Kaar
In Pursuit of Excellence

ANNUAL REPORT
2021-2022

REACHING THE PEAK IS, ALWAYS, A JOURNEY

An SAP
DX
COMPANY
DIGITAL EXPERIENCE
A pioneer in Digital SAP offerings

SAP Gold Partner

Great Place To Work®
Certified
MAR 2022 - MAR 2023
INDIA

While we are working continuously & relentlessly, **to create a true 'DX' for our customers and sustainable great workplace for our employees**, these areas are something that stands as a testimony of our efforts for building

A GREAT PLACE TO WORK

(i.e. these around 5 areas at Kaar Tech)

DX

BECAUSE
WE HIRE THE BEST
OF THE BEST TALENTS!

DIGITIZED RECRUITMENT PROCESS

Powered by KEBS and embracing the tenets of Kaar Tech, we always have robust recruitment & selection process workflows and hire the cream layer of the talents all over the state and the nation

HIRE TOUGH & MANAGE EASY

Multiple competency based filters & interviews which qualifies the feedback on candidates with comments & quantify with scores for consolidated relative ranking (CRR) of potential candidates.

CULTURE INTERVIEWS

'Culture' eats 'Strategy' for breakfast, lunch & dinner. Potential candidates go through 'Culture Interviews' apart from the normal 'HR Interviews', and today we will have the right fit and the rock stars who can bring about true digital transformation with the right values & culture aligned to that of KT.

TOP TALENT ATTRACTION

At Kaar Tech, we hire the top Gen Z talents from top engineering & business schools throughout the country and the year on year intakes have increased the innovation & delivery excellence, owing to our ability to provide fast-tracked career progression.

TALENT ACQUISITION

'Goes Local & Global': As we enlarge our business vision, beyond the Middle East, and expand our geographical horizons into APAC, USA & UK, we hire local nationals of the land into our global offices around the globe & provide local talent with quick global opportunities.

REFERRAL PROGRAMS

'Familiarity breeds talent'. High-value talent at Kaar refer Great-value talent from the industry through our Referral Program called KERN (Kaar Employee Referral Nest) & win exciting cash awards.

'COME HOME TO KAAR' REHIRE PROGRAM

Many of our ex-employees who had missed the Kaar-Experience in other companies, have re-joined us, through this rehire program. "Replacing an employee can cost a company 3 times the employee's annual salary, affecting the overall economy by more than $350 billion dollars per year." – Gallup Study.

WELCOME TO KAAR

Is a comprehensive induction program, with a welcome kit, that introduces the new hire into a new world of growth & opportunities. Is a detailed mailer that serves as a ready reckoner & helps find answer to any question of the new joiner until he/she gets acclimatized.

CAMPUS TO CORPORATE (C2C)

Every fresh engineering graduate & MBA goes through our 6 months intensive Campus To Corporate – Induction Program, woven around technical, functional, professional, soft skill & behavioral aspects creating experts with an aspiration of creating Full stack Techno-Functional SAP consultants.

KAAR OREIENTATION PROGRAM

An orientation on Kaar values & culture, has been embedded into the HR induction for new joiners, to reinforce company's values, mission, vision, etc. & foster a sense of pride in the company.

KAAR CULTURE TENETS

On mugs, desktop-posters & danglers in every workstation & around the office, is a daily reminder to live our culture tenets & values.

BECAUSE
WE INSPIRE
THROUGH OUR CULTURE...

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'CEO-Employee Connect' Sessions are organized when the CEO visits every office/region around the globe at regular intervals.

'HR-Employee Connect' Sessions are organized at intervals for employees with the Head of HR for swift redressal of queries.

'P&L/Dept Head-Employee Connect' Sessions every P&L/Department Head connects at regular intervals with employees in their respective P&L/Department for better collaboration

Global Town Halls regular town halls are organized, for the CEO to communicate important information, changes & achievements, etc. at regular intervals.

Open Door Policy culture of open door policy is propagated for effective downward & upward communication at all levels.

Newsletters & Corporate Communication Mailers frequent mailers & newsletters from the Corporate Marketing team enlightens the employee on all the happenings at Kaar Technologies.

Blogs frequent inspirational blogs by members of the Kaar Leadership Team helps in knowledge-sharing & brand-building Yammer & Sway newsletters is an active enterprise-platform in Kaar for employees to post, receive likes & comments on anything & everything related to work.

Collaboration WhatsApp Groups almost every team & department functional & cross-functional, have their own WhatsApp groups to communicate swiftly & effectively with fun.

Focus Group Team Discussions are organized frequently to hear our employees & resolve concerns.

Happy Meter Survey scores in the past years have been commendable and helped us understand the happiness index score & improve by bridging the gaps by talking to unhappy respondents directly.

Great Place to Work Survey results in the past years have always have been commendable & has propelled us to improve as an organization in ensuring a great place to work.

Coffee with Manager a pep talk with the senior leaders/management/board of directors to eliminate corporate fears and maintain flat hierarchies

Kaar Day & Annual Leadership Meeting is a Kaar Family celebration to learn, appreciate & celebrate the joy of being a Kaarian.

BECAUSE
WE COLLABORATE WITH
NEVER SEEN BEFORE CADENCE & GOVERNANCE...

P&L Structure: We have gone into the P&L structure, to focus more on growth and operations, quicker decision making, proximity to customers and partners. Many global organizations are functioning in this fashion and it has given proven results; this introduction of the P&L structure at Kaar will help us to achieve our 'Vision 2025' of becoming a public listed organization.

Practice Structure: Concept of Practices is to enhance the Project Execution and Organizational Development for future growth. Each Practice is led by a Practice Lead (PL) and in turn the Practice Lead will report to Practice Head (PH). All consultants both at offshore/onsite will be part of one of the practices depending on their competency/ module and will have dotted line reporting to their PL.

Monthly Management Team Meeting (MTM): The Management team meets every first Thursday of the month, to discuss, deliberate, review & plan the course of action in steering the organization to success.

Monthly Team Meetings: Are organized by the P&L Department heads for knowledge sharing, review books, analyze metrics & plan the course of action in steering the department effectively. These meetings provide greater synergy & productivity.

Kaar Project Repository: A home-made platform that captures the depth of expertise Kaar has gained in the past decade in various verticals, horizontals & geographies.

KEBS: Is a home-made platform that is being built for internal approvals, 360 degree governance, cadence, socializing, communication, idea-generation, etc.

Weekly All Hands and Deep dive governance: Senior Management collaboration to discuss operational, tactical and strategic initiatives.

Employee Engagement Centre (ECC): Ensures that all employee queries received 24/7 is routed to the respective departments & resolved amicably.

Internal Complaints Committee (ICC): As per the 'The Sexual Harassment Of Women At Workplace (Prevention, Prohibition and Redressal) Act 2013' Kaar has pronounced, zero tolerance on workplace harassment and this policy is in force to prevent any such incidents. Anyone who is affected by such harassments can approach the ICC Board in the organization.

HRBPs: Every P&L /Department has a dedicated HR Business Partner assigned to cater to the services of employees.

Stay Interviews: Helps to retain high-potentials, from exiting the organization & enables them have a long and rewarding career at Kaar.

Fun at Work: Regular hangouts, indoor & outdoor sports events, festival celebrations reflect the ethnicity at the workplace.

Wellness Programs: Eye, dental & wellness camps are organized for the well-being of employees.

Compulsory Week-Off: Though we are to provide round the clock support to our middle-east clients, every Saturday is observed as a compulsory week-off to all.

Team Outing / Lunch: Departmental team outing bud get is allocated.

Paid & Festival Leaves: 18 paid leaves per year and 12 government holidays are given to the employees.

Compensatory Offs: Comp-offs are given to employees working on week-offs or holidays.

Maternity Leave: All women employees are eligible for 6 months maternity leave as per the Maternity Benefit Act 1961.

Paternity Leave: All male employees will be eligible for Paternity leave of 2 days in a year.

Compassionate Leave: All employees can avail 3 days of compassionate leave in case of death of immediate family members (parent/ spouse/child/sibling).

BECAUSE **WE NURTURE, RECOGNIZE AND REWARD DESERVING EMPLOYEES..**

Spot Appreciation: In meetings & through mails helps employees feel recognized & appreciated instantly.

Annual Excellence Awards: Rising stars, Star performers, Kaar Pillars, Best project manager, Best Mentor, Best project and Kaar Ideal project are annual excellence awards conferred during the Kaar Day & Annual Leadership Meeting celebrations.

Long Service Awards: Medals and gift tokens awarded to employees who complete 5 years & 10 years.

Star of the Month Awards: Recognizes 11 Culture Tenets of Kaar, Competence, Consulting, Commitment, Communication, Interpersonal & Leadership skills exhibited by an individual in every department, every month.

Management Team Award: Is conferred by the Management Team Members, every month, in public, to employees/teams for exceptional contribution to the organization's success.

Mentor-Mentee Program: Every fresh Engineering & MBA graduates are made to align with a Mentor, who is a Senior Leader for coaching & mentoring.

Kaar Leadership Program: Almost 25% of the organizational employees has been identified & enrolled into this program to create a future-ready-pipeline of leaders. Their leadership competency is being honed through mentoring & a structured development plan.

Skill Enhancement Program: Apart from External Certifications, 'Kaar Internal Certification' Programs helps employees to upskill, reskill or cross skills in 9 Domains & 160+ SAP Skills.

Soft Skill e-Modules: 50+ home-made online 1 hour online-capsule-courses helps employees improve on communication, customer success, leadership, personal effectiveness, culture, etc.

Toastmasters club and 6Cs of Charismatic Leadership Training – Tailor made for Kaarians, we will bring in industry leaders to deliver best in class lectures to create a good window for those who are willing to improve their leadership qualities, equip with skills to develop powerful and persuasive business presentations, eliminate the fear of facing audiences, enhance public speaking skills etc.

Job Positions Rotation: "Millennials and GenZ, hose born after the 90s are especially quick to change jobs if they feel bored, unappreciated or disconnected." – Gallup Study. Helps employees move across practices, departments & roles, to unleash their potential & prove themselves.

Career Progression: "GEN-Z (Young Focused Individuals) look for clarity in career progression" – Aon Hewitt Study. A clear progression chart is available for employees to move from one level to another during their stint at Kaar.

Global Exposure: Is available in abundance to our SAP consultants through long & short term onsite opportunities.

ESOP: Is in vogue, for sharing value creation. Longevity Option were granted to 500+ employees; Growth Options were granted to 15% employees & Performance Options were granted to 250+ employees.

Sales Incentives: A comprehensive & attractive incentive policy is applicable for members in the sales team.

Compensation: Clear grade system based on which the compensation is structured. Above market standard.

Benefits: Medical Insurance is provided to employee their spouse and 2 children covering 2 lakhs & 50K for maternity. All employee are also covered under term life insurance policy.

Travel Advance & Insurance Policy: Is available for SAP consultants/sales/travelling onsite.

Performance & Goals: Are assigned & measured frequently via KEBS against 4 Goal Sections, namely Key Performance Indicator, Corporate Alignment Assessment, Employee Life Cycle Assessment & Kaar Culture Assessment.

Employee Engagement = Heads + Hearts + Hands at Work: This is the bloodline of all our efforts & interventions at Kaar Tech.

Contents

ABOUT THE COMPANY

Kaar Technologies is a global consultancy firm that designs, delivers and deploys cutting-edge solutions for businesses around the world. The centrefold of Kaar Tech's portfolio features SAP license re-selling, implementation, hosting, landscape enhancement and support services to meet the needs of customers diversified across multifarious verticals globally.

As the pervasiveness of the digital phenomenon is growing at exponential rates and businesses becoming increasingly sensitized to the same, SAP is retaining relevance by developing products tailor-made for this digital era. Kaar Tech has always aligned itself with SAP's strategic orientation, is poising itself to make the most of this state-of-affairs by developing resources and expertise in these pioneering digital offerings of SAP. Similarly, Kaar Tech has now positioned itself to harness the potential offered by the latest market trends with the likes of Cloud, Analytics, IOT, Blockchain, RPA, AI/ML, Mobility leveraging both SAP and its own indigenous solutions.

Kaar Tech takes a collaborative approach to client relationships - it forges partnerships wherein it operates concertedly with clients and delves deeply into all aspects of their firm in order to develop a comprehensive understanding of their challenges and pain areas. Kaar Tech works in close collusion with the client to arrive at the most optimum and wholesome solution, efficiently deploys it across the organization and supports the system with a team of seasoned professionals. In thus offering insights into areas of improvement rather than standard products, offering consultants and solution architects as opposed to mere implementers, offering a partnership of change agents over a commonplace business connection, Kaar Tech stands apart and adds immense value to its customers.

Driven by the steadfast pursuit of excellence, Kaar Tech exudes professionalism and proficiency in all areas of functions. Every day we are inspired to impact businesses with original and imaginative approaches and pave the way for tomorrow's digital breakthroughs.

Our Values

Right from an employee's induction into the company, he/she is acquainted with the eleven cultural tenets, which lays the base or the foundation for the company. Our associates are encouraged to imbibe and practice these values constantly, so that they become a way of life at Kaar Tech. With a turn of phrase that is spirited as well as uncompromising on brevity, the eleven cultural tenets succeed in capturing the essence of Kaar Tech in all its nobility.

Our Vision

To transform our customer organizations by offering best-in-class SAP services and to become the best and largest pure play SAP Consulting company in the world.

Our Mission

To transform our customer organizations by offering best-in-class SAP services and to become the best and largest pure play SAP Consulting company in the world.

THE CEO'S COLUMN

MARAN NAGARAJAN,

FOUNDER & CEO

Amid the various ups and downs of 2021, Kaar Technologies fundamental purpose remained constant and it's my pleasure to share the FY 2021-2022 Kaar Technologies Annual Report, which highlights the impact of our unwavering commitment to connecting with the purpose in everything we do. We began our 15th year as a company with complete confidence in our business strategies, and we ended it more convincing than ever as our digital footprint played significant roles in connecting with people, improving their lives, and building engaging communities with diverse talents.

Our industries rate of change continues to accelerate, and I believe that our company's future will be determined by how well we anticipate and respond to the opportunities presented by our changing environment.

Last year has made it abundantly clear that "Adaptability" is the way to go forward. And through our governance structure, we reinforced Kaar Tech's commitment in increasing our business towards the right way by allowing us to balance the risks inherent in our emerging markets with the significant opportunities that exists.

Our greatest asset has always been the caliber of our workforce, where putting our people first will always remain as our main focus. All of our accomplishments in 2021 are directly related to the enthusiastic and talented employees. I've always admired the way Kaar Tech employees rise through every challenge and opportunity. They are committed, they work hard, and they are determined to make this wonderful organisation even better. And it is a privilege to work along with them. Also, we made significant strides to assist our employees by providing programmers and benefits which in turn helps them both personally and professionally. As a "Great Place to Work" certified organization we concentrate on the importance of making Kaar Tech a place where all our employees feel safe, protected, supported and rewarded.

I am also grateful to our Board of Directors for their active participation and support in the development of this strategy. Their independent expert perspectives and industry knowledge have been a huge benefit to our company and our shareholders throughout this process.

Finally, we want to thank you, our shareholders, for your faith in our company. I, along with thousands of other Kaar Tech employees worldwide, are committed to living up to that trust as we work to fulfil our mission and create value for you.

Thankyou, Maran N.

01 How do you see Kaar Tech's journey over the last financial year?

Despite the fact that we had a very difficult time as an organisation from 2016 to 2020, we nearly tripled our growth rate last year and emerged very profitably. We were also able to grow at a 30% rate despite the difficulties we faced during the pandemic last year, which included continuous lockdowns, travel disruptions, work from home, and so on. Everything was against us, and the great resignation wave led to distress in many families. In fact, large companies experienced attrition of around 30% or higher, whereas we were able to keep our attrition in the single digits. So, this demonstrates the resilience that we have built within the organisation, which is why we were able to achieve great success during the last financial year. Having said that, Kaar Tech is growing and will grow by leaps and bounds in the formative years, compared to current growth rates.

02 What is Kaar Tech's goals and vision for the current financial year?

For FY22, we hope to grow by another 34% this year and we also hope to complete an acquisition this year, so that our top line will be approaching $50 million by the end of the year. In addition, we also desire to acquire an overall score of 84% rating in the "Great Place to Work" survey.

03 How is the company progressing towards the Vision 2025? Could you tell us a little bit about the steps we're taking to achieve this vision?

One of the main goals for "Vision 2025" is to strengthen our organization to expand the governance standards, increase our profitability, be a growth engine and be able to create a threshold barrier that our competitors will never be able to cross. As a result, we will become the best SAP transformation organization in the world. Second, we rely heavily on building a huge excellent culture as an organisation so that our work becomes the best and also bringing the best of the possible talent or being able to attract the best of the market talent and benchmark ourselves against our competitors. Also, we use extreme automation such as KEBS and K-Tern in these in order to help us automate our customers' digital transformation processes. We are also developing an IPO policy, which means that all our employees will be eligible to become shareholders in the company. As a result, we intend to generate wealth for the vast majority of the company's stakeholders, particularly the employee stakeholders. So, these are the various initiatives we are undertaking, as well as ensuring that when we list, we create wealth for a large portion of the organisation. Also, the entire purpose of the OKR is concentrated more to ensure that we meet our goals for 2025.

04 Can you share the specialties of each wing of Kaar Tech and how it supported Kaar Tech's development over the past year?

Beginning with the Human Resources Department, they played a critical role in managing the organization's culture, as well as becoming responsive and assisting the entire organization in navigating through the pandemic. They were extremely helpful to the organization in terms of organizing the remote workplace because those working hours were extremely stressful. So, the HR team did make a significant difference. Next, The Finance Department played a significant role in our organization's financial situation. They have raised the organisation to a higher level over the last four or five years. Also, recently our organization has become a net debt zero company and all credit goes to our finance department. Furthermore, our working capital efficiency has significantly improved, and they ensure that our receivables are under control, our finances are better managed, our costs are well managed, and our profitability is prioritised. Also, our working capital is much better managed and they also raised the capital last year to allow us to do an inorganic acquisition as well as grow simultaneously. Despite the fact that our customer's place was locked due to the pandemic and all of us working remotely, we still managed to grow by 30% and all the credit goes to the respective regional SBUs, BUs, GBM and the practice heads. Also, we introduced the CDO Department last year, they managed the OKRs pretty well and have figured out the whole thing by laying the groundwork for vision 2025. And, we have completely rebuilt the marketing department from the scratch with a bunch of young people who are aspiring and trying to make a dynamic difference by anticipating a variety of outcomes in the coming years.

05 Could you share some precious investments made by us to enhance the respective internal teams and in-turn increase Kaar Tech's efficiency?

As a service provider company, we majorly focus on our "People". On the whole, the higher their quality and elevated thinking of them, the higher we evolve and grow. So, personally, I believe that investing in people and in their learning makes a significant difference. Also, it's not just the SAP skill or technical skill, it's also about the overall elevation of the individual. So, in the previous year, we heavily invested in the learning and development of our employee fraternity, particularly among consultants. We created a 10- or 12-year career roadmap for each and every individual along with their learning goals in terms of technology. A credit point system was also implemented throughout the organisation. To elaborate, in the previous year, we were able to achieve 94% of that aspiration by combining all of the learnings from the entire organisation. Another thing is that we've implemented "Stanford Courses" for almost all our leaders and managers. Furthermore, we are collaborating with IIM Bangalore on this, and by the end of this year, we hope to have learning courses, corporate learning courses, and leadership development courses for all managers and leaders to develop and shape them appropriately.

06 What kind of promise does KTern and KEBS hold and what is the roadmap for these products?

"KTern.AI" aims to automate the entire digital transformation life cycle of an organization. It also helps the CIOs gain full control and power over all-digital transmission initiatives and organizational factors. Kaar Tech is a significant user and a consumer of KTern's power, and we anticipate reaching a tipping point where it will be able to grow on its own as the S/4HANA transformation gains traction. "KEBS" is an ERP for the professional services industry. Still, IT firms are the least automated but the reality is that they are the ones who automate the rest of the world. They typically use a variety of point solutions such as Excel, Word and Emails. There is no such thing as a centralised function in this firm structure. Traditional ERPs are very good at handling manufacturing industries and brick-and-mortar businesses. The service and information technology industries have exploded in the last two years, 22 decades. And the majority of large organisations tend to "force fit" traditional ERPs into them. However, the processes for the IT industry are completely different and KEBS is very focused on that. I believe there is a large market, which is reinforced by SAP as well. And we intend to take advantage of that market.

07 Recently we started our new branch at US? And how do you see the change in geographies?

The market in the United States is enormous. It's unfortunate that Kaar Tech didn't focus on the US for so long, but we've completely flipped the table, with the west accounting for one- fourth of our revenue last year. The west will contribute 3-4 percent of our total revenue in the future, shifting the balance. We were only in the UK for a short time. However, in three years, we will be expanding our operations in Belgium, which will allow us to enter mainland Europe.

08 What was the main reason behind the sudden de-risking of Middle Eastern and a strategical shift to the US market?

We have been in the Middle Eastern Markets for nearly a decade and a half and we believe that our growth potential in that market is limited. So, for the kind of deep expertise that we have developed, I believe we have more to offer the rest of the world too. That is why we are considering development. Also, the S/4HANA movement is spreading like wildfire globally, particularly in western markets such as the US, UK, and APAC, and we believe that Kaar Tech is well-positioned to capitalise on this massive market wave. Because of the current SAP and IT spends, as well as the ongoing market wave, we are gradually and consciously de-risking our people, process, and technology levers to maximise our business in the west. So, the expansion is a growth direction, not a change of direction.

09 What do you consider as Strengths, Weaknesses, Opportunities and Threats to Kaar Tech's development?

What I see as a "Strength" is the "focus we bring to our services," specifically the SAP consulting digital transformation services we provide. Also, "Weakness" is probably the same because we are too inextricably linked to the fortunes of one large technology. As far as "Opportunity" is concerned, I believe the S/4HANA wave is real, as there are more than 40,000 customers who have not yet moved to S/4HANA and it expires in 2026-2027. Also, all Fortune 500 companies must transform within the next five years, which is not an easy task. So, there will be a huge demand for SAP work in the coming years, just as there was a huge demand for IT professionals during the Y2K boom, and I kind of compared it to the S/4HANA wave, which will be a huge demand for SAP specialised organisations and consultants, so I think we are very well positioned to take advantage of that. For "Threat", we must maintain our execution excellence. For that, we need to invest more and more in automation and execution excellence so that our projects will be successful.

10 How do you see Kaar Tech's relationship with SAP, its future and the pursuant implications for Kaar Tech's growth?

SAP has a strong working relationship with Kaar Tech. We have received over 22 SAP awards in the last few years. As a result, SAP regards us as a highly reliable, strong and growth- oriented partner. We are VAR partners, especially in the United States, and they have high respect for us. We also collaborate with them on a number of go-to markets, roughly six to seven verticals. We have a joint GTM with SAP for the American market, and our goal is to become a GSSP partner within the next three to four years. Kaar Tech aspires to be a GSSP partner, which means to be among one of the top 20 partners in the world, and we are putting all of the necessary strategies in place to get there.

11 Do you have any idea of going beyond SAP?

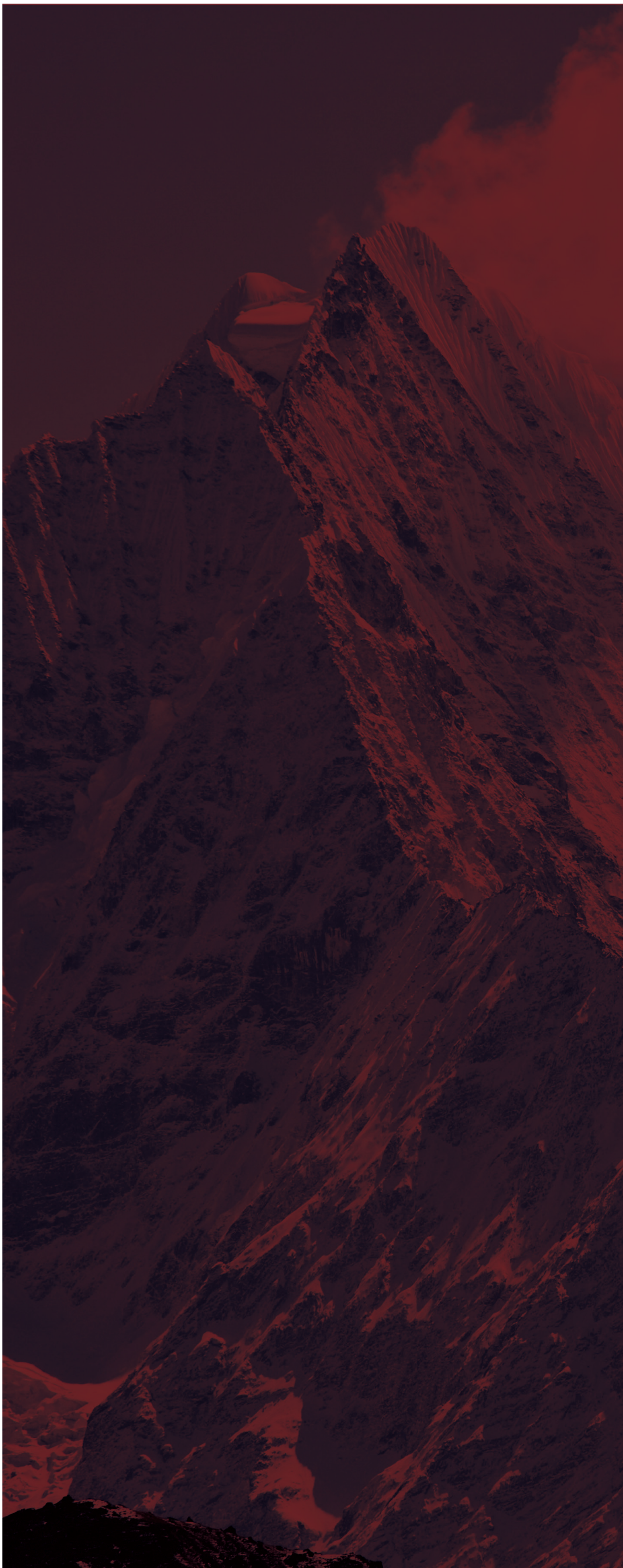
Our transformation is in two directions. One direction is in the IP. Every year we'll make new IP investments. And so far, this year, we've made two IP investments. In addition, we are making a "KUPEX" investment, which is essentially our unified partner experience platform that we intend to build where we will be integrating the customer, partner and supplier into a single platform where they can collaborate and interact with their back-end ERP. So, these are all the expanded functions of the ERP, which will grow into a large platform for multiple customers and vendors to collaborate on a single platform. Selva leads the second direction within the services we are developing, "Digital services." We plan to offer data analytics, robotic automation, AI & ML services, and digital engineering tools like Python. They are all used as a platform because all of our customers are transforming and we're looking to see if we can generate growth momentum in these areas. The Edge and Beyond Edge are the core technologies. As a result, we're investing heavily in Beyond Edge to ensure that we can provide our customers with a full suite of services.

12 What do you think are the biggest challenges our industry will face in the next 5 years?

According to industry experts, any macroeconomic cycles will have an impact on this industry. Nevertheless, I believe that the need for digital transformation has been amplified by the code in the last two years of a drastically altered world order. As a result, there is a greater emphasis on digital transformation for all of our customers. Also, I don't see any immediate threats to this momentum. Of course, all companies are vulnerable to global macroeconomic shocks, but I don't believe it will significantly harm our company or the services industry. The services sector is here to stay. You may have some temporary effects on the growth momentum, but I only see growth in the services industry in the medium term.

13 How does KT wish to establish its brand value in the coming years? Is there any particular activity that interests you the most?

We want to be known as one of the best workplaces because I believe that a great workplace and a great employee's fraternity with their complete conviction and the ability to live their true potential will always deliver the best from their employees, which is exactly what will create value for the customer. So, as a company, if we are able to create a good workplace, a good learning environment, a good earning environment, a good set of processes, a good set of ambiences and a good set of cultures, it will automatically translate into great services for the customer and they'll begin to love our organisation, and that is exactly what we want.



14 How does KT wish to establish its brand value in the coming years? Is there any particular activity that interests you the most?

My primary focus would be on three issues:

- Does it contribute to the organization's growth?
- Does it contribute to the organization's profitability?
- Does it contribute to the revenue's long-term viability?

The above-mentioned factors must be considered when making new investments as they influence an organization's market capitalization and its valuation. So, these are the three factors that I believe & consider before making a decision.

15 As a CEO, what are your OKR's?

OKRs are primarily aspirational in nature. As a result, we have established vision 2025 as one of the organization's midterm goals. Along with it, the ultimate mission has always been to build a great organisation. Also, we have set ourselves a goal of becoming a publicly-traded unicorn company by 2025. The second goal is to be one of the world's top five pure-play SAP consulting firms. And the third goal is to become the best organization with top employers in India, as well as create a motto that is so strong by allowing us to differentiate ourselves from our competitors by providing fantastic digital transformation services.

THE BOARD

BOARD MESSAGE

An aspiring group of four first-generation entrepreneurs (Maran, Ratna, Selva, and George) and Engineering batchmates turned friends of PSG College of Technology (Coimbatore, Tamil Nadu) founded Kaar Tech, their first righteous attempt in the entrepreneurship arena, with a vision to transform business organizations, provide best-in-class SAP service offerings, and become the best and largest pure-play SAP consulting firm globally. With a very regular and humble background, these SaaS evangelists who arose from the grassroots southern regions of Tamil Nadu were immensely successful as executives in their high-paying careers all over the world.

BOARD OF DIRECTORS

MARAN NAGARAJAN
FOUNDER & CEO

Maran, the Chairman, and CEO of Kaar Tech (a bootstrapped million-dollar SaaS consulting firm today) set the strategic direction forward with a vision and mission on target, along with the Co-founders Ratna, Selva, and George spearheading various attributes for the firm's formation at both the operational and strategic levels. Kaar Tech's operating DNA revolves around entrepreneurship and honesty since he is a great believer in ethical business methods. As the company's creator and chief strategist, he directs Kaar Tech on a variety of fronts, including service improvements, technology developments, and information management for others.

RATNAKUMAR NAGARAJAN
CO-FOUNDER AND DIRECTOR / DIRECTOR - K TERN

Ratna, one of the Executive Directors who pioneered commercial operations in Europe and the United States, is now in charge of all operations and duties related to Kaar Tech's IP projects. He has been the driving force behind the many generations of leadership teams that have been formed to carry out Kaar Tech's ambitious expansion objectives. Ratna is an expert in partnering with different external organizations to adopt the world's best practices at every organizational level inside Kaar Tech, and he ensures that the firm is always scaling up the ladder to new heights. He formed KTern with the nominee and is a disciplined risk taker who also gives strategic guidance on territory growth (The Largest IP venture of Kaar Tech).

SELVAKUMARAN M
CO-FOUNDER AND DIRECTOR

Selva, one of our Executive Directors, has always been a strong supporter of the 'profitable business' attitude. He has turned the concept into two valuable commercial assets at Kaar Tech: a very efficient service capacity and a big knowledge reservoir throughout the enterprise. He managed Kaar Tech's entry into the APAC area and also established a place for the firm within SAP and the client fraternity as the head of Kaar Tech's SAP Delivery and Practice. In his present job, he is evangelizing Kaar Tech's delivery methods, developing processes and people, and pushing Kaar Tech's objective to emerge as a formidable force to be reckoned with in the not-too-distant future.

GAURDIAN GEORGE
CO-FOUNDER AND DIRECTOR /
STRATEGIC BUSINESS UNIT HEAD, WEST

Gaurdian George, a technocrat and business leader with razor-sharp technical acumen that complements his commercial acumen, is now in charge of Kaar Tech's western expansions/entities. In all realms, George's answers to tough business issues are singularly comprehensive and really out-of-the-box. He is generally praised for his talent in creating technological road maps and future routes for clients worldwide, which always align with their corporate vision and objectives. He oversaw Kaar Tech's Centre of Excellence (COE) with such technological prowess, and his concentration on future, path-breaking innovations have always consistently advanced Kaar Tech's standards reaching to new heights.

FRANS DAMEN
DIRECTOR

Frans is a global business leader and lifelong entrepreneur who has founded, co-founded, mentored, and built organisations in a variety of industry verticals, making him a versatile and agile business visionary. His penchant for innovation and business passion led him to spearhead and direct many successful start-ups. He's been with Kaar Tech since the beginning, and he plays an important role by sharing his valuable business knowledge.

BALAKRISHNAN V
DIRECTOR

Balakrishnan is a well-known figure who is active in India's start-up ecosystem, mentoring and investing in a number of companies. He currently serves as an Independent Director for Kaar Technologies, bringing more than 30+ years of experience in leadership positions in strategy, finance, international taxation, risk management, and mergers and acquisitions. He is a straightforward thinker who understands the nuances of getting the most out of people who work in dynamic environments and virtually co-located global teams.

STRATEGIC BUSINESS UNITS (SBU)

SUDHAKAR NARAYANASAMY
STRATEGIC BUSINESS UNIT HEAD, MENA **SOUTH**

Sudhakar joined the organization as an Associate SAP PP Consultant and has since taken on a range of responsibilities as a project and delivery manager for some of the most prominent deployments in Saudi Arabia and Bahrain! Having managed some of the largest and most prestigious accounts in Saudi Arabia and Bahrain, it is his unique talents such as forecasting the future, micro-level planning, and effective risk mitigation methods that set him apart from other leaders. Speaking with all of his co-workers and those that report/report to him, one recurring feedback is his charismatic leadership style. His style of not dictating work and natural intuition for making rapid decisions make him a trustworthy leader and a go-to man in all situations.

