



KELLTON TECH SOLUTIONS LIMITED.

To

The General Manager, Listing Department, BSE Limited, 1 st Floor, New Trading Wing, Rotunda Building, P.J. Towers, Dalal Street Fort, Mumbai-400001	The Manager, Listing Department, National Stock Exchange of India Ltd, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051
Scrip Code: 519602	Scrip Code: KELLTONTEC

Dear Sir/Ma'am,

Subject: SUBMISSION OF NOTICE OF THE 28TH ANNUAL GENERAL MEETING OF KELLTON TECH SOLUTIONS LIMITED (“THE COMPANY”) ALONGWITH THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

Pursuant to Regulations 30 and 34(1)(a) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), we hereby enclose the Notice of the 28th Annual General Meeting (the “AGM”) of Kellton Tech Solutions Limited (the “Company”) to be held on Friday, September 30, 2022 at 10.00 A.M. (IST) through Video Conferencing or Other Audio Visual Means along with the Annual Report of the Company for the Financial Year ended March 31, 2022.

The Company has engaged the services of CDSL to provide remote e-Voting facility and e-Voting facility during the AGM. The remote e-Voting period will commence on Tuesday September 27, 2022 (9:00 A.M. IST) and will end on Thursday September 29, 2022 (5:00 P.M. IST). During this period, the Members of the Company, holding shares either in physical or dematerialized mode, as on the cut-off date, i.e. Friday September 23, 2022, may cast their votes. The remote e-Voting module shall be disabled by CDSL for voting thereafter.

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday September 23, 2022, being the cut-off date, are entitled to vote on the Resolutions set forth in the said Notice.



KELLTON TECH SOLUTIONS LIMITED.

The said Notice which forms part of the Annual Report for the Financial Year ended March 31, 2022 is being sent only through e-mail to the shareholders of the Company at their registered e-mail addresses and the same has also been uploaded on the website of the Company under the web-link <https://d3tj4wnms16o5e.cloudfront.net/s3fs-public/ANNUAL%20REPORT%202021-22.pdf>

We request you to take the above information on record.

**Thanking You,
Yours faithfully,
For Kellton Tech Solutions Limited**

**Krishna Chintam
Managing Director
DIN- 01658145
Date: September 08, 2022
Place: Hyderabad**

Infinite Possibilities With Technology





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MESSAGE FROM THE CHAIRMAN'S DESK

Letter to Shareholders

Dear Shareholders

I am delighted to present our annual report for the financial year (FY) 2021-22. In hindsight, this year has been a representation of our resilience, innovation, and the trust our people placed in us. We have remained steadfast in reshaping our market approaches, expanding our enterprise capabilities in tandem with the ongoing exponential change, and driving the culture of wellness for our employees during and after the devastating second wave of the COVID-19 pandemic in India. I extend my deep gratitude to our employees, partners, clients, and other stakeholders, who have shown their unyielding support and cooperation throughout our journey that helped us maintain a strong operational rigor.

During the year, we continued to set bigger and bolder goals for our company. We marshaled our resources and expanded our streams of investments to build a robust, fully-fledged center of excellence (CoE) dedicated to Web3.0 innovation. Relying on our long-standing partnerships with the industry's top technology players, we galvanized and supported multiple businesses in adopting Web3.0 and discerning the potential of the technology to thrive in the upcoming



era of the decentralized internet. We initiated more meaningful advances in the cloud, blockchain, AI/ML, and data engineering and turned related services into our mainstream offerings. The journey to driving business success in these areas was a long and winding one, but we are finally there. We have collaborated with many FORTUNE Global 500 companies and SMEs to help them reap the prodigious benefits of the cloud, AI/ML, and data technologies, and we aim to build on the momentum.

We are in the middle of a work revolution. This year, understanding that our employees need a work-life balance while experiencing a sense of inclusion, we pivoted to the hybrid work model where our people relished greater flexibility in their schedules while feeling valued on the team. Our decisive approach helped in the emergence of new kinds of creative collaboration at scale, which only grows more important as technology



evolves at warp speed. Today, the industry faces hiring and retention challenges, but we were able to weather these storms. Our focus on enabling an employee value proposition—underpinned by our core values of people first, innovation, and being agile—paid off, and we were able to add more than 500 new team members to the Kellton family.

Besides our value proposition and shift to the hybrid work approach, our efforts in bolstering employee health and extending a holistic care mechanism upped retention and helped us sustain a productive workforce. During the lethal second wave of the coronavirus pandemic, our Task Force did a commendable job in stepping up relief efforts and ensuring critical supplies, including oxygen cylinders, our office vehicles as make-shift ambulances, and medical kits, to those in need in the nick of time. We also engaged with the local healthcare authorities to organize vaccination camps for our employees and their families, offered telemedicine support, and enhanced insurance coverage.

A large swath of FY22 was dedicated to upgrading the skill quotient of our teams. Not only did we launch formal training programs, but we also provided on-the-job learning opportunities that wholeheartedly catered to our employees' unique needs and challenges. We cultivated learning moments as a departure from the classroom-styled training to engage people in a personalized way, help them build skills, and gain confidence to lead in the hyper-competitive

marketplace. We pushed sizeable investments in platforms, tools, and software to sharpen the skill edge of our employees, build the technology leaders of tomorrow, and move the needle forward on our aim of becoming a people-centric organization.

The main highlight of the passing year was the launch of our OneKellton initiative. As a part of this ambitious move, we unified all our global delivery, digital, and enterprise value pipelines to serve clients across the globe irrespective of their geographical location. We enabled access to our global ecosystem of partnerships and talent for customers worldwide while allowing our thought leaders to pursue global collaboration. With every step closer to realizing our vision of One Kellton, we are raising our full-year growth forecast and expect to power up our customer service as a value center. We aim to cut redundant costs and expenditures and achieve a higher margin.

We have grown steadily during this financial year, and many high-frequency indicators that we monitor are improving. Our revenues stand at ₹844 crores with an EBITDA of ₹105 crores. Our EBITDA margins stand at 12.6%, which suggests an increase in labor costs. The PAT margin is 8.3%, and the EPS, on the other hand, is pegged at ₹7.39 per share.



KEY FINANCIAL HIGHLIGHTS OF FY22:

- A top-line growth rate of about 8+% has been achieved.
- An EBITDA of approximately ₹105 crores was maintained.
- A net profit of 70.44 crores was generated at an 8.3% margin.

This year, we leveraged our existing partner ecosystem to push the boundaries of technological innovation and enable lasting value for our clients. We capitalized on our industry expertise and tapped into the proprietary resources of our existing partners, including SoftwareAG, Adobe Commerce, SAP, AWS, Google Cloud, Jitterbit, and Workato, to accelerate our clients' digital journeys. We secured new partner relationships with Confluent, Snowflake, Sitecore, Qlik, Prismic CMS, and Contentful to consolidate our service offerings, reinvent our go-to-market strategies, and boost our revenue growth.

FUTURE FORECAST

As we enter a new financial year, we set the tone for buoyant growth and profitability agenda. We are excited about the opportunities in the coming quarters and know that we can meet any challenge with intensity. In FY23, as a company, I want us to:

- Aggressively grow under the OneKellton initiative and remain poised for a sharp revision in our growth projection numbers.
- Get on a hiring spree and increase our total headcount to over 2500+ employees.
- Branch out into more potentially lucrative markets of Europe and pump investments to determine the proper avenues of transformative change.
- Be more equipped than ever to offer infinite possibilities with technology as we aim to introduce and diversify roles in practice and delivery chains.

Having logged a steady growth in our previous fiscal, we attribute what we have accomplished to our team. We are thrilled to be on this journey with our people—employees, customers, and shareholders—and thank those who rallied together and supported our brand with an unrelenting collaborative spirit. We will continue to tap into the potential of new technologies and help our clients better prepare for future disruptions. We will focus on establishing more people-centric strategies that keep our employees safe, motivated, and undeterred by challenges. And last but not least, we will continue to hone our shareholder approach with sustainability as its biggest driver and generate long-term value for shared success.



OneKellton

The path to holistic value generation starts here.

The post-COVID-19 world is thriving on digital. We are witnessing a sharp acceleration in the adoption of digital technologies, transforming our everyday experiences. In this new business environment, the core of our growth strategy is delivering holistic value to our customers and partners. We are committed to rethinking our business models, fortifying our capabilities for our growth, and creating meaningful experiences for the communities we serve. OneKellton reflects the same commitment to improving our customer service and consolidating our stance as a category leader in digital transformation.

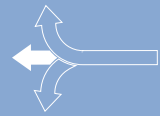
As a part of what OneKellton entails, we are realigning our global operating forces to work as a unified whole and cater to our clients irrespective of their geographical boundaries. Our global network of capabilities, partnerships, and leadership are now accessible to customers across the globe, allowing them to choose from a diversified portfolio of service offerings and tap into what holds the maximum value. The structural realignment is paving the way for our employees to engage with an expansive client base, draw on our capabilities not limited to geography, and shape digital transformation strategies with a winning edge.

WHERE IS THE HEART OF ONEKELLTON?

