred to as "Group". We have subscribed to 10000 equity shares of Kartik Solutions Private Limited, and we were allotted 10000 equity shares on October 01, 2019, resulting in the acquisition of 99.99% of the total equity share capital of Kartik Solutions Private Limited. Further, we have subscribed 100% stake in Ksolves LLC, incorporated in the United States of America, on June 10, 2021.

#### **Basis of Accounting:**

These financial statements have been prepared under historical cost convention from books of accounts maintained on an accrual basis (unless otherwise stated hereinafter) in conformity with accounting principles generally accepted in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and referred to Sec 129 & 133 of the Companies Act, 2013, of India. The accounting policies applied by the Company are consistent with those used in the previous year.

Since the Financial Statements of Ksolves LLC has been prepared based on US GAAP, the Management has made the necessary adjustment to convert them to comply with Indian GAAP for Consolidation requirements.

#### **Principals of Consolidation:**

- The Holding Company's financial statements and its subsidiaries are combined on a line-by-line basis by adding items of assets, liabilities, equities, incomes and cash flows after eliminating intragroup balances and intragroup transactions
- Profits & losses resulting from intra-group transactions recognized in assets, such as inventory and property, plant and equipment, are eliminated in full
- The consolidated financial statements have been prepared using uniform accounting policies for transactions and other events in similar circumstances
- The carrying amount of the parent's investments in the subsidiary is offset against the parent's portion of the equity in the subsidiary.
- Since both are wholly owned subsidiaries, there are minorities or non-controlling interests.

#### **Fixed Assets:**

Fixed Assets are stated at their original cost, which includes expenditure incurred in the acquisition of Assets/construction of Assets, Pre-operative expenses till the commencement of operation and interest up to the date of commencement of commercial production.

**Depreciation:**

Depreciation has been provided based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013, using the Straight Line Method.

**Investments:**

Long-term Investments are stated at acquisition cost, and provision is made for diminution, other than temporary, in value of the investments. Current investments are valued at lower cost or market value/net asset value.

**Inventories:**

Since the Company is in the business of providing services, there are no inventories.

**Revenue recognition:***Revenue from rendering of services*

Revenue from professional services consists primarily of services performed on a "time and material" basis. The related revenue is recognized as and when services are performed. The amount received or billed in advance of services performed is recorded as unearned revenue. Unbilled revenue, including in debtors, represents amounts recognized based on services performed in advance of billing in accordance with contract terms.

**Employee Benefits:****(a) Post-employment benefits****(i) Defined Contribution Plan**

The Company's contribution plan to the defined contribution plan paid/payable for the year is charged to the Statement of Profit and loss.

**(ii) Defined Benefit plan:**

The Liabilities towards defined benefit schemes are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period of occurrence of such gains and losses. Past service cost is recognised immediately to the extent that benefits are already vested; otherwise, it is amortised on a straight-line basis over the remaining average period until the benefits become vested. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the plan assets.

**(b) Short-term employee benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognized in the period in which the employee renders the related service. The Company acknowledges the undiscounted short-term employee benefits expected to be paid for services rendered as a liability. These benefits include salary, wages, bonuses, and performance incentives.

**(c) Long-Term Employee Benefits:**

Compensated absences not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on unutilised leave balances at the end of the year.

Provision is made for income tax liability estimated to arise on the results for the year at the current rate of Taxing in accordance with the Income Tax Act, 1961.

In accordance with the Accounting standard 22, Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India, deferred tax resulting from timing differences between book profit and Tax profit is accounted for, at the current rate of tax, to the extent the timing differences are expected to crystallise.

During the FY2021-22 Company earned a profit of Rs. 2069.24 Lacs before tax, and the Company have charged deferred tax Assets of Rs. (12.26) to Profit & Loss A/c.

**Provisions:**

A provision is recognised when an enterprise has a present obligation due to a past event. And an outflow of resources will probably be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions other than employee benefits are not discounted to their present value and are determined based on the management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

**Expenditure:**

Expenses are net of taxes recoverable, where applicable.