SHAHINSHA ABDUL BASHEER
STRATEGIC BUSINESS UNIT HEAD, MENA **NORTH**

Shahin began working at Kaar Tech in 2015. His major competence centres around project management, team building, deal planning, negotiating, and cultivating client relationships, and he has over 15 years of domain experience. His leadership for Kaar Tech and KSA has been like a much-needed throttle or silver bullet in the aftermath of the oil price drop and the Middle Eastern economy's decline. His no-nonsense approach to dealing with major business customers, strategic planning of scope items, cash, and profit management has worked well for Kaar Tech in the five years since he took charge. He has also been a key proponent for ideas such as identifying clear payment milestones, consumers paying their own projects, the art of bargaining, valuing higher gross margin initiatives, and so on.

GAURDIAN GEORGE
STRATEGIC BUSINESS UNIT HEAD, WEST

Gaurdian George, a technocrat and business leader with razor-sharp technical acumen that complements his commercial acumen, is now in charge of Kaar Tech's western and APAC expansions/entities. In all realms, George's answers to tough business issues are singularly comprehensive and out of the box. He is generally praised for his talent in creating technological road maps and future routes for clients worldwide, which always align with their corporate vision and objectives. He oversaw Kaar Tech's Centre of Excellence (COE) with such technological prowess, and his concentration on future, path-breaking innovations have always consistently advanced Kaar Tech's standards reaching new heights.

YEARS AT GLANCE

FY 05'
- Establishment of Kaar Technologies, India

FY 07'
- Partnered with a Dutch company, Phobos Group BV

FY 08'
- Partnered with Albilad Arabia Co. Ltd in KSA
- Won a 7-year IT contract with Saudi Aramco
- Became a 100 Employee Organization

FY 10'
- Establishment of Kaar Technologies Qatar
- Launch of Kaar products – Kaar Net and Kaar Watch
- Became a 300-employee organization

FY 12'
- Formation of BaasKaar, a JV in KSA
- Signed up a Million Dollar SAP implementation project in KSA
- New office setup of 75L+sq.ft with state-of-the-art Data Center
- Became a 400-employee organization

FY 14'
- Establishment of Kaar Technologies LLC, Abu Dhabi
- Establishment of Kaar Technologies IT Consulting Pvt. Ltd., Shanghai
- Establishment of Kaar Technologies UK Ltd
- Signed up a Multi-million dollar project in KSA
- Achieved the CMMI Level 3 status
- Extension of Delivery center in India by 8000+ Sq. Ft
- Leased a premium facility at TRIL at "The Ramanujam IT city - A SEZ
- Achieved revenue of USD 15 Million
- Became a 500-employee organization

FY 15'
- Establishment of Kaar Technologies LLC, Oman
- Established an entity in Denmark
- Won the largest deal in Qatar from Muntajat
- Initiated processes to become a CMMI level 5 standard company by 2016
- Achieved revenue of USD 18.25 Million
- Became a 600+ employee organization
- Achieved the status of Market leader in the Middle East with a 12% market share

FY 16'

- Acquired the first client in the airline sector
- Formed S/4HANA Cloud partnership with SAP in the UK region
- Initiated process to be a Cloud VAR partner in the APAC region
- Established office premises in Malaysia
- Appointed Mr. Balakrishnan as an additional Director - Ex. Infosys CFO
- Had begun internal implementation of S/4 HANA Cloud products
- Data Centre located in the UAE became fully operational - KCloud*(IP)
- Achieved the highest Order Book Value yet, amounting to more than Rs. 200 Cr
- Achieved revenues amounting to USD 20 Million
- Acquired the GCC's largest construction company as our client among the other major conglomerates
- Became a 650+ employee organization

FY 17 & 18'

- Resurrected Kaar Tech again and removed the dependency from the light of the GCC's oil crisis (prices plummeting to never seen record lows during 15' and 16')
- A commendable Revenue share was achieved (USD 19 Million) after the dip, signifying resilience against such economic forces
- Business Model Revamp in terms of Scalable and Sustainable delivery models
- COE Strengthening and Delivery capabilities in Digital and Cloud services
- Robust Sales outfit for strong positioning in the above arenas
- Increased the Wallet share from the other industry verticals
- Bootstrapped KTern*(IP) - The World's only end-to-end SAP S/4HANA Acceleration Suite along with the Co-founder Ratna
- Western and APAC Market Expansion Business Models
- Bootstrapped *KEBS (IP) - Kaar Enterprise Business Suite, Kaar Tech's indigenously built ERP for Sales, Presales CRM, Collection, Billing, OBV, Project Management, HR Employee Central & Workforce Management
- Partner Driven models with Ameri 100, Method 360 & Hexaware for US/UK Projects

FY 19 & 20'

- Operational and Established Western (US/UK/NL) and APAC Workforce and business models
- 2 More Offshore Delivery centers were established at Pune & Hyderabad respectively
- Scaled the company's Direct Western Market share from 0% to 15% (3.1 Million USD)
- Achieved a never seen before Overall Gross Margin of 55% in FY 20' and the biggest spike in the PBT of 2 Million USD after the Oil Crisis Dip
- Achieved a significant reduction in SG&A costs due to the revamped business models
- Quality & Conservative Revenue recognition achieved along with enhanced contract hygiene foreseeing every chance & scope for risks and mitigation
- Brought down the Write-offs almost to 0%
- Structural change in P&L, Practice, HR, Sales/Marketing, and PMO to drive major transformation projects
- Scaling KTern*(IP) to become an SAP Qualified Automated Digital Workplace for SAP S/4HANA Digital Transformations along with Co-Founder Ratna (Listed in SAP App Center)
- Distinctive Campus Recruitment and Hiring Models to hire the best talents of the state & country
- Scaled KEBS*(IP) with additional features such as Ad-hoc Business Process Management modules, Embedded Analytics and Automation, Talent Management, Procurement and Logistics, Approval Mechanisms, Compliance & Audit
- Robust Cadence and Governance Mechanisms established through KEBS
- Never seen before revolutionary transformation in terms of bringing down the Attrition Rate below 8%

- OKRs and Transparency, Mentor, Mentee relationship, Kaar Toastmasters club & 6 Cs of Leadership for enhancing soft skills of Employees
- The Universal Soldiers Concept - SAP Certifications, Full Stack Techno-functional consultants, Multi-faceted training, Exposure to new-gen tech like AI, ML, RPA
- Creation of Intrapreneurs - Under Kaar Leadership Program, all the millennials and GenZ population in the company can incubate their viable ideas and head them, which potentially creates a talent pool that is never seen before fast-tracked growth
- Work from home for Lifetime - Remote Worx Policy Launch
- Brought in a reputed External Advisory for Inorganic Growth

FY 21 & 22'

- 15+ Customer Reviews in GPI
- 20+ Employee Centric Policies were launched by the HR team.
- 200+ Campus Recruits were onboarded over the financial year 2021-2022.
- 215 Cr – 32% growth from last year with Net Debt Zero
- 50 Cr from the West and Inorganic Growth Capital raised US M&A
- Achieved more than 95% SAP Activate Certified PMs & CSMs.
- Distinctive Campus Recruitment and Hiring Models to hire the best talents of the state & country
- Gartner Engagement for Advisory onboarded
- HR Promises that was fulfilled - Rewards & Recognition, PMS2.0, Soft Loan Policy, Career Roadmap, Extensive Training Programs, Salary on 1st of Every Month, Kaar Souvenirs, Employee Wellness Program, Employee Soft Loan, Expense Management System 2.0, Voluntary Provident Fund, Payroll Automation, Medibuddy Online Consultation, Covid Command Centre and Skip-Level Meetings.
- In the previous fiscal year, Kaar Tech raised $30 million from BlackSoil.
- Initiatives for providing "Stanford Courses for Leaders" was executed.
- Kaar Technologies has over 1000+ employees and is still spreading its wings around the world.
- K-Tern conducted a digital road show and hosted a series of events focused on digital transformation and disruptive automation in the SAP world.
- Maran N and other co-founders successfully completed their 16 years work anniversary.
- Mr.Chandrasekaran Venugopal was recognized as a top 100 senior finance professional in India, earning the title of CFO 100 Roll of Honour on Friday, March 11, 2022, at the 12th Annual CFO100 Virtual Conference & Felicitation Ceremony.
- Mr.Maran Nagarajan was recognized as the "Emerging Entrepreneur of the Year" by CII Southern Region (Confederation of Indian Industries), Southern Region.
- OKRs and Transparency, Mentor, Mentee relationship, Kaar Toastmasters club and 6 Cs of Leadership for enhancing soft skills of Employees
- Our latest project win for the largest investment management group -The Zubair Corporation [SAP S/4HANA Implementation]
- Our western footprints have led to the opening of the Kaar USA office on March 17, 2022.
- SAP VAR Partnership was implemented which possess sell authorization for SAP offerings in USA and Bahrain.
- Standardized Industry Grid Compensation
- Starting from Logo Launch, Timesheet 2.0 update, Corporate Alignment Assessment (CSA) till Robust System Automation was launched using KEBS
- Strategy, OKR & 25+ Strategic Workgroups
- Structural change in P&L, Practice, HR, Sales/Marketing and PMO to drive major transformation projects.
- The Universal Soldiers Concept - SAP Certifications, Full Stack Techno-functional consultants, multi-faceted training, Exposure to new gen tech like AI, ML, RPA
- Was announced as "Great Place to Work" certified organization with 1100+ Employees by securing an overall score of 79% in the survey for the second time consecutively with response rate of 94%.
- Won 4 SAP Quality Awards for benchmarked implementations, 2 Partner summit awards, 2 hackathon awards and innovation awards in the functional year 2021-2022.

AWARDS & ACHIEVEMENTS

KAAR TECH'S SAP QUALITY AWARDS

2021 - GRAND WINNER

CHEMANOL - RAPID TIME TO VALUE CLOUD CATEGORY

SAP S/4HANA, SF & SAC Implementation

2021 - FINALIST AWARD

MIC - BUSINESS TRANSFORMATION ON-PREMISE CATEGORY

SAP ERP Implementation

2021 - FINALIST AWARD

QIIB - RAPID TIME TO VALUE CLOUD CATEGORY

SF Implementation

2021 - FINALIST AWARD

QSTec - RAPID TIME TO VALUE ON-PREMISE CATEGORY

SAP S/4HANA Cloud Implementation

PARTNER SUCCESS SUMMIT 2022

BEST RISE REVENUE CONTRIBUTION OVERALL

BEST PARTNER INNOVATION

HACKATHON AWARDS

2020 - WINNER

SAP HACK2BUILD

SAP Analytics Cloud Beyond a Hackathon

2020 - 1ST RUNNER UP

SAP HACK2BUILD

SAP Artificial Intelligence Beyond a Hackathon

KTERN

COMET AWARD

INGRAM MICRO, 2019

SAP Spotlight Partner, 2021

UIPATH ADVANCED TECHNOLOGY PARTNER,2022

ONE AMONG TOP 10 SAAS IN INDIA BY SILICON INDIA(WIP), 2022

BEST PERFORMER IN G2 GRID, 2022

PROMOTED TO "ENDORSED" STATUS IN SAP APP CENTRE, 2022

Maran N
was recognized as the
"Emerging Entrepreneur of the Year"
by CII (Confederation of Indian Industries),
Southern Region.

20 SAP
QUALITY AWARDS

10+
INDUSTRY VERTICALS

15+
YEARS

2021 - WINNER
RAPID TIME TO VALUE CATEGORY
Methanol Chemicals Company (Chemanol) KSA

2021 - FINALIST
RAPID TIME TO VALUE CATEGORY
Leading private owned bank in Quatar

2021 - FINALIST
BUSINESS TRANSFPRMATION ON-PREMISE CATEGORY
KSA - State owned armed factory

2021 - FINALIST
RAPID TIME TO VALUE ON-PREMISE CATEGORY
Leading polysilicon manufacturer in qatar

2020 - SILVER
FAST DELIVERY CATEGORY
Qatar - Utilities
SAP MRS, MII implementation

2020 - GOLD
FAST DELIVERY CATEGORY
KSA - Public Sector
SAP SRM Implementation

2019 - GOLD
BUSINESS TRANSFORMATION CATEGORY
KSA - Investment category
SAP Suite on HANA

2019 - BRONZE
SAP EMEA Regional Level
BUSINESS TRANSFORMATION CATEGORY
KSA - Investment category
SAP Suite on HANA

2019 - GOLD
BUSINESS TRANSFORMATION CATEGORY
KSA - Investment category
SAP Suite on HANA

2018 - BRONZE
FAST DELIVERY CATEGORY
OMAN - OIL & GAS
SAP S/4HANA Implementation

2018 - BRONZE
BUSINESS TRANSFORMATION CATEGORY
KSA - Public Sector
SAP Business Suite on HANA

2018 - BRONZE
BUSINESS TRANSFORMATION CATEGORY
OMAN Consumer Goods
SAP S/4HANA Implementation

2016 - SILVER
FAST DELIVERY CATEGORY
KSA - Industrial Machinery and Components
SAP S/4HANA Implementation

2015 - SILVER
FAST DELIVERY CATEGORY
KSA - Utilities
SAP Greenfield Implementation

2015 - BRONZE
FAST DELIVERY CATEGORY
Bahrain - Education & Research
SAP SLCM Implementation

2015 - BRONZE
BUSINESS TRANSFORMATION CATEGORY
KSA - Public Sector
SAP Greenfield Implementation

2014 - SILVER
HANA EXCELLENCE
KSA - Conglomerate
SAP ERP Implementation

2013 - SILVER
BEST SAP IMPLEMENTATION PROJECT

2011 - SILVER
BEST SAP IMPLEMENTATION PROJECT

2010 - BRONZE
NEW BUSINESS APPLICATION CATEGORY
KSA - Industrial Machinery and Components
SAP ERP Implementation

KAAR'S LEADERSHIP TEAM

MARAN NAGARAJAN
CEO & FOUNDER

An epitome of Leadership, Mr. Maran Nagarajan founded Kaar Tech in the year 2006. A reader, an orator and a visionary par excellence, he grew Kaar Tech from scratch to the 300+ crore company that it is worth today. As a Founder and Chief Strategist, he guides Kaar Tech & various other entrepreneurship arenas & forums on many fronts including Services Innovations, Technological Advancements, Knowledge Management and so much more. He is a firm believer in ethical business practices and designed Kaar Tech's DNA to reflect the ideals of entrepreneurship and integrity, and inculcates these values among our workforce, majorly composed of millennials and GenZs.

RATNAKUMAR N
DIRECTOR

Having been a part of numerous start-ups, Mr. Ratnakumar N is an extraordinary Leader with tremendous business acumen. He co-founded Kaar Tech along with Mr. Maran and is responsible for developing KTern. A pillar of support for the organization through all its phases since inception, Ratna is a People Leader and extremely well loved by the Kaar Tech fraternity. He is an avid sports buff and can often be found engaged in an intense game of Football or Table Tennis with the employees. He is also a mentor at heart and freely welcomes employees looking for guidance and supervision.

SELVAKUMARAN M
DIRECTOR

One of the co-founders of Kaar Tech, Mr. Selvakumar M has donned several roles from Sales to regional P&L Head and has shouldered the Delivery responsibility during tough periods and ensured profitability. Hands down the coolest among the promoters of Kaar Tech, he is acutely objective-oriented and is defined by his core execution strength.

GAURDIAN GEORGE
DIRECTOR

A co-founder of Kaar Tech, Mr. George Gaurdian is a technocrat with an uncanny ability to understand customer sentiments within just 5 minutes of interaction with them. With his sharp business intellect and unparalleled technological expertise, he is someone who continuously sets new benchmarks for leaders in the world of SAP. His expanse of knowledge and his ability to grasp new technologies has left employees in sheer awe and motivates them to keep striving for greater success. His informal managerial style brings out the best in every person and he has often proven to be an empathetic Manager who has been willing to work around other people's limitations. A fitness freak who strictly prioritizes his health, he is fondly called 'The Baasha', 'Sivaji, the Boss' and 'George Hasso Plattner', and has made Kaar Tech a wonderful organization that we call home.

CHANDRASEKARAN V
CHIEF FINANCIAL OFFICER

Mr. Chandrasekaran V might just be one of hardest ever working CFOs in the world. Ever energetic, his grip on numbers and finance is as strong as his ability to make quick, crucial decisions that serve the best interests of the company. Extremely objective-oriented, he knows Collection, Billing and Cash-flow like the back of his own hand and Kaar Tech owes its financial stability solely to Chandrasekaran V. He has an uncanny ability to oversee a million threads simultaneously and is one of the strongest stanchions of Kaar Tech.

RAJESH VD
HEAD OF PRACTICE

Having begun his career ¬at Kaar Tech working on several multi-million-dollar Projects for billion-dollar companies, Mr. Rajesh VD has become synonymous for his work in Aramco. Business acumen, strategy planning are his core strengths, and he has been instrumental in formulating the PreSales and Bid Management Engine at Kaar Tech. Having worked at Kaar for several years now, Rajesh VD has a deep understanding of his craft at the level of an SAP Solution Architect

RAJKUMAR A
HEAD OF PMO

Having started his career at Kaar Tech as a Project Manager in MIC - Mr. Rajkumar Asokan has come a long way. He has stood by the organization through thick & thin by going above & beyond the call of duty. His execution prowess has been instrumental in the formation of the PMO and in defining it in terms of Delivery Excellence and impeccability

SUDHAKAR NARAYANASAMY
STRATEGIC BUSINESS UNIT HEAD – MENA SOUTH

Mr. Sudhakar Narayanasamy started his career as a Consultant in the MIC Project. Today, he serves as the SBU Head of the MENA South Region. If his career growth has been meteoric, so have his contributions to the organization. Mr. Sudhakar was responsible for resurrecting the SIDF Project at Kaar Tech with his excellent Leadership qualities and deep understanding of his craft. His Business acumen and ability to predict immediate and long-term outcomes set him a class apart from the rest and he is known for always having practical, feasible solutions at his fingertips. Although aggressive in his professional life, he is equally calm and gentle spoken in his personal life and always welcomes everyone with a warm smile.

VIGNESH RAMESH KUMAR
HEAD OF HUMAN RESOURCE

A man of humble beginnings, Mr. Vignesh Ramesh started his career as a Travel & Visa Executive. Initially an employee of TCS, he switched over to Kaar Tech and spent the initial stages of his life here adapting to Kaar culture and process. Today, almost 7 years since joining the organization, he serves as the Head of Human Resources and has proved his mettle as a People Leader time and time again. Under his able Management, Kaar Tech records the lowest attrition since its inception and he is widely credited for securing the Great Place to Work Certificate for our organization. He is also the brain behind numerous employee-centric and employee friendly initiatives and unconditionally credits his Team for all the success he has seen thus far.

VYAS SA
HEAD OF CORPORATE DEVELOPMENT OFFICE

Vyas S A joined Kaar in April 2018 and has since worked his way up the corporate ladder. From his initial role as the Head of Central Business Finance, he now serves as the Head of the Central Development Office where he is responsible for understanding and decomposing problem statements of the organization, analyzing and eliminating risks, and converting them into golden opportunities. He is also responsible for driving the OKRs of the organization forward with the help of external OKR firms and supervising and spearheading OKRs at Kaar Tech. Vyas will further visualize the good of the organization and conceptualize ways to achieve company goals and objectives.

AKILESH KUMARAN S
HEAD OF MARKETING

Mr. Akilesh Kumaran S is a name known widely across the organization. As a Senior Marketing Executive for KTern, Akilesh has repeatedly proved his mettle and directed the Team towards the highest praise and success. His contributions to KTern have been crucial and his phenomenal work ethic and discipline have been widely recognized. Today, he serves as the Head of Marketing and is responsible for spearheading marketing functions like Lead Generation and Branding. As an individual, Akilesh is extremely calm, sharp, result-oriented and has an eye for detail.

PRAKASH JUSTIN
HEAD OF RESOURCE MANAGEMENT & TALENT ACQUISITION GROUP

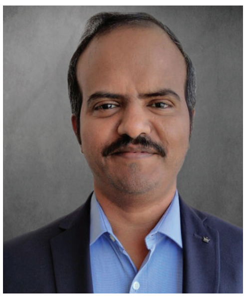
Mr. Prakash Justin has completed over a decade at Kaar and his services to the organization have been par excellence. He served as the noteworthy Head of RMG but owing to his phenomenal contributions, Mr. Prakash Justin now oversees TAG operations and functions. His contributions are instrumental in building the necessary capacity for augmenting the organization and enabling it to fulfil all its aspirations. We know that he will do the fullest justice to his role and set a landmark standard in leadership.

SHAHINSHA ABDUL BASHEER
STRATEGIC BUSINESS UNIT HEAD – MENA NORTH

One of the major revenue contributors of Kaar, Mr. Shahinsha initially worked for one of our major clients but later switched over to Kaar Tech. Widely known for challenging the status quo, he has been solely responsible for changing the contracting model during a very tough period for the company. He, in fact, was responsible for resurrecting a focal region of Kaar and the organization itself by generating several million dollars in revenue through the MIC Project. Called the Bahubali of Kaar, Mr. Shahinsha has played several roles like Project Manager – Aramco, Delivery Manager, Country Head – KSA, P&L Head – MENA North among several others and done the fullest justice in each of them. A straight shooter who minces no words, Shahinsha is straightforward and to the point. A perfectionist with a clear vision and an ambition to match, he is strictly committed to his work and aggressive about his deadlines. His perseverance and discipline are known widely through the organization and many credit it to his brief service in the NCC. However, despite a seemingly hard exterior, he is equally kind and warm and dreams of feeding the hungry everyday teaching us that the beauty of life lies in giving and sharing.

VIGNESH MANOHARAN
HEAD OF GLOBAL BID MANAGEMENT

An unconventional thinker who is always present for his Team, Vignesh Manoharan is a man of many talents. His proposals are like no other and his solutions are often unorthodox but brilliant. His contributions to Presales have elevated the Department in the organization and he remains a visionary Leader and an inspiration to many employees of Kaar Tech.



SUKUMARAN E
HEAD OF KEBS

Sukumaran has been with the organization since its inception. Over his illustrious tenure, he has donned various hats like the SAP Delivery and Project Manager for countless assignments in the Middle East. With a deep SAP Acumen, Sukumaran has been one of our greatest pillars and is right now championing our product initiatives like the Kaar Enterprise Business Suite (KEBS) for Kaar Tech. He has grown leaps and bounds inside Kaar and has always contributed to the organization. Apart from shouldering various responsibilities, he has always taken care to mentor Kaarians on SAP Consulting, Project Management, Product Engineering etc along his journey. His ability to stay calm during difficult times differentiates him from the rest.

DIRECTORS REPORT

To
The Members
Kaar Technologies india Private Limited

Your directors have pleasure in submitting the Seventeenth Annual Report on the business and operations of the company together with audited statement of accounts for the year ended 31st March 2022.

1. FINANCIAL RESULTS:

Particulars	Standalone		Consolidated	
	Year Ended 31.03.2022 (Amt in Lakhs)	Year Ended 31.03.2021 (Amt in Lakhs)	Year Ended 31.03.2022 (Amt in Lakhs)	Year Ended 31.03.2021 (Amt in Lakhs)
Total Income	19,991.85	15,127.60	23,249.79	17,688.44
Total Expenditure	17,697.35	12,984.67	20,590.58	15,534.64
Profit/(Loss) before Tax	2,294.50	2,142.93	2,704.90	2,193.54
Tax Expense:				
(a) Current tax	382.06	465.79	470.34	507.11
(b) Provision for deferred tax charge/ (benefit)	163.32	(12.37)	8.63	109.46
Profit After Tax	1749.12	1,689.51	2,225.93	1,576.97
Other Comprehensive income	(83.89)	(43.15)	(10.20)	942.55
Amount Carried to Balance Sheet	1665.23	1,646.36	2,215.73	2,519.52

2. STATE OF COMPANY'S AFFAIRS:

During the year, Turnover was at INR 19,231.64 Lakhs as compared to the previous year Turnover of INR 14,734.23 Lakhs. The Profit for the Current year stood at INR 1,749.12 Lakhs when compared to previous year of INR. 1,689.51 Lakhs.

Your Company's performance primarily relates end to end SAP business solutions in order to enable clients enhance their business productivity &performance. Our investment in tools, processes, governance mechanisms and various new geographies, are paying off today with handsome revenues, reporting a considerable growth and a bold departure setting the stage for an accelerated growth in the next 5 years.

Your Company is having presence in various verticals, comprising Manufacturing, Oil & gas, Retail, Healthcare, Public Sector & Education and other segments.

Business Highlights (2021-22)

Your Company's revenue stands at INR 19,231.64 Lakhs in financial year 2021-22. During the year under review, the nature of business of the Company has not changed.

Performance of Operational subsidiaries:

Region – Qatar: Revenue booked for the FY'22 was INR1,237.27 Lakhs, as against FY'21 value of INR 1,313.13 Lakhs.

Region – Oman: Revenue booked for the FY'22was INR 1,706.29Lakhs as against FY'21 1,867.92 Lakhs.

Region – Abu Dhabi: Revenue booked for the FY'22 was INR 428.81Lakhs as against FY'21 value of INR 226.80 Lakhs.

Region - Bahrain: Revenue booked for the FY'22 was INR 865.47 Lakhs as against FY'21 value of INR 2,256.41Lakhs.

Region - UK: Revenue booked for the FY'22 was INR1,487.79, as against FY'21 value of INR 483.67Lakhs.

Region - USA: Revenue booked for the FY'22 was INR 2,565.23, as against FY'21 value of INR 1,856.83 Lakhs.

Region –Saudi Arabia: Revenue booked for the FY'22 was INR 10,544.16 Lakhs, as against FY'21 value of INR 6,541.37 Lakhs.

Your Company continues to intensify its search for new customers in these regions while braving the tough market conditions presently prevailing in the European market.

3. CHANGE IN NATURE OF BUSINESS:

There was no change in the nature of business of Company.

4. DIVIDEND:

The Company has declared and paid Interim dividend of INR.14.12/- per share amounting to INR. 7,00,00,000/- as approved by the Board at its meeting held on 4thJune 2021 during the year under review. The same shall be considered as the Final Dividend of the Company.

5. RESERVES:

The profit of INR 1,929.30 Lakhs of the company has been transferred to reserves and surpluses at the end of the Financial Year.

6. DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the current financial year as well as in earlier year.

7. SHARE CAPITAL:

The Paid-up Capital of the Company as at 31st March, 2022 is INR 51,39,383. During the period under review, the Company has not issued any kind of share capital.

8. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS :

The Shareholders of the Company at the Annual General Meeting (AGM) held on September 30, 2016, approved the Kaar Technologies Employee Stock Option Plan, 2016 (the ESOP 2016 Plan). The ESOP 2016 Plan provides for issuance of 163,167 options, exercisable into equivalent number of fully paid up equity shares of Rs. 1/- each, to the employees including Directors. The ESOP 2016 Plan is administered by 3 different schemes based on the following terms:

Year Ended 31.03.2022 (Amt in Lakhs)	Year Ended 31.03.2021 (Amt in Lakhs)	Year Ended 31.03.2022 (Amt in Lakhs)	Year Ended 31.03.2021 (Amt in Lakhs)
Eligible employees	Kaar Leadership Team, comprising of senior and key employees	All employees depending on the years of experience with the Company	All employees depending on performance rating for every financial year
Maximum number of options grantable	35,945	78,671	48,551
Exercise Price	INR 90/-	INR 90/-	INR 90/-

The disclosures pursuant to rule 12(9) of Companies (Share Capital and Debenture Rules, 2014) are as under:

S.No	Particulars	Details
i.	Options granted	163,167
ii.	Options vested	87,112
iii.	Option exercised	-
iv.	The total number of shares arising as a result of exercise of options	-
v.	Options lapsed	4,457
vi.	The exercise price	INR 90
vii.	Variation of terms of options	-
viii.	Money realized by exercise of options	-
ix.	Total number of options in force	87,112
i.	Employee wise details of Options granted to • Key managerial personnel; • Any other employee who receives a grant of • Options in any one year of option amounting to • Five percent or more of options granted during that year. • Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	-

9. ISSUE OF DEBENTURES:

The Company had issued and allotted Secured Non-Convertible Debentures [NCD's] aggregating to Rs.5 Corers to BlackSoil Capital Private Limited and BlackSoil India Credit Fund on private placements basis during the year under review.

10. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

11. CONVERSATIONS OF ENERGY, TECHNOLOGY ABSORPTION,FOREIGNEXCHANGE EARNINGS AND OUTGO ARE AS FOLLOWS:

a) Conversation of Energy:

The Company is a Service Company rendering services related to end to end SAP business solutions. The consumption of power is limited and efforts are put to conserve energy and utilizing power in an efficient and cost effective manner.

b) Technology Absorption:

The Company continues to use the latest technologies for improving the productivity and quality of its services and product. Our Technology are directly associated with the energy efficiency of the systems.

c) Foreign exchange earnings and outgo:

- Foreign Exchange Earnings during the year:

Particulars	Year Ended 31.03.2022 (INR in Lakhs)	Year Ended 31.03.2021 (INR in Lakhs)
Earnings	19,199.54	14,546.13
Total	**19,199.54**	**14,546.13**

- Foreign Exchange outgo during the year: (Accrual basis):

Particulars	Year Ended 31.03.2022 (INR in Lakhs)	Year Ended 31.03.2021 (INR in Lakhs)
Employee benefit expenses	3,817.90	1,831.94
Other Expenses	2,095.09	2,466.29
Total	**5,912.99**	**4,298.23**

12. PARTICULARS OF EMPLOYEES:

There were no employee drawing a salary in excess of the limits prescribed under the provisions of Sub Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence furnishing of information does not arise.

13. RISK MANAGEMENT POLICY:

The Company has taken adequate measures towards risk management and ensured proper safeguard of the assets of the Company.

14. DETAILS OF INTERNAL COMPLAINTS COMMITTEE CONSTITUTED IN COMPLIANCE WITH SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the 'said Act') has been made effective w.e.f April 13, 2015. The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the company is strongly opposed to sexual harassment and that such behavior is prohibited both by law and by the KAAR Group. To redress complaints of sexual harassment, an Internal Complaints Committee (ICC) of Kaar Technologies India Private Limited has been formed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made there under.

The Internal Complaints Committees has not received any complaints under the said act till the date of this report.

15. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Board at its meeting held on 12th April, 2021 dissolved the CSR Committee and the functions of CSR Committee provided under Companies Act, 2013 and applicable rules shall be discharged by the Board of Directors of the company in compliance with Companies (Amendment) Act, 2020 dated 28.09.2020 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

A brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure A of this Report in the form as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Policy is available on the website of the Company at https://www.kaartech.com

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company, pursuant to the approval of the Board at its meeting held on 18th December, 2020, has made investment in 1,900 Optionally Convertible Debentures of Rs. 100 each in NJT Network Private Limited.

Further, pursuant to the approval of the Board at its meeting held on 07th February 2022, the Company has invested in 129 Compulsorily Convertible Preference Shares of Rs. 10 each in Zenstack Private Limited.

The Company has not granted Loans or Guarantees during the year under review.

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under Fourth proviso thereto is disclosed in Form No. AOC -2 enclosed as "Annexure B."

18. STATUTORY AUDITORS:

M/s. RVKS and Associates (FRN 008572S), Chartered Accountants were appointed as a Statutory Auditor of the Company to fill the casual vacancy caused by the resignation of M/s. CNGSN & ASSOCIATES LLP, Chennai, (FRN: 004915S/ S200036) at the Board Meeting held on 07th February, 2022. Subsequently, the same was approved by the members at Extra ordinary General Meeting held on 09th February, 2022 to hold office up to the conclusion of ensuing Annual General Meeting.

Appointment of M/s. RVKS and Associates (FRN 008572S), Chartered Accountants as statutory auditors of the Company for a period of five years is placed before the members of the Company at the ensuing annual general meeting forapproval.

19. EXPLANATIONS OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITOR:

Auditor Comments with respect to Loans given to Subsidiaries:

c) We have not obtained any documents for the terms of the loan agreement for the loan granted to one subsidiary KAAR Technologies Qatar refer note no 6, Hence, we are unable to comment on the schedule of repayment of principal and interest rate. There is repayment of principal or interest during the year.

Explanation:

It is to be noted that the necessary documents pertaining to the said loan were maintained in the subsidiary company and are not traceable. The same will be provided in due course

d) We have not obtained any documents for the terms of the loan agreement for the loan granted to one subsidiary KAAR Technologies Qatar refer note no 6, Hence, we are unable to comment on if there is any overdue amount as at 31st March, 2022 in respect of principal amount of above loan as well as in respect of interest.

Explanation:

It is to be noted that the necessary documents pertaining to the said loan were maintained in the subsidiary company and are not traceable. The same will be provided in due course.

f) According to the information and explanations provided to us and based on our audit procedures, we conclude that the Company has granted loans or advances in the nature of loans without specifying any terms or period of repayment, details of which are mentioned as below:

Particulars	Related parties
Aggregate amount of loans/ advances in nature of loans	301.38 Lacs
- Repayable on demand (A)	-
- Agreement does not specify any terms or period of repayment (B)	301.38 Lacs
Total (A+B)	**301.38 Lacs**
Percentage of loans/ advances in nature of loans to the total loans	100%

Explanation:

It is to be noted that the necessary documents pertaining to the said loan were maintained in the subsidiary company and are not traceable. The same will be provided in due course.