OneKellton is a step towards transforming Kellton from a 'cluster' to a 'cross-collaborative' enterprise. It typically involves:



Breaking the silo
mentality



Expanding solution
choices



Synthesizing
capabilities



Widening access to talent
and partnerships

Under OneKellton, we are strengthening our digital innovation architecture at a cellular level. We are augmenting our capabilities across Delivery, Practice, Support, and Sales domains to nurture a more robust, resilient, and cost-effective service pipeline for our clients. Since growth is the watchword of our business strategy, we are building more advanced, impactful centers of excellence (CoEs) by facilitating more inter-geo movements, cross-collaborative leadership, and improved mobilization of resources.

By bolstering our technical capacity and incubating innovation via these CoEs, we will be positioned to help our clients explore many new frontiers of transformation and lead confidently in the new digital reality. On the other side, we are letting our leaders work closely with clients by leveraging our capabilities not limited to geography while offering a real connection.

TRACING THE JOURNEY OF FOUNDING THE ONEKELLTON INITIATIVE

At the end of FY22, as we joined our heads on formulating a strategy for the future, we realized that we could not truly leverage our business synergies despite an uptick in our organic and inorganic growth. We could not harness the power of inter-business capabilities, which in this case, was an eye-opener.

Our visionary leaders sat to discuss and dig a solution with an all-hands-on-deck approach. We came to realize that we operated in business unit sandboxes. The existing model limited Kellton's core competencies to specific geographies and impacted the professional growth of our people. The leadership decided to overcome the operating obstacle to take the company further, and the call for integrating global operations under one umbrella was the choice that drew a 'yes.'

In the second half of 2021, the board appointed an 'Expert Growth Advisor' to reimagine how our company should be restructured to unlock the true revenue potential. OneKellton was born to create an integrated, more robust Kellton.



THE THREE-PRONGED APPROACH TO ACHIEVING ONEKELLTON

1

INTELLIGIZING CoEs

We aim to continually revisit and reimagine existing and upcoming solutions in a synchronized environment.

2

AUGMENTING OPS

We are reinvigorating and repurposing our delivery framework to be more customer-centric, durable, and constantly evolving.

3

REINFORCING ROLES

We are creating roles, realigning teams, and rebuilding KRAs to unlock a more dynamic, collaborative enterprise

Business integrations under the OneKellton initiative have opened a recruitment pipeline. An Integration Task Force has been set up to actively hire candidates for positions at a pan-enterprise level and ramp up the existing talent pool through frequent learning and training programs. Besides, new key result areas (KRAs)—more distinctive and deeper—are introduced to ensure that the performance metrics are met for guaranteed customer success.



HIGHLIGHTS OF THE YEAR 2021-22



HIGHLIGHTS OF THE YEAR

ANNOUNCED STRATEGIC BUSINESS REALIGNMENT UNDER ONEKELLTON

OneKellton is our overarching growth theme for FY22. Under the initiative, we are integrating our global ecosystem of talent, capabilities, and partnerships and making it accessible to companies of all sizes, irrespective of their locations. Importantly, we are building more impactful centers of excellence (CoEs) and revisiting technologies to create new frontiers of innovation and value that matter.

As we lay the foundation for integrated business functions and shared services, our new and existing customers are leveraging our digital and enterprise hubs at scale and building their IT cores critical to their success. Our partnership approach is also evolving with OneKellton. We are working more closely with our global partners to create holistic solutions and empower our customers with a competitive advantage to lead in the new digital.

HIGHLIGHTS OF THE YEAR

ORGANIZED AN EXCLUSIVE COVID-19 VACCINATION DRIVE

Reiterating our stance of 'well-being before business,' we organized an exclusive vaccination drive to inoculate our employees and their immediate families against COVID-19. We set up a task force to oversee the initiative while taking the lead on ensuring covid relief resources and mental health support to employees, extending virtual healthcare, and enhancing insurance coverage.

In addition, our task force actively participated in our initiative of turning our office vehicles into makeshift ambulances, donating COVID-19 support kits and PPE kits to frontline workers, and ensuring 24/7 availability through call-center support to address emergencies as soon as possible.

HIGHLIGHTS OF THE YEAR

**LAUNCHED A JOB
AID CAMPAIGN FOR
UKRAINIAN REFUGEES**

The invasion of Ukraine displaced the most refugees since World War II. As a step toward shaping the lives and livelihoods of those who left the land with whatever little they had, Kellton offered replacement aid as well as jobs for Ukrainian refugees.

In what could be a reflection of our compassionate leadership, we also promised all levels of assistance to Ukrainian refugees in expediting the legalization process in Poland, finding accommodation, opening a bank account, and obtaining a PESEL number. All in all, we strove to play an instrumental role in meeting the immediate needs of the large inflow of refugees and giving them a new lease of life as they continued to navigate the biggest humanitarian crisis of our times.

HIGHLIGHTS OF THE YEAR

**SELECTED AS A DIGITAL
TRANSFORMATION
PARTNER BY HMWSSB**

Seeing the increasing enterprise automation consumption, your company upgraded its capabilities by partnering with Automation Anywhere, a leading RPA-as-a-Service provider and intelligent automation platform.

In partnership with Automation Anywhere, Kellton Tech intends to add meaningful value to its enterprise automation capabilities and help clients innovate at scale. We will leverage Automation Anywhere's state-of-the-art, cloud-native, and web-based intelligent automation platform to help businesses create, design, train, and implement bots to perform end-to-end enterprise-wide tasks with speed, efficiency, and accuracy.

HIGHLIGHTS OF THE YEAR

**DELIVERED OUR FIRST
S/4HANA GREENFIELD
IMPLEMENTATION ON AWS**

One of the leading chemical manufacturing companies based in the US was divesting from its parent company and looking to build an infrastructure that could set the stage for growth. The company conducted a months-long assessment with various top firms, and towards the end, Kellton emerged as the partner of choice for our extensive experience in driving digital transformation journeys at the scale of disruption.

By strategically leveraging our partnership with AWS and our proven capabilities, we migrated and optimized SAP S/4HANA on AWS to help our client relish the agility, flexibility, and value of operating on a future-proof infrastructure. The new infrastructure, with SAP S/4HANA on the cloud, allowed our client to efficiently manage the constant flow of product introductions in days vs. weeks, access real-time business analytics for insightful decisions, and steer their organization towards measurable business outcomes.

HIGHLIGHTS OF THE YEAR

ROLLED OUT WEB3 PRACTICE

As a born-digital company, we always operate on the cutting edge of change. This year, we made significant strides in the domain of Web3.0 by catalyzing our clients' business bottom lines through next-generation smart contracts and NFT marketplace solutions, and we continue to build on the momentum.

We bagged a contract to design and develop an NFT marketplace for a leading client using today's new and innovative digital technologies, including Blockchain. The solution aimed to shape exceptional user experiences while optimizing buying, selling and auctioning of digital artifacts. To shape our client's business vision and deliver tangible outcomes at scale, we leveraged our cream-of-the-crop talent and built on our strong blockchain expertise.



NFT
NON FUNGIBLE TOKEN
MARKETPLACE

HIGHLIGHTS OF THE YEAR

BUILT AN INNOVATIVE NFT MARKETPLACE ON BLOCKCHAIN

We bagged a contract to build a cutting-edge NFT (non-fungible tokens) marketplace using new digital technologies, including blockchain. Our solution was aimed to facilitate compelling experiences for users as they buy, sell, and auction digital artifacts in the form of tokens.

We leveraged our blockchain expertise and CoE to build an agile and scalable NFT marketplace that could support seamless integration with new technologies. We emphasized developing an Ethereum-based solution compliant with ERC-721 standards and could allow legitimate tokenizing of digital collectibles and support their transactions with speed and accuracy. Our approach was designed to maximize our client's security, efficiency, and performance, and we successfully delivered on our promises.

HIGHLIGHTS OF THE YEAR

**IMPLEMENTED OPTIMA FOR
AN O&G GIANT IN PERU**

A leading oil and gas company based in Peru collaborated with Kellton to simplify the capture and analysis of information in real-time and make informed decisions to manage risks better.

We implemented Optima, a proprietary oilfield operations analytics platform by Kellton, to help our client achieve its vision. Backed by intelligent technologies such as AI/ML and digital twin, our solution was instrumental in simplifying and accelerating data capture and analysis in real-time, increasing visibility into operations and cash flows, and helping our client lead business activities while monitoring risks and disruptive factors in real-time.

Since Optima featured a secure, easy-to-use, and intuitive production database management system—along with preconfigured tools for centralized cloud storage, workflow automation, and integration with PLC/SCADA systems—it delivered new business standards that helped our client reduce the total cost of ownership, streamline and future-proof processes, and create new revenue opportunities.

HIGHLIGHTS OF THE YEAR

LEVERAGED AI AND MACHINE LEARNING FOR SIGNATURE VERIFICATION

Our client, a global healthcare and research leader, was looking to set up a digital solution that could view and validate digital signatures. Kellton leveraged its deep AI/ML expertise to help our client overcome the signature variation problem and achieve a standard size for all documents based on multiple parameters, including the type of documents, font face, and font size. A readily available technology model, called OCR (optical character recognition), was used by Kellton to check the font face and size of collateral titles.