**Impairment of Assets:**

Impairment losses, if any, are recognized in accordance with the accounting standard 28 issued in this regard by The Institute of Chartered Accountants of India.

## **02** Notes on Accounts forming part of accounts

**i. Remuneration to Directors**

(Amount in Lacs)

Particulars	2021-22	2020-21
Remuneration to Directors	NIL	55.70

- ii. In the opinion of the Board of Directors, the Current Assets, Loans and Advances are approximately the value stated if realized in the ordinary course of business. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

### iii. Related Party Disclosures

#### (a) List of Related Parties

##### • Director/Key Managerial Personnel

Name	Relationship
Mr. Ratan Kumar Srivastava	Chairman Cum Director
Ms. Deepali Verma	Whole Time Director
Mr. Umang Soni	Chief Financial Officer
Ms. Manisha Kide	Company Secretary & Compliance Officer

#### (b) Transactions with Related Parties

Name	Nature of Transactions	Amount (in lacs)
Mr. Umang Soni	Salary	8.03
Mr. Umang Soni	Reimbursements of Expenses	0.40
Ms. Manisha Kide	Salary	9.02
Ms. Manisha Kide	Reimbursements of Expenses	0.40

#### iv. Earnings per share

(Amount in Lacs)

Particulars	2021-22	2020-21
Net profit after tax before adjustment of Income Taxes of earlier year Particulars	1572.79	893.80
Weighted Average Number of Equity Shares (No's)	118.56	118.56
Earnings Per Share before adjustment of Income Tax of earlier years (Rs.)	13.27	7.54

### v. Segment Reporting

The Company at present is engaged in the business of software development services, which constitutes a single business segment. In view of the above, primary and secondary reporting disclosures for business/ geographical segment as envisaged in AS –17 do not apply to the Company.

### vi. Auditors Remuneration

(Amount in Lacs)

Sr. No.	Particulars	Current Year	Previous Year
1.	Audit Fee	6.00	4.50
	<b>Total</b>	6.00	4.50

### viii. Earnings and Expenditure in foreign currency

Foreign Exchange Earning: Export of service:

S.No.	Currency	Amount in Foreign Currency (In lacs)	Amount in Indian Currency (In lacs)
1	CAD	0	0
2	EURO	2.03	174.92
3	USD	41.02	3052.56
	<b>Total:</b>		3227.48

Foreign Exchange outgo:

S.No.	Currency	Amount in Foreign Currency	Amount INR ( in lacs)
1	EURO	4054.08	3.70
2	GBP	45.57	0.09
3	MZN	54943.2	0.68
4	USD	26272.57	20.83

**(ix) Defined Benefit Plans:**

**(i) Gratuity:**

The company has obtained report from the actuarial valuer for provision of employee benefits as required to be obtained as referred in AS-15.

Amounts recognized in the Financial Statements in respect of defined benefit plan are as follows:

I. Assumptions	For the Year Ended on March 31, 2022
Discount Rate	6.25 % per annum
Expected Rate of Salary Increase	10.00 % per annum
Withdrawal Rate	20.00% p.a.
Mortality Rate	IALM 2012-14
Retirement	58 Years

<b>II. Change In The Present Value Of Defined Benefit Obligations</b>		<b>For the Year Ended on March 31, 2022</b>
Defined Benefit Obligation at beginning of the year		31.85
Current Service Cost		24.11
Interest cost		1.99
Benefits Paid		(1.44)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions		16.79
Defined Benefit Obligation as at end of the year		73.30
<b>III. Amount recognised in the balance sheet:</b>		<b>For the Year Ended on March 31, 2022</b>
Net liability as at beginning of the year		31.85
Net expense recognised in the Statement of Profit and Loss		42.89
Benefits Paid		(1.44)
Net liability as at end of the year		73.30
<b>IV. Balance Sheet Reconciliation:</b>		<b>For the Period Ended on March 31, 2022</b>
Opening net liability		31.85
Expense as above		42.89
Benefits Paid		(1.44)
Net liability/(asset) recognized in the balance sheet		73.30

#### **x. Interim Dividend**

Company has paid Interim Dividend of Rs. 5.75 per share during the current year.