Auditor Comments with respect to Statutory Dues:

a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have been regularly deposited subjected to certain delays with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable except in the following cases

Nature of statute	Nature of dues (Rs.)	Amount (Rs.)	Period to which it relates	Due date of payment	Date of payment
EPF ACT	Provident fund	6,51,348	F.Y. 2021-22	15-06-2021	17-06-2021
EPF ACT	Provident fund	7,200	F.Y. 2021-22	15-06-2021	19-07-2021

Explanation:

The delay in payment of statutory dues was due to certain reconciliation. The Company will take necessary steps to avoid the same in the future.

b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Nature of statute	Nature of dues (Rs.)	Amount (Rs.)	Period to which it relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	3,79,94,941	April 2016 to June 2017.	Commissioner of service tax.
Income Tax Act, 1961	Income Tax	16,21,514	A.Y. 2012-13	Commissioner of income tax
Income Tax Act, 1961	Income Tax	7,19,59,960	A.Y. 2016-17	Commissioner of income tax
Income Tax Act, 1961	Income Tax	4,84,33,030	A.Y. 2017-18	Commissioner of income tax
Income Tax Act, 1961	Income Tax	2,74,02,960	A.Y. 2018-19	Commissioner of income tax
Income Tax Act, 1961	Income Tax	4,93,99,330	A.Y. 2019-20	Commissioner of income tax
Income Tax Act, 1961	Income Tax	4,11,32,940	A.Y. 2020-21	Commissioner of income tax

Explanation

The company has filed appeals for the above mentioned disputed refund receivables from statutory authorities and necessary action is being undertaken.

20. ANNUAL RETURN:

The copy of Annual Return as required under Section 92(3) and Section 134(3)(a) of the Act has been placed on the website of the Company. The web-link as required under the Act is as under: https://www.kaartech.com

21. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors of the Company met 14 times during the year.

22. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

a. In preparation of the Annual Accounts for the year 2020-21, the applicable accounting standards have been followed.

b. The directors have selected such Accounting Policies and applied them consistently and made judgment's and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or (loss) of the company for the Financial year.

c. The directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act. T hey confirm that there are adequate systems and controls for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

d. The directors have prepared the Annual Accounts of the company for the financial year ended 31st March, 2022 on a going concern basis.

e. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively

f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws vvand that such systems were adequate and operating effectively.

23. DETAILS OF SUBSIDIARY / JOINT VENTURES COMPANIES:

The details of financial performance of subsidiaries/associates companies/ Joint Ventures pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 in Form AOC-1 is furnished in Annexure C and attached to this report.

24. DIRECTORS:

Mr. Nagarajan Ratnakumar, Mr.Gaurdian George and Mr.Selvakumaran Manickam Directors of the Company are proposed to be re-appointed as Executive Director of the Company for a period of five years at the ensuing Annual General Meeting of the Company.

Mr. V Chandrasekaran is proposed to be appointed as Chief Financial Officer of the Company u/s 203 of Companies Act, 2013 for a period of five years at the ensuing Annual General Meeting of the Company. Accordingly, the notice of the ensuing Annual General Meeting of the Company will contain the necessary resolutions for member's approval.

25. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has adequate internal financial controls such as defining authority to authorize financial transactions, Internal Audit and monthly review of financial statement mechanism in vogue. Further the company is not a listed company hence reporting on this clause does not arise.

26. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:

There are no Order passed by the regulators or Courts or Tribunals impacting the going concern status and Company's operation in future.

27. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

There were no applications made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

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

During the year under review, the Company has not settled any loans availed from Banks or Financial Institutions.

29. ACKNOWLEDGEMENTS:

Your Directors wish to acknowledge and thank the Central and State Government and all regulatory bodies for their continued support and guidance. Your Directors thanks our esteemed customers, vendors, business associates, banks for the faith reposed by them in your company and its management. Your Directors place on record their deep appreciation of the dedication and commitment of the company's employees at all levels and look forward to their continued support in the future as well.

For and on behalf of the board of

N. MARAN	**N. RATNAKUMAR**
Director	Director
DIN: 00130872	DIN: 01256584
Place : Chennai	**Date :**

Annexure A

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. The objective of the CSR policy ("Policy") of the Company is to lay down guidelines for proper execution of CSR activities of the Company so as to support the sustainable development of the society. The Company has set up KAAR Arakattalai to focus on the CSR activities of the Company.

   As per Companies (Amendment) Act, 2020 dated 28.09.2020 effect from 22.01.2021 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the Board at its meeting held on 12th April, 2021 dissolved the CSR Committee and the functions of CSR Committee provided under Companies Act, 2013 and applicable rules shall be discharged by the Board of Directors of the company.

   The CSR activities, projects and programs undertaken by the Company shall be those as approved by the Board of Directors of the Company and are covered under the areas set out in Schedule VII of the Companies Act, 2013.

2. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on https://www.kaartech.com/csr/

3. The requirement of Impact Assessment of CSR projects in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014 is not applicable to the Company.

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

Sl.No	Financial Year	Amount available for set-off from preceding financial year (in Rs)	Amount required to be set off for the financial year, if any
		NIL	

5. Average Net profit of the Company for the last three financial years: INR 1745.34 Lakhs

6. (a) Two percent of average net profit of the company as per section 135(5): INR 34.91 Lakhs

   (b) Surplus arising out of the CSR projects or programmers or activates of the previous financial year: NIL

   (c) Amount required to be set off for the financial year, if any: NIL

   (d) Total CSR obligation for the financial year (7a+7b-7c): INR 34.91 Lakhs

7. (a) CSR amount spent or unspent for the financial year:

Year Ended 31.03.2022 (Amt in Lakhs)	Year Ended 31.03.2021 (Amt in Lakhs)				
	Total Amount transferred to Unspent CSR Amount as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provisio to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
Exercise Price	34.91 Lakhs	30th April, 2022		NIL	

(b) Details of the CSR amount spent against ongoing projects for the financial year - NIL

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (yes or no)	Location of the project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to unspent CSR Account for the project as per Section 135(6) in Rs.)	Mode of Implementation Direct (yes/No)	Mode of implementation – Through implementing Agency	
				State	District						Name	CSR Registration Number

(c) Details of CSR amount spent against other than ongoing projects for the financial year: NIL

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (yes or no)	Location of the project		Amount SPENTfor the project (in Rs.)	Mode of Implementation Direct (yes/No)	Mode of implementation – Through implementing Agency	
				State	District			Name	CSR Registration Number

(a) Amount spent in Administrative overheads - NIL
(b) Amount spent on Impact Assessment, if applicable – NOT APPLICABLE
(c) Total amount spent for the Financial Year (8b+8c+8d+8e): INR 0
(d) Excess amount for set off, if any - NIL

Sl.No.	Particular	Amount (INR)
(i)	Two percent of average net profit of the Company as per section135(5)	INR 34.91 Lakhs
(ii)	Total amount spent for the Financial Year	0
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programs or activitiesofthepreviousfinancialyears,ifany	NIL
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	0

8. (a) Details of Unspent CSR amount for the preceding three financial years:- INR 30.77 Lakhs

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the Reporting Financial Year (in Rs.).	Amount transferred to any fund specified Under Schedule VII as per section 135(6), if any			Amount SPENT for the project (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer	
1	2020-21	NIL	INR 30.77 Lakhs	NIL			NIL

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

Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (In Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing
1	CSR PROJ 1/21-22/KAAR ARAKATTALAI	Supporting Education of single parent children and children from backward society and poor background	21-22	-	30.77 Lakhs	30.77 Lakhs	30.77 Lakhs	Completed

1. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). NOT APPLICABLE

Date of creation or acquisition of the capital asset(s).
Amount of CSR spent for creation or acquisition of capital asset.
Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)

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

The Company was successful in identifying few CSR projects related to Support Education of single parent children and children from backward society and poor background, supporting the transgender for their upliftment and reducing the inequality and infrastructure development of government schools. These projects are taken up through KAAR Arakattalai.

The Board at its meeting held on 31st March, 2022 has approved these CSR projects as on-going projects and approved budget for the same. Due to delay in various procedural formalities, documentation and in securing required approvals, the projects were not able to commence during the year under review. However, the Company has transferred the unspent CSR amount as required under 135(6) of Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

For and on behalf of the board of

N. MARAN

Director
DIN: 00130872

N. RATNAKUMAR

Director
DIN: 01256584

Place : Chennai
Date :

Annexure B
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 certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

Name of Related party	Nature of relationship	Duration of contract	Salient Terms	Amount
NIL				

2. a) Details of material contracts or arrangement or transactions at arm's length basis as:

Name of Related party	Nature of relationship	Duration of contract	Nature of Transaction/ Salient Term	Amount (In Lakhs INR)
Kaar Technologies Qatar LLC	Subsidiary	NA	Sale of services	1,237.27
			Expenses	6.51
			Loan given	335.34
KAAR Technologies LLC Oman	Subsidiary	NA	Sale of services	1,706.29
			Expenses	75.15
KAAR Technologies LLC Abudhabi	Subsidiary	NA	Sale of services	428.81
			Expenses	684.03
KAAR Technologies Co W.I.I., Bahrain	Subsidiary	NA	Sale of services	865.47
			Expenses	78.73
KAAR Technologies UK Limited	Subsidiary	NA	Sale of services	1,487.79
KAAR Technologies Inc., USA	Subsidiary	NA	Sale of services	2,565.23
			Expenses	160.29
BaasKaar Information Technologies Company Limited, Saudi Arabia	Joint venture	NA	Sale of Services	10,544.16
			Expenses	1,090.38
N. Maran	Key management	NA	Remuneration and other benefits	60.91
N. Rathnakumar	Key management personnel	NA	Remuneration and other benefits	60.91
M. Selvakumaran	Key management personnel	NA	Remuneration and other benefits	60.91
Guardian George	Key management personnel	NA	Remuneration and other benefits	60.91
V. Chandrasekaran	Key management personnel	NA	Remuneration and other benefits	57.25
N. Maran	Key management personnel	NA	Rent	7.20
N. Rathnakumar	Key management personnel	NA	Rent	4.68
M. Selvakumaran	Key management personnel	NA	Rent	7.56
Meena Guardian	Relative of KMP	NA	Rent	7.20
Kaar Arakattalai	Jointly HELD	NA	CSR Expenditure	30.77

For and on behalf of the board of

N. MARAN

Director
DIN: 00130872

N. RATNAKUMAR

Director
DIN: 01256584

Place : Chennai
Date :

Annexure - C

Form AOC- 1

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures.

Part "A": Subsidiaries

S. No.	Reporting Period	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22	31-Mar-22
1	Reporting Currency	QAR	USD	AED	QAR	BHD	OMR	GBP	DKK	MYR
2	Exchange Rate	20.84	75.81	20.53	20.84	200.46	196.30	99.55	11.24	17.90
3	Share Capital	2,00,000	10,000	1,50,000	2,00,000	20,000	1,00,000	100	50,000	4000
4	Reserves and Surplus	(15,62,240)	1,12,922	4,29,301	4,05,075	2,62,100	1,86,372	2,64,958	11,00,666	(16,93,371)
5	Total Assets	83,55,529	24,07,486	93,39,785	62,73,487	6,82,674	12,70,821	10,46,639	11,50,666	26,314
6	Total Liabilities	97,17,769	22,84,563	87,60,484	56,68,411	4,00,574	9,84,449	13,11,497	-	17,15,685
7	Investments	0	0	0	0	0	0	0	0	0
8	Turnover	30,87,930	51,21,604	32,18,666	81,53,180	8,57,064	12,56,139	11,47,781	-	-
9	Profit before taxation	(3,48,556.91)	3,29,942.71	6,51,879.66	3,21,887.87	2,56,696.47	82,326.65	10,977.84	-	(19,400.00)
10	Provision for taxation	-	69,287.97	-	45,839.00	-	14,107.00	-	-	-
11	Profit after taxation	(3,48,556.91)	2,60,654.74	6,51,879.66	2,76,048.87	2,56,696.47	68,219.65	10,977.84	-	(19,400.00)
12	Proposed Dividend	0	0	0	0	0	0	0	0	0
13	% of shareholding	49.00	100.00%	49.00%	100.00%	99.75 %	99.00%	100.00%	100.00%	100.00%

Note: Net tax expense during the year disclosed

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

1. The names of subsidiaries which are yet to commence operations – None

2. The names of subsidiaries which have been liquidated or sold during the year –None

Part B Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

Name of Associates or Joint Ventures	BaasKaar Information Technologies Company Limited, Saudi Arabia
1. Latest audited Balance Sheet Date	31st December, ,2022
2.Date on which the Associate or Joint Venture was associated or acquired	22-01-2011
3.Shares of Associate or Joint Ventures held by the company on the year end	35%
Amount of Investment in Associates orJoint Venture	
Extent of Holding (in percentage)	
4.Description of how there is significant influence	Associate
5.Reason why the associate /joint venture is not consolidated	Consolidated
6. Net worth attributable to shareholding as per latest audited Balance Sheet (INR)	2,36,78,967.01
7. Profit or Loss for the year	45,69,195.82
i. Considered in Consolidation	Yes
ii. Not Considered in Consolidation	-

1. Names of associates or joint ventures which are yet to commence operations - none
2. Names of associates or joint ventures which have been liquidated or sold during the year. - none

For and on behalf of the board of

N. MARAN

Director
DIN: 00130872

N. RATNAKUMAR

Director
DIN: 01256584

Place : Chennai
Date :


INFORMATION

MANAGEMENT DISCUSSION AND ANALYSIS

1. The Market Opportunity

1.1 S/4HANA Gold Rush – 2027

1.1.1 What is Gold Rush?

According to recent SAP releases "SAP ECC 6.0 will be fully supported only until 2027. With over 10,000+ customers live on SAP S/4HANA and hundreds more going live every month, now is the time to make the move to a modern, intelligent ERP".

Diving Deep into these words, some of the resultant research points arrived are

1. SAP extends mainstream support until 2027 for SAP Business Suite 7 (ECC 6.0, EHP 6+)

2. SAP offers extended maintenance or customer specific maintenance until 2030. Maintenance pricing increases to 24% from 2028 – 2030 (from the current 22%).

3. 13% of SAP Business Suite installed base is live in at least one site with SAP S/4HANA today.

4. 73% are yet to purchase an S/4HANA license from the total 35,000 Installed Bases.

5. This roughly sums up to a total of 25,000+ Installed Bases which needs to migrate in the span of the next 5 years which leads to an Approx. of an aspirational 5000 Installed Bases Migration to S/4HANA per year. Owing to the current available capacity & YoY FTEs growth, this will only create a gold rush towards the fag end of this period of 5 years.

1.1.2 Some Quick Stats

The Below table demonstrates a statistical perspective of what exactly these points mean to SAP Partners ecosystem globally.

Market Overview - 2021	
S/4 TAM – FY22 together (in $B)	80*
S/4 TAM – FY27 (in $B) Expected	160*
GSSP- Rev. FY22 (in $B)	25*
GSSP – Rev. FY22 share	~30%
GSSP S/4HANA FTEs	200,000*
GSSP SAP FTEs	300,000*
RPE (in $K)	~77K
Approx. Current Global SAP FTEs considering lower rate correction of developing countries	1,100,000

Inferences from the Table

1. TAM (Abbreviated as Total Addressable Market) currently in FY22 is around $80B and according to SAP's recent Quarterly Reports, the market expansion with other combination of growth levers & initiatives will create a TAM of Approx. $150B by end of FY25.

2. According to Gartner's Latest S/4HANA Application Services Magic Quadrant Report, The Top 20 SIs who are also termed as the GSSP (Global Strategic Services Partnership) as on FY22 has a revenue share of $25B out of the $80B which accounts to nearly 30% of the FY21' TAM.

3. Subsequently, the 20 SIs in the recent S/4HANA Application Services Magic Quadrant reported a total of 2,00,000 trained S/4HANA resources and a total of 3,00,000 FTEs skilled in various other Satellite skillsets of SAP (S/4HANA Subset Included).

4. This leads to an RPE (Revenue Per Employee, in this case FTE) of $77K which is roughly close to the benchmarking figures of the Big 5 Service Providers.

5. With the current ~1.1M Global SAP FTEs (Arrived after rate corrections) in FY22 and the future Global SAP FTEs needed between FY25' & FY27' is hence mounting over 2M

1.1.3 The Future of Gold rush

The Below table is arrived as a hypothesis based on the current adoption rates from the recent SAP Quarterly reports.

Financial Year	Non-S/4 IB*	S/4 Net New	Conversions	Total Projects	Delta from Baseline 21'
FY21	26250	2200	2750	4950	
FY22	23500	2420	3025	5445	495
FY23	20475	2662	3328	5990	1040
FY24	17148	2928	3660	6588	1638
FY25	13487	3221	4026	7247	2297
FY26	9461	3543	4429	7972	3022
FY27	5032	3897	4872	8769	3819

*IB – Installed Bases

Inferences from the table

1. FY21 & FY22 saw close to 2000+ S/4HANA net new deals/year and an approx. of 2700+ conversion projects/year (inclusive of hybrid implementations) projects were mounted totaling upto an Approx. of 10k total projects.

2. Extrapolating this adoption trend with a 10% increase in greenfield & conversion for the subsequent years, there would be a total of around 8700+ Projects in FY27 (Almost doubling from the current count) and a 14% (5000+ Non-S/4 IB) still waiting to adopt any of the approach or finding challenges to build business cases & investments.

1.1.4 What does it mean for Partner SIs & Customers?

Financial Year	Demand Projection – Global Total Necessary S/4 FTEs (In M)	Supply Projection – GSSP Total Necessary S/4 FTEs (In M)
FY22	1.10	0.19
FY23	1.21	0.25
FY24	1.33	0.35
FY25	1.46	0.50
FY26	1.70	0.70
FY27	2.00	0.98

1. Almost Doubling of Projects Count leading to Doubling FTEs Demand from the current state

2. Over 2M FTEs Necessary from the supply side to meet the demand side

3. Current YoY (Assuming 25%) from GSSP Companies can lead only upto a maximum of 1M FTEs in 2027

4. This Growth rate globally can lead to a Huge Demand Supply Gap during this Gold Rush

5. Thus, in triangulation, this supply demand gap in S/4 FTEs and other satellite skillsets will open billing rates of FTEs growing linearly in the initial years and sometimes exponentially towards the fag end of the gold rush.

2. Preamble of West so far

This document goes into detail about the Net-new sales and GTM strategy planning for Fiscal FY23.

2.1 Genesis of West for Kaar Tech

West as a P&L started in the FY18 integrating the UK business with the start of US operations. From then it has been a period of rapid growth for the West. Team size has increased from roughly about 5 people to the current strength of about 100+ in the span of 4 years. SAP alignment was almost non-existent when we started. Today we are a VAR partner in the US. Revenue has grown from less than 50L INR to about 40Cr INR by the end of FY22. In-spite of growing at this pace we have also maintained a healthy WCD of under 30 days on a yearly average.

2.2 History & Path Travelled by Kaar Tech

Below table shows the revenue numbers in Crores. This has been the growth of the West from FY18 till FY22.

FY18	FY19	FY20	FY21	FY22
0.50	5	17	25	60

GM in the West has been averaging between 50-55% over the last 5 years. SG&A in the previous years was on the lower side because of Covid and lesser onsite and almost zero travel costs. This will change going forward as the US is returning to normalcy business mode, travel resumes and with the addition of onsite vertical heads and sales personnel. FY23 will see a substantial increase in SG&A costs on account of the above and to develop the next level of leadership on the ground in the US.

PBT in the previous years was in the range of 25%. This was possible because of lower SG&A and higher offshore presence.

We entered the H1B visa lottery program in the year 2020 and received 19 approved visas. People could not travel in time because of Covid restrictions. In the 2021 lottery we received about 70 visas, and all of these are in different stages of approval. Most of these consultants are planned to travel before the end of FY22.

2.3 Our Vision

- To become a listed Unicorn by 2025 with a revenue of $124M
- To achieve a Cumulative revenue of $350M in 2030
- To achieve a Cumulative revenue of $1B by 2035
- To become the best and largest pure play SAP Consulting company in the World.

2.4 Objectives of US NN Sales

- To propel Kaar Tech's 2025 vision of becoming a listed Unicorn by giving a western wallet share of $50M organically out of the total $124M
- To assist Kaar Tech, achieve 70% Direct Business and 30% Partner Business from the current 70% Partner Business and 30% Direct Business model
- To Drive the Ownership of Sales & GTM for the Acquired company in US

3. GTM & Market Research

3.1 Introduction

A Proper GTM framework is a key necessary step to open doors, sell products and services into new markets. All frameworks should have a clear definition of identifying and validating the vertical, geographic, category, function, industry or product focused to successfully approach a new market.

By answering the below questions precisely with datapoints and application of logic along with expert validation, A skeletal GTM can be laid out.

- Is there a realizable market opportunity in the TAM?
- Is the market for my offer mature or immature?
- How are the customers benchmarked, classified, and identified as sweet spots?
- What is the competitive positioning and who are the competitors present?
- Is there a void or a whitespace in the market geographically or vertically?
- Direct selling or selling through partners or both?

This document will try to answer these questions with detailed insights and research on answering the above questions which will also lead to the strategy for achieving the vision set.

3.2 Market Opportunity and its relevance for Kaar Tech

With 35,000 Installed Bases of ECC currently and assumed YoY of 5% increase, the baseline will expand and amount to a total sample space of around 45,000 customers globally as a total addressable market in 2025 for S/4 Greenfield, brownfield, Hybrid, module rollouts, enhancements, and support.

Over 25,000 Installed Base customers on ECC are yet to purchase an S/4HANA component currently, which roughly accounts to 53% of the total current base.

Between now and the 2025, Gartner predicts that this 53% total base is going to reduce to a 30% total base of Total Addressable Market in 2025 due to adoption rate increasing steadily with 10% on Greenfield & Conversion projects YoY

3.1.1 2.2.1 Inferences

1. 23% of the TAM and 5% Sales YoY ECC is going to be one of the key Addressable markets for Kaar Tech in the next 3 years to achieve our FY25 vision statement set in section 1.3

2. Almost a spiking trend of projects count/year from an approximate 5000 S/4 projects currently executed as per SAP's FY21 reports and is expected to peak at around 7500 projects in FY25, leaving a delta 2500 projects as an important addressable market to supply our resources and achieve our FY25 vision statement set in section 1.3

3. The Partner Ecosystem in US apart from the Top tier 21 GSSP players, will go raging in terms of partnering with capable SAP solutioning companies like ours and supply resources as front enders, which gives a huge leap of faith to achieve our partner business set in the section 1.3 vision statement.

3.3 Industry Verticals Research and Shortlists for Kaar Tech

3.1.2 2.4.1 Gartner VSF & SAP Conversations shortlists

Verticalization is the strategy by which service providers like us can best align our IP vision and our current services with the major dynamics of targeted vertical industries to accelerate growth potential. A deep understanding of the consumer or enterprise user trends, to determine the relevance to the businesses that we serve, is a serious must and much needed go-to-market imperative for today.

After reading through various strategy frameworks published by GTM experts, research papers, verticalization by Gartner and conversations with SAP Midmarket, it is important for us to make sure that we reinvent the wheels and penetrate the markets through the below shortlisted DENS (Discrete, ENR, Services) along with Consumer goods classification

Discrete

• Industrial Manufacturing

• High Tech

ENR

• Oil & Gas

• Chemicals

• Mill Products (incl Building Products)

Service Industries

• Proserv

• EC&O

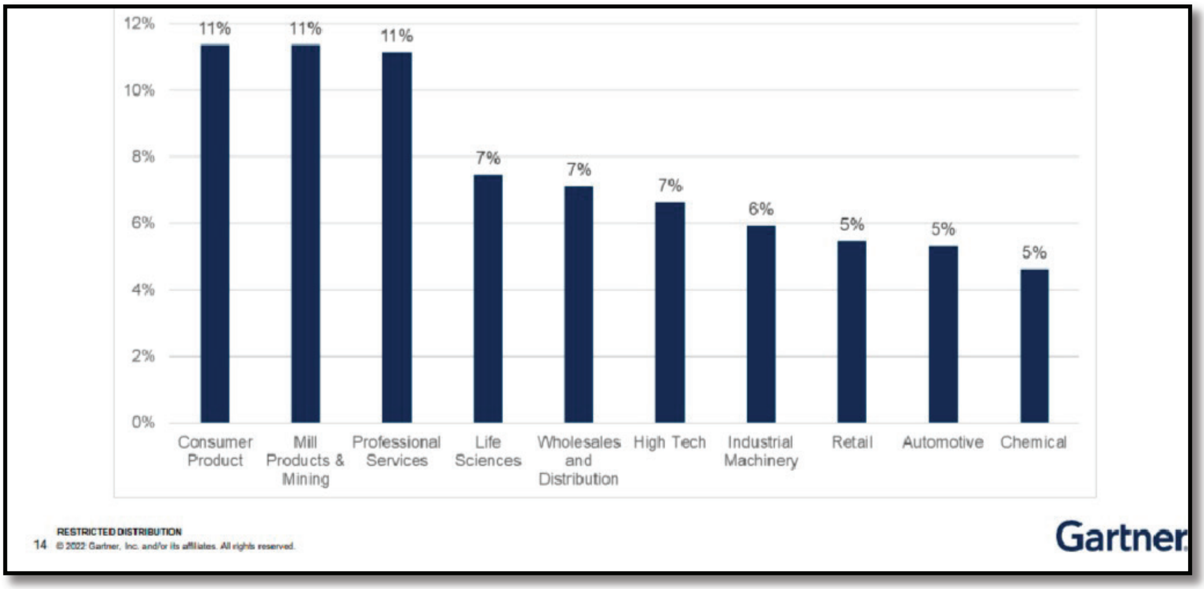
Consumer Industries

• Wholesale Distribution

• Consumer Products

3.1.3 2.4.2 Adoption rate of Rise with SAP and S/4 for these verticals

Keeping this aside, According to Gartner's latest 2021 report the below mentioned industries have attracted the best of the adoption for Rise with SAP and S/4.



The first 3 bars (Consumer Products, Mill Products and Mining and Proserv) contribute together to 33% along with the High Tech that contributes to 7%, IMC that contributes to 6%, Retail that contributes to 5%, Chemicals that contributes to 5%.

Now, grouping them according to Gartner' VSF, the below verticals have the following adoption rate.

- Discrete Manufacturing (IMC and High Tech) – 13%
- ENR (Chemicals, Mill Products & O&G) – 16%
- Retail & CPG – 23%
- Services (EC&O, Proserv, T&T) - ~15%
- Total: 67% of the total adoption rate

4.3 IT Spending Forecast – Sub $5B Customers North America Spend Report

Vertical Market	2019	2020	2021	2022	2023	2024	2025
Banking and Investment Services	527,407	545,344 3.4%	584,643 7.2%	620,498 6.1%	650,291 4.8%	684,053 5.2%	717,792 4.9%
Communications, Media and Services	494,149	494,709 0.1%	527,372 6.6%	559,583 6.1%	590,634 5.5%	627,107 6.2%	667,075 6.4%
Education	67,891	70,108 3.3%	76,130 8.6%	80,349 5.5%	84,646 5.3%	89,426 5.6%	94,958 6.2%
Energy and Utilities	164,301	173,024 5.3%	184,586 6.7%	199,355 8.0%	216,231 8.5%	237,813 10.0%	262,776 10.5%
Government	430,196	467,900 8.8%	500,417 6.9%	530,580 6.0%	556,970 5.0%	585,519 5.1%	615,672 5.1%
Healthcare Providers	111,687	115,769 3.7%	124,237 7.3%	133,559 7.5%	142,703 6.8%	152,231 6.7%	162,841 7.0%
Insurance	216,409	212,989 -1.6%	226,969 6.6%	241,313 6.3%	254,712 5.6%	270,041 6.0%	286,417 6.1%
Manufacturing and Natural Resources	499,597	452,966 -9.3%	463,954 2.4%	485,082 4.6%	505,820 4.3%	527,568 4.3%	551,165 4.5%
Retail	200,789	182,517 -9.1%	193,224 5.9%	206,903 7.1%	221,745 7.2%	238,583 7.6%	257,140 7.8%
Transportation	134,883	115,262 -14.5%	118,468 2.8%	120,658 1.8%	124,130 2.9%	128,088 3.2%	132,311 3.3%

Triangulating the research now from the Gartner VSF, Customer Adoption rate and the IT spending forecast reports, the following inferences are listed below.

It is also to be noted that IT spending is inclusive of Data center systems, Software licenses, Hardware Devices, IT Services & Configuration and Communication services. Gartner also estimates that there will be around a $5T spend on all these horizontal services cumulatively.

3.1.5 Inferences

Kaar Tech having an "Industry Associate" position in the verticals such as Discrete Manufacturing, ENR, Retail & CPG and Services (DENS) listed above, have an adoption rate of 67% which proves that the market is very much open to us becoming a Level 4 and Level 5 in any of the chosen vertical clusters listed above.

- We are in the right direction and in the cusp of the making a huge difference to the ENR, Manufacturing, Retail and T&T verticals since there will be a highest of the IT spend amongst all,
    - In the ENR vertical Sub $5B customers of upto $263M in 2025 globally (Highest YoY - 10% spending increment amongst all the verticals)
    - Manufacturing vertical Sub $5B customers of upto $550M in 2025 globally with ~5% YoY incremental spends
    - Along with Retail and T&T contributing together to $380M in 2025 with 8% YoY and 3% YoY incremental spends respectively.
- This already gives a total of $1.1B (Doing a rough math of summing $263M + $550M + $380M) spend visibility from these 5 verticals alone shortlisted in North America during 2025 and ~$3B cumulatively in next 3 years.
- Kaar Tech has already a certain level of expertise and market direction in these verticals to address this $3B market. We must scale from the Industry Associate position to an Industry Peer or a Visionary status by starting from all the 5 vertical sweetspot, followed by a funnel approach of 1 or 2 final verticals based on its speed of maturing and revenue generation

4. Strategy for US

Going back to the GTM Questionnaire recommended by Gartner initially, we now have a clear understanding, answers, and proof for the below questions

- **Is there a realizable market opportunity in the TAM for 2025?**

  Ans: A Big Yes: 23% of the total global TAM, 11K Midmarket and Lower LE customers in North America.

- **Is the market for my offerings mature or immature?**

  Ans: Very Mature since we see an average of 7% to 10% Incremental YoY spend for these transformation projects, $3B spend from these customers in next 3Y alone from Kaar Tech's sweetspot verticals alone in North America.

The third important question will be how these customers be grouped and addressed for Kaar Tech?

4.1 Market segment wise Strategy

The segmentation detailing is already explained in the above sections and there is a clear agreement of the fact that Kaar Tech will not go behind the Lower GB segment (<$100M) in NA.

This implies that Kaar Tech will not be competing and participating in the SAP ByD and B1 horizontals wrt. pricing, packaging, positioning, GTMs and selling with SAP. The underlying reason is the clear service delivery mismatch as Kaar Tech is already having a considerable revenue size, nature of business and aspirations for the future.

For the rest of the market segments, The illustration is given below

UGB or Midmarket

- 10K Midmarket Customers (100M to 1B)
- 5 Major IP Sales Plays or GTM Cards for 5 Verticals chosen under Gartner VSF
  Recurring Revenue & Subscription based
- Perfectly Packaged Solution with T-shirt sizing and pricing models

Lower LE

- 4.5K Lower LE Customers (1B to 10B)
- Vertical Agnostic Sales Plays
- Focus on Large ECC & Dormant Accounts list from SAP
- Land & Expand : Discovery Assessment, DTC and Business Consulting Approach
- Tweaking the UGB packages if needed on custom basis

Mid LE

- ~1K Mid LE Customers (10B to 35B)
- Vertical Agnostic Focus
- Large MSAs, SOW based T&M supply and H1 strategy
- Discovery, DTC and Business Consulting if needed on custom basis

Upper LE

- ~1K Upper LE Customers (>35B)
- Partnering with Tier 1 Corporates
- AI/ML models, Intelligent process automation and BTP GTM cards leveraging our Automation Anywhere& UiPath Alliances

Our 1-Page GTM Overview for the West

Industries Focus

DENS + Consumer

Discrete
Industrial Manufacturing
High Tech

ENR
Oil & Gas
Chemicals
Mill Products

Services
ProServ
EC&O

Consumer
Wholesale Distribution
Consumer Products

Revenue Focus

- 100M to 1B USD – Midmarket
- 1B to 10B USD – Lower LE

Persona Focus

- CIO, CIO-1, CIO-2
- CFO
- CEO
- CTO
- CHRO, CHRO-1
- Head of Procurement
- Head of Digital Transformation
- Head of Innovation
- Program and Project Managers

* Similar personas would be considered

Vertical Differentiators

KTERN
For Rise with SAP

KEBS
Powered by S/4H for Proserv.