The client was already using the Yolo 4 technology, an algorithm to deliver real-time insights on signature verification and forgery detection. Kellton scaled the Yolo 4 technology through data-based training and made it sophisticated to ensure the precise detection of signatures. The advanced Yolo technology turned out to be beneficial as it detected the signature image in a single shot and delivered 100% accurate and agile results.

FINANCIAL HIGHLIGHTS OF THE YEAR 2021-22

March, 2022

All Figures in Rs. Crore
(Except EPS)

EPS (INR)	7.39
NETWORTH	478.68
NET PROFIT	70.44
TOTAL REVENUE	843.86



THE WORKFORCE

THE WORKFORCE

OUR WORKFORCE

As we come to the end of FY22, we are thrilled to embark on this journey with our people and the communities we serve. Our workforce has always been our key differentiating factor, and this year, they have demonstrated a real commitment to our strategic goals that have led us to a higher growth stratosphere amid many challenges. Each member of the Kellton family has displayed their active support and unshakeable trust while adhering to our mission of ensuring service excellence and value generation and motivating us to capture the next phase of growth.

Our employee value proposition is underpinned by optimism and our core values of diversity, inclusion, and equality. This year, as we continued to increase our headcount, we have ensured that we extend our proposition across every touch point under OneKellton.

In an effort to keep the employee quotient notches higher, we have introduced a number of engagement initiatives and made strides toward building a stronger Kellton family. We have introduced a number of engagement initiatives and made strides toward building a stronger Kellton family. With the integration of global operations under OneKellton, we have created a launchpad for democratizing multiple areas, such as learning and career development, and laid the solid foundation for inclusivity and equal opportunities. We have entered a new fiscal after registering a steady upward growth in the previous one, and we attribute whatever we have accomplished to our workforce. We will continue to strengthen our people and their capabilities so that they remain laser-focused on expanding the outcomes we deliver to our customers and lead the way.



OUR WORK CULTURE

We strive daily to nurture a work culture that celebrates inclusivity, equality, trust, oneness, and recognition. By surpassing the boundaries of traditional management and enabling our people to take ownership, we unlock the value of ‘delegated decision-making’ and reinforce a work ecosystem where diligence is practiced at all levels. Flexibility is the cornerstone of our organizational fabric. We encourage our employees to be their genuine selves and perform tasks while identifying the best work dynamics per their needs. Our approach leads us to forge a work environment where employees have greater autonomy over their work, managerial capabilities are built right from the start, and trust and confidence prevail.

During the year under review, we came up against the most devastating COVID crisis, with India seeing hundreds of thousands of fresh cases daily. We pledged unwavering support to our 1500+ employees and their families by building a robust response mechanism that involved measures such as 24/7 telemedicine, doctor-on-call, therapist-on-call, extended insurance coverage, and most importantly, vaccination drives. We set up a task

force dedicated to addressing distress calls and ensuring pandemic relief efforts in a way that leaves no one behind.

As we continue to wrestle with the existing and evolving challenges arising from the current pandemic situation, we identify the collective well-being of our employees as a driving force of our work culture. By innovating our virtual team-building activities and rolling out more initiatives to understand the pulse of our workforce, we bolster our approaches to health and life enrichment, which are aimed at reducing work strain, improving productivity levels, and shaping a holistic wellness experience.

In FY22—sticking to our people-first strategies—we embrace the hybrid work model, allowing considerable latitude to our employees and helping them relish a sense of inclusion and work-life balance simultaneously. The hybrid work model is enabling us to offer a more tailored employee experience, making it possible to peddle new synergies of creative collaboration at scale and magnetize and retain top talent better than ever.



TALENT ACQUISITION

Retaining and attracting talent plays a pivotal role in our business growth and success. To stay agile, adaptable, and resilient in the new normal, characterized by the hybrid nature of work, we harness the potential of technology to improve our virtual and physical talent acquisition strategies and stay ahead of the demand curve. With OneKellton in full force, we are prioritizing internal mobility and cross-pollination to help our employees explore better global opportunities and seek new horizons of personal and professional growth.

During the year, our focus on processes—driven by human ingenuity and technology—has empowered our team to glean insights into top B-schools, universities, key industry references, employment portals, and other sources to identify and connect with the brightest minds. Also, as we decisively adopt Web3.0, we have spread our nets farther to build a robust, hand-picked talent base on Web3.0 and deliver service differentiation to our clients. Since recruitment is becoming increasingly cross-platform, we are synchronizing our hiring strategies for seamless omnichannel experiences for potential candidates and tailoring our process for the channel that best suits them.



TALENT DIVERSITY

When organizations put diversity and inclusivity at the heart of their hiring processes, they get to identify top talent from all walks of life. Not only does this boost morale, but it also impacts the bottom-line outcomes because diverse teams generate better ideas and exemplify new forms of value.

Diversity sits at the core of our company, and we address the cause by changing our internal practices and establishing diversity officers to enable equal opportunities and strive for greater inclusion. We look beyond social and ethnic backgrounds and sexual orientations to build a team equipped with comprehensive knowledge and cutting-edge industry expertise and cater to many challenges of the new digital with a hands-on approach.

Under OneKellton, we are aggressively expanding our employee base, and the entire process is reinforced by our core values of diversity, inclusion, and equality. Our thrust on talent diversity is helping us attract individuals with advanced skill sets. Moving forward, we will continue to build more empowered, innovative, and diverse teams that share our vision for growth, help us deliver next-generation technology solutions, and outshine the competition in the market.



TALENT DEVELOPMENT

In the new environment—when the hybrid work model is the order of the day—we emphasize continuous upskilling and reskilling of our employees and position them to address challenges confidently and drive real value for our clients. As a people-centric organization, we have an unmediated focus on employee skill development—and are designing our learning and training programs to expand our workforce capabilities meticulously.

This year, we have pushed considerable investments in workforce development and built agile innovation-obsessed teams. OneKellton has also made us rethink our employee development strategies. We have created an ecosystem where our thought leaders across our footprint can

collaborate and pass on valuable learnings to employees worldwide and boost their competitive edge.

Our approach has paved the way for building an enhanced workforce with a sense of belonging, a shared identity, and a common purpose. Our R&D labs play a cardinal role in shaping our next-generation employee development initiatives. Our experts are helping us identify areas where our capabilities should be honed up and pointing us to the best levers we should pull to enter new growth markets. Together, we have devised more impactful and holistic development programs and opportunities for our people in FY22, and we will continue to seize the momentum.



TALENT ENGAGEMENT

Employee engagement greatly influences the quality of work. We are constantly exploring new frontiers of communication and team building to augment our productivity levels and position our brand for greater success. As we embrace the hybrid work model, we are connecting with our employees by leveraging relevant touchpoints reinforced by social media, smart devices, and virtual collaboration.

In FY22, our HR professionals have executed exceptional work in employee health and safety.

We have rolled out employee surveys and programs to measure mental and physical well-being of our people and improve their level of association within the organization. Our HR leaders have encouraged employees to come and participate in virtual celebrations that we planned throughout the year, resulting in stronger work relationships and cultural affinity. In the modern hybrid era—enabled by software and technology—we will continue to support our people and help them truly thrive in their respective roles.



HR POLICIES

Hybrid work is the new normal, and our human resources team is continually revisiting policies to forge adaptability at the speed of change. As we navigate a new reality, we are enabling a mindset shift where supervisors are more concerned with outcomes than how and where people work. We are introducing pre-defined and flexible work norms to allow employees to work effectively and efficiently across locations. We are also opening discussions across levels to figure out what employees feel about working from home or returning to the office and leveraging insights to transform our company into the best work to place.

In the new work paradigm, we are placing a high-beam focus on employee recognition as an ultimate connector. We are reimagining ways to enable a culture of appreciation and improve the morale of our employees so that they can contribute to our bottom-line objectives with zeal and resolve. Notably, we are also repurposing our hiring and reskilling strategies. We are considering many factors, such as the labor type, the ability to absorb new technologies, and the willingness to unlearn and relearn when recruiting the workforce.