**xi.** The company has compiled the above accounts based on the revised/modified schedule III applicable for the accounting period 2021-22. The disclosure requirements are made in the notes to accounts or by way of additional statements. The other disclosures as required by the Companies Act are made in the notes to accounts.

**xii. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:**

Disclosure under Micro, Small and Medium Enterprises Act, 2006 are provided as under for the year 2021-22, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act:

S.No.	Particulars	March 31, 2022	March 31, 2021
a)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)	4.32 --	--
b)	Principal amount due to micro and small enterprise	--	--
c)	Interest due on above	--	--
d)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the period		--
e)	Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	--	--
f)	The amount of interest accrued and remaining unpaid at the end of each accounting year	--	--
g)	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 enterprises	--	--

**xiii. Additional information pursuant to para 2 of general instructions for preparing Consolidated Financial Statements.**

Name of the entity	Net Assets, i.e., total Assets minus total liabilities		Share in Profit & Loss	
	As % of Consolidated Net Assets	Amount (in Lacs)	As % of Consolidated profit & loss	Amount (in Lacs)
1	2	3	4	5
Parent				
Ksolves India Limited	94.37	1585.15	97.13	1527.64
Subsidiaries				
Indian				
Kartik Solutions Private Limited	3.34	56.08	0.94	14.82
Foreign				
Ksolves LLC	2.29	38.49	1.93	30.33
Minority Interest in All Subsidiary				
		NIL		

**xiv. Contingent Liabilities:**

The company doesn't have any contingent liabilities as of March 31, 2022.

**xv. 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. CSR activities include 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. The Company has formed a CSR committee as per the Act. The funds were primarily utilized throughout the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	(Amount in Lacs)	
	As of March 31, 2022	As of March 31, 2021
i) Amount required to be spent by the company during the year	5.87	Not applicable
ii) Amount of expenditure incurred	7.85	Not applicable
iii) Shortfall at the end of the year	NIL	Not applicable

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**xvi. Statement of Various Accounting Ratios**

S. No.	Particular	Numerator	Denominator	Ratio		Movement in %	Reason for Movements (if movement is more than 25%)
				31.03.2022	31.03.2021		
a)	Current Ratio	Current Assets	Current Liabilities	3.49	4.33	-19.43	Reason is not required
(b)	Debt-Equity Ratio	Total Debt	Shareholders' Equity	-	-	-	Reason is not required
(c)	Debt Service Coverage Ratio	Net Operating Income	Total Debt Service	-	-	-	Reason is not required
(d)	Return on Equity Ratio	Profit After Tax	Average Shareholders' Equity	1.04	1.26	-16.92	Reason is not required
(e)	Trade Receivables Turnover Ratio (in times)	Revenue	Average Trade Receivable	7.30	15.49	-52.89	Total receivable turnover ratio decreased as Ksolves on boarded a few large clients which have much longer payment cycle than the standard agreement for all its IT partners.  These being multi billion market cap firms, credit risk is negligent.
(f)	Trade payables turnover ratio (in times)	Purchase of Services & other Expenses	Average Trade Payables	19.10	24.32	-21.48	Reason is not required