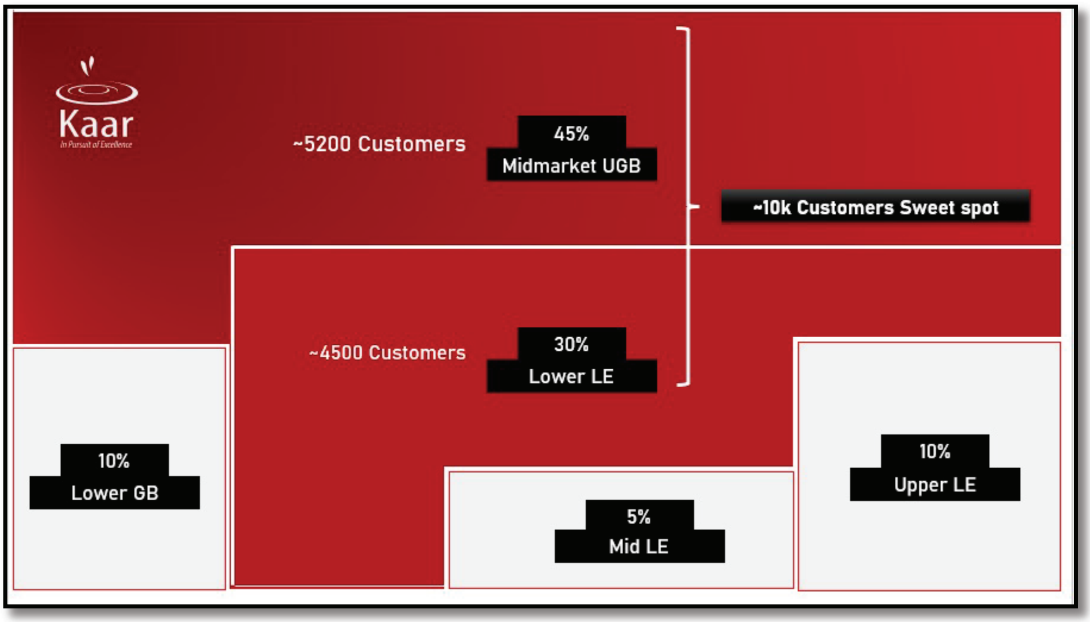
KupeX
Powered by S/4H for Consumer & Manufacturing

SAP Solutions

- RISE with SAP & S4HANA
- Assessments & DTC
- SuccessFactors
- SAC & Ariba

2.3 Market Segmentation

The customers, and prospective accounts of SAP Installed and Net new customer base account to approximately 15k are grouped and classified into 5 segments. They are illustrated below.



Source: Investopedia – American Middle Market Research

SAP Market Segment	Revenue Cluster of Customers
Lower GB	<$100M
Midmarket or Upper GB	$100M - $1B
Lower LE	$1B - $10B
Mid LE	$10B - $35B
Upper LE	>$35B

4.1.1 2.3.1 Market Insights and Relevant Inferences

1. An Estimated 75% of the Customer accounts (Highlighted in Maroon) in NA belong to "Kaar Tech's Sweet spot" Revenue Cluster that roughly amounts to an approximate 10k customer base out of the total 15k odd base.

2. This is termed as sweet spot market segment due to the following insights gathered from the market study and research

- There are only 158 Registered VAR partners ranging with Silver to Platinum statuses as on current date in the Partner Directory
- Out of which there are 21 GSSPs NA Entities.
- The Rest of the 137 are the real competitive alternatives currently for Kaar Tech who handle these ~11,000 Mid market and Mid LE Customer accounts put together
- 90% of these are either Vertical focused or a Horizontal Solution focused System Integrator or a body shopper with limited solutioning capabilities.
- To be specific, a recent analysis of the VAR partners Directory reveals that there are ~75 horizontal specific players, ~40 vertical specific players and the rest operating with agnostic General business nature (~5 to 7 Partners with specialization in Core)
- There is a hence a Service Delivery Mismatch and lack of SAP consulting midmarket and lower LE thought leader in delivering the core S/4 for the Fortune 5000– 50000 size customers


Dashboard Statistics
Total Orders
13,678
Total Profit
$6,789
2020
2021

FINANCIAL

STANDALONE FINANCIAL STATEMENTS

		PARTICULARS		FOR THE YEAR END *31st March 2022*	FOR THE YEAR END *31st March 2021*
	ASSETS				
1	**Non Current Assets**				
	(a)	Property, Plant and Equipment	4	803.98	830.35
	(b)	Other Intangible Assets	4	392.37	689.13
	(c)	Right of Use Asset	4	649.46	275.83
	(d)	Financial Assets			
		(i) Investments	5	3,979.28	3,868.02
		(ii) Loans	6	126.38	160.34
		(iii) Other Financial Assets	7	209.72	390.24
	(e)	Deferred Tax Assets (Net)	8	222.58	350.90
		Total Non Current Assets		**6,383.77**	**6,564.81**
2	**Current Assets**				
	(a)	Financial assets			
		(i) Trade Receivables	9	8,647.88	6,458.45
		(ii) Cash and Cash Equivalents	10	876.39	487.38
		(iii) Bank balances other than (ii) above	11	937.26	1,007.23
		(iv) Loans	12	175.00	175.00
		(v) Other Financial Assets	13	2,539.83	2,733.39
	(b)	Current Tax Assets (net)	14	121.35	-
	(c)	Other Current Assets	15	761.98	446.74
		Total Current Assets		**14,059.69**	**11,308.19**
		Total Assets		**20,443.46**	**17,873.00**
	Equity And Liabilities				
	Equity				
	(a)	Equity Share capital	16	49.59	49.59
	(b)	Other Equity	17	11,193.36	10,240.87
		Total Equity		**11,242.95**	**10,290.46**
	LIABILITIES				
1	**Non current liabilities**				
	(a)	Financial Liabilities			
		(i) Borrowings	18	611.97	524.90
		(ia) Lease Liablilities	19	451.97	91.58
	(b)	Provisions	20	671.15	617.46
		Total Non Current Liabilities		**1,735.09**	**1,233.94**

	PARTICULARS		NOTE	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31ST MARCH 2021
2	**Current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	21	4,275.90	4,053.89
		(ia) Lease Liablilities	22	313.94	200.30
		(ii) Trade Payables	23		
		(A) Total outstanding dues of micro enterprises and small enterprises		2.61	3.59
		(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		618.49	864.62
	(b)	Other Current Liabilities	24	2,091.01	1,140.97
	(c)	Provisions	25	163.47	81.18
	(d)	Current Tax Liabilities (net)	26	-	4.05
		Total Current Liabilities		**7,465.42**	**6,348.60**
		Total Liabilities		**9,200.51**	**7,582.54**
		Equity and Liabilities		**20,443.46**	**17,873.00**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For RVKS AND ASSOCIATES
Chartered Accountants
Firm Registration No.008572S

For and on behalf of the board of directors of
KAAR TECHNOLOGIES INDIA PRIVATE LIMITED

R. VENKATAKRISHNAN
Partner
Membership No.022224
UDIN :

N. MARAN
Director
DIN: 00130872

N. RATNAKUMAR
Director
DIN: 01256584

Place : Chennai
Date :

V. CHANDRASEKARAN
Chief Financial Officer

	PARTICULARS	NOTES	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
I	Revenue From Operations	27	19,231.64	14,734.23
II	Other Income	28	760.21	393.37
III	**Total Income (I+II)**		19,991.85	15,127.60
IV	**Expenses**			
	Operating expenses	29	2,546.11	950.85
	Employee benefits expense	30	12,506.52	9,841.07
	Finance costs	31	618.84	472.22
	Depreciation and amortisation expense	32	739.32	475.06
	Other expenses	33	1,286.55	1,245.47
	Total expenses (IV)		**17,697.35**	**12,984.67**
V	**Profit before tax (III - IV)**		2,294.50	2,142.93
VI	**Tax expense**		34	
	(1) Current tax		382.06	465.79
	(2) Adjustment of tax relating to earlier periods		-	-
	(3) Deferred tax charge/(benefit)		163.32	-12.37
	Total Tax Expense (VI)		**545.38**	**453.42**
VII	**Profit for the period (V -VI)**		**1,749.12**	**1,689.51**
VIII	**Profit/(loss) from discontinued operations**		-	-
IX	**Tax expense of discontinued operations**		-	-
X	**Profit/(loss) for the period**		1,749.12	1,689.51
XI	**Other comprehensive income**			
	(A) Items that will not be reclassified to profit or loss			
	(i) Remeasurement of post employee benefit expenses		(118.89)	(61.15)
	(ii) Income tax relating to these items A and B above		35.00	18.00
	Other comprehensive income for the year, net of tax (XI)		(83.89)	(43.15)
XII	**Total comprehensive income for the year (X+XI)**		**1,665.23**	**1,646.36**
	Equity share (For continuing operation)	35		
	Equity shares of par value ₹1/- each			
	Basic		35.27	34.72
	Diluted		33.35	33.36

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For RVKS AND ASSOCIATES
Chartered Accountants
Firm Registration No.008572S

For and on behalf of the board of directors of
KAAR TECHNOLOGIES INDIA PRIVATE LIMITED

R. VENKATAKRISHNAN
Partner Director
Membership No. 022224
UDIN :

N. MARAN
Director
DIN: 00130872

N. RATNAKUMAR

DIN: 01256584

Place : Chennai

Date :

V. CHANDRASEKARAN
Chief Financial Officer

PARTICULARS	NOTES	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
Cash Flow From Operating Activities			
Profit before income tax		2,294.50	2,142.93
Adjustments for			
Depreciation and amortisation expense		739.32	475.06
Finance costs		618.84	414.90
Interest income		(86.17)	(83.43)
Fair value changes of investments		(94.37)	(93.31)
Bad debts and other write off		-	14.54
Expected Credit Loss		488.97	-
Unwinding up of rental deposit		19.55	9.01
Unwinding up of Unearned finance lease		14.76	8.02
		3,995.41	2,887.72
Change in operating assets and liabilities			
(Increase)/decrease in trade receivables		(2,678.40)	(3,127.33)
(Increase)/decrease in other financial assets		332.84	3,667.01
(Increase)/decrease in other current assets		(307.52)	114.10
Increase/(decrease) in trade payables		(247.11)	56.02
Increase/(decrease) in provisions and other liabilities		790.25	(1,777.13)
Cash generated from operations		1,885.47	1,820.39
Less: Income taxes paid		507.46	411.58
Net cash from operating activities (A)		**1,378.00**	**1,408.81**
Cash Flows From Investing Activities			
Purchase of property plant and equipment (PPE)		(151.16)	(196.65)
Investments made during the year		(16.89)	(18.10)
(Investments in)/ Maturity of fixed deposits with banks (Net)		69.97	(994.40)
Proceeds from/ (repayment of) Loan		33.96	-
Interest received		86.17	83.43
Net cash used in investing activities (B)		**22.05**	**(1,125.72)**
Cash Flows From Financing Activities			
Proceeds from/ (repayment of) long term borrowings (net)		36.68	21.93
Proceeds from/ (repayment of) short term borrowings (net)		449.27	(382.27)
Payments made against lease liability		(208.04)	(242.78)
Interest paid (net)		(576.22)	(375.98)
Payment of interim dividends		(712.73)	(150.02)
Proceeds from share issued (including share premium)		-	502.35
Net cash from used in financing activities (C)		**(1,011.04)**	**(626.77)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		**389.01**	**(343.68)**
Cash and cash equivalents at the beginning of the year		487.38	831.06
Cash and cash equivalents at end of the year		**876.39**	**487.38**

The accompanying notes form an integral part of the financial statements

PARTICULARS	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
Notes:		
1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".		
2. Components of cash and cash equivalents		
Balances with banks		
in current accounts	876.39	487.38
Total	**876.39**	**487.38**

The accompanying notes form an integral part of the financial statements

For RVKS AND ASSOCIATES
Chartered Accountants
Firm Registration No.008572S

For and on behalf of the board of directors of
KAAR TECHNOLOGIES INDIA PRIVATE LIMITED

R. VENKATAKRISHNAN
Partner
Membership No.022224
UDIN :

N. MARAN
Director
DIN: 00130872

N. RATNAKUMAR
Director
DIN: 01256584

Place : Chennai
Date :

V. CHANDRASEKARAN
Chief Financial Officer

	Balance at the beginning of the year	Changes in Equity during the year	Balance at the end of the year
2021-22	49.59	-	49.59
2020-21	43.93	5.66	49.59

B. Other Equity	Balance at the beginning of the year	Profit/ (Loss) for the year	Total Comprehensive Income for the year	Transfer to General Reserve	Dividends	Dividend Distribution Tax	Securities premium	Optionally Convertible Preference Share Capital	Transfer to Retained Earnings	Transfer to Debenture Redemption Reserve	Balance at the end of the year
2021-22											
Securities premium	620.28	-	-	-	-	-	-	-	-	-	620.28
Capital Redemption Reserve	6.41	-	-	-	-	-	-	-	-	-	6.41
Share options outstanding	31.41	-	-	-	-	-	-	-	-	-	31.41
General Reserve	8.98	-	-	-	-	-	-	-	-	-	8.98
Retained Earnings	9,571.97	1,749.12	(83.89)	-	(712.73)	-	-	-	-	(17.65)	10,506.83
Other comprehensive income	-	-	(83.89)	-	-	-	-	-	83.89		-
Optionally Convertible Preference Share Capital (Equity portion)	1.81	-	-	-	-	-	-	-	-	-	1.81
Debenture Redemption Reserve	-	-	-	-	-	-	-	-	-	17.65	17.65
Total	**10,240.86**	**1,749.12**	**(167.79)**	**-**	**(712.73)**	**-**	**-**	**-**	**83.89**	**-**	**11,193.36**

B. Other Equity	Balance at the beginning of the year	Profit/ (Loss) for the year	Total Comprehensive Income for the year	Transfer to General Reserve	Dividends	Dividend Distribution Tax	Securities premium	Optionally Convertible Preference Share Capital	Transfer to Retained Earnings	Transfer to Debenture Redemption Reserve	Balance at the end of the year
2021-22											
Securities premium	125.40	-	-	-	-	-	494.88	-	-	-	620.28
Capital Redemption Reserve	6.41	-	-	-	-	-	-	-	-	-	6.41
Share options outstanding	31.41	-	-	-	-	-	-	-	-	-	31.41
General Reserve	8.98	-	-	-	-	-	-	-	-	-	8.98
Retained Earnings	8,075.64	1,689.51	(43.15)	-	(150.02)	-	-	-	-	-	9,571.96
Other comprehensive income	-	-	43.15	-	-	-	-	-	(43.15)		-
Optionally Convertible Preference Share Capital (Equity portion)	-	-	-	-	-	-	-	1.81	-	-	1.81
Debenture Redemption Reserve	-	-	-	-	-	-	-	-	-	-	-
Total	**8,247.84**	**1,689.51**	**-**	**-**	**(150.02)**	**-**	**494.88**	**1.81**	**(43.15)**	**-**	**10,240.87**

Equity & non current borrowings.

As per our report of even date attached

For RVKS AND ASSOCIATES
Chartered Accountants
Firm Registration No.008572S

For and on behalf of the board of directors of
KAAR TECHNOLOGIES INDIA PRIVATE LIMITED

R. VENKATAKRISHNAN
Partner
Membership No.022224
UDIN :

N. MARAN
Director
DIN: 00130872

N. RATNAKUMAR
Director
DIN: 01256584

Place : Chennai
Date :

V. CHANDRASEKARAN
Chief Financial Officer

Kaar Technologies India Private Limited
Notes to standalone financial statements for the period ended March 31, 2022
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

4 Property, plant and equipment

Measurement basis : At cost unless otherwise stated

Particulars	Carrying value				Depreciation				Net carrying value	
	As at 1 April 2021	Addition during the year	Deductions during the year	As at 31 March 2022	As at 1 April 2021	For the year	Deductions during the year	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022
Leasehold Improvements	392.62	-	-	392.62	120.24	20.86	-	141.10	272.38	251.52
"Furniture and Fixtures"	8.11	1.70	-	9.81	5.60	0.91	-	6.51	2.51	3.30
"Office Equipment"	41.84	3.83	-	45.67	36.02	3.17	-	39.19	5.82	6.48
Property,plant and equipment	917.09	6.04	-	923.13	379.47	123.77	-	503.24	537.62	419.89
Vehicles	85.77	128.10	-	213.87	73.75	17.33	-	91.08	12.02	122.79
Others	0.96	-	-	0.96	0.96	-	-	0.96	-	-
TOTAL	**1,446.39**	**139.67**	**-**	**1,586.06**	**616.04**	**166.04**	**-**	**782.08**	**830.35**	**803.98**
Previous year	**1,249.74**	**196.65**	**-**	**1,446.39**	**484.85**	**131.19**	**-**	**616.04**	**764.89**	**830.35**

Right of Use & Other Intangible Assets

Measurement basis : Cost unless otherwise stated

Particulars	Right of use asset		Intangible Assets		Total
	Buildings	Laptops	Computer Software	Other Developed Software	
2020-21					
Gross Carrying Value:					
As at 01 April 2021	**592.68**	**-**	**17.72**	**1,244.38**	**1,854.78**
Additions during the year*	248.17	401.98	-	-	650.15
Disposals during the year		-	-	-	-
As at 31 March 2022	**840.85**	**401.98**	**17.72**	**1,244.38**	**2,504.93**
Accumulated amortisation:					
As at 01 April 2021	**316.85**	**-**	**17.44**	**555.53**	**889.82**
Amortisation charge	197.20	79.32	0.23	296.53	573.28
Accumulated amortisation on disposals	-	-	-	-	-
As at 31 March 2022	**514.05**	**79.32**	**17.67**	**852.06**	**1,463.10**
Net Carrying Value 2021-22	**326.80**	**322.66**	**0.05**	**392.32**	**1,041.83**
2020-21					
Gross Carrying Value:					
As at 01 April 2020	**563.77**	**-**	**17.72**	**1,244.38**	**1,825.87**
Additions during the year	28.91	-	-	-	28.91
Disposals during the year			-	-	-
As at 31 March 2021	**592.68**	**-**	**17.72**	**1,244.38**	**1,854.78**
Accumulated amortisation:					
As at 01 April 2020	**114.11**	**-**	**17.21**	**414.63**	**545.95**
Amortisation charge	202.74	-	0.23	140.90	343.87
Accumulated amortisation on disposals		-	-	-	-
As at 31 March 2021	**316.85**	**-**	**17.44**	**555.53**	**889.82**
Net Carrying Value 2020-21	**275.83**	**-**	**0.28**	**688.85**	**964.96**

Other developed software consists of capitalised development costs of internally generated intangible assets.

* Addition of Rs. 248.17 Lakhs to buildings (ROU Asset) on account of Lease Modification

5	Non-current investments			FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
March 31, 2022 No. of Shares	**March 31, 2021 No. of Shares**				
Unquoted					
Equity Shares Carried At Fair Value Through Profit Or Loss					
99000	99000	Equity shares of OMR 1 each of	KAAR Technologies LLC, Oman	1,590.16	1,574.95
98	98	Equity shares of QAR 1,000	KAAR Technologies Qatar W.L.L	231.48	219.70
4000	4000	Equity shares of RM 1 each of	KAAR Technologies SDN. BHD.,Malaysia	2.11	1.99
2000	2000	Equity shares of QAR 100	KAAR Technologies LLC Qatar	-	-
10000	10000	Equity shares of USD 1 each of	KAAR Technologies Inc., USA	-	-
49	49	Equity shares of AED 1,500 each of	KAAR Technology LLC, Abudhabi	-	-
399	399	Equity shares of BD 50 each of	KAAR Technologies Co. W.L.L, Bahrain	-	-
100	100	Equity shares of GBP 1 each of	KAAR Technologies UK Limited	-	-
50000	50000	Equity shares of DKK 1 each of	KAAR Technologies Denmark APS	-	-
- Joint Venture Company		**Unquoted**			
175	175	Equity Instruments (fully paid-up) of SR 1000 Each	BaasKaar Information Technologies Company Limited, Saudi Arabia	2,120.55	2,053.28
			TOTAL	**3,944.30**	**3,849.92**

PARTICULARS				FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
Non Trade Investment In Preference Shares Carried At Amortized Cost					
- In Others					
537	537	Optionally Convertible Preference shares of Rs. 10 each in	Joule Consulting Private Limited	15.00	15.00
129	0	Cumlative Compulsory Convertible Preference shares of Rs. 10 each in	Zenstock	14.98	-
			TOTAL	**29.98**	**15.00**
Other Non Trade Investment Carried At Amortized Cost					
- In Others					
5000	3100	Compulsory Convertible Debentures of Rs.100 each	NJT Network Private Limited	15.00	15.00
			TOTAL	**5.00**	**-**
			TOTAL	**3,979.28**	**3,868.02**
			Aggregate cost of unquoted investments	332.15	315.27
			Aggregate amount of impairment in the value of investments	87.00	87.00

	PARTICULARS	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
6	**Loans**		
	Unsecured Considered good		
	Loans to subsidiaries*	126.38	160.34
		126.38	**160.34**
	* Loan given for supporting the overseas business		
	Loans to subsidiaries*	301.38	335.34
	Less Classified as current (Note 12)**	(175.00)	(175.00)
		126.38	**160.34**
	** In the absence of the repayment schedule the classificaiton of the Current Maturity is based on managements estimation of the repayments to be made in the next 12 months.		
	(Amount disclosed above are contractual and undiscounted)		
7	**Other Non-Current Financial Assets**		
	Unsecured, Considered good		
	Fixed deposits with maturity period more than 12 months *	39.40	268.91
	Rental deposits	133.72	114.17
	Others	36.60	7.16
		209.72	**390.24**
	* Marked under lien with banks		
8	**Deferred tax assets (Net)**		
	Deferred tax assets		
	On difference between book base and tax base of property, plant and equipment	(90.18)	(149.16)
	Provision for expected credit loss and delay in receivables	69.72	262.42
	Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	243.04	237.64
	Deferred tax assets arising from unabsorbed depreciation were tested for virtual certainty.	**222.58**	**350.90**
9	**Trade receivables**		
	Unsecured		
	considered good	8,647.88	6,458.45
	- have significant risk increase in credit risk	239.44	901.18
	have to change ecl workings based on write of bad debts	8,887.32	7,359.63
	Less: Allowance for expected credit loss	(239.44)	(901.18)
		8,647.88	**6,458.45**

Particulars	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT					
	Less than 6 Year	6 months - 1 year	1-2 years	2-3 Years	More than 3 years	Total
i) Undisputed Trade receivables – considered good	7,582.00	758.09	277.71	3.15	26.92	8,647.88
Total	7,582.00	758.09	277.71	3.15	26.92	8,647.88

Particulars	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT					
	Less than 6 Year	6 months - 1 year	1-2 years	2-3 Years	More than 3 years	Total
i) Undisputed Trade receivables – considered good	5,085.59	1,139.29	134.38	62.12	37.08	6,458.45
Total	5,085.59	1,139.29	134.38	62.12	37.08	6,458.45

	PARTICULARS	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
10	**Cash and cash equivalents ***		
	Balances with banks		
	in current accounts	529.80	472.38
	held for other commitments **	40.37	-
	Fixed deposits with banks (with original maturity of 3 months or less)	306.22	15.00
	cash credit account		
		876.39	**487.38**
	* There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods. ** held for repayment of Debentures		
11	**Bank balances other than cash and cash equivalents**		
	In other deposit accounts (with maturity more than 3 months but less than 12 months)	937.26	1,007.23
		937.26	**1,007.23**
12	**Loans**		
	Unsecured, considered good		
	Loans to subsidiaries*	175.00	175.00
	Security deposits		
		175.00	**175.00**
	* Loan given for supporting the overseas business		
13	**Other current financial assets**		-825.00
	Unsecured, considered good		
	Debit notes receivable from related parties	781.28	1,632.46
	Contract assets - Unbilled revenue	1,631.60	959.22
	Unamortised finance cost	9.28	24.04
	Interest accrued but not due on deposits		
	Others	117.67	117.67
		2,539.83	**2,733.39**
14	**Current tax assets**		
	Advance income tax (net of provision for tax)	121.35	-
		121.35	**-**

PARTICULARS	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
15 Other current assets		
Unsecured, considered good		
Balance with statutory authorities:		
Goods and services tax	174.81	78.11
Service tax refund receivable	73.06	73.06
Appeal Deposits *	37.92	-
Prepaid expenses	137.62	89.45
Advances To Employees	238.19	117.13
Advances To Vendors	13.67	8.13
Others	86.71	80.86
	761.98	**446.74**

*** Income tax appeal deposit**

AY	Section	Demand Amount	Appeal Amount
2017-18	143(3)	484.33	24.22
2018-19	143(3)	274.03	13.70
Total		**758.36**	**37.92**

The amount of tax that an assessee is required to pay against a notice of demand from the Income-tax department. Appeal is 5% of Demand Amount.

	PARTICULARS	AS AT 31st March 2022	AS AT 31st March 2021
16	**Share Capital**		
	Authorised Share Capital		
	Equity shares of Re. 1 each	60.00	60.00
	3,00,000 (Previous year Nil) Preference shares of Re. 1 each	3.00	3.00
		63.00	**63.00**
	Issued , Subscribed and fully paid up share capital		
	Equity shares of Re. 1 each	49.59	49.59
	3,00,000 (Previous year Nil) Preference shares of Re. 1 each	**49.59**	**49.59**

(i) Terms & Conditions of Preference shares

- As to dividend

The Company has only one class of Preference shares. The shareholders carry a preferential right as to dividend, if declared and priority in repayment of capital. Dividend on non-cumulative preference shares is not declared for a financial year, the entitlement for that year lapses.

- As to voting

Shareholder do not carry any voting rights except to the extent of the coupon rate / dividend as per the terms and conditions.

- As to repayment of capital

In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares. The distribution will be in proportion to paid up capital. The shares shall be redeemed out of the surplus of the company at par after 5 years from the date of the allotment or as per the permissible method as provided by the Companies Act, 2013 and amendments there of.

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	March 31, 2022		March 31, 2021	
	No of shares	Amount	No of shares	Amount
Number of shares outstanding at the beginning of the year	4,958,782	49.59	4,392,553	43.93
Shares issued during the year	-	-	98,970	0.99
Bonus shares issued during the year			467,259	4.67
Reduction of shares due to merger		-		
Number of shares outstanding at the end of the year	**4,958,782**	**49.59**	**4,958,782**	**49.59**

(b) Terms, rights and restrictions attached to equity shares

Equity shares having a par value of Rs.1

- As to dividend

The Company has only one class of equity shares. The shareholders are entitled to receive dividend in proportion to amount of paid-up share capital held by them, as declared from time to time subject to payment of dividend to preference shareholders. The dividend proposed by the Board of Directors is subject to an approval of the shareholders in the ensuing Annual General Meeting, except in case of an interim dividend.

- As to voting

Each shareholder is entitled to vote in proportion to his share of paid up equity share capital of the Company, except in case of voting by show of hands where each shareholder present in person shall have one vote only. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

- As to repayment of capital

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the re-maining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to paid up capital.

(c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates: The Company does not have any holding company.

(d) Bonus Shares issued in the PY 2020-21 are issued for consideration other than cash.

(e) The Company has purchased Nil (FY 2019-20 : 6,40,507) number of shares during the year in the buy-back scheme as approved by the Board of Directors.

(f) Equity shares have been acquired on account of reverse merger from holding company Kaar Solutions India Private Limited.

(g) During the previous year, the holding company, KAAR Solutions India Private Limited was merged with the Company as per the order dated June 8, 2020 of the Hon'ble National Company Law Tribunal, Chennai Bench with an effective date of July 1, 2019.

(h) Shareholders holding more than 5% of the total share capital

(i) Equity shares issued by the Company

Equity Equity shares of the company having par value of Re.1 /- rank pari-passu in all respects including voting rights and entitlement to dividend. The dividend proposed if any, by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Name of the share holder	March 31, 2022		March 31, 2021	
	No of shares	%	No of shares	%
N Maran *	1,388,665	27.02%	1,388,665	27.02%
N.Ratnakumar	973,862	18.95%	973,862	18.95%
M.Selvakumar	746,884	14.53%	746,884	14.53%
George Guardian	746,884	14.53%	746,884	14.53%

* Also Promoter of the company

(j) Rights, preferences and restrictions in respect of optionally convertible preference shares issued by the Company

Equity shares of the Company with respect to the payment of dividend and repayment of capital during winding up. The OCPS shall be non-participating in the surplus funds/ surplus assets and profits, windingup. The OCPS shall carry voting rights as prescribed under the provisions of the Companies Act 2013.

(k) Shares reserved for issue under option

Information relating to Kaar Technologies India Private Limited Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period is set out in Note 46.

	PARTICULARS		AS AT *31st March 2022*	AS AT *31st March 2021*
17	**Other equity**			
	Equity Component of Non Convertible Non cumulative Redeemable Preference Shares	(a)	1.81	1.81
	RESERVES AND SURPLUS			
	Securities premium	(b)	620.28	620.28
	Capital Redemption Reserve	(c)	6.41	6.41
	Share option outstanding account	(d)	31.41	31.41
	General reserve	(e)	8.98	8.98
	Retained earnings	(f)	10,506.82	9,571.97
	Other comprehensive income	(g)	-	-
	Debenture Redemption Reserve	(h)	17.65	-
			11,193.35	**10,240.86**
(a)	**Equity portion of Optionally Convertible Preference shares**			
	Balance as at the beginning of the year		1.81	-
	Adjustments/ deductions during the year		-	1.81
	Balance at the end of the year		**1.81**	**1.81**
(b)	**Securities premium**			
	Balance as at the beginning of the year		620.28	125.40
	Adjustments/ deductions during the year		-	494.88
	Balance at the end of the year		**620.28**	**620.28**
	Nature and purpose of Securities premium Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.			
(c)	**Capital Redemption Reserve**			
	Balance as at the beginning of the year		6.41	6.41
	Additions during the year			
	Balance at the end of the year		**6.41**	**6.41**

	PARTICULARS	AS AT 31st March 2022	AS AT 31st March 2021
	Nature and purpose of Capital Redemption Reserve Equity shares during the year in accordance with the provisions of the Companies Act, 2013. The balance in this account may be utilised as per the Companies Act, 2013.		
(d)	**Share option outstanding account**		
	Balance as at the beginning and end of the year	**31.41**	**31.41**
	Nature and purpose of Share option outstanding account The share options outstanding account is used to recognise the grant date fair value of options issued to employees under Kaar Technologies India Private Limited stock option plan.		
(e)	**General reserve**		
	Balance as at the beginning of the year	8.98	8.98
	Additions due to merger	-	
	Balance at the end of the year	**8.98**	**8.98**
	Nature and purpose of General reserve This is available for distribution to shareholders.		
(f)	**Retained earnings**		
	Balance as at the beginning of the year	9,571.97	8,075.64
	Comprehensive income for the year	1,749.12	1,689.50
	Transfer from Other Comprehensive Income	(83.89)	(43.15)
	Transfer to Debenture Redemption Reserve	(17.65)	-
	Interim Dividend paid	(712.73)	(150.02)
	Balance at the end of the year	**10,506.82**	**9,571.97**
	Nature and purpose of Retained earnings Company's cumulative earnings since its formation minus the dividends, capitalisation and earnings transferred to general reserves. This is available for distribution to shareholders.		
(g)	**Other comprehensive income**		
	Balance as at the beginning of the year		
	Other comprehensive income for the year	(83.89)	(43.15)
	Transferred to retained earnings	83.89	43.15
	Balance at the end of the year	-	-
(h)	**Debenture Redemption Reserve**		
	Balance as at the beginning of the year	-	-
	Transferred From retained earnings	17.65	-
	Balance at the end of the year	**17.65**	**-**

	PARTICULARS	AS AT 31st March 2022	AS AT 31st March 2021
18	**Borrowings : Non current**		
	Secured, at amortised cost		
	100 Redeemable Non Convertible Debentures	264.71	-
	From Banks*		
	Working capital term loan from banks	415.00	498.00
	Vehicle loans	99.93	9.80
	Finance Lease Obligations	-	183.60
		779.64	**691.40**
	Unsecured, at amortised cost		
	From Banks	-	25.32
	From Others	9.21	35.45
		9.21	60.77
	Less: Current Maturities of Long Term Borrowings [Refer Note 21]	176.88	227.27
		611.97	**524.90**

Terms of Borrowings

Working Capital Term Loans from Bank from IDBI

Maturity date	30-Sep-24
Terms of Repayment	36 Monthly Installments after 1 year moratorium for principal repayment
Rate of Interest	RLLR(Y) as on disbursement date+100 bps subject to a maximum of 9.25%
Security	a. Primary Security - Second Charge on entire Current Assets of the company for both present and the future with other Working Capital Lenders b. Primary Security - Second Charge on all the company's movable fixed assets withother Working Capital Lenders c. Collateral Security - Second Charge on existing Cash Collateral in favour of IDBI Bank by way of FD for Rs. 0.30 Crore d. Collateral Security - Second Charge on existing Cash Collaterals to be built by way of cut back arrangement at 3% from each export realisation on monthly basis. e. Collateral Security - Second Charge on existing Cash Collaterals of Rs. 1.75 Crores f. Collateral Security - Second Charge on Immovable Properties with the other working capital lenders g. Guarantee - Coverage under GECL operated by National Credit Guarantee Trustee Co. Ltd

Vehicle Loans from Daimler Financial Services Pvt Ltd

Maturity date	04-Sep-26
Terms of Repayment	60 Monthly Instalments
Rate of Interest	8.4477% p.a
Security	Hypothecation against Mercedes Benz - GLS400d by way of exclusive charge in favour of Lender

Debentures issued to VISTRA ITCL (INDIA) LIMITED

Maturity date	For Tranche - 1 : 30-Sep-24
Terms of Repayment	33 Monthly Instalments after 3 months moratorium for Principal Repayment
Rate of Interest	14.25% p.a
Security	a. A Second Ranking Charge on pari-passu basis on all rights, titles, interest, benefits, claims, demands arising out of and in relation to the current assets, fixed assets, intangible assets and current and future cash flow of the company b. A First Ranking Exclusive Charge on the Escrow Account, Fixed Term Deposits maintained under this deed and the DRF Amount

	c. A First Ranking Exclusive Pledge on 6.67% shares of the company held by the Promoters d. A First Ranking Exclusive Pledge on shares of the Offshore Target held by the Promoters/Company, satisfying the Security Cover e. Non-Disposal Undertakings from the Promoters for the Non-Disposal of the balance of their shares in the company and which shall continue during the investment period until the Final Redemption Date