KELLTON GLOBAL OFFICES

2 0 2 1 - 2 2



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 **UAE**

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Dubai Marina, Dubai
UAE. PO Box 29805



CORPORATE INFORMATION

BOARD OF DIRECTORS

1. Mr. Niranjana Chintam	- Chairman & Whole-Time Director
2. Mr. Krishna Chintam	- Managing Director
3. Mr. Karanjit Singh	- Whole-Time Director
4. Mr. Srinivas Potluri	- Non-Executive Director
5. Mr. Brijmohan Venkata Mandala	- Independent, Non-Executive Director
6. Mr. Srinivasa Vijay Kumar Appana	- Independent, Non-Executive Director
7. Mr. P V V Srinivasa Rao	- Independent, Non-Executive Director
8. Ms. Kunda Kalpana	- Independent, Non-Executive Director (till July 06, 2022)

KEY MANAGERIAL PERSONNEL

1. Mr. Niranjana Chintam	- Whole Time Director & Chief Financial Officer
2. Mr. Krishna Chintam	- Managing Director & Chief Executive Officer
3. Mr. Karanjit Singh	- Whole-Time Director
4. Ms. Surabi Jain	- Company Secretary (till May 30, 2022)
5. Mr. Rahul Jain	- Company Secretary (w.e.f July 27, 2022)

COMMITTEES OF THE BOARD

Audit Committee

Name	Category of Director	Designation
Mr. Brijmohan Venkata Mandala	Non-Executive Independent Director	Chairman
Mr. Srinivasa Vijay Kumar Appana	Non-Executive Independent Director	Member
Mr. Niranjana Chintam	Executive Director	Member

Nomination & Remuneration Committee cum Compensation Committee

Name	Category of Director	Designation
Mr. Srinivasa Vijay Kumar Appana	Non-Executive Independent Director	Chairman
Mr. Brijmohan Venkata Mandala	Non-Executive Independent Director	Member
Mrs. Kunda Kalpana	Non-Executive Independent Director	Member
Mr. P V V Srinivasa rao	Non-Executive Independent Director	Member
Mr. Srinivas Potluri	Non-Executive Director	Member
Mr. Niranjana Chintam	Executive Director	Member



Stakeholders Relationship Committee

Name	Category of Director	Designation
Mr. Brijmohan Venkata Mandala	Non-Executive Independent Director	Chairman
Mr. Srinivasa Vijay Kumar Appana	Non-Executive Independent Director	Member
Mr. Krishna Chintam	Executive Director	Member

Corporate Social Responsibility Committee

Name	Category of Director	Designation
Mr. Srinivasa Vijay Kumar Appana	Non-Executive Independent Director	Chairman
Mr. Brijmohan Venkata Mandala	Non-Executive Independent Director	Member
Mr. Krishna Chintam	Executive Director	Member

Securities Issuance Committee

Name	Category of Director	Designation
Mr. Niranjana Chintam	Executive Director	Chairman
Mr. Krishna Chintam	Executive Director	Member
Mr. Brijmohan Venkata Mandala	Non-Executive Independent Director	Member

Risk Management Committee

Name	Category of Director	Designation
Mr. Srinivasa Vijay Kumar Appana	Non-Executive Independent Director	Chairman
Mr. Brijmohan Venkata Mandala	Non-Executive Independent Director	Member
Mr. Niranjana Chintam	Executive Director	Member

CORPORATE IDENTITY NUMBER : L72200TG1993PLC016819

CORPORATE OFFICE & REGISTERED OFFICE

Plot No. 1367, Road No. 45,
Jubilee Hills, Hyderabad
Telangana – 500 033
Tel No - 040-44333000
Email id: compliance@kelltontech.com
Website: www.kelltontech.com

STATUTORY AUDITORS

Anant Rao & Malik
Chartered Accountants,
B-409/410, Kushal Towers, Khairatabad,
Hyd-500004, Telangana
Email Id: armcas@gmail.com

INTERNAL AUDITOR

Ravindhar Reddy
Chartered Accountant

**SECRETARIAL AUDITOR**

Mr. NVSS Suryanarayana Rao
Company Secretary

SHARE TRANSFER AGENTS & DEMAT REGISTRARS

M/s XL Softech System Limited
3, Sagar Society, Road No. 2,
Banjara Hills, Hyderabad – 500 034, Telangana
e-mail ID: mail@xlsoftech.com
Phone: 040-23545913

WEBSITE

<https://www.kellton.com>

BANKERS

IndusInd Bank, Sardar Patel Rd, Begumpet,
Secunderabad, Telangana 500003
Bandhan Bank, Madhapur, Hyderabad ,
Telangana 500081

COMPLIANCE OFFICER

Mr. Rahul Jain
Company Secretary
Email id: rahul.jain1@kellton.com

Stock Exchanges Where Company's Securities Are Listed

The BSE Limited
The National Stock Exchange of India Ltd.



NOTICE OF 28TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 28TH ANNUAL GENERAL MEETING OF THE MEMBERS OF KELLTON TECH SOLUTIONS LIMITED ("THE COMPANY") WILL BE HELD ON FRIDAY, SEPTEMBER 30, 2022 AT 10:00 A.M IST THROUGH VIDEO CONFERENCING (VC) / OTHER AUDIO VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

- 1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon; and**
- 2. To appoint a Director in place of Mr. Srinivas Potluri (DIN: 03412700) who retires by rotation and, being eligible, offers himself for re-appointment.**

SPECIAL BUSINESS:

- 3. To appoint Ms. Geeta Goti (DIN- 06866598) as Independent Women Director on the Board of the Company.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 152, 160, and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014, the Companies (Amendment) Act, 2017 (including any statutory modification(s) or re-enactment thereof for the time being in force), relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and also provisions of Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the appointment of Ms. Geeta Goti (DIN-06866598), who was appointed by the Board as an Additional Director to hold the office of Non-Executive Independent Woman Director of the Company for a term of 5 (five) years with effect from September 06, 2022, as a Non-Executive Independent Woman Director of the Company for a period of 5 (Five) years and whose office shall not be liable to retire by rotation

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."or expedient to give effect to this resolution."

By the order of the Board
For Kellton Tech Solutions Limited

Sd/-
Krishna Chintam
Managing Director
DIN: 01658145

Place: Hyderabad
Date: 06.09.2022



NOTES :

1. The relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in the Notice is annexed hereto. The Board of Directors of the Company considered and decided to Item No. 3 as Special Business in the forthcoming Annual General Meeting (AGM) as this is unavoidable in nature

2. In view of the ongoing threat posed by the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') vide its circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 21/2021 dated December 14, 2021 and 2/2022 dated May 5, 2022 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/ CIRP/P/2022/62 dated May 13, 2022 ('SEBI Circulars') has permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. In compliance with these MCA and SEBI Circulars, applicable provisions of the Act (including any statutory modifications or re-enactments thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the 28th AGM of the Company is being conducted through VC/OAVM on Friday, September 30, 2022 at 10:00(IST). The deemed venue for the 28th AGM shall be the Registered Office of the Company.

3. Pursuant to the provisions of the act, a member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA circulars and the SEBI circular, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of the AGM venue are not annexed to this notice.

4. Institutional/Corporate Members (i.e. other than individuals / HUF, NRI, etc.) intending to send their authorized representative(s) to attend the Meeting through VC / OAVM, are requested to send a Certified True Copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent to the company at the mail address compliance@kelltontech.com

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.



6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

7. In line with the Ministry of Corporate Affairs (MCA) Circulars and SEBI Circulars, the Notice calling the AGM has been uploaded on the website of the Company <https://www.kellton.com/> The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at <https://www.bseindia.com/> and <https://www.nseindia.com/> respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. <https://www.evotingindia.com/>

8. As per the provisions of Section 72 the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's RTA by Members holding shares in physical form. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. Members holding shares in electronic form may obtain Nomination forms from their respective DPs.

9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs and SEBI the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by CDSL.

10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

11. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which the Directors are interested, will remain open for inspection by the Members at the Registered Office of the Company during business hours on all working days, up to the date of the Meeting and will also be kept open at the venue of the Meeting till the conclusion of the Meeting.

12. The Register of Members and Share Transfer Books of the Company will remain closed from, Saturday September 24, 2022 to Friday September 30, 2022 (both days inclusive) for the purpose of the Meeting.

13. Members who have not registered their e-mail addresses so far are requested to register the same for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically



14. To support the “Green Initiative”, Members who have not registered their e-mail addresses are requested to register the same with M/s. XL Softech System Ltd/DP for receiving Annual Reports and other communications electronically from the Company in the future.

15. Updation of Members’ Details

The format of the Register of Members prescribed by the Ministry of Corporate Affairs (‘MCA’) under the Act requires the Company/RTA to record additional details of members including their Permanent Account Number (‘PAN’), e-mail address, bank details for payment of dividend, etc. Further, the Securities and Exchange Board of India (‘SEBI’) has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their details to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their details to the Company’s RTA at xlfield@gmail.com.

16. During the Financial Year 2018-19, SEBI and MCA have mandated that existing Members of the Company who hold securities in physical form and intend to transfer their securities after April 1, 2019, can do so only in dematerialized form. Therefore, Members holding shares in physical form are requested to consider converting their shareholding to dematerialised form to eliminate all risks associated with physical shares for ease of portfolio management as well as for ease of transfer, if required. Shareholders can write to the Company at compliance@kelltontech.com or contact the Company’s RTA - M/s. XL Softech System Ltd at xlfield@gmail.com

17. Members holding shares in single name are especially advised to make nomination in respect of their shareholding in the Company and for cancellation and variation of nomination, if they are desirous of doing so.

18. Members desiring any information as regards the Accounts are requested to write to the Company at an earlier date through email on compliance@kelltontech.com The same will be replied by the Company suitably.

19. Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company’s RTA the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be issued to such Members after making requisite changes. Change in their residential status on return to India for permanent settlement.

20. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

21. Members are requested to notify the Company/RTA of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.



22. Process and manner of Voting through Electronic Means.

• Compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI Listing Regulations, each as amended from time to time and Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India, the Company is pleased to provide the facility to its Members to cast their votes electronically on resolutions set forth in this Notice. The Company has engaged the services of Central Depository Securities Limited ('CDSL') as the Agency to provide e-voting facility. The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting') and the services will be provided by CDSL.

- Instructions for remote e-voting (including process and manner of e-voting) are given herein below
- The Resolutions passed by remote e-voting shall be deemed to have been passed as if they have been passed at the AGM. The Notice of the AGM indicating the instructions of remote e-voting process can be downloaded from CDSL's website www.evotingindia.com or the Company's website www.kellton.com
- The facility for e-Voting shall be made available at the Meeting and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the Meeting.
- The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again. Members can opt for only one mode of voting i.e. remote e-voting or voting at the meeting. In case of voting by both the modes, vote cast through remote e-voting will be considered final and voting through physical voting at the meeting will not be considered.
- Members holding shares in physical form or dematerialized form as on Friday September 23, 2022 ('Cut- Off Date') shall be eligible to cast their vote by remote e-voting.
- The remote e-voting period commences on Tuesday September 27, 2022 at 09.00 a.m. and ends on Thursday September 29, 2022 at 5:00 p.m. (IST). During this period, the members of the Company holding shares either in physical form or in dematerialized form as on the Cut-Off Date, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting after 5:00 p.m. (IST) on Thursday September 29, 2022

23. Any person(s) who acquires shares of the Company and becomes a Member(s) of the Company after dispatch of the Notice of AGM and holding shares as on the Cut-Off date i.e., September 23, 2022 may obtain the login ID and password by sending a request at compliance@kelltontech.com or xlfield@gmail.com If you have forgotten your password, you can reset your password by using 'Forgot User Details/ Password' or 'Physical User Reset Password' option available on www.evotingindia.com

24. Please note, only a person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM



25. The Board of Directors has appointed NVSS Suryanarayana Rao, represented by NVSS Suryanarayana Rao the Practicing Company Secretaries, as Scrutinizer to scrutinize the remote e-voting process as well as voting at the Meeting in a fair and transparent manner.

26. The Scrutinizer shall, immediately after the conclusion of voting at the Meeting, count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and shall within 48 hours of conclusion of the Meeting submit a consolidated Scrutinizer's Report of the total votes cast in favor of or against, if any, to the Chairman or any other person authorized by the Chairman in writing, who shall countersign the same.

27. The results declared along with Scrutinizer's Report, will be placed on the Company's website 'www.kellton.com' and the website of CDSL <https://www.evotingindia.com/> immediately after the result is declared by Chairman or any other person authorized by the Chairman and the same shall simultaneously be communicated to BSE Limited and National Stock Exchange of India Limited where the Securities of the Company are listed. The results shall also be displayed on the Notice Board at the Registered Office of the Company.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on Tuesday September 27, 2022 at 09.00 AM and ends on Thursday September 29, 2022. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday September 23, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.



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

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

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:



Type of shareholders	Login Method
<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting



<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:



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

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.



- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; compliance@kelltontech.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.



PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.



RESOLUTION NO 03

To appoint Ms. Geeta Goti (DIN- 06866598) as Independent Women Director on the Board of the Company.

Ms. Geeta Goti (DIN- 06866598), has been appointed as an Additional Director (in the category of Independent Director) of the Company effective from September 06, 2022, pursuant to Section 161 of the Companies Act, 2013 (the "Act") based on the recommendation by the Nomination and Remuneration Committee. She qualifies to be appointed as an Independent Director for a term of up to 5 years. The Board noted that her skills, knowledge, and experience are aligned to the role and capabilities and that she is eligible for appointment as an Independent Director. In this regard Ms. Geeta has confirmed:

- a) Her eligibility and criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations");
- b) She is not disqualified or debarred from holding office of director by virtue of any SEBI order or any other such authority;
- c) She has undertaken registration in the Independent Director's data bank; and
- d) She is not aware of any circumstance or situation, that exists or may be reasonably anticipated, that could impair or impact her ability to discharge her duties with an objective independent judgment and without any external influence. Further, she has given her consent to be appointed as an Independent Director of the Company. A notice in writing under section 160 of the Act has been received by the Company from a Member signifying her intention to propose the appointment of Ms. Geeta as a Director of the Company.

She shall not be entitled to any stock option. She will be paid sitting fees for attending meetings of Board and Committees, in which she is a Chairperson/Member. Further, she shall not be liable to retire by rotation. Her brief profile and other details are provided in the annexure to this Notice.

The Board is of the opinion that Ms. Geeta rich and diverse experience is a valuable asset to the company, which adds value during Board discussions and decision making. In terms of Sections 149 and 152 read with Schedule IV and any other applicable provisions, if any, of the Act and rules made thereunder and the SEBI LODR regulations, it is proposed that

Based on the recommendation of the Nomination and Remuneration Committee of the Company, Board of Director of the Company recommends Ordinary Resolution as set out at Item No. 03 in this Notice for the approval of the Members of the Company.

Except Ms. Geeta, no other Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.



Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard -2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice.

Name of the Director	Mr. Srinivas Potluri	Ms. Geeta Goti
DIN	03412700	06866598
Date of Birth	September 10, 1965	December 16, 1965
Age	56	56
Nationality	Indian	Indian
Date of Initial appointment on the Board	31.12.2009	NA
Qualifications	Graduated MBA from Northwestern University-Kellogg School of Management.	MSW, Social Work BA, Psychology, Sociology, English Literature
Nature of expertise in specific functional areas	<p>Srinivas has spent the last 20 years acquiring a wealth of global engineering and technology-services experience across industries as diverse as automotive, financial, healthcare, telecommunications and commodities.</p> <p>With a special focus on systems integration and large system deployments, Srinivas's 18 years of global experience has seen him working for multiple top-tier organizations including Parsons, Pricewaterhouse Coopers (PwC) and France Telecom.</p> <p>Srinivas has also been involved in various projects for the Department of Defence, Department of Treasury, EPA and state public departments.</p>	Merger and acquisitions, employee counselling, Managing change
Number of shares held in the Company	5,00,000	Nil
List of the directorships held in other companies	Nil	Nil
Chairman/ Member in the Committees of the Boards of companies in which he is Director*	Nil	Nil
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Nil	Nil



Brief Profile of Ms. Geeta Goti

Geeta Goti is a well-known name in HR Consulting, Corporate Governance and Labour Compliance. She has around three decades of working experience with Government, Private Sector and NGOs. Her consulting experience is across various companies dealing with agriculture, airlines, FMCG, Banking, IT services and NGOs in countries like US, UAE, Mexico, China, Srilanka and extensively travelled in India.

Geeta is one of the few professionals worked since year 2000 on Prevention of Sexual Harassment of Women at Workplace under the Vishaka Guidelines directed by Supreme Court much before the Act was passed in 2013. Currently she is nominated as a third party member on the Internal Committee (IC) in several companies. She has redressed around 300 complaints as a third party member sharing her expertise and guiding the Internal Committees.

She is nominated as Joint Secretary – Women Forum, Hyderabad City Security Council under the aegis of Hyderabad Police Commissionerate. In this voluntary role is she is spearheading project STREE a community level initiative to address the issues of violence against women in the city.

Her academic qualifications include MSW (Masters in Social Work, 1988), Bachelor degree in Law (1992), has been associated with NHRD Hyderabad chapter as Life member; and as Secretary in 2000. She is selected as National President by Confederation of Women Entrepreneurs of India (COWE) for 2016-17, an NGO working on Women Empowerment. She is an advisor to few NGOs working towards livelihood and entrepreneur development.

She is a fellow of Institute of Director (international body on Corporate Governance) and nominated by Government of India as first Woman Independent Director on the Board of National Small Industries Corporation Limited (2017-2020) a Public Sector Enterprise under Ministry of MSME and as Independent Director on the Board of Banka Biolo (2017-2020) an SME working in the area of Sanitation.

A combination of expertise in Women related issues, Counseling, HR and Legal areas put her as eligible to be as an external member on the Internal Committees of the various organizations. She has addressed at various public events and in electronic media.

Currently, she is the Director of People Team at an IT Consulting firm based out of Hyderabad.

For and on behalf of the Board of
Kellton Tech Solutions Limited

Sd/-

Krishna Chintam

Managing Director

DIN: 01658145

Place : Hyderabad

Date : 06.09.2022



DIRECTORS' REPORT

Dear **Members**,

Your Directors take pleasure in presenting the 28th Annual Report covering the highlights of the finances, business, and operations of your Company. Also included herein are the Audited Financial Statements of the Company (standalone and consolidated) prepared in compliance with Ind AS accounting standards, for the financial year ended March 31, 2022.

1. HIGHLIGHTS OF FINANCIAL PERFORMANCE:

During the year under review, the Company has achieved Comprehensive income of Rs. 843 lakhs. However, your Directors look forward to improve the financial position of the Company and are optimistic about the future growth and performance of the Company.