(g)	Net capital turnover ratio (in times)	Revenue	Net Working Capital	2.98	2.37	25.69	<p>Ksolves being in IT services, continues to grow on asset light business model.</p> <p>Expansion of business is capital intensive hence improvement observed in this ratio.</p>
(h)	Net profit ratio	Net Profit	Revenue	33.41	31.68	5.48	Reason is not required
(i)	Return on Capital employed	Operating Profit	Total Capital Employed	1.23	0.90	37.55	<p>Ksolves being in IT services continues to grow on asset light business model.</p> <p>Revenue and Profit growth realized without similar need of capital employed.</p>
(j)	Return on investment	Profit After Tax	Initial Value of Investments	1.18	10.20	-88.46	<p>Ksolves being in IT services continues to grow on asset light business model.</p> <p>Revenue and Profit growth realized without similar need of capital employed.</p>

As per our report of even date attached

**For AY & COMPANY**  
 Chartered Accountants  
 FRN. 020829C

**Deepali Verma**  
 Director  
 DIN: 05329336

**Ratan Kumar Srivastava**  
 Managing Director  
 DIN: 05329338

**Yashika Gianchandani**  
 Partner  
 M.No.: 420219  
 Date: 15.05.2022  
 UDIN: 22420219AJASYU2498  
 Place: New Delhi

**Umang Soni**  
 CFO

**Manisha Kide**  
 Company Secretary

**Ksolves India Limited**

Notes to Consolidated Financial Statement for the year ended 31st March, 2022

**Note 3: Share Capital**

<u>Share Capital</u>	(Amount in Lakhs)			
	As at 31 March 2022		As at 31 March 2021	
	Number of Shares	Rs	Number of Shares	Rs
<b>Nominal / Authorized / Registered</b>				
Equity Shares of Rs. 10 each	120.00	1,200.00	16.00	160.00
<b>Issued, Subscribed &amp; Paid up</b>				
Equity Shares of Rs. 10 each A Series	118.56	1,185.60	14.82	148.20
<b>Total</b>	<b>118.56</b>	<b>1,185.60</b>	<b>14.82</b>	<b>148.20</b>

**Disclosure as per the requirement of Companies Act, 2013**

<u>Particulars</u>	Equity Shares		Equity Shares	
	Number of Shares	Rs	Number of Shares	Rs
Shares outstanding at the beginning of the year (A series)	14.82	148.20	0.20	2.00
Shares Converted from B series to A series	-	-	-	-
Shares Issued during the year by way of Right Issue	-	-	1.00	10.00
Shares Issued during the year by way of Bonus Issue	103.74	1,037.40	9.60	96.00
Shares Issued during the year by way of IPO	-	-	4.02	40.20
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>118.56</b>	<b>1,185.60</b>	<b>14.82</b>	<b>148.20</b>

**Disclosure as per requirement of Companies Act. 2013  
(if holding more than 5% at any point of time during the year)**

SR NO	Name of Shareholder	As at 31 March 2022		As at 31 March 2021	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Deepali Verma	35,55,200	29.99%	5,04,000	34.01%
2	Ratan Kumar Srivastava	38,42,400	32.41%	5,03,800	33.99%
3	Sachin Balkrishna Ramdasi	6,23,200	5.26%	1,31,800	8.89%
		<b>80,20,800</b>	<b>67.66%</b>	<b>11,39,600</b>	<b>76.90%</b>

**Shareholding of Promoters**

Name of Shareholder	As at 31 March 2022		% Changes in Shareholding	As at 31 March		% Changes in Shareholding
	No. of Shares held	% of Holding		No. of Shares held	% of Holding	
Deepali Verma	35,55,200	29.99%	605.40	5,04,000	34.01%	6,200.00
Ratan Kumar Srivastava	38,42,400	32.41%	662.68	5,03,800	33.99%	6,197.50
	<b>73,97,600</b>	<b>62.40%</b>	<b>1,268.08</b>	<b>10,07,800</b>	<b>68.00%</b>	<b>12,397.50</b>