Packing Credit Facilities from IDBI Bank (USD Loan)

Terms of Repayment	On Demand
Rate of Interest	To be decided at the time of Draw Down and as per Bank's / RBI Guidelines
Security	a. First pari-passu charge on the entire current assets of the Company both present and future with other working capital lenders (Bank of Maharashtra) b. First pari-passu charge on all of the Company's movable fixed assets with other working capital lenders (Bank of Maharashtra) c. Exclusive cash collateral for IDBI Bank by way of fixed deposit for Rs. 4.52 Crore d. Furthur Cash collateral to be created to maintain collateral cover at 0.25 times at any point of time e. First pari-passu charge on following immovable properties being properties of certain directors and senior management personal of the Company, with other working capital lenders (Bank of Maharashtra) f. Unconditional and irrevocable personal guarantee of Mr. Maran, Mr.Selvakumaran, Mr.Ratnakumar, Mr.Srinivasan Subbaiah, Mr. Guardian George, Ms Chitra Nagarajan, Mr Santhosh and Mr. Chandrasekaran

Packing Credit Facilities from Bank of Maharashtra (USD Loan)

Terms of Repayment	On Demand
Rate of Interest	Tenor based Libor+300 bps for BBB rated company (or) rate charged by the existing lenders as on take-over date whichever is higher
Security	a. First pari-passu charge on the entire current assets of the borrower both present and future under multiple banking arrangement b. First pari-passu charge on all of the Company's movable fixed assets with other working capital lenders c. First pari-passu charge on Unbilled Revenue and Receivables d. Exclusive charge on Fixed Deposit of Rs. 4.87 Crores e. Exclusive charge on RD of Rs. 60 Lakhs f. First pari-passu charge on following immovable properties with other working capital lenders f. Personal guarantee of Mr. Maran, Mr.Selvakumaran, Mr.Ratnakumar, Mr. Guardian George, Ms Chitra Nagarajan, Mr Santhosh and Mr. Chandrasekaran

	PARTICULARS	AS AT 31st March 2022	AS AT 31st March 2021
19	**Non-current Lease liability**		
	Lease liability (Refer Note 41)	451.97	91.58
		451.97	**91.58**
20	**Non-current provisions**		
	Provision for employee benefits		
	- for Gratuity	604.19	429.03
	- for Compensated absences	66.96	188.43
		671.15	**617.46**
21	**Short term borrowings**		
	Secured, at amortised cost		
	100 Redeemable Non Convertible Debentures	176.47	-
	From Banks		
	- Packing credit facilities	3,922.55	3,826.62
	Others		
	Current Maturities of Long Term Borrowings	176.88	227.27
		4,275.90	**4,053.89**
22	**Current Lease Liability**		
	Lease liability (Refer Note 41)	765.91	291.88
	Less : Non Current Portion	(451.97)	(91.58)
		313.94	**200.30**
23	**Trade payables***		
	Total outstanding dues of micro enterprises and small enterprises (refer note 41)	2.61	3.59
	Total outstanding dues of creditors other than micro enterprises and small enterprises	618.49	864.62
		621.10	**868.21**

*For trade payables to related parties refer note 43

Particulars	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT				
	Less than 1 Year	1-2 years	2-3 Years	More than 3 years	Total
i) MSME	0.18	2.43	-	-	2.61
ii) Others	605.10	-	13.39	-	618.49
Total	605.28	2.43	13.39	-	621.10

PARTICULARS	AS AT 31st March 2022	AS AT 31st March 2021

Particulars	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT				
	Less than 1 Year	1-2 years	2-3 Years	More than 3 years	Total
i) MSME	2.67	0.76	0.16	-	3.59
ii) Others	769.69	69.23	8.86	16.84	864.62
Total	772.36	69.99	9.02	16.84	868.21

24 Other current liabilities

Statutory dues payable	232.05	313.89
Contract liabilities - unearned revenue	507.53	194.73
Employee dues payables	1,316.52	599.78
CSR Expenses payable	34.91	30.77
Advance from customers	-	1.80
	2,091.01	**1,140.97**

25 Current provisions

Provision for employee benefits		
- for Gratuity	71.03	50.04
for Compensated Absences	92.44	31.14
	163.47	**81.18**

26 Current tax liabilities

Income tax provision (net of advance tax)	-	4.05
	-	**4.05**

	PARTICULARS	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
27	**Revenue from operations**		
	Software services		
	- Exports	19,119.54	14,546.13
	- Domestic	112.10	188.10
		19,231.64	**4,734.23**

Disaggregated revenue information by geography	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Sold through Intermediaries	Direct	Sold through Intermediaries	Direct
Kingdome of Saudi Arabia	10,544.16	-	6,541.37	-
Qatar	1,237.27	-	1,313.13	-
Oman	1,706.29	-	1,867.92	-
UK	1,487.79	-	483.67	-
USA	2,565.23	-	1,856.83	-
Bahrain	865.47	-	2,256.41	-
Others	428.81	396.62	226.80	188.10
Total	**18,835.02**	**396.62**	**14,546.13**	**188.10**

Geographical revenue is allocated based on the location of the customers

PARTICULARS		FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
Details of movement in Contract asset during the year			
Balance at the beginning		959.22	2,764.93
Add: Revenue recognised during the period		19,231.64	14,734.23
Less: Invoiced during the period		(18,559.26)	(16,539.94)
Less: Impairment/reversal during the period		-	-
Add: Translation gain/(Loss)		-	-
Balance at the end	**TOTAL**	**1,631.60**	**959.22**
Details of movement in Un earned Revenue (contract liability) during the year			
Balance at the beginning		194.73	404.10
Add: Advance billing during the period		19,544.44	14,524.86
Less: revenue recognised during the period		(19,231.64)	(14,734.23)
a) From contract liability as at beginning of the period		-	-
b) From contract liability recognised during the period		-	-
Add: Translation gain/(Loss)		-	-
Balance at the end	**TOTAL**	**507.53**	**194.73**
Reconciliation of Contracted Price vis-a-vis revenue recognized in profit or loss statement			
Contracted price		19,231.64	14,734.23
Add/ (Less)- Discounts/ rebates provided to customer		-	-
Add/ (Less)- Performance bonus		-	-
Add/ (Less)- Adjustment for significant financing component		-	-
Add/ (Less)- Other adjustments		-	-
Revenue recognized in profit or loss statement		**19,231.64**	**14,734.23**

28 Other income

Interest income (Refer28.1)		86.17	83.43
Fair value gain on investments		94.37	93.31
Reversal of Credit Impairment on Trade Receivables		488.97	-
Other non-operating income (net)		15.35	143.60
Net Defined Benfit Cost (Leave Encashment)		42.95	
Foreign exchange gain (net)		32.40	73.03
	TOTAL	**760.21**	**393.37**

28.1 Interest income

- On bank deposits		58.52	60.12
- Interest Received Bank - RHB SG		0.09	0.17
- on Loan to Subsidiaries		27.56	23.13
	TOTAL	**86.17**	**83.43**

29 Operating expenses

Consultancy charges		2,157.62	734.12
Data center charges		169.36	178.95
Education and training expenses		196.88	20.82
Recruitment expenses		22.25	16.96
	TOTAL	**2,546.11**	**950.85**

	PARTICULARS		FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
30	**Employee benefits expenses**			
	Salaries and wages		11,513.98	8,932.06
	Contribution to provident and other funds		294.77	214.77
	Staff welfare expenses		191.65	71.80
	Travelling expenses		506.12	622.44
		TOTAL	**12,506.52**	**9,841.07**
31	**Finance costs**			
	Interest paid			
	- on borrowings		458.60	341.58
	Interest expense on lease liabilities		57.38	46.95
	Other borrowing Cost		102.86	83.69
		TOTAL	**618.84**	**472.22**
32	**Depreciation and amortisation expenses**			
	Depreciation on property, plant and equipment		166.04	131.19
	Amortisation of intangible assets		296.76	141.13
	Depreciation on right of use assets		276.52	202.74
		TOTAL	**739.32**	**475.06**
33	**Other expenses**			
	Rent		38.09	57.21
	Repairs and maintenance			
	- Building		66.46	62.35
	Plant and Equipment		45.15	63.31
	Website Maintenance / Development Expenses		230.00	218.71
	Communication costs		50.36	68.20
	Insurance		129.48	120.54
	Audit fees (refer note 33 . 1 blow)		32.00	32.06
	Allowance for expected credit loss		-	33.26
	Bad debts written off		8.52	49.38
	Power and fuel		35.81	28.08
	Rates and taxes		18.49	87.29
	Professional Charges		194.55	159.18
	Bank charges		60.61	32.15
	Subscription Fee		164.32	91.91
	Licences and Service Charges		5.46	8.55
	Printing and Stationery		6.15	6.87
	Corporate Social Resposibility expenses (refer note 33.2 below)		34.91	30.77
	Translation Expenses		20.92	38.63
	Donations Paid		-	3.50
	Business Development Expenses		73.62	6.66
	Miscellaneous expenses		71.66	46.86
		TOTAL	**1,286.55**	**1,245.47**

	PARTICULARS	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
33.1	**Details of payments to auditors (Stated net of GST)**		
	Statutory audit	18.00	18.00
	Audit of consolidated financial statement	2.00	2.00
	Interim audit	10.00	10.00
	Certification fees	2.00	2.00
	Reimbursement of expenses	-	0.06
	TOTAL	**32.00**	**32.06**
33.2	**CSR expenditure**		
	Amount required to be spent as per Section 135 of the Act	34.91	30.77
	Amount spent during the year on		
	(i) Construction/acquisition of an asset	-	-
	(ii) On purposes other than (i) above	-	-
	TOTAL	**34.91**	**30.77**

The unspent CSR money for the year ended March 31, 2022 has been provided for in accordance with the guidance issued by the Institute of Chartered Accountants of India and the same will be spent for the following :

i) Support education of children from a backward society and poor background,
ii) Supporting the transgeneder community for their upliftment and reducing the inequality and
iii) Infrastructure development of government schools

34 Income tax expense

(a)	**Income tax expense**		
	Current tax		
	Current tax on profits for the year	382.06	465.79
	Total current tax expense	**382.06**	**465.79**
	Deferred tax		
	Deferred tax adjustments	163.32	(12.37)
	Total deferred tax expense/ (benefit)	163.32	(12.37)
	Income tax expense	**545.38**	**453.42**
b)	**The income tax expense for the year can be reconciled to the accounting profit as follows:**		
	Profit before tax from continuing operations	2,294.50	2,142.93
	Income tax expense calculated at 29.12% (2020-21: 29.12%)	668.16	624.02
	Impact of fair valuation	(27.48)	(27.17)
	Impact of SEZ profit share	(272.83)	(249.68)
	Effect of expenses that are not deductible in determining taxable profit	177.53	106.25
	Income tax expense	**545.38**	**453.42**
c)	**Income tax recognised in other comprehensive income**		
	Deferred tax		
	Remeasurement of defined benefit obligation	35.00	18.00
	Total income tax recognised in other comprehensive income	**35.00**	**18.00**

Particulars	" Opening balance "	"Recognised in profit or (loss)"	Recognised in OCI/ Equity	" Closing balance "
Deferred tax (liabilities)/ assets in relation to:				
On difference between tax base and book base of Property, plant, and equipment and Intangible Assets	(149.16)	58.98		(90.18)
Expenses allowable on payment basis under the Income Tax Act	237.64	(29.60)	35.00	243.04
Provision for expected credit loss and delay in receivables	262.42	(192.70)	69.72	
Remeasurement of financial instruments				
Others	-	-		
Deferred tax (liabilities)/ assets - Net	**350.90**	**(163.32)**	**35.00**	**222.58**

Particulars	" Opening balance "	"Recognised in profit or (loss)"	Recognised in OCI/ Equity	" Closing balance "
Deferred tax (liabilities)/ assets in relation to:				
On difference between tax base and book base of Property, plant, and equipment and Intangible Assets	(146.03)	(3.13)		(149.16)
Expenses allowable on payment basis under the Income Tax Act	204.31	15.33	18.00	237.64
Provision for expected credit loss and delay in receivables	261.51	0.91	-	262.42
Others	0.74	-0.74		
Deferred tax (liabilities)/ assets - Net	**320.53**	**12.37**	**18.00**	**350.90**

	PARTICULARS	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
35	**Earnings per share**		
	Basic earnings per share		
	Profit for the year attributable to owners of the Company	1,749.12	1,689.51
	Weighted average number (WAN) of ordinary shares outstanding	4,958,782	4,417,228
	Adjustment of bonus shares issued		449,162
	WAN considered for Basic EPS	4,958,782	4,866,390
	Basic earnings per share (Rs.)	**35.27**	**34.72**
	Diluted earnings per share		
	Profit for the year attributable to owners of the Company	1,749.12	1,689.51
	WAN of ordinary shares outstanding	4,958,782.00	4,417,228
	Adjustment of bonus shares issued	-	449,162
	Equity shares outstanding	198,698.00	180,601
	Adjustment of bonus shares issued	-	18,097
	ESOP	87,112.00	
	WAN considered for Diluted EPS	5,244,592	5,065,088
	Diluted earnings per share (Rs.)	**33.35**	**33.36**
36	**Earnings in foreign currency**	**19,119.54**	**14,546.13**
37	**Expenditure in foreign currency**		
	Employee benefit expenses	3,817.90	1,831.94
	Other expenses	2,095.09	2,466.29
		5,912.99	**4,298.23**
38	**Commitments and Contingent Liability**		
	Contingent Liability*		
	Outstanding guarantees and bill discounting (excluding performance guarantees)	628.08	563.26
	Service tax demands	380.81	380.81
	Income tax reliefs claimed in Income tax returns and are pending for completion of assessments	2,376.16	2,007.85
	Commitments	-	-

* Show cause notices issued by the departments/ authorities are not considered for the above disclosure, as the quantum of potential contingent liability cannot be determined in the absence of specific demand notices.

39 Operating Segments

Ind AS 108 establishes standards for reporting information about operating segments and related disclosure about services, geographical areas and major customers. The Board of Directors of the Company have been identified as the Chief Operating decision-maker (CODM).
Based on the internal reporting to the CODM, the Company has identified that the Company operates only in one segment (sale of Information technology services) and accordingly there are no other reportable segments.
Since the Company also laids down consolidated financial statements, the other disclosures required in respect of operating segments are given in the consolidated financial statements

	PARTICULARS	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
40	**Disclosures required by the Micro, Small and Medium Enterprises**		
	Development (MSMED) Act, 2006 are as under		
(a)	The principal amount remaining unpaid at the end of the year	2.61	3.59
(b)	The delayed payments of principal amount paid beyond the appointed date during the year	-	-
(c)	Interest actually paid under Section 16 of MSMED Act	-	-
(d)	Normal Interest due and payable during the year, for delayed payments, as per the agreed terms	-	-
(e)	Total interest accrued during the year and remaining unpaid	-	-
41.	**Lease arrangements**		
	Lease payments recognised in the Statement of Profit and Loss	38.09	57.21
	The Movement in Lease Liabilities		
	Balance at the beginning	299.91	466.10
	Additions	728.48	-
	Deletions	-	-
	Finance Cost accrued during the period	57.38	46.95
	Payment of lease liability	208.04	213.14
	Balance at the end	**877.73**	**299.91**
	The details regarding the contractual maturities of lease liabilities on an undiscounted basis		
	Less than one year (Current lease liabilities)	313.95	91.58
	One to five years (Non-current lease liabilities)	451.97	208.33
	More than five years	-	
	Total	**765.91**	**299.91**

Break-up of current and non-current lease liabilities forms part of Note 19 & 22.

42 Key Financial Ratios

Ratios for the year ended 31st March 2022 and 31st March 2021

Particulars	Numerator	Denominator	31st March 2022	31st March 2021	Variance (in%)
Current Ratio	Current Assets	Current Liabilities	1.88	1.78	5.73%
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.50	0.47	6.24%
Debt Service Coverage Ratio	Earnings available for debt services	Debt Services	0.71	0.61	16.42%
Return on Equity ratio	Net Profit after Taxes	Average Shareholders equity	15.56%	16.42%	-5.24%
Trade receivables turnover ratio	Revenue	Average trade receivable	2.55	3.01	-15.41%
Trade payables turnover ratio *	Purchase of services and other expenses	Average trade payable	5.15	2.61	96.89%
Net capital turnover ratio	Revenue	Working Capital	2.92	2.97	-1.83%
Net profit ratio	Net Profit	Revenue	9.10%	11.47%	20.68%
Return on Capital employed	Earnings before interest and taxes	Capital Employed	21.66%	18.59%	16.46%
Return on investment	Profit	Cost of Investment	12.05%	13.30%	-9.35%

PARTICULARS	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021

43 Related party disclosure

a) Name of related parties and nature of relationship

Subsidiary companies	Kaar Technologies Qatar LLC Kaar Technologies QFC LLC KAAR Technologies Inc., USA KAAR Technology LLC Abudhabi KAAR Technologies Co W.L.L., Bahrain KAAR Technologies LLC Oman KAAR Technologies UK Limited KAAR Technologies Denmark APS KAAR Technologies SDN BHD Malaysia
Joint Venture	**BaasKaar Information Technologies Company Limited, Saudi Arabia**

Key management personnel and their Relatives

N. Maran	Managing Director
N. Ratnakumar	Whole-time Director
M. Selvakumaran	Whole-time Director
Guardian George	Whole-time Director
Balakrishnan	Independent Director
V. Chandrasekaran	Chief Financial Officer
Meena Guardian	Relative of KMP

Entity is controlled or jointly controlled by Related Party

Kaar Arakattalai

Note: The above details of names of related party and nature of relationship has been determined by the company to the extent information is available with the company.

b) Transactions with related parties are as follows

Transactions/ Balances	Transactions with Subsidiaries and Joint ventures		Key Management Personnel and their Relatives	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Remuneration and other benefits*		-	300.89	256.41
Rent paid		-	26.64	26.64
Sale of Services	18,835.02	14,546.13		-
Expenses incurred on behalf of related party**	2,095.09	2,466.30		-

* Amount attributed to post employment benefits and compensated absences have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

**The amount represents net balance of expenses incurred on behalf of the company, expenses incurred by the company on behalf of related party, interest income charged to related party.

c) Balances with related parties are as follows

Transactions/ Balances	Transactions with Subsidiaries and Joint ventures		Key Management Personnel and their Relatives	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Trade Receivables (net of provision)	8,770.08	7,128.34	-	-
Unearned revenue	507.53	194.73	-	-
Unbilled revenue	1,630.07	955.33	-	-
Debit Note receivables	6,550.68	4,946.55	-	-
Debit note payable	5,769.40	3,314.10	-	-
Loans to subsidiary	301.38	335.34	-	-
Payable to Jointly held	35.46	42.08		
Advance from Customers	-	-	-	-

TRANSACTIONS/ BALANCES	NATURE OF RELATIONSHIP	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
Sale Of Services			
Kaar Technologies Qatar LLC	Subsidiary	1,237.27	1,313.13
KAAR Technologies LLC Oman	Subsidiary	1,706.29	1,867.92
KAAR Technologies LLC Abudhabi	Subsidiary	428.81	226.80
KAAR Technologies Co W.I.I., Bahrain	Subsidiary	865.47	2,256.41
KAAR Technologies UK Limited	Subsidiary	1,487.79	483.67
KAAR Technologies Inc., USAnoyte	Subsidiary	2,565.23	1,856.83
KAAR Technologies SDN BHD Malaysia	Subsidiary	-	-
BaasKaar Information Technologies Company Limited, Saudi Arabia	**Joint Venture**	**10,544.16**	**6,541.37**
Expenses Incurred On Behalf Of Related Party			
Kaar Technologies Qatar LLC	Subsidiary	6.51	0.40
KAAR Technologies LLC Oman	Subsidiary	75.15	39.64
KAAR Technologies LLC Abudhabi	Subsidiary	684.03	225.96
KAAR Technologies Co W.I.I., Bahrain	Subsidiary	78.73	82.26
KAAR Technologies UK Limited	Subsidiary	-	-
KAAR Technologies Inc., USA	Subsidiary	160.29	170.31
KAAR Technologies SDN BHD Malaysia	Subsidiary	-	-
BaasKaar Information Technologies Company Limited, Saudi Arabia	**Joint Venture**	**1,090.38**	**1,947.73**
CSR Expensditure Transferred			
Kaar Arakattalai	**Jointly Held**	**30.77**	**-**
Trade Receivables (net of provision)			
Kaar Technologies Qatar LLC	Subsidiary	836.70	514.43
KAAR Technologies LLC Oman	Subsidiary	292.82	370.83
KAAR Technologies LLC Abudhabi	Subsidiary	118.55	184.00
KAAR Technologies Co W.I.I., Bahrain	Subsidiary	305.93	553.65
KAAR Technologies UK Limited	Subsidiary	306.41	272.46
KAAR Technologies Inc., USA	Subsidiary	1,651.70	1781.17
BaasKaar Information Technologies Company Limited, Saudi Arabia	**Joint Venture**	**5,257.97**	**3451.80**
Unearned revenue			
Kaar Technologies Qatar LLC	Subsidiary	-	-
KAAR Technologies LLC Oman	Subsidiary	96.20	97.25
KAAR Technologies LLC Abudhabi	Subsidiary	-	-
KAAR Technologies Co W.I.I., Bahrain	Subsidiary	279.28	64.36
KAAR Technologies Inc., USA	Subsidiary	-	0.01

TRANSACTIONS/ BALANCES	NATURE OF RELATIONSHIP	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
BaasKaar Information Technologies Company Limited, Saudi Arabia	**Joint Venture**	**132.05**	**33.11**
Unbilled revenue			
Kaar Technologies Qatar LLC	Subsidiary	111.09	25.15
KAAR Technologies LLC Oman	Subsidiary	312.70	347.26
KAAR Technologies LLC Abudhabi	Subsidiary	91.38	133.68
KAAR Technologies Co W.I.I., Bahrain	Subsidiary	-	14.37
KAAR Technologies UK Limited	Subsidiary	24.89	19.48
KAAR Technologies Inc., USA	Subsidiary	21.69	-
BaasKaar Information Technologies Company Limited, Saudi Arabia	**Joint Venture**	**1,068.32**	**415.39**
Debit Note receivables			
Kaar Technologies Qatar LLC	Subsidiary	1,119.07	705.59
KAAR Technologies LLC Oman	Subsidiary	2,038.50	1,228.42
KAAR Technologies LLC Abudhabi	Subsidiary	703.54	545.52
KAAR Technologies Co W.I.I., Bahrain	Subsidiary	394.31	268.92
KAAR Technologies UK Limited	Subsidiary	807.64	406.39
KAAR Technologies Inc., USA	Subsidiary	788.43	333.48
KAAR Technologies SDN BHD Malaysia	Subsidiary	32.93	32.93
BaasKaar Information Technologies Company Limited, Saudi Arabia	**Joint Venture**	**666.25**	**1,425.30**
Material related party balances are as follows			
Debit note payable			
Kaar Technologies Qatar LLC	Subsidiary	871.36	754.50
KAAR Technologies LLC Oman	Subsidiary	1,710.18	987.19
KAAR Technologies LLC Abudhabi	Subsidiary	686.58	16.27
KAAR Technologies UK Limited	Subsidiary	1,112.14	703.20
KAAR Technologies Inc., USA	Subsidiary	459.13	216.92
KAAR Technologies SDN BHD Malaysia	Subsidiary	-	-
KAAR Technologies Co W.I.I., Bahrain	Subsidiary	930.01	636.02
Loans to subsidiary			
Kaar Technologies Qatar LLC	**Subsidiary**	**301.38**	**335.34**
Advance from Customers			
Kaar Technologies Qatar LLC	**Subsidiary**	**-**	**-**

44 Financial Instruments

Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern, while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/short-term borrowings.

For the purposes of Company's capital management, capital includes consists of net debt (borrowings as detailed in note 18 offset by cash and bank balances) and total equity of the Company. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company

GEARING RATIO	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
Debt	5,064.75	4,578.79
Less: Cash and bank balances	876.39	487.38
Net debt	**4,188.36**	**4,091.41**
Total equity	11,242.95	10,290.46
Gearing Ratio	37.25%	39.76%
CATEGORIES OF FINANCIAL INSTRUMENTS:		
FINANCIAL ASSETS		
a. Measured at amortised cost:		
Loans	126.38	160.34
Other non-current financial assets	209.72	390.24
Trade Receivables	8,647.88	6,458.45
Cash and cash equivalents	876.39	487.38
Bank balances other than above	937.26	1,007.23
Other current financial assets	2,539.83	2,733.39
Investments	34.98	18.10
b. Mandatorily measured at fair value through profit or loss (FVTPL):		
Investments	3,944.30	3,849.92

PARTICULARS	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
FINANCIAL LIABILITIES		
a. Measured at amortised cost:		
Borrowings (non-current)	611.97	524.90
Borrowings (current)	4,275.90	4,053.89
Trade Payables	621.10	868.21
b. Mandatorily measured at fair value through profit or loss (FVTPL):		
Derivative instruments	-	-

Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international finan cial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposures through a centralized treasury division. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures through a centralised treasury division and uses natural hedging principles to mitigate the risks from such exposures. The use of derivative instruments, if any, is subject to limits and regular monitoring by appropriate levels of management.

Disclosure of hedged and unhedged foreign currency exposure

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency	Liabilities			Assets			"Net overall exposure on the currency - net assets / (net liabilities) (INR)"
	"Gross exposure (INR)"	"Exposure hedged using derivatives (INR)"	"Net Asset exposure on the currency(INR)"	"Gross exposure (INR)"	"Exposure hedged using derivatives (INR)"	"Net liability exposure on the currency(INR)"	
For the year ended March 31, 2022 - USD	10,199.48	-	10,199.48	17,252.21	-	17,252.21	(7,052.73)
For the year ended March 31, 2021 - USD	7,335.28	-	7,335.28	13,398.05	-	13,398.05	(6,062.77)

Foreign currency sensitivity analysis

"Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%. 2% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Company where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower."

Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied. Further, in appropriate cases, the Company also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended March 31, 2022 would decrease/ increase by Rs. 11.34 lakhs (March 31, 2021 : decrease/ increase by Rs.11.45 lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Equity price risk

Equity price risk is related to the change in market reference price of the investments in equity securities. The fair value of some of the Company's investments in equity instruments exposes the Company to equity price risks. In general, these securities are not held for trading purposes.

Equity price sensitivity analysis

The fair value of equity instruments as at March 31, 2022, March 31, 2021 was Rs. 3979.28 lakhs and Rs. 3868.03 lakhs respectively. A 5% change in prices of equity instruments held as at March 31, 2022 and March 31, 2021, would result in an impact of Rs. 198.96 lakhs and Rs. 193.4 lakhs respectively.

Credit risk management

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks, mutual fund investments and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

(a) Trade Receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined. Wherever the Company assesses the credit risk as high, the exposure is backed by either bank, guarantee/letter of credit or security deposits.

The Company does not have higher concentration of credit risks to a single customer. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk. In respective dues from the Government, the Company has considered them as fully recoverable and no allowance for expected credit loss is required.

(b) Investments, Derivative Instruments, Cash and Cash Equivalents and Bank Deposits

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments is generally low as the Company enters into the Derivative Contracts with the reputed Banks.
Investments of surplus funds are made only with approved financial institutions/ counterparty. The Company has standard operating procedures and investment policy for deployment of surplus liquidity.

Offsetting related disclosures

Offsetting of cash and cash equivalents to borrowings as per the consortium agreement is available only to the bank in the event of a default. Company does not have the right to offset in case of the counter party's bankruptcy, therefore, these disclosures are not required.

Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit and mutual funds, which carry minimal mark to market risks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Liquidity tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

March 31, 2022	"Due in 1st year"	" Due in 2nd to 5th year "	" Due after 5th year "	" Carrying amount "
Trade payables	605.28	13.39		618.67
Borrowings (including interest accrued thereon upto the reporting date)	353.35	611.97		965.32
	958.63	**625.36**	**-**	**1,583.99**

March 31, 2022	"Due in 1st year"	" Due in 2nd to 5th year "	" Due after 5th year "	" Carrying amount "
Trade payables	772.36	79.01		618.67
Borrowings (including interest accrued thereon upto the reporting date)	227.27	524.90		752.17
	999.63	**603.91**	**16.84**	**1,620.38**

45 Retirement benefit plans

Defined contribution plans

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the provident fund of Government of India.

The total expense recognised in profit or loss of Rs.294.77lakhs (for the year ended March 31, 2021: Rs.215 lakhs) represents contribution payable to these plans by the Company at rates specified in the rules of the plan.

Defined benefit plans

(a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death, while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation. The liability is unfunded and is actuarially determined at each reporting date using the projected unit credit method.

(b) Risks associated with defined benefit plans

The defined benefit plans typically expose the Company to actuarial risks such as investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(c) Further disclosures in respect of Gratuity

	PARTICULARS	FOR THE YEAR END *31st March 2022*	FOR THE YEAR END *31st March 2021*
(i)	**The principal assumptions used for the purposes of the actuarial valuations were as follows:**		
	Discount Rate	7.01%	6.70%
	Rate of increase in compensation level	6.00%	6.00%
	Attrition Rate	Vested 5%, non-vested 25%	Vested 5%, non-vested 25%
	The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
(ii)	**Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:**		
	Current service cost	110.51	72.12
	Net interest expense	31.32	24.37
	Past service cost	-	-
	Components of defined benefit costs recognised in other comprehensive income	**141.83**	**96.49**

	PARTICULARS	FOR THE YEAR END 1st March 2022	FOR THE YEAR END 31st March 2021
(iii)	**Amount recognised in Other Comprehensive Income (OCI) for the year**		
	Remeasurement on the net defined benefit liability comprising:		
	Actuarial (gains)/ losses arising from changes in demographic assumptions	-	(1.19)
	Actuarial (gains)/ losses arising from changes in financial assumptions	(14.42)	(5.65)
	Actuarial (gains)/ losses arising from experience adjustments	133.31	67.99
	Components of defined benefit costs recognised in other comprehensive income	**118.89**	**61.15**
	Total amount recognised in comprehensive and other comprehensive income	**260.72**	**157.64**
	The current service cost and the net interest expense for the year are included in the 'employee benefits expense' in profit or loss.The remeasurement of the net defined benefit liability is included in other comprehensive income.		
(iv)	**The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:**		
	Present value of defined benefit obligation	675.23	479.08
	Fair value of plan assets	-	-
	Net liability arising from defined benefit obligation	**675.23**	**479.08**
	Funded	-	-
	Unfunded	675.23	479.08
		675.23	**479.08**
	Presented under		
	Non-Current provision	604.19	429.03
	Current provision	71.03	50.04
		675.22	**479.07**
	The above provisions are reflected under 'post retirement benefits' (long-term provisions) and 'post retirement benefits' (short-term provisions) [Refer notes 20 & 25].		
(v)	**Movements in the present value of the defined benefit obligation in the current year were as follows:**		
	Opening defined benefit obligation	479.08	406.08
	Current service cost	110.51	72.12
	Interest cost	31.32	24.37
	Past service cost		
	Actuarial (gains)/ losses arising from changes in demographic assumptions	-	(1.19)
	Actuarial (gains)/ losses arising from changes in financial assumptions	(14.42)	(5.65)
	Actuarial (gains)/ losses arising from experience adjustments	133.31	67.99
	Benefits paid	(64.57)	(84.64)
	Closing defined benefit obligation	**675.23**	**479.08**
(vi)	**Movements in the fair value of the plan assets in the current year were as follows:**		
	Opening fair value of plan assets	-	-
	Contributions	64.57	84.64
	Benefits paid	(64.57)	(84.64)
	Closing fair value of plan assets	**-**	**-**

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

(vii) Sensitivity analysis

If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by Rs. 51.99 lakhs (increase by Rs. 38.49 lakhs). If the expected salary increases by 100 basis points higher(lower), the defined benefit obligation would increase by Rs. 47.27 lakhs (decrease by Rs. 33.76 lakhs)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

46 Share based payments

(a) Description of share-based payment arrangements

The Shareholders of the Company at the Annual General Meeting (AGM) held on September 30, 2016, approved the Kaar Technologies Employee Stock Option Plan, 2016 (the ESOP 2016 Plan). The ESOP 2016 Plan provides for issuance of 163,167 options, exercisable into equivalent number of fully paid up equity shares of Rs. 1/- each, to the employees including Directors. The ESOP 2016 Plan is administered by 3 different schemes based on the following terms:

March 31, 2022	"ESOP Plan 2016 Growth Option"	"ESOP Plan 2016 Longevity Option"	"ESOP Plan 2016 Performance Option"
"Eligible employees"	Kaar Leadership Team, comprising ofsenior and key emploees	All employees depending on the years of experience with the Company	All employees depending on performance rating for every financial year
Maximum number of options grantable	35,945	78,671	48,551
"Exercise Price"	**INR 90/-**	**INR 90/-**	**INR 90/-**

The options are granted at the market price on the date of the grant. The options granted under ESOP 2016 Plan vest not earlier than minimum period of one year and not later than maximum period of five years from the date of grant. A specific number of options vests to the eligible employees, as and when, they complete each year of services or achieve performance rating in the respective financial year. The vested options, to the extent notified by the Board, can be exercised by the option Grantees only upon happening of Liquidity Event, as stipulated in the ESOP 2016 Plan, within such period as may be prescribed by the Board of Directors.