The summarized financial results of the Company for the period ended March 31, 2022 are as follows:

(Amt in Rs.)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations	1,23,18,15,618	1,19,24,90,679	8,42,67,12,473	7,75,63,21,107
Other Income	1,03,49,638	3,06,89,081	1,19,70,741	4,67,48,556
Total Revenue	1,24,21,65,256	1,22,31,79,760	8,43,86,83,214	7,80,30,69,663
Total Expenditure	1,09,70,76,516	1,07,04,11,376	7,60,42,72,081	6,93,60,38,184
Profit/(Loss) before taxes	14,52,09,688	15,30,05,774	83,45,32,081	86,72,68,869
Tax Expense	(3,63,11,180)	(4,26,15,597)	(13,00,80,930)	(15,60,33,792)
Profit/(Loss) after Tax	10,88,98,508	11,03,90,177	70,44,51,151	71,12,35,077
Earnings per equity shares in Rs.	1.16	1.14	7.39	7.34
Total Comprehensive Income for the period	11,18,17,765	11,00,02,698	71,28,22,798	70,75,73,379

2. REVIEW OF PERFORMANCE AND STATE OF THE COMPANY'S AFFAIRS:

Your directors are pleased to report that in spite of severe impact on Country's economy and almost all the industries with de-growth to a great extent, your Company has been able to with stand the impact and registered performance at the same level of FY'22.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There is no change in the nature of business of the Company or any of its subsidiaries or joint venture, during the year under review.



4. DIVIDEND AND TRANSFER TO RESERVES:

The Company has not declared any dividend for the financial year March 31, 2022 and no amount is proposed to be transferred to the reserve. Instead the Directors have recommended retaining the entire profits for the financial year ended March 31, 2022 in the profit and loss account.

Your Company did not have any amounts due or outstanding as at Balance Sheet date to be credited to the Investor Education and Protection Fund.

Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Policy on Dividend Distribution which is disseminated on the Company's website at <https://d3tj4wnms16o5e.cloudfront.net/s3fs-public/Kellton%20Tech-Dividend.pdf>

5. ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 read with read with Rule 12 of the Companies (Management and Administration) Rules, 2014, copy of the Annual Return of the Company for financial year 2021-22 prepared in accordance with Section 92(1) of the Act has been placed on the website and is available at <https://kell-revamp-stage.s3.amazonaws.com/s3fs-public/Draft%20Annual%20Return%20for%20the%20year%202021-22.pdf>

6. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no material changes and commitments affecting the financial position of the company which occurred between the end of the financial year to which the financial statements relate and the date of the report.

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

There are no significant and material order has been passed by Regulators or Courts, Tribunals impacting the going concern status and Company's operations in future.

8. SHARE CAPITAL:

The Authorized Share Capital of the Company stands at Rs. 60,00,00,000 (Rupees Sixty Crore) divided into 12,00,00,000 (Twelve Crore) Equity Shares of Rs. 5/- (Rupees Five) each and the Paid up Share Capital stand at Rs. 48,24,79,000 (Fourty Eight Crore Twenty Four Lakh Seventy Nine Thousand) divided into 9,64,95,800 (Nine Crore Sixty Four Lakh Ninety Five Thousand Eight Hundred) Equity Shares of Rs. 5/- (Rupees Five) each.

During the year under the review the Company has allotted 1,13,332 (One Lakh Thirteen Thousand Three Hundred Thirty Two) equity shares of Rs. 5/- each upon exercising of ESOP by the employee of the Company.



The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

I) The shareholders of the company have vide resolution passed at the 19th Annual General Meeting approved ESOP 2013 and has granted options to the employees.

Disclosure regarding Employees Stock Option Plan and forming part of the Directors' Report for the year ended 31st March, 2022 is as follows:

S.no	Particulars	Description
1.	Date of Share holder's approval	ESOP Scheme, 2013 as approved on 27/12/2013 and amendment made on 27/09/2017 at the 23rd Annual General Meeting of the Company
2.	Total number of options granted	37,85,000
3.	Vesting requirements	12-60 months
4.	The pricing formula	Closing price of equity shares on the stock exchange where the shares are listed from vesting date
5.	Maximum term of options granted	Employees to exercise options within 3 years
6.	Source of shares	Primary
7.	Method used to account for ESOS	Fair Value

Option movement during the year (For each ESOPS):

Particulars	Details
Number of options outstanding at the beginning of the period	5,24,028
Number of options granted during the year	12,57,500
Number of options forfeited / lapsed during the year	3,66,357
Number of options vested during the year	3,19,162
Number of options exercised during the year	1,13,332
Number of shares arising as a result of exercise of options	1,13,332
Money realized by exercise of options (INR), if scheme is implemented directly by the company	0
Loan repaid by the Trust during the year from exercise price received	0
Number of options outstanding at the end of the year	13,01,839
Number of options exercisable at the end of the year	3,30,168

The Note: Details of disclosures pursuant to ESOP required under SEBI (Share Based Employee Benefits) Regulations, 2009 are available at the website www.kelltontech.com

9. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.



10. PUBLIC DEPOSITS:

The Company has not accepted/renewed any fixed deposits during the year under review.

11. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Conservation of Energy which is not furnished as the relative rule is not applicable to your Company.

There is no information to be furnished regarding Technology Absorption as your Company has not undertaken any research and development activity in any manufacturing activity nor any specific technology is obtained from any external sources which needs to be absorbed or adapted.

Foreign Exchange Earnings and Outgo:

In accordance with the provisions of Section 134 of the Companies Act, 2013, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the information relating to foreign exchange earnings and outgo is provided under Notes 35 (ii-a) to the Financial Statement for the year.

12. LISTING WITH STOCK EXCHANGES:

The Equity Shares of your Company are listed on BSE Limited and National Stock Exchange of India Limited. The Company confirms that it has paid the Annual Listing Fees for the year 2020-21 to NSE and BSE where the Company's Shares are listed.

13. DIRECTORS, KEY MANAGERIAL PERSONNEL & BOARD MEETINGS :

The Board of directors of your company is duly constituted.

The Board of Directors of your company is duly constituted. The Board consists of Total of 8 Directors, comprising of 3 Executive Directors, and 5 Non-Executive Directors including 4 Independent Directors.

The Board is efficient and the directors have the requisite knowledge and exposure to provide requisite insights and direction to the Management of the Company.

The Directions given to the management are actually implemented and executed through the Managing Director and Whole Time Director.

With this structure, the management has ensured that the board is independent of the management in decision making and provides the requisite insights of the various external factors that the internal employees do not have access to.

Your Directors believe that the Board must consciously create a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests.

The company has maintained an optimum combination of Executive and Non-Executive Directors.



The composition of the Board, Category, DIN of Directors are as follows:

S. No.	Name of the Director	Designation	DIN
1	Mr. Niranjana Chintam	Chairman & Whole-Time Director	01658591
2	Mr. Krishna Chintam	Managing Director	01658145
3	Mr. Karanjit Singh	Whole-Time Director	06898258
4	Mr. Srinivas Potluri	Non-Executive Director	03412700
5	Mr. Brijmohan Venkata Mandala	Independent, Non-Executive Director	00295323
6	Mr. Srinivasa Vijay Kumar Appana	Independent, Non-Executive Director	00299638
7	Mr. P V V Srinivasa Rao	Independent, Non-Executive Director	06805347
8	Ms. Kunda Kalpana	Independent, Non-Executive Director	07328517

KEY MANAGERIAL PERSONNEL (KMP)

S. No.	Name of the KMP	Designation
1	Mr. Niranjana Chintam	Chairman & Whole-Time Director
2	Mr. Krishna Chintam	Managing Director
3	Mr. Karanjit Singh	Whole-Time Director
4	Surabi Jain (upto: May 30, 2022)	Company Secretary

CHANGE IN DIRECTOR / KEY MANAGERIAL PERSONNEL DURING THE YEAR

- The members of the Company at the 27th Annual General meeting held on 27th September, 2021 have re-appointed Mr. Niranjana Chintam (DIN: 01658591) as Whole-Time Director of the Company for a period of 3 (Three) years w.e.f 31.10.2021 upto the period of 31.10.2024.
- The members of the Company at the 27th Annual General meeting held on 27th September, 2021 have re-appointed Ms. Kunda Kalpana (DIN:07328517) as an Independent Director of the Company for five (5) consecutive years commencing from 08.03.2022 upto the period ended 07.03.2027.

FOLLOWING CHANGES TOOK PLACE IN THE DIRECTORS AND KMP OF THE COMPANY AFTER THE CLOSURE OF THE FINANCIAL YEAR 2021-22

- The Board of Directors accepted the resignation of Ms. Surabi Jain the Company Secretary and Compliance Officer of the Company with effect from May 30, 2022, resigned due to personal reason.
- Company has appointed Mr. Rahul Jain (ACS-62949) as the Company Secretary and Compliance Officer of the Company w.e.f July 27, 2022.
- Mrs. Kunda Kalpana (DIN: 07328517), has resigned from the position of the Independent Director of the Company with effect from July 6, 2022.