**Ksolves India Limited**

Notes to Consolidated Financial Statement for the year ended 31st March, 2022

**NOTE 4 : Reserves & Surplus**

Particulars	As at 31 March	As at 31 March
	2022	2021
	(Amount in Lakhs)	
<b>Security Premium</b>		
Opening balance	361.80	-
Security Premium Received during the Period		452.80
Utilization for Issue of Bonus shares	361.80	91.00
Closing balance	-	<b>361.80</b>
<b>Reserves &amp; Surplus</b>		
Opening balance	826.25	85.65
Utilization for Issue of Bonus shares	-675.60	-5.00
Net Profit/(Net Loss) For the current Period	1,572.79	893.80
Interim Dividend Paid	-1,229.32	-148.20
Closing Balance	494.12	826.25
<b>Total</b>	<b>494.12</b>	<b>1,188.05</b>

**Note 5 : Deferred Tax Liabilities/(Assets)**

Particulars	As at 31 March	As at 31 March
	2022	2021
	(Amount in Lakhs)	
<b>Deferred Tax liability due to Timing Difference</b>		
Opening Balance	-9.55	-0.45
Addition during the year	-12.26	-9.10
Closing Balance	-21.81	-9.55
<b>Deferred Tax Liability at the end of the year</b>	<b>-21.81</b>	<b>-9.55</b>

**Note 6 : Long Term Provisions**

Particulars	As at 31 March	As at 31 March
	2022	2021
	(Amount in Lakhs)	
Provision for Gratuity	67.07	28.19
<b>Total</b>	<b>67.07</b>	<b>28.19</b>

**Note 7 : Trade Payables**

Particulars	As at 31 March	As at 31 March
	2022	2021
	(Amount in Lakhs)	
<b>Trade Payable Due to</b>		
- Micro and Small Enterprises	4.32	-
- Others	52.49	10.43
<b>Total</b>	<b>56.81</b>	<b>10.43</b>

**Note 7.1 Ageing Analysis of Trade Payables:**

As on 31.03.2022

Particulars	Outstanding for following periods from due date of payment/Invoice Date				
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
- MSME	4.32	-	-	-	4.32
- Others	52.49	-	-	-	52.49
- Disputed dues - MSME	-	-	-	-	-
- Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>56.81</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56.81</b>

As on 31.03.2021

Particulars	Outstanding for following periods from due date of payment/Invoice Date				
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
- MSME	-	-	-	-	-
- Others	10.43	-	-	-	10.43
- Disputed dues - MSME	-	-	-	-	-
- Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>10.43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10.43</b>

**Note 8 : Other Current Liabilities**

<u>Particulars</u>	As at 31 March 2022	As at 31 March 2021
	(Amount in Lakhs)	
Current Maturity of Long Term Debt	-	7.75
Auditor Remuneration Payable	-	-
Statutory Auditors	1.60	3.50
Internal Auditors	4.00	2.00
PF & ESIC Contribution Payable	19.30	9.22
TDS Payable	17.86	6.10
IGST RCM Payable	12.24	0.30
Equalization Levy Payable	0.06	0.02
Unclaimed Dividend Payable	1.95	-
Salary Payable	2.89	0.83
Credit Card Payable	-	2.20
Provision for Warranty	0.48	-
Expenses Payable	3.92	0.42
<b>Total</b>	<b>64.30</b>	<b>32.34</b>

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**Note 10: Property, Plant & Equipments**