Set out below is a summary of options granted under the plan:

Particulars	Average Exercise Price per shares option (INR)	Number of options	Average Exercise Price per shares option (INR)	Number of options
Opening balance	90.00	91,569	90.00	1,10,387
Granted during the year	90.00	-	90.00	-
Exercised during the year	90.00	-	90.00	-
Forfeited during the year	90.00	4,457	90.00	18,818
Closing balance	90.00	87,112	90.00	91,569
Options vested	87,112	91,569		
Options exercisable		-		-

The options are exercisable upon happening of a liquidity event. In case of listing being a liquidity event, all vested options can be exercised within two year from the date of such listing. In other cases of liquidity event, the vested options can be exercised within such period as may be prescribed by the board in this regard.

During the year the Company has not granted any options. However, the fair value at grant date of options granted during the year ended March 31, 2017 was Rs 100 per option. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at the grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for the options granted during the year ended March 31, 2017 included:

a) Options are granted for no consideration and vest upon completion of service for a period of one year. Vested options are exercisable for a period of five year after vesting.b) Exercise price: Rs 90 per option
c) Grant date: March 27, 2017
d) Share price at grant date: Rs 90
e) Expected price volatility of the company's share: Nil
f) Expected dividend yield: Nil
g) Risk free interest rate: 7.5%

(b) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Employee option plan	**-**	**-**

(c) "As per the terms of the options agreement, the options are exercisable on occurrence of liquidity event. Liquidity event being:
i. listing of shares of the Company
ii. sale of 50% or more shares held by the current share holders of the Company"

In case the liquidity event does not occur within 5 years from the vesting of options, the options will be settled by paying cash. However, the management is of the view that either of the liquidity event will occur within 5 years from the vesting date and accordingly there will be no requirement to settle the options in cash. Consequently the share options have been classified as equity settled options.

47 Business Combination

Summary of Amalgamation

"Pursuant to a scheme of amalgamation approved by the Hon'ble NCLT vide its order dated June 8, 2020 with the appointed date of July 1, 2019, the holding company Kaar Solutions India Private Limited has been merged with the Company. The board of directors of the respective companies, have duly implemented the approved scheme of amalgamation.
As per the approved Scheme, the Company has to issue a purchase consideration of 113 shares of Re.1 each for every one equity share of Rs.100 each held by the erstwhile parent company."

Adjustment made in the retained earnings is as follows:

Particulars	Amount
Share capital issued	(0.85)
Amount of share capital of the transferor	(30.00)
Investments held by transferor in transferee	197.11
Write off of intercompany balances	1.10
Amount adjusted in retained earnings	**167.36**

Significant estimate - Contingent Consideration
There was no contingent consideration identified in the above amalgamation. Hence, no disclosures were required.

Significant Judgement - Contingent Liability
There was no contingent liability identified in the above amalgamation. Hence, no disclosures were required.

The accompanying notes form an integral part of the financial statements

For RVKS AND ASSOCIATES
Chartered Accountants
Firm Registration No.008572S

For and on behalf of the board of directors of
KAAR TECHNOLOGIES INDIA PRIVATE LIMITED

R. VENKATAKRISHNAN
Partner
Membership No.022224
UDIN :

N. MARAN
Director
DIN: 00130872

N. RATNAKUMAR
Director
DIN: 01256584

Place : Chennai
Date :

V. CHANDRASEKARAN
Chief Financial Officer

Kaar Technologies India Private Limited

FINANCIAL

CONSOLIDATED FINANCIAL STATEMENTS

	PARTICULARS	NOTES	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
	ASSETS			
1	**Non Current Assets**			
(a)	Property, plant and equipment	4	808.17	834.95
(b)	Intangible assets	4	392.37	689.13
(c)	Right of use asset	4	655.30	295.62
(d)	Goodwill on Consolidation	4	1,149.74	1,149.74
(e)	Financial assets			
	(i) Investments	5	2,196.58	2,133.73
	(ii) Other Financial Assets	6	528.81	390.25
(f)	Deferred tax assets (Net)	7	255.58	229.07
	Total Non Current Assets		**5,986.55**	**5,722.49**
2	**Current Assets**			
(a)	Financial assets			
	(i) Trade Receivables	8	7,886.48	5,221.56
	(ii) Cash and Cash Equivalents	9	2,200.96	2,523.40
	(iii) Bank balances other than (ii) above	10	937.26	1,007.23
	(v) Other Financial Assets	11	2,933.73	2,420.99
(b)	Current Tax Assets (net)	12	30.31	-
(c)	Other Current Assets	13	996.68	541.13
	Total current assets		**14,985.42**	**11,714.31**
	Total assets		**20,971.97**	**17,436.80**
	EQUITY AND LIABILITIES			
	Equity			
(a)	Equity share capital	14	49.59	49.59
(b)	Other equity	15	10,236.28	8,661.98
(c)	Non-controlling Interest		(82.71)	(113.31)
	Total Equity		**10,203.16**	**8,598.26**
	LIABILITIES			
1	**Non current liabilities**			
(a)	Financial Liabilities			
	(i) Borrowings	16	611.97	524.90
	(ia) Lease Liablilities	17	451.96	91.58
(b)	Provisions	18	727.79	670.64
	Total Non Current Liabilities		**1,791.72**	**1,287.12**

		PARTICULARS	NOTES	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
2	**Current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	19	4,275.90	4,053.89
		(ia) Lease Liablilities	20	323.26	220.83
		(ii) Trade Payables	21		
		(A) Total outstanding dues of micro enterprises and small enterprises		2.61	3.59
		(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,671.27	1,438.31
	(b)	Other Current Liabilities	22	2,540.58	1,695.97
	(c)	Provisions	23	163.47	83.07
	(d)	Current Tax Liabilities (net)	24	-	55.76
		Total Current Liabilities		**8,977.09**	**7,551.42**
		Total Liabilities		**10,768.81**	**8,838.54**
		Equity and Liabilities		**20,971.97**	**17,436.80**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For RVKS AND ASSOCIATES
Chartered Accountants
Firm Registration No.008572S

For and on behalf of the board of directors of
KAAR TECHNOLOGIES INDIA PRIVATE LIMITED

R. VENKATAKRISHNAN
Partner
Membership No.022224
UDIN :

N. MARAN
Director
DIN: 00130872

N. RATNAKUMAR
Director
DIN: 01256584

Place : Chennai
Date :

V. CHANDRASEKARAN
Chief Financial Officer

	PARTICULARS	NOTES	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
I	**Revenue From Operations**	**25**	**22,967.14**	**16,681.05**
II	**Other Income**	**26**	**282.65**	**1,007.39**
III	**Total Income (I+II)**		**23,249.79**	**17,688.44**
IV	**Expenses**			
	Operating expenses	27	3,781.84	1,403.52
	Employee benefits expense	28	13,403.52	10,079.73
	Finance costs	29	634.44	530.01
	Depreciation and amortisation expense	30	749.51	491.60
	Other expenses	31	2,021.27	3,029.78
	Total expenses (IV)		**20,590.58**	**15,534.64**
V	**Profit before tax (III - IV)**		**2,659.21**	**2,153.80**
VI	**Share of Net Profit from Joint venture accounted for using equity method**		**45.69**	**39.74**
	Profit after share of Net Profit from Joint Venture		2,704.90	2,193.54
VII	**Tax expense**	32		
	(1) Current tax		470.34	507.11
	(2) Adjustment of tax relating to earlier periods		-	-
	(3) Deferred tax charge/(benefit)		8.63	109.46
	Total Tax Expense (VII)		**478.97**	**616.57**
VIII	**Profit for the period (V -VI)**		**2,225.93**	**1,576.97**
IX	**Profit/(loss) from discontinued operations**		**-**	**-**
X	**Tax expense of discontinued operations**		**-**	**-**
XI	**Profit/(loss) for the period**		**2,225.93**	**1,576.97**
XII	**Other comprehensive income**			
	(A) Items that will not be reclassified to profit or loss			
	(i) Remeasurement of post employee benefit expenses		(118.89)	(61.15)
	(ii) Income tax relating to these items in A above		35.00	18.00
	(B) Items that will be reclassified to profit or loss		73.69	985.70
	Other comprehensive income for the year, net of tax (X)		**(10.20)**	**942.55**
XIII	**Total comprehensive income for the year (X+XI)**		**2,215.73**	**2,519.52**
XIV	**Net Profit attributable to**			
	Equity holders of the parent		2,192.09	1,543.13
	Non-controlling interest		33.84	33.84
			2,225.93	**1,576.97**
XV	**Other Comprehensive income attributable to**			
	Equity holders of the parent		(10.20)	942.55
	Non-controlling interest		(3.24)	-
			(13.45)	**942.55**
XVI	**Total Comprehensive income attributable to :**			
	Equity holders of the parent		2,181.89	2,485.68
	Non-controlling interest		33.84	33.84
XVII	**Total comprehensive income after share of profit of Non controlling interest**		**2,215.73**	**2,519.52**

PARTICULARS	NOTES	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
Earnings per share	33		
Basic earnings per share		44.68	51.58
Diluted earnings per share		42.39	49.74

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
RVKS AND ASSOCIATES
Chartered Accountants
Firm Registration No.008572S

For and on behalf of the board of directors of
KAAR TECHNOLOGIES INDIA PRIVATE LIMITED

R VENKATAKRISHNAN
Partner
Membership No.022224

N. MARAN
Director
DIN: 00130872

N. RATNAKUMAR
Director
DIN: 01256584

Place : Chennai
Date :

V. CHANDRASEKARAN
Chief Financial Officer

PARTICULARS	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
Cash Flow From Operating Activities		
Profit before income tax	2,704.90	2,193.54
Adjustments for		
Depreciation and amortisation expense	749.51	491.60
Loss on sale of assets		-
Finance costs	634.44	472.70
Interest income	(58.61)	(59.78)
Fair value changes of investments	(45.69)	(46.47)
Bad debts and other write off	-	97.48
Unrealised foreign exchange	73.69	1,045.46
MTM gain on interest rate swap	-	-
	4,058.24	**4,194.53**
Change in operating assets and liabilities		
(Increase)/decrease in trade receivables	(2,664.92)	(1,316.96)
(Increase)/decrease in other financial assets	(658.26)	2,518.28
(Increase)/decrease in other current assets	(336.84)	420.80
Increase/(decrease) in trade payables	231.98	(1,777.66)
Increase/(decrease) in provisions and other liabilities	946.95	(888.98)
Cash generated from operations	**1,577.15**	**3,150.01**
Less: Income taxes paid/ (refunds)	556.41	417.43
Net cash from operating activities (A)	**1,020.75**	**2,732.58**
Cash Flows From Investing Activities		
Purchase of property plant and equipment (PPE)	(141.07)	(197.83)
Sale proceeds on sale of PPE		-
Net impact of business combination		-
Investments made during the year	(17.16)	(57.84)
(Investments in)/ Maturity of fixed deposits with banks(Net)	69.97	(994.40)
Interest received	58.61	59.78
Net cash used in investing activities (B)	**(29.65)**	**(1,190.29)**
Cash Flows From Financing Activities		
Proceeds from/ (repayment of) long term borrowings(Net)	36.68	21.93
Proceeds from/ (repayment of) short term borrowings(Net)	272.40	(399.26)
Payments made against lease liability	(318.87)	(227.91)
Interest paid(net)	(591.01)	(472.70)
Payment of interim dividends	(712.73)	(150.02)
Proceeds from share issued (including share premium)		502.35
Buy Back of equity shares		-
Net cash from/ (used in) financing activities (C)	**(1,313.53)**	**(725.61)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**(322.44)**	**816.69**
Cash and cash equivalents at the beginning of the financial year	2,523.40	1,706.71
Cash and cash equivalents at end of the year	**2,200.96**	**2,523.40**

The accompanying notes form an integral part of the financial statements

PARTICULARS	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
Notes:		
1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".		
2. Components of cash and cash equivalents		
Balances with banks		
- in current accounts	2,200.96	2,523.40
Total	**2,200.96**	**2,523.40**

As per our report of even date attached
RVKS AND ASSOCIATES
Chartered Accountants
Firm Registration No.008572S

For and on behalf of the board of directors of
KAAR TECHNOLOGIES INDIA PRIVATE LIMITED

R VENKATAKRISHNAN
Partner
Membership No.022224

N. MARAN
Director
DIN: 00130872

N. RATNAKUMAR
Director
DIN: 01256584

Place : Chennai
Date :

V. CHANDRASEKARAN
Chief Financial Officer

Equity Share Capital of Rs.1 each

	Balance at the beginning of the year	Changes in Equity during the year	Balance at the end of the year
2021-22	49.59	-	49.59
2020-21	43.93	5.66	49.59

B.Other Equity	Balance at the beginning of the year	Profit/ (Loss) for the year	Total Comprehensive Income for the year	Transfer to General Reserve	Dividends	Dividend Distribution Tax	Statutory Reserve	Securities premium	Optionally Convertible Preference Share Capital	Transfer to Retained Earnings	Transfer to Debenture Redemption Reserve	Balance at the end of the year
2021-22												
Securities premium	620.28	-	-	-	-	-	-	-	-	-	-	620.28
Capital Redemption Reserve	6.41	-	-	-	-	-	-	-	-	-	-	6.41
Share options outstanding	31.41	-	-	-	-	-	-	-	-	-	-	31.41
Statutory Reserve	30.20						13.39					43.59
General Reserve	8.98	-	-	-	-	-	-	-	-	-	-	8.98
Retained Earnings	7,962.89	2,283.85	-10.20		-712.73						-17.65	9,506.16
Other comprehensive income	-		10.20							-10.20		-
Optionally Convertible Preference Share Capital (Equity portion)	1.81	-	-	-	-	-	-	-	-	-	-	1.81
Debenture Redemption Reserve	-	-	-	-	-	-	-	-	-	-	17.65	17.65
Total	**8,661.98**	**2,283.85**	**-**	**-**	**(712.73)**	**-**	**13.39**	**-**	**-**	**(10.20)**	**-**	**10,236.28**

B.Other Equity	Balance at the beginning of the year	Profit/ (Loss) for the year	Total Comprehensive Income for the year	Transfer to General Reserve	Dividends	Dividend Distribution Tax	Statutory Reserve	Securities premium	Optionally Convertible Preference Share Capital	Transfer to Retained Earnings	Transfer to Debenture Redemption Reserve	Balance at the end of the year
2020-21												
Securities premium	125.40	-	-	-	-	-	-	494.88	-	-	-	620.28
Capital Redemption Reserve	6.41	-	-	-	-	-	-	-	-	-	-	6.41
Share options outstanding	31.41	-	-	-	-	-	-	-	-	-	-	31.41
Statutory Reserve	16.40	-	-	-	-	-	13.80	-	-	-	-	30.20
General Reserve	8.98	-	-	-	-	-	-	-	-	-	-	8.98
Retained Earnings	5,650.22	1,520.14	942.55	-	-150.02	-	-	-	-	-	-	7,962.89
Other comprehensive income	-	-	-942.55	-	-	-	-	-	-	942.55	-	-
Optionally Convertible Preference Share Capital (Equity portion)	-	-	-	-	-	-	-	-	1.81	-	-	1.81
Debenture Redemption Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Total	**5,838.82**	**1,520.14**	**-**	**-**	**(150.02)**	**-**	**13.80**	**494.88**	**1.81**	**942.55**	**-**	**8,661.98**

As per our report of even date attached
For RVKS AND ASSOCIATES
Chartered Accountants
Firm Registration No.008572S

For and on behalf of the board of directors of
KAAR TECHNOLOGIES INDIA PRIVATE LIMITED

R. VENKATAKRISHNAN
Partner
Membership No.022224
UDIN :

N. MARAN
Director
DIN: 00130872

N. RATNAKUMAR
Director
DIN: 01256584

Place : Chennai
Date :

V. CHANDRASEKARAN
Chief Financial Officer

1 Corporate Information

The Consolidated Financial Statements comprise financial statements of KAAR Technologies India Private Limited ("the Holding Company") and its subsidiaries (collectively referred to as "the Group") for the year ended March 31, 2022.

Kaar Technologies India Private Limited was incorporated in India in July 2005. The Holding Company is engaged in development and implementation of software and providing hardware solutions. The Company has invested in the following companies :

The Company, its Subsidiaries and its Associate are collectively referred as "the Group".

a) Kaar Technologies Qatar W.L.L, a company formed in the Qatar to extend the operations of the Holding Company.
b) Kaar Technologies Inc., a company formed in the United States of America, to extend the operations of the Holding Company.
c) Kaar Technologies LLC, a company formed in the Abu Dhabi, to extend the operations of the Holding Company.
d) Kaar Technologies Co, W.L.L, a company formed in Bahrain, to extend the operations of the Holding Company.
e) Kaar Technologies LLC, a company formed in Oman, to extend the operations of the Holding Company.
f) Kaar Technologies, a company formed in the United Kingdom to extend the operations of the Holding Company.
g) Kaar Technologies, a company formed in Denmark, to extend the operations of the Holding Company.
h) Kaar Malaysia, a company formed in Malaysia, to extend the operations of the Holding Company.
i) Kaar Technologies QFC LLC a company formed in the Qatar to extend the operations of the Holding Company.

Pursuant to a scheme of amalgamation approved by the Hon'ble NCLT vide its order dated June 8, 2020 with the appointed date of July 1, 2019, the holding company Kaar Solutions India Private Limited has been merged with the Company.

2 Basis of preparation of financial statements

Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Basis of preparation and presentation

The Consolidated Financial Statements comprises of Kaar Technologies India Private Limited and all its subsidiaries and joint venture being the entities that it controls. Control is assessed in accordance with the requirement of Ind AS 110 - Consolidated Financial Statements and Ind AS 28 - Investments in Associates and Joint Venture.

Principles of Consolidation

a) The financial statements of the Holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

b) Profits or losses resulting from intra-group transactions that are recognised in assets, such as Trade receivables and Trade payables, are eliminated in full.

c) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve (FCTR).

d) Goodwill represents the difference between the Company's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries.

e) The unaudited financial statements of foreign subsidiaries have been prepared by the management in accordance with the generally accepted accounting principles of its country of incorporation and restated to Ind AS for consoli dation purposes.

f) The differences in accounting policies of the Holding Company and its subsidiaries/ associates are not material and there are material transactions from January 1, 2022 to March 31, 2022 in respect of subsidiaries/ having financial year ended December 31, 2021 and the same has been considered.

g) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

h) The carrying amount of the parent's investment in each subsidiary is offset (eliminated) against the parent's portion of equity in each subsidiary.

i) The Company applies equity method for accounting of transactions with its joint venture.

j) Recording of investor's share in the profit/ loss of the joint venture after the date of acquisition.

Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Group has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, investments and trade receivables. Based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The Group continues to evaluate them as highly probable considering the orders in hand. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of the financial results. The Group will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Lakhs (up to two decimals).

2A Critical accounting estimates and management judgments

In application of the accounting policies, which are described in note 3, the management of the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

Information about significant areas of estimation, uncertainty and critical judgements used in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Property, Plant and Equipment (PPE) and Intangible Assets

The residual values and estimated useful life of PPEs and Intangible Assets are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/ amortisation. Also, management judgement is exercised for classifying the asset as investment properties or vice versa.

Current tax

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Deferred Tax Assets

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/ recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Fair value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Impairment of Trade Receivables

The impairment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

Impairment of Non-financial assets (PPE/ Intangible Assets)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

Defined Benefit Plans and Other long term employee benefits

The cost of the defined benefit plan and other long term employee benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

2B Recent accounting pronouncements

Amendments to Schedule III to the Companies Act, 2013

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16– Property Plant and equipment

IndAS16–Property Plant and equipment :The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 37–Provisions, Contingent Liabilities and Contingent Assets

Ind AS 37–Provisions,Contingent Liabilities and ContingentAssets : The amendment specifies that the cost of fulfilling a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor,materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1 2022, although early adoption is permitted.The Company has evaluated the amendment and the impact is not expected to be material.

3 Significant Accounting Policies

a) Current versus non-current classification

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

i) Expected to be realised or intended to be sold or consumed in normal operating cycle
ii) Held primarily for the purpose of trading
iii) Expected to be realised within twelve months after the reporting period, or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.
A liability is current when:

i) It is expected to be settled in normal operating cycle
ii) It is held primarily for the purpose of trading
iii) It is due to be settled within twelve months after the reporting period, or
iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified 12 months as its operating cycle for the purpose of classification of its assets and liabilities as current and non-current.

b) Fair value measurement

The Group has applied the fair value measurement wherever necessitated at each reporting period.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability;
ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group
The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non - financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and the best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 : Quoted (unadjusted) market prices in active market for identical assets or liabilities;
Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group has designated the respective team leads to determine the policies and procedures for both recurring and non - recurring fair value measurement. External valuers are involved, wherever necessary with the approval of Group's board of directors. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

For the purpose of fair value disclosure, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the asset or liability and the level of the fair value hierarchy as explained above. The component wise fair value measurement is disclosed in the relevant notes.

c) Revenue Recognition

Sale of services

Revenue is measured based on the consideration specified in a contract with a customer net of variable consideration e.g. discounts, volume rebates, any payments made to a customer (unless the payment is for a distinct good or service received from the customer) and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control over a product or service to a customer either at a point of time or over a period of time, depending upon the terms and conditions of the contract with the customers. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

The Group derives revenue primarily from IT services comprising software development services, support services and maintenance services both under time and material contracts and fixed-price contracts.

Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised over a period of time based on the percentage of completion method, under which the sale value of performance obligation, including earnings thereon, is recognised on the basis of percentage that each contract's cost or efforts. Unbilled revenues represent revenue recognised in relation to efforts incurred on service contracts not billed as of year-end.

Revenue related to fixed-price contracts that provide solely for application maintenance services and support services are recognised on a straight-line basis or as services are rendered or transactions processed in accordance with contractual terms.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increase or decrease in estimated revenue or costs are reflected in the period in which the circumstances that give rise to the revision become known by the management.

Unearned revenue represents revenues for service contracts which are billed as of the year-end, for which some more efforts are to be incurred, as per the service contracts.

Interest Income

Interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income

Dividend income is recognized when the Group's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

d) Property, plant and equipment

Presentation

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment; and borrowing costs of a qualifying asset, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Advances paid towards the acquisition of tangible assets outstanding at each balance sheet date, are disclosed as capital advances under long term loans and advances and the cost of the tangible assets not ready for their intended use before such date, are disclosed as capital work in progress.

Component Cost

All material/ significant components have been identified and have been accounted separately. The useful life of such component are analysed independently and wherever components are having different useful life other than plant they are part of, useful life of components are considered for calculation of depreciation.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Machinery spares/ insurance spares that can be issued only in connection with an item of fixed assets and their issue is expected to be irregular are capitalised. Replacement of such spares is charged to revenue. Other spares are charged as revenue expenditure as and when consumed.

Derecognition

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e) Depreciation on property, plant and equipment

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on a straight line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value.

Depreciation is provided on straight line method, over the useful lives specified in Schedule II to the Companies Act, 2013, except in respect of certain assets, where useful life estimated based on internal assessment and/ or independent technical evaluation carried out by external valuer, past trends and differs from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013, which in the opinion of the management, ensures a relevant and reliable presentation of the financial statements.

Assets Category	Estimated useful life (in years)
Leasehold improvements	Lower of lease period and useful life
Computer and data processing unit	3 - 6

Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/ disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded/ sold. Additions to fixed assets, costing Rs.5000 each or less are fully depreciated retaining its residual value.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately are measured on initial recognition at cost. The cost of a separately acquired intangible asset comprises (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and (b) any directly attributable cost of preparing the asset for its intended use.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangible asset are measured on initial recognition at cost. The cost comprises of all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Useful life and amortisation of intangible assets

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Subsequent cost and measurement

Subsequent costs are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures, including expenditure on internally-generated intangibles, are recognised in the statement of profit and loss as incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

g) Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are also added to the cost of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified on the basis of their contractual cash flow characteristics and the entity's business model of managing them.
Financial assets are classified into the following categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial instruments (other than equity instruments) at amortised cost

The Group classifies a financial instruments (other than equity instruments) at amortised cost, if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial instruments (other than equity instruments) at FVTOCI

The Group classifies a financial instrument (other than equity instrument) at FVTOCI, if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss statement. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial instruments (other than equity instruments) at FVTPL

The Group classifies all other financial instruments, which do not meet the criteria for categorization as at amortized cost or as FVTOCI, as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Where the Group makes an irrevocable election of classifying the equity instruments at FVTOCI, it recognises all subsequent changes in the fair value in OCI, without any recycling of the amounts from OCI to profit and loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification	Name of the financial asset
Amortised cost	Trade receivables, Loans to employees and related parties, deposits, interest receivable and other advances recoverable in cash.
FVTPL	Other investments in equity instruments, forward exchange contracts (to the extent not designated as hedging instrument).

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, receivables and bank balance.

b) Financial assets that are debt instruments and are measured at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Group follows simplified approach for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Group considers all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument and Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss, net of lien available on securities held against the receivables. This amount is reflected under the head 'other expenses' in the profit and loss. The balance sheet presentation of ECL for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, which reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done on the following basis:

Name of the financial asset	Impairment Testing Methodology
Trade Receivables	Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other financial assets	When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL and as at amortised cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Classification	Name of the financial liability
Amortised cost	Borrowings, Trade payables, Interest accrued, Unclaimed/Disputed dividends, Security deposits and other financial liabilities not for trading.
FVTPL	Foreign exchange Forward contracts being derivative contracts do not qualify for hedge accounting under Ind AS 109 and other financial liabilities held for trading.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at fair value through profit or loss, are subsequently measured at higher of (i) The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 – Financial Instruments and (ii) The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 – Revenue Recognition.

Derivative financial instruments

The Group holds derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

S.No	Original classification	Revised classification	Accounting treatment
1	Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
2	FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
3	Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
4	FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
5	FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
6	FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h) Foreign currency transactions and translations

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at the functional currency spot rates at the date at which the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

The Group enters into forward exchange contract to hedge its risk associated with foreign currency fluctuations. The premium or discount arising at the inception of a forward exchange contract is amortized as expense or income over the life of the contract. In case of monetary items which are covered by forward exchange contract, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference. Any profit or loss arising on cancellation of a forward exchange contract is recognized as income or expense for that year.

The translation of financial statements of the foreign subsidiaries to the presentation currency is performed for assets and liabilities using the exchange rate in effect at the Balance Sheet date and for revenue, expense and cash-flow items using the average exchange rate for the respective periods. The gains or losses resulting from such translation are included in the foreign currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the Consolidated Statement of Profit and Loss. However when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

The results and financial position of a foreign operation are translated into a presentation currency so that the foreign operation can be included in the financial statements of the reporting entity by consolidation or the equity method. The company followed consolidation method.

i) Borrowing Costs

Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction and production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. All other borrowings costs are expensed in the period in which they occur.

j) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Where there is deferred tax assets arising from carry forward of unused tax losses and unused tax created, they are recognised to the extent of deferred tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

k) Retirement and other employee benefits

Short-term employee benefits

A liability is recognised for short-term employee benefit in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/ availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

Other long term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by the employees up to the reporting date.

l) Leases

Entity's leased asset class primarily consists of leasing of building and laptops.
At inception of a contract, an entity assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of identified assets, it assesses whether,

(i) the contract involves the use of an identified asset.
(ii) has substantially all of the economic benefits from use of the asset through the period of lease.
(iii) has the right to direct the use of asset.

An entity determines the lease term as the non-cancellable period of a lease, together with both:

a) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option
b) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

It makes an assessment on the expected lease term on a lease-by-lease basis and considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise, or not to exercise, the option, including any expected changes in facts and circumstances from the commencement date until the exercise date of the option.

Entity reassess the lease term upon occurrence of either a signficant event or a significant change that is within the control of entity and Affects entity to reasonably exercise / not to exercise renewal, termination and/or purchase option, not previously included in its determination of the lease term

At the commencement date, a entity recognises a right-of-use asset and corresponding lease liability for all the lease agreements except for short term lease and low value assets.

Lease Liability is measured at the present value of the remaining lease payments to be made over the lease term, discounted using the rate implicit in the lease (or if that rate cannot be readily determined, the lessee's incremental borrowing rate)

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

Lease liability and ROU asset have been separately presented in the Balance Sheet.
Depreciation on ROU assets and interest on Lease liability shall form of profit and loss account and lease payments have been classified as financing cash flows.

m) Impairment of non financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

n) Share based payments

Equity-settled transactions

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in Employee Stock Option Plan (ESOP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest.

No expense is recognised for awards that do not ultimately vest because non-market performance and/ or service conditions have not been met.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

o) Provisions, contingent liabilities and contingent asset

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are discounted, if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Necessary provision for doubtful debts, claims, etc., are made, if realisation of money is doubtful in the judgement of the management.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed separately.

Show cause notices issued by various Government authorities are considered for evaluation of contingent liabilities only when converted into demand.

Contingent assets

Where an inflow of economic benefits is probable, the Group discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect.

p) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

q) Cash Flow Statement

Cash flows are presented using indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Cash flow statement.

r) Earnings per share

The basic earnings per share are computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

4 Property, plant and equipment

Measurement basis : At cost

Particulars	Carrying value				Depreciation				Net carrying value	
	As at 1 April 2021	Addition during the year	Deductions during the year	As at 31 March 2022	As at 1 April 2021	For the year	Deductions during the year	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022
Leasehold Improvements	392.98	-	-	392.98	120.24	20.86	-	141.10	272.74	251.88
Furniture and Fixtures	19.78	2.48	-	22.26	13.45	2.45	-	15.90	6.33	6.36
Office Equipment	42.36	4.45	-	46.81	36.12	3.44	-	39.56	6.24	7.25
Property,plant and equipment	917.09	6.04	-	923.13	379.47	123.77	-	503.24	537.62	419.89
Vehicles	85.77	128.10	-	213.87	73.75	17.33	-	91.08	12.02	122.79
Others	0.96		-	0.96	0.96	-	-	0.96	-	-
TOTAL	**1,458.94**	**141.07**	**-**	**1,600.01**	**623.99**	**167.85**	**-**	**791.84**	**834.95**	**808.17**
Previous year	**1,249.74**	**196.65**	**-**	**1,446.39**	**484.85**	**131.19**	**-**	**616.04**	**764.89**	**834.95**

Right of Use & Other Intangible Assets

Measurement basis : Cost unless otherwise stated

Particulars	Right of use asset		Intangible Assets		Total Intangible Assets	Goodwill
	Buildings	Laptops	Computer Software	Other Developed Software		
2021-22						
Gross Carrying Value:	**626.61**	**-**	**17.72**	**1,244.38**	**1,888.71**	**1,149.74**
As at 01 April 2021						
Impact of adoption of Ind AS 116 (Refer Note 15)	-	-	-	-	-	-
Additions during the year	242.72	401.99	-	-	**644.71**	-
Disposals during the year		-	-	-	-	-
As at 31 March 2022	**869.33**	**401.99**	**17.72**	**1,244.38**	**2,533.42**	**1,149.74**
Accumulated amortisation:						
As at 01 April 2021	330.99	-	17.44	555.53	**903.96**	-
Impact of adoption of Ind AS 116 (Refer Note 15)						
Amortisation charge	205.70	79.32	0.23	296.53	581.78	-
Accumulated amortisation on disposals	-	-	-	-	-	-
As at 31 March 2022	**536.69**	**79.32**	**17.67**	**852.06**	**1,485.74**	**-**
Net Carrying Value 2021-22	**332.64**	**322.66**	**0.05**	**392.32**	**1,047.67**	**1,149.74**
2021-22						
Gross Carrying Value:						
As at 01 April 2020	**563.77**	**-**	**17.72**	**1,244.38**	**1,825.87**	**1,149.74**
Impact of adoption of Ind AS 116 (Refer Note 15)						
Additions during the year	62.84				**62.84**	-
Disposals during the year						-
As at 31 March 2021	**626.61**	**-**	**17.72**	**1,244.38**	**1,888.71**	**1,149.74**
Accumulated amortisation:						
As at 01 April 2020	**114.11**	**-**	**17.21**	**414.63**	**545.95**	**-**
Impact of adoption of Ind AS 116 (Refer Note 15)		-	-	-	-	-
Amortisation charge	216.88	-	0.23	140.90	**358.01**	-
Accumulated amortisation on disposals						
As at 31 March 2021	**330.99**	**-**	**17.44**	**555.53**	**903.96**	**-**
Net Carrying Value 2020-21	**295.62**	**-**	**0.28**	**688.85**	**984.75**	**1,149.74**

Other developed software consists of capitalised development costs of internally generated intangible assets.