PROPOSED APPOINTMENTS/RE-APPOINTMENTS:

The following appointments to the Board are proposed:



i. In accordance with the provisions of Section 152(6) of the Companies Act, 2013 Mr. Srinivas Potluri (DIN: 03412700) Director of the Company retires by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible, offers himself for re-appointment at the ensuing AGM. The Board on the recommendation of the Nomination & Remuneration Committee (NRC) has recommended his re-appointment

ii. The Board of Directors has appointed Ms. Geeta Goti (DIN: 06866598) as an Additional Women Independent Director at their meeting held on September 06, 2022 for a period of 5 Years subject to the approval of Shareholders in the ensuing AGM of the Company. Relevant Resolution and other required details are annexed to the Notice of Annual General Meeting

14. NUMBER OF MEETINGS OF THE BOARD:

The Board of Directors of the Company met Seven times during the year under review. The details of these Board Meetings are provided in the Report on Corporate Governance section forming part of the Annual Report. The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days.

15. BOARD AND PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees. Structured questionnaires were prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of participation in the meetings and contribution, independence of judgment, safeguarding the interest of the Company and other stakeholders etc. The Board of Directors expressed their satisfaction with the evaluation process.

In a separate meeting held on August 14, 2021, the performance evaluation of the Chairman, Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The Independent Directors expressed their satisfaction with the evaluation process. The performance evaluation of all the Directors, Committees and the Board was carried out by the Nomination & Remuneration Committee, Independent Directors and Board at their respective meetings.

- a. More effective board process
- b. Better collaboration and communication
- c. Greater clarity with regard to members roles and responsibilities
- d. Improved chairman – managing directors and board relations

The evaluation process covers the following aspects

- Self evaluation of directors.
- Evaluation of the performance and effectiveness of the board.



- Evaluation of the performance and effectiveness of the committees.
- Feedback from the non executive directors to the chairman.
- Feedback on management support to the board.

16. SUCCESSION PLAN

The Board of Directors has satisfied itself that plans are in place for orderly succession for appointment to the Board of Directors and Senior Management

17. INDEPENDENT DIRECTORS:

- A meeting of the Independent Directors was held on August 14, 2021.
- The Company has received declarations from the Independent Director under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and regulation 25 of SEBI (Listing Obligations and Disclosure Requirement), 2015.
- The Company through its Senior Managerial personnel familiarises the Independent Directors with the strategy, operations and functions of the Company. The Independent Directors will also be familiarised with their roles, rights and responsibilities and orientation on Statutory Compliances as a Board Member.
- On appointment of the Independent Directors, they will be asked to get familiarised about the Company's operations and businesses. An Interaction with the key executives of the Company is also facilitated to make them more familiar with the operations carried by the company. Detailed presentations on the business of the company are also made to the Directors. Direct meetings with the Chairman and the Managing Director are further facilitated for the new appointee to familiarize him/her about the Company/its businesses and the group practices as the case may be and link is available at the website https://kellton-revamp-prod.s3.amazonaws.com/s3fs-public/Terms%20%26%20Cond%20of%20Independent%20Director_1_0.pdf
-

18. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS:

The Company has complied with the applicable Secretarial Standards. The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively have been duly followed by the Company

19. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 134 (3) and (5) of the Companies Act 2013, with respect to Directors' Responsibility Statement, your board of directors to the best of their knowledge and ability confirm that:

- a. In the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed and there are no material departures.
- b. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- c. They have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.



- d. They have prepared the annual accounts of the Company on a going concern basis.
- e. They have laid down internal financial controls, which are adequate and are operating effectively.
- f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

20. COMMITTEES OF THE BOARD

The Board has constituted the following mandatory committees viz., Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee. The terms of reference of these committees are as required under the provisions of the respective Acts /SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as determined by the Board. Meeting of each of these committees are convened by the respective Chairperson of the Committees and minutes of the meetings of these committees are placed at the Board Meetings.

I. CONSTITUTION AND COMPOSITION OF AUDIT COMMITTEE:

The Company has duly constituted the Audit Committee in line with the requirements prescribed under the provisions of the Companies Act, 2013 and SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015. The Committee comprises 2 Independent Directors and Mr. Brijmohan Venkata Mandala is the Chairperson of the Committee and other members of the Committee are Mr. Srinivasa Vijaya Kumar Appana and Mr. Niranjan Chintam. All the Members of the Committee possess sound knowledge on accounts, audit, finance, taxation, Internal Control etc.

The details of meetings of the Committee held during the financial year under review along with attendance of members thereof, composition and changes, if any, in the composition of Audit Committee and Role of the Audit Committee is provided in the Corporate Governance Report annexed to this Report.

The Company Secretary of the Company acts as Secretary of the Committee.

During the year there are no instances where the Board had not accepted the recommendation of Audit Committee.

II. NOMINATION AND REMUNERATION CUM COMPENSATION COMMITTEE:

The Company has duly constituted Nomination & Remuneration Committee to align with the requirements prescribed under the provisions of the Companies Act, 2013 and SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

S.no	Name	Category of Director
1	Mr. Srinivasa Vijay Kumar Appana	Non-Executive Independent Director
2	Mr. Brijmohan Venkata Mandala	Non-Executive Independent Director
3	Mrs. Kunda Kalpana	Non-Executive Independent Director
4	Mr. P V V Srinivasa rao	Non-Executive Independent Director
5	Mr. Srinivas Potluri	Non-Executive Director
6	Mr. Niranjan Chintam	Executive Director



The details of meetings of the Committee held during the financial year under review along with attendance of members thereof, composition and changes, if any, in the composition of Nomination & Remuneration Committee and Role of the Committee is provided in the Corporate Governance Report annexed to this Report.

The Company Secretary of the Company acts as Secretary of the Committee.

REMUNERATION POLICY:

The Board has framed a policy for selection and appointment of Directors, Senior Management and their Remuneration in accordance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The policy provides for determining qualification, positive attributes, and independence of a Director.

III. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has duly constituted Stakeholders Relationship Committee to align with the requirements prescribed under the provisions of the Companies Act, 2013 and SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, comprises 3 members viz. Mr. Brijmohan Venkata Mandala is the Chairman of the Committee and other members of the Committee are Mr. Krishna Chintam, Mr. Srinivasa Vijaya Kumar Appana.

The details of meetings of the Committee held during the financial year under review along with attendance of members thereof, composition and changes, if any, in the composition and Role of the Stakeholders Relationship Committee and status of grievances received from various stakeholders during the financial year are furnished in the Corporate Governance Report Section of the Board' Report.

The Company Secretary of the Company acts as Secretary of the Committee

IV. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013 and the relevant rules, the Board has constituted the Corporate Social Responsibility (CSR) Committee under the Chairmanship of Mr. Srinivasa Vijay Kumar Appana. The other members of the Committee are Mr. Brijmohan Venkata Mandala and Mr. Krishna Chintam

A detailed CSR Policy has also been framed and is available on the company's website at the link: <https://www.kellton.com/governance-new>. Other details for the CSR activities as required under Section 135 of the Companies Act 2013 are given in the CSR Report is annexed hereto marked as **Annexure VIII**

21. CORPORATE GOVERNANCE:

In pursuance of Regulation 17 to 27 read with Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, entered into with the Stock Exchanges, a separate Report on Corporate Governance is annexed and forms part of this Report **Annexure – V**. Your Company will continue to adhere in letter and spirit to good corporate governance policies.



22. MANAGEMENT DISCUSSION & ANALYSIS:

The Management Discussion and Analysis Report highlighting the industry structure and developments, opportunities and threats, future outlook, risks and concerns etc. is furnished separately and forms part of this report. **Annexure- IV**

23. SUBSIDIARY COMPANIES:

Following are the Subsidiary and Step-down subsidiaries of the Company:

Name of the Entity	Status
Kellton Dbydx Software Private Limited	Wholly Owned Subsidiary
Kellton Tech Inc	Wholly Owned Subsidiary
Kellton Tech Solutions Inc	Wholly Owned Subsidiary
Kellton Tech Limited (Ireland)	Wholly Owned Subsidiary
Evantage Solutions Inc	Step Down Subsidiary (Wholly owned subsidiary of Kellton Tech Inc)
Vivos Professionals Services LLC	Step Down Subsidiary (Wholly owned subsidiary of Kellton Tech Inc)
Prosoft Technology Group Inc	Step Down Subsidiary (Wholly owned subsidiary of Kellton Tech Solutions Inc)
Intellipeople Inc	Step Down Subsidiary (Wholly owned subsidiary of Kellton Tech Solutions Inc)
Kellton Tech (UK) Limited	Step Down Subsidiary (Wholly owned subsidiary of Kellton Tech Limited)
Lenmar Consulting Inc	Step Down Subsidiary (Wholly owned subsidiary of Kellton Tech Solutions Inc)
SID Computer Group Inc	Step Down Subsidiary (Wholly owned subsidiary of Kellton Tech Solutions Inc)
Talent Partners Inc	Step Down Subsidiary (Wholly owned subsidiary of Kellton Tech Solutions Inc)
Planet Pro Inc	Step Down Subsidiary (wholly owned subsidiary of Kellton Tech Inc)
Tivix Europe S P Z.O.O (Poland)	Step Down Subsidiary (Wholly owned subsidiary of Kellton Tech Limited)
PlanetPro Canada Inc.	Step Down Subsidiary (Wholly owned subsidiary of Kellton Tech Limited)
PlanetPro Asia Pte. (Singapore)	Step Down Subsidiary (Wholly owned subsidiary of Kellton Tech Limited)



24. CONSOLIDATION OF ACCOUNTS:

The Consolidated Financial Statements of the Company and its Subsidiaries ("the Group") for the year ended March 31, 2022 are prepared in accordance with generally accepted accounting principles applicable in India, and the Indian Accounting Standard 110 (Ind AS 110) on 'Consolidated Financial Statements', notified by Companies (Accounting Standards) Rules, 2015, ("Indian Accounting Standards") by and to the extent possible in the same format as that adopted by the Company for its separate financial statements.