S.NO	Particulars	Gross Block			Accumulated Depreciation (Depreciation on SLM Rates)				Net Block		
		Gross Block As On 01-Apr-21	Additions during the year	Deductions during the year	Total As On 31-Mar-22	Depreciation up to 01-Apr-21 (Amount in Lakhs)	Adjustment*	Depreciation For the Period	Total Dep As on 31-Mar-22	W.D.V As On 31-Mar-22	W.D.V As On 31-Mar-21
<b>A</b>	<b>Tangible Assets</b>										
1	Furniture & Fixtures	13.35	3.68	-	17.02	6.03	-	1.36	7.39	9.63	7.32
2	Laptop	74.53	45.00	-	119.53	46.36	-	26.90	73.25	46.28	28.18
3	CCTV	1.30	-	-	1.30	0.44	-	0.16	0.60	0.70	0.86
4	Mobile	5.12	1.56	-	6.68	2.59	-	1.48	4.07	2.60	2.53
5	Office Appliance	1.21	-	-	1.21	0.43	-	0.15	0.58	0.63	0.78
6	Office Equipment	0.25	-	-	0.25	0.06	-	0.03	0.09	0.17	0.20
	<b>Total</b>	<b>95.77</b>	<b>50.23</b>	<b>-</b>	<b>146.00</b>	<b>55.90</b>	<b>-</b>	<b>30.09</b>	<b>85.99</b>	<b>60.01</b>	<b>39.87</b>
<b>B</b>	<b>Intangible Assets</b>										
	Goodwill	5.99	-	-	5.99	-	-	-	-	5.99	5.99
	<b>Total</b>	<b>5.99</b>	<b>-</b>	<b>-</b>	<b>5.99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.99</b>	<b>5.99</b>

**Note 10.1 : Depreciation Chart of Kartik Solution Private Limited**

S.NO	Particulars	Gross Block			Accumulated Depreciation (Depreciation on SLM Rates)				Net Block		
		Gross Block As On 01-Apr-21	Additions during the year	Deductions during the year	Total As On 31-Mar-22	Depreciation up to 01-Apr-21 (Amount in Lakhs)	Adjustment*	Depreciation For the Period	Total Dep As on 31-Mar-22	W.D.V As On 31-Mar-21	W.D.V As On 31-Mar-21
<b>A</b>	<b>Tangible Assets</b>										
	Air Conditioner	0.88	-	-	0.88	0.48	-	0.09	0.57	0.31	0.40
	Computers	40.46	-	-	40.46	25.06	-	9.25	34.31	6.15	15.40
	Fridge	0.44	-	-	0.44	0.36	-	0.04	0.41	0.03	0.07
	Furniture & Fixtures	19.38	-	-	19.38	11.41	-	1.94	13.35	6.03	7.97
	Gyser	0.15	-	-	0.15	0.13	-	0.01	0.14	0.01	0.02
	Mobile	0.37	-	-	0.37	0.14	-	0.05	0.18	0.19	0.24
	Oven	0.07	-	-	0.07	0.06	-	0.01	0.07	0.00	0.01
	RO Water	0.13	-	-	0.13	0.11	-	0.01	0.12	0.01	0.02
	Software	0.74	-	-	0.74	0.74	-	-	0.74	-	-
	T.V	0.93	-	-	0.93	0.80	-	0.09	0.90	0.04	0.13
	Motor Car	54.66	-	-	54.66	23.11	-	5.91	29.02	25.64	31.55
	<b>Total</b>	<b>118.23</b>	<b>-</b>	<b>-</b>	<b>118.23</b>	<b>62.42</b>	<b>-</b>	<b>17.40</b>	<b>79.82</b>	<b>38.41</b>	<b>55.81</b>

**Note 10.2 : Depreciation Chart of Ksolves LLC**

Particulars	Gross Block			Accumulated Depreciation (Depreciation on SLM Rates)				Net Block		
	Gross Block As On 01-Apr-21	Additions during the year	Deductions during the year	Total As On 31-Mar-22	Depreciation up to 01-Apr-21 (Amount in Lakhs)	Adjustment*	Depreciation For the Period	Total Dep As on 31-Mar-22	W.D.V As On 31-Mar-21	W.D.V As On 31-Mar-21
<b>Tangible Ass</b>										
Computers	-	3.96	-	3.96	-	-	1.58	1.58	2.38	-
<b>Total</b>	<b>-</b>	<b>3.96</b>	<b>-</b>	<b>3.96</b>	<b>-</b>	<b>-</b>	<b>1.58</b>	<b>1.58</b>	<b>2.38</b>	<b>-</b>