* Addition of Rs. 242.72 Lakhs to buildings (ROU Asset) on account of Lease Modification

5 Non-current investments

PARTICULARS		March 31, 2022 NO. OF SHARES	March 31, 2021 NO. OF SHARES	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
Unquoted					
EQUITY SHARES CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS					
- Joint Venture Company		**Unquoted**			
Equity Instruments (fully paid-up) of SR 1000 Each	BaasKaar Information Technologies Company Limited, Saudi Arabia	175	175	2,161.60	2,115.63
		TOTAL		**2,161.60**	**2,115.63**
NON TRADE INVESTMENT IN PREFERENCE SHARES CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS					
- In others					
Optionally Convertible Preference shares of Rs. 10 each in	Joule Consulting Private Limited	537	537	15.00	15.00
		TOTAL		**15.00**	**15.00**
OTHER NON TRADE INVESTMENT CARRIED AT FAIR VALUE THROUGH PROFIT OR LOSS					
- In others					
Compulsory Convertible Debentures of Rs.100 each	NJT Network Private Limited	5000	3100	5.00	3.10
	Zenstock	129		14.98	-
			TOTAL	**19.98**	**3.10**
			TOTAL	**2,196.58**	**2,113.73**
		Aggregate cost of unquoted investments		63.45	46.57
		Aggregate amount of impairment in the value of investments		-	-

		FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
6	**Other Non-Current Financial Assets**		
	Fixed deposits with maturity period more than 12 months *	39.40	268.91
	Rental deposits	133.72	114.17
	Others	355.69	7.17
		528.81	**390.25**
	* marked under lien with banks		
7	**Deferred Tax Assets (Net)**		
	Deferred tax assets		
	On difference between book balance and tax balance of fixed assets	(90.16)	(153.78)
	Provision for expected credit loss and delay in receivables	86.21	140.59
	Disallowances under Section 40 (a)(i), 43B of the Income Tax Act, 1961	259.53	242.26
		255.58	**229.07**
8	**Trade Receivables**		
		-	-
	Trade receivables considered good - Unsecured	7,886.48	5,221.56
	Trade receivables which have significant risk increase in credit risk	311.97	518.44
		-	-
		8,198.45	**5,740.00**
	Less: Allowance for expected credit loss	(311.97)	(518.44)
		7,886.48	**5,221.56**

As at 31.03.2022

Particulars	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	6,658.55	614.94	340.72	49.71	238.46	7,902.38
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**6,658.55**	**614.94**	**340.72**	**49.71**	**238.46**	**7,902.38**

As at 31.03.2021

Particulars	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	3,650.95	1,015.60	159.24	284.44	111.35	5,221.58
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**3,650.95**	**1,015.60**	**159.24**	**284.44**	**111.35**	**5,221.58**

		FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
9	**Cash and Cash Equivalents***		
	Balances with banks	1,854.37	2,508.40
	in current accounts	40.37	-
	held for other commitments**	306.22	15.00
	Fixed deposits with banks (with original maturity of 3 months or less)		
	cash credit account	**2,200.96**	**2,523.40**

* There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

** held for repayment of Debentures

10	**Bank balances other than cash and cash equivalents**		
	-In other deposit accounts (with maturity more than 3 months but less than 12 months)	937.26	1,007.23
		937.26	**1,007.23**
11	**Other current financial assets**		
	Debit notes receivable from related parties	666.26	1,425.26
	Contract asset - unbilled revenue	1,775.89	596.74
	Unamortised finance cost	9.28	24.04
	Loans and advances given	28.74	39.09
	Refundable deposits	335.89	218.19
	Others	117.67	117.67
		2,933.73	**2,420.99**
12	**Current tax assets**		
	Advance income tax (net of provision for tax)	30.31	-
		30.31	**-**
13	**Other current assets**		
	Balance with statutory authorities:		
	Goods and services tax	174.81	78.11
	Input VAT	0.03	-
	Appeal Deposits *	37.92	-
	Service tax refund receivable	73.06	73.06
	Prepaid expenses	137.62	91.64
	Employee advances	411.33	162.10
	Advance to Vendors	34.94	8.13
	Others current assets	126.97	128.09
		996.68	**541.13**

*** Income tax appeal deposit**

AY	Section	Demand Amount	Appeal Amount
2017-18	143(3)	484.33	24.22
2018-19	143(3)	274.03	13.70
Total		**758.36**	**37.92**

The amount of tax that an assessee is required to pay against a notice of demand from the Income-tax department. Appeal is 5% of Demand Amount.

		FOR THE YEAR END *31st March 2022*	FOR THE YEAR END *31st March 2021*
14	**Share Capital**		
	Authorised Share Capital		
	60,00,000 Equity shares of Re. 1 each	60.00	60.00
	3,00,000 (Previous year Nil) Preference shares of Re. 1 each	3.00	3.00
		63.00	**63.00**
	Issued Share Capital		
	49,58,782 (preivous year 49,58,782) Equity shares of Re. 1 each	49.59	49.59
	Subscribed and fully paid up share capital		
	49,58,782 (preivous year 49,58,782) Equity shares of Re. 1 each	49.59	49.59

(i) Terms & Conditions of Preference shares

- As to dividend

The Company has only one class of Preference shares. The shareholders carry a preferential right as to dividend, if declared and priority in repayment of capital. Dividend on non-cumulative preference shares is not declared for a financial year, the entitlement for that year lapses.

- As to voting

Shareholder do not carry any voting rights except to the extent of the coupon rate / dividend as per the terms and condition

- As to repayment of capital

In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares. The distribution will be in proportion to paid up capital. The shares shall be redeemed out of the surplus of the company at par after 5 years from the date of the allotment or as per the permissible method as provided by the Companies Act, 2013 and amendments thereof.

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	AS AT 31 MARCH 2022		AS AT 31 MARCH 2021	
	Nos.	Amount	Nos.	Amount
Number of shares outstanding at the beginning of the year	4,958,782	49.59	4,392,553	43.93
Shares issued during the period	-	-	98,970	0.99
Bonus Shares issued during the period	-	-	467,259	4.67
Balance at the end of the year	4,958,782	49.59	4,958,782	49.59

(b) Terms, rights and restrictions attached to equity shares

Equity shares having a par value of Rs.1

- As to dividend

The Company has only one class of equity shares. The shareholders are entitled to receive dividend in proportion to amount of paid-up share capital held by them, as declared from time to time subject to payment of dividend to preference shareholders. The dividend proposed by the Board of Directors is subject to an approval of the share holders in the ensuing Annual General Meeting, except in case of an interim dividend.

- As to voting

Each shareholder is entitled to vote in proportion to his share of paid up equity share capital of the Company, except in case of voting by show of hands where each shareholder present in person shall have one vote only. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

- As to repayment of capital

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to paid up capital.

(c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates: The Company does not have any holding company.

(d) Equity shares and 18,097 optionally convertible preference shares as bonus shares for other than cash.

(e) The Company has purchased Nil (FY 2019-20 : 6,40,507) number of shares during the year in the buy-back scheme as approved by the Board of Directors.

(f) Equity shares due to merger of the holding company Kaar Solutions India Private Limited with the Company, during the year.

(g) During the previous year, the holding company, KAAR Solutions India Private Limited was merged with the Company as per the order dated June 8, 2020 of the Hon'ble National Company Law Tribunal, Chennai Bench with an effective date of July 1, 2019.

(h) Shareholders holding more than 5% of the total share capital

Name of the share holder	March 31, 2022		March 31, 2021	
	No of shares	%	No of shares	%
N.Maran*	1,388,665	27.02%	1,388,665	27.02%
N.Ratnakumar	973,862	18.95%	973,862	18.95%
M.Selvakumar	746,884	14.53%	746,884	14.53%
George Guardian	746,884	14.53%	746,884	14.53%

* Also Promoter of the company

(g) Equity shares issued by the Company

Equity Equity shares of the company having par value of Re.1 /- rank pari-passu in all respects including voting rights and entitlement to dividend. The dividend proposed if any, by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(h) Rights, preferences and restrictions in respect of optionally convertible preference shares issued by the Company

Equity shares of the Company with respect to the payment of dividend and repayment of capital during winding up. The OCPS shall be non-participating in the surplus funds/ surplus assets and profits, windingup. The OCPS shall carry voting rights as prescribed under the provisions of the Companies Act 2013.

(i) Shares reserved for issue under option

Information relation to Kaar Technologies India Private Limited Option Plan, including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the reporting period is set out in Note 42.

15 Other equity

Securities premium	(a)	620.28	620.28
Capital redemption reserve	(b)	6.41	6.41
Equity portion of optionally convertible preference shares	(c)	1.81	1.81
General reserve	(d)	8.98	8.98
Statutory reserve	(e)	43.59	30.20
Share options outstanding	(f)	31.41	31.41
Debenture Redemption Reserve	(g)	17.65	-
Other comprehensive income	(h)	-	-
Retained earnings	(j)	9,506.16	7,962.89
		10,236.28	**8,661.98**

(a) Securities premium

Balance as at the beginning of the year	620.28	125.40
Adjustments/ deductions during the year	-	494.88
Balance at the end of the year	**620.28**	**620.28**

		FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021

Nature and purpose of Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(b)	**Capital Redemption Reserve**		
	Balance as at the beginning of the year	6.41	6.41
	Additions during the year	-	-
	Balance at the end of the year	**6.41**	**6.41**

Nature and purpose of Capital Redemption Reserve

The capital redemption reserve has been created pursuant to the Buy-back of equity shares during the year in accordance with the provisions of the Companies Act, 2013. The balance in this account may be utilised as per the Companies Act, 2013.

(c)	**Equity portion of Optionally Convertible Preference shares**		
	Balance as at the beginning of the year	1.81	-
	Adjustments/ deductions during the year		1.81
	Balance at the end of the year	**1.81**	**1.81**
(d)	**General reserve**		
	Balance as at the beginning of the year	8.98	8.98
	Additions due to merger	-	-
	Balance at the end of the year	**8.98**	**8.98**

Nature and purpose of General reserve

This is available for distribution to shareholders.

(e)	**Statutory reserve**		
	Balance as at the beginning of the year	30.20	16.40
	Additions during the year	13.39	13.79
	Less: Transfer to Non-controlling Interest		0.01
	Balance at the end of the year	**43.59**	**30.20**
(f)	**Share option outstanding**		
	Balance as at the beginning and end of the year	31.41	31.41

Nature and purpose of Share option outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under Kaar Technologies India Private Limited stock option plan.

		FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
(g)	**Debenture Redemption Reserve**		
	Balance as at the beginning of the year	-	-
	Additions during the year	17.65	-
	Balance at the end of the year	**17.65**	**-**

Nature and purpose of Share option outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under Kaar Technologies India Private Limited stock option plan.

(h)	**Other comprehensive income**		
	Balance as at the beginning of the year	-	
	Other comprehensive income for the year	(10.20)	942.55
	Adjustments/ deductions during the year	10.20	(942.55)
	Balance at the end of the year	**-**	**-**
(i)	**Retained earnings**		
	Balance as at the beginning of the year	7,962.89	5,650.22
	Other Income		
	Comprehensive income for the year	2,192.09	1,543.13
	Transfer To Debenture Redemption Reserve	(17.65)	
	Dividend	(712.73)	(150.02)
	Transfer from Other Comprehensive Income	(10.20)	942.55
	Current year Adjustements	105.15	
	Transfer to Statutory Reserve	(13.39)	(13.79)
	Transfer to Partner's Account	-	(9.20)
	Balance at the end of the year	**9,506.16**	**7,962.89**

Nature and purpose of Retained earnings

Company's cumulative earnings since its formation minus the dividends, capitalisation and earnings transferred to general reserves. This is available for distribution to shareholders.

16 Long term borrowings

Secured, at amortised cost		
100 Redeemable Non Convertible Debentures	264.71	-
From Banks*		
Term loans from banks	415.00	523.32
Vehicle loans	99.93	9.80
Finance Lease Obligations	-	183.60
	779.64	**716.72**

	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
Unsecured, at amortised cost		
From Banks	-	-
From Others	9.21	35.45
	9.21	**35.45**
Less: Current liabilities of long-term debt [refer Note 19]	176.88	227.27
	611.97	**524.90**

Terms of Borrowings

Working Capital Term Loans from Bank from IDBI

Maturity date	30-Sep-24
Terms of Repayment	36 Monthly Installments after 1 year moratorium for principal repayment
Rate of Interest	RLLR(Y) as on disbursement date+100 bps subject to a maximum of 9.25%
Security	a. Primary Security - Second Charge on entire Current Assets of the company for both present and the future with other Working Capital Lenders b. Primary Security - Second Charge on all the company's movable fixed assets with other Working Capital Lenders c. Collateral Security - Second Charge on existing Cash Collateral in favour of IDBI Bank by way of FD for Rs. 0.30 Crore d. Collateral Security - Second Charge on existing Cash Collaterals to be built by way of cut back arrangement at 3% from each export realisation on monthly basis. e. Collateral Security - Second Charge on existing Cash Collaterals of Rs. 1.75 Crores f. Collateral Security - Second Charge on Immovable Properties with the other working capital lenders g. Guarantee - Coverage under GECL operated by National Credit Guarantee Trustee Co. Ltd

Vehicle Loans from Daimler Financial Services Pvt Ltd

Maturity date	4-Sep-26
Terms of Repayment	60 Monthly Instalments
Rate of Interest	8.4477% p.a
Security	Hypothecation against Mercedes Benz - GLS400d by way of exclusive charge in favour of Lender

Debentures issued to VISTRA ITCL (INDIA) LIMITED

Maturity date	For Tranche - 1 : 30-Sep-24
Terms of Repayment	33 Monthly Instalments after 3 months moratorium for Principal Repayment
Rate of Interest	14.25% p.a
Security	a. A Second Ranking Charge on pari-passu basis on all rights, titles, interest, benefits, claims, demands arising out of and in relation to the current assets, fixed assets, intangible assets and current and future cash flow of the company b. A First Ranking Exclusive Charge on the Escrow Account, Fixed Term Deposits main tained under this deed and the DRF Amount c. A First Ranking Exclusive Pledge on 6.67% shares of the company held by the Promoters d. A First Ranking Exclusive Pledge on shares of the Offshore Target held by the Promoters/Company, satisfying the Security Cover e. Non-Disposal Undertakings from the Promoters for the Non-Disposal of the balance of their shares in the company and which shall continue during the investment period until the Final Redemption Date

Packing Credit Facilities from IDBI Bank (USD Loan)

Terms of Repayment	On Demand
Rate of Interest	To be decided at the time of Draw Down and as per Bank's / RBI Guidelines
Security	a. First pari-passu charge on the entire current assets of the Company both present and future with other working capital lenders (Bank of Maharashtra) b. First pari-passu charge on all of the Company's movable fixed assets with other working capital lenders (Bank of Maharashtra) c. Exclusive cash collateral for IDBI Bank by way of fixed deposit for Rs. 4.52 Crore d. Furthur Cash collateral to be created to maintain collateral cover at 0.25 times at any point of time e. First pari-passu charge on following immovable properties being properties of certain directors and senior management personal of the Company, with other working capital lenders (Bank of Maharashtra) f. Unconditional and irrevocable personal guarantee of Mr. Maran, Mr.Selvakumaran, Mr.Ratnakumar, Mr.Srinivasan Subbaiah, Mr. Guardian George, Ms Chitra Nagarajan, Mr Santhosh and Mr. Chandrasekaran

Packing Credit Facilities from Bank of Maharashtra (USD Loan)

Terms of Repayment	On Demand
Rate of Interest	Tenor based Libor+300 bps for BBB rated company (or) rate charged by the existing lenders as on take-over date whichever is higher
Security	a. First pari-passu charge on the entire current assets of the borrower both present and future under multiple banking arrangement b. First pari-passu charge on all of the Company's movable fixed assets with other working capital lenders c. First pari-passu charge on Unbilled Revenue and Receivables d. Exclusive charge on Fixed Deposit of Rs. 4.87 Crores e. Exclusive charge on RD of Rs. 60 Lakhs f. First pari-passu charge on following immovable properties with other working capital lenders f. Personal guarantee of Mr. Maran, Mr.Selvakumaran, Mr.Ratnakumar, Mr. Guardian George, Ms Chitra Nagarajan, Mr Santhosh and Mr. Chandrasekaran

		FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
17	**Other non-current liability**		
	Lease liability	451.96	91.58
		451.96	**91.58**
18	**Non-current provisions**		
	Provision for employee benefits		
	- for Gratuity	638.32	470.49
	- for Compensated absences	89.47	200.15
		727.79	**670.64**
19	**Short term borrowings**		
	Secured, at amortised cost		
	100 Redeemable Non Convertible Debentures	176.47	-
	From Banks		
	- Packing credit facilities*	3,922.55	3,826.62
	- Term loan	-	-
	Current liabilities of long-term debt	176.88	227.27
		4,275.90	**4,053.89**
	* Refer Note 16 for repayment terms and security details		
20	**Lease liabilities**		
	Lease liability	775.22	312.41
	Less : Non Current Portion	451.96	91.58
	Current Portion Of Lease Liabilities	**323.26**	**220.83**
21	**Trade payables***		
	Total outstanding dues of micro enterprises and small enterprises	2.61	3.59
	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,671.27	1,438.31
		1,673.88	**1,441.90**

Trade payables ageing schedule As at March 31, 2022

Particulars	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT				
	Less than 1 Year	1-2 years	2-3 Years	More than 3 years	Total
i) MSME	0.18	-	2.43	-	2.61
ii) Others	1,412.88	-	108.39	-	1,521.27
iii) Disputed Dues-MSME	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-
v) Unbilled dues	-	-	-	-	-
Total	**1,413.06**	**-**	**110.82**	**-**	**1,523.88**

Trade payables ageing schedule As at March 31, 2021

Particulars	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT				
	Less than 1 Year	1-2 years	2-3 Years	More than 3 years	Total
i) MSME	2.98	0.61			3.59
ii) Others	1,343.38	69.23	8.86	16.84	1,438.31
iii) Disputed Dues-MSME	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-
v) Unbilled dues	-	-	-	-	-
Total	**1,346.36**	**69.84**	**8.86**	**16.84**	**1,441.90**

		FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
22	**Other current liabilities**		
	Statutory dues payable	294.84	604.63
	Contract liabilities - unearned revenue	573.83	16.09
	Employee dues payables	1,637.00	1,042.68
	CSR Expenses payable	34.91	30.77
	Advance from customers	-	1.80
		2,540.58	**1,695.97**
23	**Current provisions**		
	Provision for employee benefits		
	- for Gratuity	71.03	51.93
	- for Compensated Absences	92.44	31.14
		163.47	**83.07**
24	**Current tax liability**		
	Income tax provision (net of advance tax)	-	55.76
		-	**55.76**
25	**Revenue from operations**		
	Software services		
	- Exports	22,221.24	15,978.41
	- Domestic	112.10	188.10
	Sale of licences	633.80	514.54
	TOTAL	**22,967.14**	**16,681.05**

Disaggregated revenue information (Presented At revenue / Segment Information)	**For the year ended March 31, 2022**		**For the year ended March 31, 2021**	
	Sold through Intermediaries	**Direct**	**Sold through Intermediaries**	**Direct**
Kingdome of Saudi Arabia	-	10,544.16	-	6,541.37
Qatar	-	2,230.86	-	1,585.20
Oman	-	2,329.34	-	2,860.81
UAE	-	703.52	-	324.97
Others	-	7,159.26	-	5,368.70
Total	**-**	**22,967.14**	**-**	**16,681.05**

		FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
	Details of movement in unbilled revenue during the year		
	Balance at the beginning	596.74	2,380.25
	Add: Revenue recognised during the period	22,967.14	16,681.05
	Less: Invoiced during the period	-21,787.99	-18,464.56
	Less: Impairment/reversal during the period	-	-
	Add: Translation gain/(Loss)	-	-
	Balance at the end	**1,775.89**	**596.74**
	Details of movement in Un earned Revenue (contract liability) during the year		
	Balance at the beginning	645.84	40.93
	Add: Advance billing during the period	23,512.25	17,285.96
	Less: revenue recognised during the period	-22,967.14	-16,681.05
	a) From contract liability as at beginning of the period	-	-
	b) From contract liability recognised during the period	-	-
	Add: Translation gain/(Loss)	-	-
	Balance at the end	**1,190.95**	**645.84**
26	**Other income**		
	Interest income from financial assets at amortised cost	58.61	60.29
	Fair value gain on investments	-	46.47
	Other non-operating income	121.03	364.38
	Reversal of Credit Impairment on Trade Receivables	70.61	418.37
	Forex gain on restatement	32.40	117.88
		282.65	**1,007.39**
	Interest income		
	- On bank deposits	58.52	60.12
	- Interest Received Bank - RHB SG	0.09	0.17
		58.61	**60.29**
27	**Operating expenses**		
	Cost of licences	689.83	413.19
	Consultancy charges	2,674.10	773.60
	Data center charges	169.36	178.95
	Education and training expenses	226.30	20.82
	Recruitment expenses	22.25	16.96
		3,781.84	**1,403.52**
28	**Employee benefits expenses**		
	Salaries and wages	12,208.15	9,097.69
	Contribution to provident and other funds	294.77	235.49
	Staff welfare expenses	207.10	95.88
	Travelling expenses	693.50	650.67
		13,403.52	**10,079.73**

		FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
29	**Finance costs**		
	Interest paid		
	- on borrowings	465.07	360.77
	Interest expense on lease liabilities	58.19	49.02
	Other Borrowing Cost	111.18	113.38
	Applicable net gain/loss on foreign currency transactions and translation	-	6.84
		634.44	**530.01**
30	**Depreciation and amortisation expenses**		
	Depreciation on property, plant and equipment	176.23	133.59
	Amortisation of intangible assets	296.76	141.13
	Depreciation on right of use assets	276.52	216.88
		749.51	**491.60**
31	**Other expenses**		
	Rent	229.08	244.03
	Repairs and maintenance		
	- Building	67.43	65.23
	- Plant and Equipment	50.02	66.17
	Website Maintenance / Development Expenses	242.91	219.51
	Communication costs	81.37	96.51
	Director Sitting Fees	-	20.00
	Insurance	160.23	126.01
	Audit fees (See note below)	34.97	35.01
	Allowance for expected credit loss	35.74	68.89
	Bad debts written off	-	97.48
	Net loss on foreign currency transactions and translations	49.60	1,336.24
	Power and fuel	43.40	30.77
	Rates and taxes	94.59	94.02
	Business Development expenses	91.58	6.66
	Professional Charges	343.48	227.83
	Bank charges	66.61	52.81
	Subscription Fee	172.35	91.91
	License and Service Charges	22.42	20.21
	Processing Charges	4.95	-
	Printing and Stationery	10.33	8.52
	CSR Expenses	34.91	30.77
	Donation Paid	-	3.50
	Translation Expenses	20.92	38.63
	Sales promotion expenses	20.92	0.69
	Tender fee	1.36	5.13
	Miscellaneous expenses	142.10	43.25
		2,021.27	**3,029.78**

		FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
31.01	**Details of payments to auditors**		
	Statutory audit*	20.97	20.95
	Audit of consolidated financial statement	2.00	2.00
	Interim audit	10.00	10.00
	For certification and other related work	2.00	2.00
	Reimbursement of expenses	-	0.06
		34.97	**35.01**

*includes fee for auditors of subsidiary companies INR 2.97 lakhs

32	**Income tax expense**		
	(a) Income tax expense		
	Current tax		
	Current tax on profits for the year	470.34	507.11
	Total current tax expense	**470.34**	**507.11**
	Deferred tax		
	Deferred tax adjustments	8.63	109.46
	Income tax expense	**478.97**	**616.57**
	b) The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Profit before tax from continuing operations	2,659.21	2,153.80
	Income tax expense calculated at 29.12%	**774.00**	**627.00**
	Impact of fair valuation	27.48	27.17
	Income tax expense	**478.97**	**616.57**
	c) Income tax recognised in other comprehensive income		
	Deferred tax		
	Remeasurement of defined benefit obligation	35.00	18.00
	Total income tax recognised in other comprehensive income	**35.00**	**18.00**

d) Movement of deferred tax expense

For the year ended March 31, 2022

Particulars	Opening balance	Recognised in profit or (loss)	Recognised in OCI	Closing balance
Deferred tax (liabilities)/ assets in relation to:				
On difference between tax base and book base of Property, plant, and equipment and Intangible Assets	(155.47)	65.17		(90.30)
Expenses allowable on payment basis under the Income Tax Act	254.40	(39.48)	35.00	259.53 4
Provision for expected credit loss and delay in receivables	130.14	(43.93)		86.21
Deferred tax (liabilities)/ assets - Net	**229.07**	**(18.24)**	**35.00**	**255.44**

For the year ended March 31, 2021

Particulars	Opening balance	Recognised in profit or (loss)	Recognised in OCI	Closing balance
Deferred tax (liabilities)/ assets in relation to:				
On difference between tax base and book base of Property, plant, and equipment and Intangible Assets	(147.72)	(7.75)	-	(155.47)
Expenses allowable on payment basis under the Income Tax Act	206.74	29.66	18.00	254.40
Provision for expected credit loss and delay in receivables	251.90	(121.76)	-	130.14
Deferred tax (liabilities)/ assets - Net	**310.92**	**(99.85)**	**18.00**	**229.07**

		FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
33	**Earnings per share**		
	Basic earnings per share		
	Profit for the year attributable to owners of the Company	2,215.73	2,519.52
	Weighted average number (WAN) of ordinary shares outstanding	4,958,782	4,884,487
	Adjustment of bonus shares issued		
	WAN considered for Basic EPS	**4,958,782**	**4,884,487**
	Basic earnings per share (Rs.)	44.68	51.58
	Diluted earnings per share		
	Profit for the year attributable to owners of the Company	2,215.73	2,519.52
	WAN of ordinary shares outstanding	4,958,782	4,884,487
	Adjustment of bonus shares issued	-	-
	Add: WAN of potential equity shares outstanding	180,601	180,601
	ESOP	87,112	-
	WAN considered for Diluted EPS	**5,226,495**	**5,065,088**
	Diluted earnings per share (Rs.)	42.39	49.74

Equity shares relating to such options could not be determined and accordingly not adjusted for diluted earnings per share.

34 Commitments and Contingent Liability

	Contingent Liability*		
	Outstanding guarantees and bill discounting (excluding performance guarantees)	628.08	563.26
	Service tax demands/ (refunds)	380.81	380.81
	Income tax reliefs claimed in Income tax returns and are pending for completion of assessments	2,376.16	2,007.85
	Commitments	-	-

* Show cause notices issued by the departments/ authorities are not considered for the above disclosure, as the quantum of potential contingent liability cannot be determined in the absence of specific demand notices.

35 Operating Segments

Basis of segmentation

Ind AS 108 establishes standards for reporting information about operating segments and related disclosure about services, geographical areas and major customers. The Board of Directors of the Company have been identified as the Chief Operating decision-maker (CODM). Based on the internal reporting to the CODM, the Company has identified that the Company operates only in one segment (sale of Information technology services) and accordingly there are no other reportable segments.

The Company is domiciled in India. Information about entity wide disclosures as mandated under Ind AS 108 has been below:

		FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
(a)	**The amount of revenue from external customers broken down by location of customers is as below**		
	(i) Revenue from operations		
	Within India	112.10	188.10
	Rest of the world	22,855.04	16,492.95
		22,967.14	**16,681.05**
(b)	**The total of non-current assets other than financial instruments, deferred tax assets (net) and post employment benefit assets broken down by location of assets is as below:**		
	Non-current assets		
	India	1,555.42	1,467.10
	Outside India	300.43	352.60
		1,855.84	**1,819.70**
(c)	**Information about major customers**		
	Number of external customers each contributing more than 10% of total revenue	-	1.00
	Total revenue from the above customers	-	2,070.23

36 Disclosures required by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as under

		31st March 2022	31st March 2021
(a)	The principal amount remaining unpaid at the end of the year	2.61	3.59
(b)	The delayed payments of principal amount paid beyond the appointed date during the year	-	-
(c)	Interest actually paid under Section 16 of MSMED Act	-	-
(d)	Normal Interest due and payable during the year, for delayed payments, as per the agreed terms	-	-
(e)	Total interest accrued during the year and remaining unpaid	-	-

37 Lease arrangements

	31st March 2022	31st March 2021
Lease payments recognised in the Statement of Profit and Loss	229.08	244.03
The Movement in Lease Liabilities		
Balance at the beginning	31,240,344	46,609,670
Additions	62,675,981	3,392,677
Deletions	-	-
Finance Cost accrued during the period	4,342,641	4,100,155
Payment of lease liability	31,917,967	22,862,158
Balance at the end	**66,341,000**	**31,240,344**

	FOR THE YEAR END *31st March 2022*	FOR THE YEAR END *31st March 2021*
The details regarding the contractual maturities of lease liabilities on an undiscounted basis		
Less than one year	23,026,000	-
One to five years	43,315,000	-
More than five years	-	
Total	**66,341,000**	**-**

Addition of Rs. 242.72 Lakhs to buildings (ROU Asset) on account of Lease Modification

Changes in carrying amount of ROU assets is forming part of Note 4, while break-up of current and non-current lease liabilities forms part of Note 17 & 20.

38 Key Financial Ratios

Ratios for the year ended 31st March 2022 and 31st March 2021

Particulars	Numerator	Denominator	31st March 2022	31st March 2021	Variance (in%)
Current Ratio	Current Assets	Current Liabilities	1.67	1.55	7.61%
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.55	0.56	-1.94%
Debt Service Coverage Ratio	Earnings available for debt services	Debt Services	0.84	0.55	52.48%
Return on Equity ratio	Net Profit after Taxes	Average Shareholders equity	15.56%	16.42%	-5.24%
Trade receivables turnover ratio	Revenue	Average trade receivable	3.50	3.42	2.47%
Trade payables turnover ratio	Purchase of services and other expenses	Average trade payable	3.72	1.90	95.83%
Net capital turnover ratio	Revenue	Working Capital	5.45	5.80	-6.10%
Net profit ratio	Net Profit	Revenue	9.69%	9.45%	2.52%
Return on Capital employed	Earnings before interest and taxes	Capital Employed	23.96%	23.83%	0.55%
Return on investment	Profit	Cost of Investment	0.17	0.15	12.47%

(1) Net Profit After Taxes + Non Cash Operating Expenses + Interest + Other Non Cash Adjustments

* The Company is managing its cash flow effectively and is paying off suppliers at a faster rate than in previous periods resulting in the improved Trade payable turnover ratio

39 Related party disclosure

a) Name of related parties and nature of relationship

Holding company	Kaar Technologies India Private Limited	
Joint Venture	BaasKaar Information Technologies Company Limited, Saudi Arabia	
Key management personnel and their Relatives	N. Maran	Managing Director
	N. Ratnakumar	Whole-time Director
	M. Selvakumaran	Whole-time Director
	Guardian George	Whole-time Director
	Balakrishnan	Independent Director
	V. Chandrasekaran	Chief Financial Officer
	Meena Guardian	Relative of KMP
Entity is controlled or jointly controlled by Related Party	Kaar Arakattalai	

Note: The above details of names of related party and nature of relationship have been determined by the company to the extent information is available with the company.

b) Transactions with related parties are as follows

Transactions/ Balances	Transactions with joint venture		Key Management Personnel	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Remuneration and other benefits, net of recharge to subsidiary companies **	-	-	300.89	256.41
Rent paid	-	-	26.64	26.64
Sale of Services	10,544.16	6,541.37	-	-
Expenses incurred on behalf of related party***	1,090.38	1,947.73	-	-

** Amount attributed to post employment benefits and compensated absences have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

***The amount represents net balance of expenses incurred on behalf of the company, expenses incurred by the company on behalf of related party, interest income charged to related party.

c) Balances with related parties are as follows

Transactions/ Balances	Transactions with joint venture		Key Management Personnel	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Trade Receivables (net of provision)	5,257.97	3,451.80	-	-
Unearned revenue	132.05	33.11	-	-
Unbilled revenue	1,068.32	415.39	-	-
Debit Note receivables	666.25	1,425.26	-	-

TRANSACTIONS / BALANCES	NATURE OF RELATIONSHIP	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
Material related party transactions are follows			
Sale of services			
BaasKaar Information Technologies Company Limited, Saudi Arabia	Joint Venture	10,544.16	6,541.37
Expenses incurred on behalf of related party			
BaasKaar Information Technologies Company Limited, Saudi Arabia	Joint Venture	1,090.38	1,947.73
Material related party balances are as follows			
Trade Receivables (net of provision)			
BaasKaar Information Technologies Company Limited, Saudi Arabia	Joint Venture	5,257.97	3,451.80
Unearned revenue			
BaasKaar Information Technologies Company Limited, Saudi Arabia	Joint Venture	132.05	33.11
Unbilled revenue			
BaasKaar Information Technologies Company Limited, Saudi Arabia	Joint Venture	1,068.32	415.39
Debit Note receivables			
BaasKaar Information Technologies Company Limited, Saudi Arabia	Joint Venture	666.25	1,425.26

40 Financial Instruments

Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern, while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and other long-term/ short-term borrowings.

For the purposes of Company's capital management, capital includes consists of net debt (borrowings as detailed in note 16 offset by cash and bank balances) and total equity of the Company. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company

GEARING RATIO	FOR THE YEAR END *31st March 2022*	FOR THE YEAR END *31st March 2021*
Debt	4,887.87	4,578.79
Less: Cash and bank balances	2,200.96	2,523.40
Net debt	**2,686.91**	**2,055.39**
Total equity	10,285.87	8,711.57
Gearing Ratio	26.12%	23.59%
Categories of Financial Instruments		
Financial assets		
a. Measured at amortised cost		
Investments	2,196.58	2,133.73
Other non-current financial assets	528.81	390.25
Trade Receivables	7,886.48	5,221.56
Cash and cash equivalents	2,200.96	2,523.40
Bank balances other than above	937.26	1,007.23
Other current financial assets	2,933.73	2,420.99
b. Mandatorily measured at fair value through profit or loss (FVTPL)		
Investments	2,196.58	2,133.73
Derivative instruments	-	
Financial liabilities		
a.Measured at amortised cost		
Borrowings (non-current)	611.97	524.90
Borrowings (current)	4,275.90	3,826.62
Trade Payables	1,673.88	1,441.89
Other current financial liabilities	2,540.58	1,695.97

	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
b. Mandatorily measured at fair value through profit or loss (FVTPL)		
Derivative instruments	-	-

Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposures through a centralized treasury division. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures through a centralised treasury division and uses natural hedging principles to mitigate the risks from such exposures. The use of derivative instruments, if any, is subject to limits and regular monitoring by appropriate levels of management.