**Note 9 : Short Term Provisions**

Particulars	As at 31 March	As at 31 March
	2022	2021
	(Amount in Lakhs)	
Provision for Income Tax	506.42	310.50
Provision for Gratuity	6.23	3.65
<b>Total</b>	<b>512.65</b>	<b>314.15</b>

**Note 11 : Non Current Investments**

Particulars	As at 31 March	As at 31 March
	2022	2021
	(Amount in Lakhs)	
Fixed Deposits with Banks	2.95	2.83
<b>Total</b>	<b>2.95</b>	<b>2.83</b>

**Note 12 : Long Term Loans & Advances**

Particulars	As at 31 March	As at 31 March
	2022	2021
	(Amount in Lakhs)	
Security Deposit for Rent	3.61	24.00
NDSL Security Deposit	0.10	0.10
Security Deposit ( Installation )	0.05	0.05
Security Deposit Law Services	1.50	-
Security Deposit NSE	4.27	4.27
Security Deposit with CDSL	0.10	0.10
Security Deposit with Shreni Share	11.00	11.00
<b>Total</b>	<b>20.63</b>	<b>39.52</b>

**Note 13 : Other Non Current Assets**

Particulars	As at 31 March	As at 31 March
	2022	2021
	(Amount in Lakhs)	
Deferred IPO Expenditure	16.16	21.55
<b>Total</b>	<b>16.16</b>	<b>21.55</b>

**Note 14 : Trade Receivable**

Particulars	As at 31 March	As at 31 March
	2022	2021
	(Amount in Lakhs)	
<b>Unsecured, Considerd Good</b>		
Outstanding for More Than Six Months	-	0.76
Outstanding for Less Than Six Months	907.74	363.50
Unbilled Accounts Receivable	17.96	-
<b>Total</b>	<b>925.69</b>	<b>364.26</b>

**Note 14.1 Ageing Analysis of Trade Receivables**
**As on 31.03.2022**

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months to 1			More than 3	
		year	1-2 years	2-3 years	Years	
- Undisputed Trade Receivable - Considered Good	925.69	-	-	-	-	925.69
- Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-
- Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
- Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>925.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>925.69</b>

**As on 31.03.2021**

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months to 1			More than 3	
		year	1-2 years	2-3 years	Years	
- Undisputed Trade Receivable - Considered Good	363.50	0.76	-	-	-	364.26
- Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-
- Disputed Trade Receivable - Considered Good	-	-	-	-	-	-
- Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-
<b>Total</b>	<b>363.50</b>	<b>0.76</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>364.26</b>

<b>Note 15: Cash &amp; Cash Equivalents</b>		
<b>Particulars</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
	<b>(Amount in Lakhs)</b>	
<b>a. Balances with banks</b>		
In Current Accounts	34.36	37.52
In Deposits Accounts	642.88	770.50
	-	-
Cash on hand (as certified by the management)	0.10	0.64
Credit Card	11.65	-
Balance with Imprest	0.51	0.26
<b>Total</b>	<b>689.50</b>	<b>808.92</b>
<b>Note 16 : Other Current Assets</b>		
<b>Particulars</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
	<b>(Amount in Lakhs)</b>	
Advance Tax	384.00	312.00
Accrued Interest on FD	1.39	10.56
GST Input	12.10	27.67
Income Tax Refundable	11.25	0.01
TDS Recoverable	120.70	2.16
Prepaid Expense	43.55	13.24
Advance to Employee/Advance Salary	21.11	7.05
Unclaimed Dividend Account	1.95	-
Other Advances	-	0.06
Other Receivables	0.98	0.34
<b>Total</b>	<b>597.03</b>	<b>373.07</b>

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## Ksolves India Limited

*Notes to Consolidated Financial Statement for the year ended 31st March, 2022*

### Note 18 : Revenue from Operations

Particulars	For the year ended on 31 March 2022	For the year ended on 31 March 2021
	(Amount in Lakhs)	
Revenue from Operation	4,706.86	2,828.48
Less: Trade Discount	-	6.94
<b>Total</b>	<b>4,706.86</b>	<b>2,821.54</b>

### Note 19 : Other Incomes

Particulars	For the year ended on 31 March 2022	For the year ended on 31 March 2021
	(Amount in Lakhs)	
Interest on FDR	19.57	19.90
Dividend Income	103.00	-
Other Misc. Income	3.96	1.02
<b>Total</b>	<b>126.53</b>	<b>20.91</b>

### Note 20 : Employee Benefit Expenses

Particulars	For the year ended on 31 March 2022	For the year ended on 31 March 2021
	(Amount in Lakhs)	
Salary Expenses	1,830.36	948.46
Director's Remuneration	-	55.70
Admin Charges(PF)	5.94	3.00
Leave Encashment Expenses	4.98	-
Employer PF Contribution	90.03	44.34
Bonus to Employees	76.70	65.19
ESIC Expense	1.97	3.01
Staff Welfare Exp	14.48	1.69
Gratuity Expenses	42.89	34.11
<b>Total</b>	<b>2,067.34</b>	<b>1,155.51</b>

### Note 21 : Finance cost

Particulars	For the year ended on 31 March 2022	For the year ended on 31 March 2021
	(Amount in Lakhs)	
Interest & Other Charges on Car Loan	0.32	1.11

### Note 22 : Depreciation & Amortization

Particulars	For the year ended on 31 March 2022	For the year ended on 31 March 2021
	(Amount in Lakhs)	
Depreciation on Fixed Assets	49.07	38.12
IPO Expenses Written Off	5.39	5.37
	<b>54.46</b>	<b>43.49</b>

**Note 23 : Other Expenses**

Particulars	For the year ended	For the year ended
	on 31 March 2022	on 31 March 2021
	(Amount in Lakhs)	
Advertisement Expense	41.27	6.63
Auditor Remuneration	6.10	6.50
Secretarial Audit Fees	0.50	-
Automobile Expenses	0.52	0.27
Bank Charges	2.25	0.61
Business Development Expenses	2.88	6.45
Canteen Expenses	-	-
Computer Accessories & Maintenance Expense	7.99	2.28
Car Insurance	-	0.74
Conveyance Expense	0.52	2.37
Certification Charges	15.96	-
Director Sitting Fees	3.00	1.50
Donation	1.00	0.54
Electricity Expense	0.39	-
Meals & Entertainment Expense	6.49	4.44
Exchange Fluctuation & conversion charges	18.24	36.50
Event Expense	-	0.20
Fuel Charges	-	-
Hotel Expenses	-	-
Equalization Levy	0.37	0.36
Insurance Expenses	13.59	5.81
Interest & Fine	1.33	1.73
Internet Expense	13.99	4.53
Membership Fee	0.10	0.27
Miscellaneous Expense	6.57	1.17
Office Expense	0.64	2.42
Postage & Courier Expenses	4.60	1.44
Printing & Stationery Expenses	3.69	1.60
Legal & Professional Expense	2.43	0.22
Professional & Consultancy Fees	309.22	226.73
Online Access Subscription Expenses	12.81	10.09
Operational Loss	2.10	-
Office Rent Expense	72.98	76.39
Repair & Maintenance	3.35	3.11
Server & Website Expense	40.66	33.58
Stock Exchange Fees	7.31	0.27
ROC Fee & Registration Fee	9.41	1.15
Telephone Expense	1.58	1.50
Testing Expenses	-	1.17
Website Expenses	0.27	0.71
Bad Debts	13.62	-
Expenses incurred towards Corporate Social Responsibility	7.85	-
Warranty Charges	0.48	-
Foreign Travelling Expenses	-	-
Travelling Expenses	-	3.25
Water Expense	5.97	-
<b>Total</b>	<b>642.02</b>	<b>446.53</b>



**Registered Office:**

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