Disclosure of hedged and unhedged foreign currency exposure

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Foreign currency sensitivity analysis

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The following table details the Company's sensitivity movement in the foreign currencies. The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%. 2% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Company where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower.

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities) (INR)
	Gross exposure (INR)	Exposure hedged using derivatives (INR)	Net liability exposure on the currency (INR)	Gross exposure (INR)	Exposure hedged using derivatives (INR)	Net Asset exposure on the currency (INR)	
For the year ended March 31, 2022 - USD	5,549.16		5,549.16	10,172.92		10,172.92	4,623.76
For the year ended March 31, 2021 - USD	4,416.39		4,416.39	5,645.67	-	5,645.67	1,229.28

Interest rate risk management

The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied. Further, in appropriate cases, the Company also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended March 31, 2022 would decrease/ increase by Rs. 12.22 lakhs (March 31, 2021 : decrease/ increase by Rs.11.45 lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Equity price risk

Equity price risk is related to the change in market reference price of the investments in equity securities. The fair value of some of the Company's investments in equity instruments exposes the Company to equity price risks. In general, these securities are not held for trading purposes.

Equity price sensitivity analysis

The fair value of equity instruments as at March 31, 2022 and March 31, 2021 was Rs.2,196.58 lakhs and 2,133.73 lakhs respectively. A 5% change in prices of equity instruments held as at March 31, 2022, would result in an impact of Rs.109.83 lakhs and Rs. 106.69 Lakhs respectively.

Credit risk management

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks, mutual fund investments and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

(a) Trade Receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined. Wherever the Company assesses the credit risk as high, the exposure is backed by either bank guarantee/ letter of credit or security deposits.

The Company does not have higher concentration of credit risks to a single customer. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk. In respective dues from the Government, the Company has considered them as fully recoverable and no allowance for expected credit loss is required.

(b) Investments, Derivative Instruments, Cash and Cash Equivalents and Bank Deposits

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments is generally low as the Company enters into the Derivative Contracts with the reputed Banks.

Investments of surplus funds are made only with approved financial institutions/ counterparty. The Company has standard operating procedures and investment policy for deployment of surplus liquidity.

Offsetting related disclosures

Offsetting of cash and cash equivalents to borrowings as per the consortium agreement is available only to the bank in the event of a default. Company does not have the right to offset in case of the counter party's bankruptcy, therefore, these disclosures are not required.

Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit and mutual funds, which carry minimal mark to market risks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Liquidity tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

March 31, 2022	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	1,413.06	110.82	-	1,523.88
Borrowings (including interest accrued thereon upto the reporting date)	353.35	611.97	-	965.32
	958.63	**625.36**	**-**	**1,583.99**

March 31, 2021	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Trade payables	1,346.36	95.54	-	1,441.90
Borrowings (including interest accrued thereon upto the reporting date)	227.27	524.90	-	752.17
	999.63	**603.91**	**16.84**	**1,620.38**

41 Retirement benefit plans

Defined contribution plans

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the provident fund and pension fund of Government of India. The Company also has superannuation plan and contributions are funded with LIC.

Defined benefit plans

(a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death, while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation. The liability is unfunded and is actuarially determined at each reporting date using the projected unit credit method.

(b) Risks associated with defined benefit plans

The defined benefit plans typically expose the Company to actuarial risks such as investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(c) Further disclosures in respect of Gratuity

(i) Principal assumptions used for the purposes of the actuarial valuations

Discount Rate	7.01%	6.70%
Rate of increase in compensation level	6.00%	6.00%
Attrition Rate	Vested 5%, non-vested 25%	Vested 5%, non-vested 25%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
(ii) Amounts recognised in comprehensive income in respect of these defined benefit plans		
Current service cost	110.51	86.63
Net interest expense	31.32	24.37
Past service cost	-	-
Components of defined benefit costs recognised in other comprehensive income	**141.83**	**111.00**
(iii) Amount recognised in Other Comprehensive Income (OCI) for the year		
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/ losses arising from changes in demographic assumptions	(9.22)	(1.19)
Actuarial (gains)/ losses arising from changes in financial assumptions	(14.42)	(5.65)
Actuarial (gains)/ losses arising from experience adjustments	133.31	67.99
Components of defined benefit costs recognised in other comprehensive income	**109.67**	**61.15**
Total amount recognised in comprehensive and other comprehensive income	**251.50**	**172.15**

The current service cost and the net interest expense for the year are included in the 'employee benefits expense' in profit or loss.The remeasurement of the net defined benefit liability is included in other comprehensive income.

(iv) The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans		
Present value of defined benefit obligation	709.35	522.42
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	**709.35**	**522.42**
Funded	-	
Unfunded	709.35	522.42
	709.35	**522.42**
Presented under		
Non-Current provision	638.32	470.49
Current provision	71.03	51.93
	709.35	**522.42**

The above provisions are reflected under 'post retirement benefits' (long-term provisions) and 'post retirement benefits' (short-term provisions) [Refer notes 18 & 23].

(v) Movements in the present value of the defined benefit obligation in the current year		
Opening defined benefit obligation	522.42	434.91
Current service cost	110.51	86.63
Interest cost	31.32	24.37
Past service cost		
Actuarial (gains)/losses arising from changes in demographic assumptions	(9.22)	-1.19
Actuarial (gains)/losses arising from changes in financial assumptions	(14.42)	(5.65)
Actuarial (gains)/losses arising from experience adjustments	133.31	67.99
Benefits paid	(64.57)	(84.64)
Closing defined benefit obligation	**709.35**	**522.42**

PARTICULARS	FOR THE YEAR END 31st March 2022	FOR THE YEAR END 31st March 2021
(vi) Movements in the fair value of the plan assets in the current year		
Opening fair value of plan assets	-	
Contributions	64.57	84.64
Benefits paid	(64.57)	(84.64)
Closing fair value of plan assets	**-**	**-**

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

(vii) Sensitivity analysis

If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by Rs.51.99 lakhs (increase by Rs.36.89 lakhs). If the expected salary increases by 100 basis points higher(lower), the defined benefit obligation would increase by Rs.47.27 lakhs (decrease by Rs.33.54 lakhs)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

42 Share based payments

(a) Description of share-based payment arrangements

The Shareholders of the Company at the Annual General Meeting (AGM) held on September 30, 2016, approved the Kaar Technologies Employee Stock Option Plan, 2016 (the ESOP 2016 Plan). The ESOP 2016 Plan provides for issuance of 163,167 options, exercisable into equivalent number of fully paid up equity shares of Rs. 1/- each, to the employees including Directors. The ESOP 2016 Plan is administered by 3 different schemes based on the following terms:

Particulars	ESOP Plan 2016 Growth Option	ESOP Plan 2016 Longevity Option	ESOP Plan 2016 Performance Option
Eligible employees	Kaar Leadership Team, comprising of senior and key employees	All employees depending on the years of experience with the Company	All employees depending on performance rating for every financial year
Maximum number of options grantable	35,945	78,671	48,551
Exercise Price	INR 90/-	INR 90/-	INR 90/-

The options are granted at the market price on the date of the grant. The options granted under ESOP 2016 Plan vest not earlier than minimum period of one year and not later than maximum period of five years from the date of grant. A specific number of options vests to the eligible employees, as and when, they complete each year of services or achieve performance rating in the respective financial year. The vested options, to the extent notified by the Board, can be exercised by the option Grantees only upon happening of Liquidity Event, as stipulated in the ESOP 2016 Plan, within such period as may be prescribed by the Board of Directors.

Set out below is a summary of options granted under the plan:

Particulars	31-Mar-22		31-Mar-21	
	Average Exercise Price per shares option (INR)	Number of options	Average Exercise Price per shares option (INR)	Number of options
Opening balance	90.00	91,569	90.00	1,10,387
Granted during the year	90.00	-	90.00	-
Exercised during the year	90.00	-	90.00	-
Forfeited during the year	90.00	4,457	90.00	18,818
Closing balance	90.00	87,112	90.00	91,569
Options vested		87,112		91,569
Options exercisable		-		-

The options are exercisable upon happening of a liquidity event. In case of listing being a liquidity event, all vested options can be exercised within two year from the date of such listing. In other cases of liquidity event, the vested options can be exercised within such period as may be prescribed by the board in this regard.

During the year the Company has not granted any options. However, the fair value at grant date of options granted during the year ended March 31, 2017 was Rs 100 per option. The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at the grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for the options granted during the year ended March 31, 2017 included:

a) Options are granted for no consideration and vest upon completion of service for a period of one year. Vested options are exercisable for a period of five year after vesting.
b) Exercise price: Rs 90 per option
c) Grant date: March 27, 2018
d) Share price at grant date: Rs 90
e) Expected price volatility of the company's share: Nil
f) Expected dividend yield: Nil
g) Risk free interest rate: 7.5%

(b) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	March 31, 2022	March 31, 2021
Employee option plan	-	-

(c) As per the terms of the options agreement, the options are exercisable on occurrence of liquidity event. Liquidity event being:

i. listing of shares of the Company
ii. Sale of 50% or more shares held by the current share holders of the Company

In case the liquidity event does not occur within 5 years from the vesting of options, the options will be settled by paying cash. However, the management is of the view that either of the liquidity event will occur within 5 years from the vesting date and accordingly there will be no requirement to settle the options in cash. Consequently the share options have been classified as equity settled options.

43 Business Combination

Summary of Amalgamation

Pursuant to a scheme of amalgamation approved by the Hon'ble NCLT vide its order dated June 8, 2020 with the appointed date of July 1, 2019, the holding company Kaar Solutions India Private Limited has been merged with the Company. The board of directors of the respective companies, have duly implemented the approved scheme of amalgamation.

As per the approved Scheme, the Company has to issue a purchase consideration of 113 shares of Re.1 each for every one equity share of Rs.100 each held by the erstwhile parent company.

Adjustment made in the retained earnings is as follows:

Particulars	Amount
Share capital issued	(0.85)
Amount of share capital of the transferor	(30.00)
Investments held by transferor in transferee	197.11
Write off of intercompany balances	1.10
Amount adjusted in retained earnings	**167.36**

Significant estimate - Contingent Consideration

There was no contingent consideration identified in the above amalgamation. Hence, no disclosures were required.

Significant Judgement - Contingent Liability

There was no contingent liability identified in the above amalgamation. Hence, no disclosures were required.

44 Enterprises consolidated as subsidiary in accordance with Ind AS 110 - Consolidated Financial Statements

Proportion of ownership interest

Name of enterprise	Country of Incorporation	March 31, 2022	March 31, 2021
Kaar Technologies Qatar LLC	Qatar	49.00%	49.00%
Kaar Technologies QFC LLC	Qatar	100.00%	100.00%
Kaar Technologies Inc.,	United States of America	100.00%	100.00%
Kaar Technologies LLC	Abu Dhabi	49.00%	49.00%
Kaar Technologies IT Consulting (Shanghai)	China	0.00%	0.00%
Kaar Technologies Co, W.L.L	Bahrain	99.75%	99.75%
Kaar Technologies LLC	Oman	99.00%	99.00%
Kaar Technologies UK	United Kingdom	100.00%	100.00%
Kaar Technologies, Denmark	Denmark	100.00%	100.00%
Kaar Technologies, Norway	Norway	0.00%	100.00%
Kaar Malaysia	Malaysia	100.00%	100.00%

45 Additional Information, as required under Schedule III to the Companies Act, 2013

For the year ended March 31, 2022

Currency	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income	
	As % of consolidated Net Assets	Amount	As % of consolidated Profit / (Loss)	Amount	As % of consolidated Other Comprehensive Income	Amount
Parent	75%	7,701.25	55%	1,546.37	100%	(13.45)
Subsidiaries						
Kaar Technologies Qatar LLC	-3%	(256.33)	3%	(6.89)	-	-
Kaar Technologies QFC LLC	1%	126.10	1%	56.76	-	-
Kaar Technologies Inc.,	1%	93.18	0%	194.00	-	-
Kaar Technologies LLC	1%	110.04	0%	54.77	-	-
Kaar Technologies Co, W.L.L	2%	224.66	1%	163.15	-	-
Kaar Technologies LLC	6%	562.13	9%	130.70	-	-
Kaar Technologies UK	-3%	(263.67)	27%	11.13	-	-
Kaar Technologies, Denmark	1%	129.37	0%	-	-	-
Kaar Malaysia	-3%	(302.46)	0%	(3.45)	-	-
Non-controlling interest	-1%	-82.710825	2%	33.84	-	-
Associates (Investments as per equity method)	0%	-	-	-	-	-
Joint ventures (Investments as per equity method)	21%	2,161.60	3%	45.69	-	-

For the year ended March 31, 2021

Currency	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income	
	As % of consolidated Net Assets	Amount	As % of consolidated Profit / (Loss)	Amount	As % of consolidated Other Comprehensive Income	Amount
Parent	78%	6,681.04	55%	873.26	100%	(43.15)
Subsidiaries	0%					
Kaar Technologies Qatar LLC	-2%	(206.18)	3%	47.37	-	-
Kaar Technologies QFC LLC	1%	66.92	1%	12.31	-	-
Kaar Technologies Inc.,	-1%	(101.23)	0%	4.31	-	-
Kaar Technologies LLC	0%	(14.50)	0%	7.69	-	-
Kaar Technologies IT Consulting (Shanghai)	0%		0%			
Kaar Technologies Co, W.L.L	1%	49.74	1%	8.23	-	-
Kaar Technologies LLC	3%	268.62	9%	136.51	-	-
Kaar Technologies UK	-3%	(281.72)	27%	418.17	-	-
Kaar Technologies, Denmark	2%	133.25	0%	-	-	-
Kaar Technologies, Norway	0%	0%				
Kaar Malaysia	0%	-	0%	(4.78)	-	-
Non-controlling interest	**-1%**	**-113.31**	**2%**	**34.16**	**-**	**-**
Associates (Investments as per equity method)	**-**	**-**	**-**		**-**	**-**
Joint ventures (Investments as per equity method)	**25%**	**2,115.63**	**3%**	**39.74**	**-**	**-**

46 Transfer Pricing

The Company has certain international transactions with associated enterprises. For the financial year ended March 31, 2021, the Company has obtained the Accountant's report from a Chartered Accountant as required by the relevant provisions of the Income-tax Act, 1961 and has filed the same with the tax authorities. For the current period, the management confirms that it maintains documents as prescribed by the Income-tax Act to prove that these transactions are at arm's length and the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

47 Comparative figures

Previous year's figures have been reclassified/ regrouped wherever necessary to conform to the current year's classification.

As per our report of even date attached

For RVKS AND ASSOCIATES
Chartered Accountants
Firm Registration No.008572S

For and on behalf of the board of directors of
KAAR TECHNOLOGIES INDIA PRIVATE LIMITED

R. VENKATAKRISHNAN
Partner
Membership No. 022224
UDIN :

N. MARAN
Director
DIN: 00130872

N. RATNAKUMAR
Director
DIN: 01256584

Place : Chennai
Date :

V. CHANDRASEKARAN
Chief Financial Officer


Actual Sales
Target Sales
Highlights
$140,000
$120,000
$100,000
$80,000
$60,000
Year 3
Standard
Retail Membership
Adult
Gym Membership

SFS AUDIT REPORT

INDEPENDENT AUDITOR'S REPORT

To the Members of Kaar Technologies India Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Kaar Technologies India Private Limited (hereinafter referred to as "the Company"), which comprise the Standalone Balance Sheet as at 31st March, 2022, and the Standalone Statement Of Profit and Loss (including other comprehensive income), Standalone Statement Of Changes In Equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information. (herein after referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2022, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to "Estimation of Uncertainties relating to the global health pandemic from COVID-19(COVID-19)" section of Note 2 to the standalone financial statements which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr No	Key Audit Matter

The Company's contracts with customers include contracts with multiple products and services. The Company derives revenues from IT services comprising software development and related services, maintenance, consulting and package implementation, licensing of software products and platforms across the Company's core and digital offerings and business process management services. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables involves significant judgement. In certain integrated services arrangements, contracts with customers include subcontractor services or third-party vendor equipment or software. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction. In doing so, the Company first evaluates whether it controls the products or service before it is transferred to the customer. The Company considers whether it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine whether it controls the products or service and therefore, is acting as a principal or an agent. Fixed price maintenance revenue is recognized ratably either on (1) a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or (2) using a percentage of completion method when the pattern of benefits from the services rendered to the customer and the Company's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables. As certain contracts with customers involve management's judgment in (1) identifying distinct performance obligations, (2) determining whether the Company is acting as a principal or an agent and (3) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method, revenue recognition from these judgments were identified as a key audit matter and required a higher extent of audit effort. Refer Notes 27 to the Standalone financial statements.

	Auditor's Response

Principal Audit Procedures Performed

Our audit procedures related to estimates of total expected costs or efforts to complete for fixed-price contracts included the following, among others:

• We tested the effectiveness of controls relating to (1) recording of efforts or costs incurred and estimation of efforts or costs required to complete the remaining contract performance obligations and (2) access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorized changes to recording of efforts incurred.

• We selected a sample of fixed price contracts with customers measured using the percentage-of-completion method and performed the following:

– Evaluated management's ability to reasonably estimate the progress towards satisfying the performance obligation by comparing actual efforts or costs incurred to prior year estimates of efforts or costs budgeted for performance obligations that have been fulfilled.

– Compared efforts or costs incurred with Company's estimate of efforts or costs incurred to date to identify significant variations and evaluate whether those variations have been considered appropriately in estimating the remaining costs or efforts to complete the contract.

– Tested the estimate for consistency with the status of delivery of milestones and customer acceptances and sign off from customers to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligations

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business sustainability report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting 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 the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of standalone financial statements may be influenced. We consider quantitative and qualitative factors in (i) planning the scope of our audit work and in evaluating the result of our work; (ii) to evaluate the effects 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 extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India, in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2) **As required by Section 143(3) of the Act, based on our audit we report that:**

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

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

   c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the statement of 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, and rules made thereunder, as applicable.

   e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 38 to the standalone financial statements.

ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts due in to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that to the best of its knowledge and belief, other than as those disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person's or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The management has represented that to the best of its knowledge and belief, other than as those disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), other than as disclosed in the notes to the accounts, with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on our audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The Company has complied with the provisions of section 123 of the Companies Act, 2013 for the dividend that has been declared and paid during the year.

3) The Company being private limited company, the other matters to be include in the Auditor's Report in accordance with the requirements under section 197(16) of the Act, as amended, in respect of whether the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act is not applicable to the Company.

For RVKS AND ASSOCIATES
Chartered Accountants
Firm Registration No.008572S

R. VENKATAKRISHNAN
Partner
Membership No.022224
UDIN :
Place : Chennai
Date : 15th June 2022
ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the Company)

i. (a)(A) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (B) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company has maintained proper records showing full particulars of intangible assets including location of the intangible assets.

(b) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Property, Plant and equipment have been physically verified by the management in a phased manner over a period of two years .in accordance with the programme certain Property plant and equipment are verified during the year. In our opinion, having regard to the size of the Company and nature of its business, the frequency of verification appears to be reasonable. Based on records made available to us, no material discrepancies were identified on such verification.

(c) According to information and explanations provided to us, the Company does not hold any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) and accordingly, paragraph of 3(i)(c) is not applicable.

(d) According to the information and explanations provided to us and based on our audit procedures, we conclude that the company has not revalued any Property, Plant and Equipment (including Right of Use assets) or intangible assets or both, during the year.

(e) According to the Information and explanations provided to us and based on our audit procedures, we conclude that the Company does not hold any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. There are no proceedings initiated or pending against the Company for holding any benami property.

ii. (a) According to the information and explanations provided to us us and based on our audit procedures, we are of the opinion that the nature of Company's activities is service company, primarily rendering software development and technology support services. Accordingly, the Company does not hold any inventory. Accordingly, paragraph 3(ii)a of the Order is not applicable to the Company.

(b) According to the information and explanations provided to us and based on our audit procedures we conclude that the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

iii. (a) According to the information and explanations given to us and based on our audit procedures, we conclude that the Company has not provided any guarantee, security or has granted any loan in the nature of secured or unsecured to Companies, Firms, Limited Liability Partnerships or any other parties during the year. The Company has made investment in three Companies during the year details of the investment is stated in the sub-clause (a) below. The company has not made any investment in Firms, Liability Partnerships or any other parties during the year.

(b) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the investments made are not prejudicialv to the interest of the Company.

(c) We have not obtained any documents for the terms of the loan agreement for the loan granted to one subsidiary KAAR Technologies Qatar refer note no 6, Hence, we are unable to comment on the schedule of repayment of principal and interest rate. There is repayment of principal or interest during the year.

(d) We have not obtained any documents for the terms of the loan agreement for the loan granted to one subsidiary KAAR Technologies Qatar refer note no 6, Hence, we are unable to comment on if there is any over due amount as at 31st March, 2022 in respect of principal amount of above loan as well as in respect of interest.

(e) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that there have been no cases of loans or advances, in the nature of loan granted, which have fallen due during the year except as reported in paragraph 3(iii)(c & d) . Accordingly, paragraph 3(iii)('e) of the Order is not applicable to the Company.

(f) According to the information and explanations provided to us and based on our audit procedures, we con clude that the Company has granted loans or advances in the nature of loans without specifying any terms or period of repayment, details of which are mentioned as below:

Particulars	Related parties
Aggregate amount of loans/ advances in nature of loans	301.38 Lacs
- Repayable on demand (A)	-
- Agreement does not specify any terms or period of repayment (B)	301.38 Lacs
Total (A+B)	**301.38 Lacs**
Percentage of loans/ advances in nature of loans to the total loans	100%

iv. According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that in respect of loan to director(s) including person in whom they are interested, or to any body corporate and also in respect of investments, guarantees and securities, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with by the Company.

v. According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company has not accepted any deposits / accepted amounts which are deemed to be deposits from the public. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

vi. According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, for any of the products and/or services of the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

vii. (a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including

Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have been regularly deposited subjected to certain delays with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable except in the following cases

Nature of statute	Nature of dues (Rs.)	Amount (Rs.)	Period to which it relates	Due date of payment	Date of payment
EPF ACT	Provident fund	6,51,348	F.Y. 2021-22	15-06-2021	17-06-2021
EPF ACT	Provident fund	7,200	F.Y. 2021-22	15-06-2021	19-07-2021

(b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Nature of statute	Nature of dues	Amount (Rs.)	Period to which it relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	3,79,94,941	April 2016 to June 2017.	Commissioner of service tax.
Income Tax Act, 1961	Income Tax	16,21,514	A.Y. 2012-13	Commissioner of income tax
Income Tax Act, 1961	Income Tax	7,19,59,960	A.Y. 2016-17	Commissioner of income tax
Income Tax Act, 1961	Income Tax	4,84,33,030	A.Y. 2017-18	Commissioner of income tax
Income Tax Act, 1961	Income Tax	2,74,02,960	A.Y. 2018-19	Commissioner of income tax
Income Tax Act, 1961	Income Tax	4,93,99,330	A.Y. 2019-20	Commissioner of income tax
Income Tax Act, 1961	Income Tax	4,11,32,940	A.Y. 2020-21	Commissioner of income tax

viii. According to the information and explanation provided to us and based on our audit procedures and our examination of the records of the Company, we conclude that there have been no transactions unrecorded in the books of account that have been surrendered / disclosed as income during the year, in the tax assessments under the Income Tax Act, 1961(43 of 1961).

ix. (a) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company has not defaulted in repayment of loan(s) and/or other borrowing(s) or in the payment of interest thereon to any lender.

(b)According to the information and explanations given to us and on the based on our audit procedures, we are of the opinion that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the term loans have been applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and based on our audit procedures, and on an overall examination of the standalone financial statements of the Company, we are of the opinion that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and based on our audit procedures and on an overall examination of the standalone financial statements of the Company, we are of the opinion that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and based on our audit procedures, we are of the opinion that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.

x. (a) According to the information and explanations given to us and based on our audit procedures, we are of the opinion that the Company has not raised money by way of initial public offer or further public offer (including debt instruments). Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations provided to us and based on our audit procedures and records of the Company, we conclude that the Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year.

xi. (a) According to the information and explanations provided to us and based on our audit procedures and the records produced to us for the purpose of reporting the true and fair view of the standalone financial statements of the Company, we have not come across any instance of material fraud by the Company or any fraud on the Company during the year. Accordingly, paragraph 3(xi(a)) of the Order is not applicable to the Company.

(b) According to the information and explanations provided to us and based on our audit procedures, we conclude that no report has been filed by the Company under section 143(12) in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations provided to us and based on our audit procedures and based on the records produced to us, we conclude that there are no whistle blower complaints received by the Company during the year.

xii. According to the information and explanations provided to us and based on our audit procedures, in our opinion, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations provided to us and based on our audit procedures and records of the Company, we are of the opinion that the transactions with the related parties undertaken by the Company during the year, are in accordance with the provisions of section 188 of Companies Act, 2013 to the extent applicable. To the best of our knowledge, the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company. The details in respect of such transactions to the extent required have been disclosed in the standalone financial statements, as per the applicable accounting standard.

xiv. (a) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion the Company is not required to have an internal audit as per provisions of the Companies Act 2013 and accordingly paragraph 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our audit procedures, we are of the opinion that during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company is not required to obtain any registration under section 45-IA of the Reserve Bank of India Act, 1934.

(b)According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company has not conducted any Non- Banking Financial or Housing Finance activity per the Reserve Bank of India Act, 1934 and accordingly, paragraph 3(xvi(b)) of the Order is not applicable to the Company.

(c) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India (RBI) and accordingly, paragraph 3 (xvi(c)) of the Order is not applicable to the Company.

(d) According to the information and explanations provided to us and based on our audit procedures, we conclude that the Group does not have more than one CIC and accordingly paragraph 3(xvi(d)) of the Order is not applicable to the Company.

xvii. According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year. Accordingly, paragraph 3(xvii) of the Order is not applicable to the Company.

xviii. According to the information and explanations provided to us and based on our audit procedures, we conclude that, there has been resignation of the statutory auditors during the year and there have been no issues, objections or concerns raised by the outgoing auditors.

xix. According to the information and explanations given to us and based on our audit procedures and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, 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 that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further opine that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a)There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that in respect of ongoing projects, the Company has transferred unspent amount to a special account, within a period of thirty days from the end of the financial year in compliance with section 135(6) of the said Act.

For RVKS AND ASSOCIATES
Chartered Accountants
Firm Registration No.008572S

R. VENKATAKRISHNAN
Partner
Membership No.022224
UDIN :
Place : Chennai
Date : 15th June 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the Company)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

We have audited the internal financial controls over financial reporting of Kaar Technologies India Private Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control 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 Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial

controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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 Controls Over Financial Reporting issued by the ICAI.

For RVKS AND ASSOCIATES
Chartered Accountants
Firm Registration No.008572S

R. VENKATAKRISHNAN
Partner
Membership No.022224
UDIN :
Place : Chennai
Date : 15th June 2022

CFS AUDIT REPORT

INDEPENDENT AUDITOR'S REPORT

To the Members of Kaar Technologies India Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Kaar Technologies India Private Limited (hereinafter referred to as "the Group") and its subsidiaries (the Group and its subsidiaries together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr No	Key Audit Matter

The Group's contracts with customers include contracts with multiple products and services. The Group derives revenues from IT services comprising software development and related services, maintenance, consulting and package implementation, licensing of software products and platforms across the Group's core and digital offerings and business process management services. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables involves significant judgement. In certain integrated services arrangements, contracts with customers include subcontractor services or third-party vendor equipment or software. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Group is acting as an agent between the customer and the vendor, and gross when the Group is the principal for the transaction. In doing so, the Group first evaluates whether it controls the products or service before it is transferred to the customer. The Group considers whether it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine whether it controls the products or service and therefore, is acting as a principal or an agent. Fixed price maintenance revenue is recognized ratably either on (1) a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or (2) using a percentage of completion method when the pattern of benefits from the services rendered to the customer and the Group's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables. As certain contracts with customers involve management's judgment in (1) identifying distinct performance obligations, (2) determining whether the Group is acting as a principal or an agent and (3) whether fixed price maintenance revenue is recognized on a straight-line basis or using the percentage of completion method, revenue recognition from these judgments were identified as a key audit matter and required a higher extent of audit effort. Refer Notes 3(c) to the Consolidated financial statements.

Auditor's Response

Principal Audit Procedures Performed

Our audit procedures related to estimates of total expected costs or efforts to complete for fixed-price contracts included the following, among others:
• We tested the effectiveness of controls relating to (1) recording of efforts or costs incurred and estimation of efforts or costs required to complete the remaining contract performance obligations and (2) access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorized changes to recording of efforts incurred.
• We selected a sample of fixed price contracts with customers measured using the percentage-of-completion method and performed the following:
– Evaluated management's ability to reasonably estimate the progress towards satisfying the performance obligation by comparing actual efforts or costs incurred to prior year estimates of efforts or costs budgeted for performance obligations that have been fulfilled.
– Compared efforts or costs incurred with Group's estimate of efforts or costs incurred to date to identify significant variations and evaluate whether those variations have been considered appropriately in estimating the remaining costs or efforts to complete the contract.
– Tested the estimate for consistency with the status of delivery of milestones and customer acceptances and sign off from customers to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligations

Other Matters

- The consolidated financial statements of the year ended March 31,2022 include the financial statements for the year ended March 31,2021, of the following subsidiary companies and joint ventures:

- Kaar Technologies Qatar LLC
- Kaar Technologies QFC LLC
- Kaar Technologies Inc., USA
- Kaar Technology LLC Abu Dhabi
- Kaar Technologies Co W.L.L, Bahrain
- Kaar Technologies LLC Oman
- Kaar Technologies UK Limited
- Kaar Technologies Denmark APS
- Kaar Technologies SDN BHD Malaysia
- Baaskaar Information Technologies Company Limited, Saudi Arabia (Joint Venture)

We did not audit the standalone financial statements of the subsidiaries and joint venture that reflect Total Assets of Rs. 6,333.05 Lakhs and Net Assets of Rs. 432.02 Lakhs as at March 31,2022, Total revenue of Rs. 11,554.98 Lakhs and Net cash flow amounts to Rs. 66.57 Lakhs of the year ended on that date, as considered in the consolidated financial statements.These Ind AS financial statement and other financial information have been audited by other auditors have been furnished to us by the management

The consolidated financial statement also includes the group share of net profits of Rs.168.81 Lakhs for the year ended March 31, 2022 as considered in the consolidated Ind As financial statement, in respect of 2 Subsidiaries and Joint Venture, whose financial statements, other financial information have been audited by other auditor and whose reports are have been furnished to us by management.

We have carried out certain top up procedures to ensure that a minimum 75% of the total revenue of the group is covered by our audit. In respect of 6 subsidiaries, where the local laws do not require audit, the financial statements are unaudited and have been furnished to us by the management. The management has confirmed to us that due care has been exercised in the preparation of the unaudited financial statements of the subsidiaries. In our opinion of the consolidated financial statements in so far as it relates to the amounts and disclosure included in respect of these subsidiaries and joint ventures our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the other auditors / top up procedure performed / the unaudited financial statements prepared and presented by the managements.

Our opinion is not modified in respect of the matters referred in clause (1) above.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the consolidated financial statements, standalone 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 form of 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 other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Group'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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Management and Board of Directors are responsible for assessing the Group'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 the Board of Directors either intends to liquidate their respective entity or to cease operations, or has no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Group has in place an adequate internal financial controls system over financial reporting 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 the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of consolidated financial statements may be influenced. We consider quantitative and qualitative factors in (i) planning the scope of our audit work and in evaluating the result of our work; (ii) to evaluate the effects 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 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1) As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated statement of Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, and rules made thereunder, as applicable.

e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operat ing 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 Group'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 Rule 11 of the Com panies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Group has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements – Refer Note 34 to the Consolidated financial statements.

ii. The Group has made provisions, as required under the applicable law or accounting standards for long term contracts including derivative contracts for which there were any material foreseeable losses.

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

iv. **a)** The management of the Holding Company has represented that to the best of its knowledge and belief, other than as those disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person's or entities, 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 Holding Company ("Ultimate Benef ciaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The management of the Holding Company has represented that to the best of its knowledge and belief, other than as those disclosed in the notes to the accounts, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), other than as disclosed in the notes to the accounts, with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on our audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The Holding Company has complied with the provisions of section 123 of the Companies Act, 2013 for the dividend that has been declared / paid during the year.

2) 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 Holding Company to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For RVKS AND ASSOCIATES
Chartered Accountants
Firm Registration No.008572S

R. VENKATAKRISHNAN
Partner
Membership No.022224
UDIN :
Place : Chennai
Date : 15th June 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the Kaar Technologies India Private Limited)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

We have audited the internal financial controls over financial reporting of Kaar Technologies India Private Limited ("the Holding Company") as of 31st March, 2022 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Holding 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group'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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Group'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 consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Group'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 Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorisations of management and directors of the Group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Group's assets that could have a material effect on the consolidated 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 Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For RVKS AND ASSOCIATES
Chartered Accountants
Firm Registration No.008572S

R. VENKATAKRISHNAN
Partner
Membership No.022224
UDIN :
Place : Chennai
Date : 15th June 2022

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