A statement containing brief financial details of the subsidiaries for the financial year ended March 31, 2022 in the prescribed format AOC-1 is appended as **Annexure - I** to the Board's Report. The annual accounts of these subsidiaries and the related detailed information will be made available to any member of the Company/its subsidiaries seeking such information at any point of time and are also available for inspection by any member of the Company/its subsidiaries at the registered office of the Company. The annual accounts of the subsidiaries will also be available for inspection, as above, at registered office of the respective subsidiary companies.

25. AUDITORS:

I. STATUTORY AUDITOR:

In terms of provisions of the Companies Act, 2013, at the 26th Annual General Meeting held on September 28, 2020, the Company has appointed M/s. Anant Rao & Malik, Chartered Accountants having FRN: 006266S), Hyderabad, as statutory auditors of the Company to hold the office for the term of 5 (Five) years till the conclusion of 31st Annual General Meeting of the Company. They have confirmed that they are not disqualified from continuing as auditors of the company.

The Notes on financial statement referred in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

II. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

Your Board has appointed Mr. NVSS Suryanarayana Rao, Practicing Company Secretary, as Secretarial Auditor of the Company for the financial year 2021-22 and secretarial audit report for the financial year ended 31st March, 2022 is enclosed as **Annexure-VI(A)**.

Management responses to observations in Secretarial Audit Report:

The following are the responses of the management against the observations made by the Secretarial Auditor:



Sr. No.	Observations	Management replies/ response
1.	During the period under review the company has delayed filing few forms with the Registrar of Companies and the same is taken on record upon payment of additional fees.	There was a delay in filing certain due to the administrative approval process. The Company will ensure timely compliance in future
2.	As per the minutes of Board of Directors meeting held on 12.11.2021 the Nomination and Remuneration committee was reconstituted to comply with the SEBI LODR Regulations, 2015, however the Company has missed to report the new constitution of NRC committee in the Corporate Governance report filed for the quarter ended 31st December 2021 and quarter ended 31st March, 2022.	The Company has inadvertently missed to update the composition of the Nomination and Remuneration committee in the Corporate Governance report filed for the quarter ended December 2022. However, the composition of Nomination and Remuneration Committee is updated in the revised CG report filed for the quarter ended March 31, 2022
3.	The Website Disclosure as required under Regulation 46 of the SEBI (LODR) Regulations, 2015 is yet to be hosted on the website of the Company as on the Date of this report. However, the requirement with respect to the same has been complied with as on date of signing of this report.	Due to technical reason, the disclosures filed on the website of the Company was not visible at the time of Secretarial Audit. However, the Company has ensured to rectify the tech issue and complied with requirements of the Regulation 46 of SEBI (LODR) Regulations, 2015
4	The quarterly shareholding pattern submitted by the Company for the financial year 2021-22 mismatch with the shareholding patterns submitted by the Registrar and Share Transfer agent.	Due to expulsion of Broking license of the Promoters' Brokers, the shares held in their custody are yet to be reversed.
5	The Company is yet to place the Form ISR-1, Form ISR-2, Form ISR-3, and Form No. Sh- 13 and 14 on the website of the Company as per the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAM B/P/CIR/2021/655 dated November 03, 2021, as on the date of this report. However, the requirement with respect to the same has been complied with as on date of signing this report.	Due to technical reason, the disclosures filed on the website of the Company was not visible at the time of the Secretarial Audit. However, the Company has ensured to rectify the tech issue and complied with the requirement of the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAM B/P/CIR/2021/655 dated November 03, 2021
6	As per provision of Section 125 read with rule 5(8) and 7 (2B) of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 the Company is yet to file the statement of information of Unpaid and Unclaimed Dividend in form IEPF 2 for the Dividend Declared in AGM held on 27.07.2021 and company is yet to communicate the details of nodal officer and deputy nodal officer in form IEPF-2 with Investor Education and Protection Fund Authority.	The Company has filed with delay the Form IEPF 2 informing the details of the nodal officer and deputy nodal officer and the Company is in process of filing the IEPF2 with respect to the statement of information of unpaid and unclaimed dividend. The company will ensure the timely compliance of forms.

As required under the provisions of SEBI LODR Regulations, a certificate confirming that none of the Directors on the Board have been debarred or disqualified by the Board/Ministry of Corporate Affairs or any such statutory authority obtained from M/s. NVSS Suryanarayana Rao., Practicing Company Secretaries is a part of the Corporate Governance report under **Annexure V(A)**



26. REPORTING OF FRAUD:

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors has reported to the audit committee, under section 143 (12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

27. BUSINESS RESPONSIBILITY REPORT (BRR):

Securities Exchange Board of India (SEBI) expands the ambit of Business Responsibility Reporting (BRR) by notification No. SEBI/LAD-NRO/ GN/2019/45 dated 26.12.2019 (Securities and Exchange Board of India – Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2019 has mandated the inclusion of BRR as part of the Annual Report for the top 1000 listed entities based on their market capitalization on BSE Ltd and National Stock Exchange of India Ltd as on 31st March for that Financial Year. In view of the requirements specified, the Company falls in the list of top 1000 listed companies based on the market capitalization.

Hence, the management has provided Business Responsibility Report in **Annexure - VII**, which forms part of the Annual Report. In furtherance we would like to bring to your notice that keeping in view of the SEBI Circular no SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated 10.05.2021 and amendment made to SEBI (LODR) 2015, your management intends to implement the Business Responsibility and Sustainability Reporting from Financial Year 2022-23.

28. CORPORATE SOCIAL RESPONSIBILITY:

Kellton Tech believes in balancing growth priorities with social responsibility. Indeed, even in its commercial undertakings, it attaches special weightage to those projects concerning the welfare of masses. With healthcare, child education and destitute care as its focus areas, Kellton Tech has contributed to its bit to society through various initiatives in these arenas. Kellton Tech is providing scholarship to needy, deserving students for further education.

A Report on Corporate Social Responsibility (CSR) Policy and Activities as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is appended to this annual report as **Annexure – VIII** and link to the CSR policy is available at the website www.kellton.com

29. WHISTLE BLOWER POLICY/VIGIL MECHANISM:

Pursuant to the provisions of section 177 of the Companies act, 2013 and the rules framed there under and pursuant to the applicable provision of Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a mechanism through which all stake holders can report the suspected frauds and genuine grievances to the appropriate authority. The Whistle blower policy which has been approved by the Board of Directors of the Company has been hosted on the website of the Company viz. <https://kellton-revamp-prod.s3.amazonaws.com/s3fs-public/Whistle%20Blower%20Policy.pdf>



30. RISK MANAGEMENT POLICY:

The Company has risk management policy in place which mitigates the risk at appropriate situations and there are no elements of risk, which in the opinion of Board of Directors may jeopardize the existence of the Company.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2021, top 1000 listed companies based on market capitalization is mandatorily required to constitute the Risk Management Committee and adopt the Risk Management Policy of the Company. In order to comply with aforesaid requirement, the Board of Directors at their meeting held on August 14, 2021 has constituted the Risk Management Committee with following members and the Risk Management Committee meeting held on February 08, 2022 has approved the Risk Management Policy and the same was adopted by the Board.

S. No	Name of the Member	Designation
1	Srinivasa Vijay Kumar Appana	Chairman
2	Mr. Brijmohan Venkata Mandala	Member
3	Mr. Niranjana Chintam	Member

31. POLICY ON SEXUAL HARASSMENT:

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company also has in place duly constituted Internal Complaints Committee (ICC) to consider and resolve all sexual harassment complaints reported by women. The constitution of the ICC is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the committee includes external members from NGOs or with relevant experience. Investigation is conducted and decisions made by the ICC at the respective location, and a senior women employee is the presiding officer over every case. Majority of the total members of the IC are women.

The policy on sexual Harassment policy which has been approved by the Board of Directors of the Company has been hosted on the website of the Company viz. https://kellton-revamp-prod.s3.amazonaws.com/s3fs-public/Prevention%20of%20Sexual%20Harassment%20at%20Workplace%20Policy_0.pdf

During the financial year ended March 31, 2022, the Company has not received any complaints pertaining to Sexual Harassment.

32. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Company has formulated a policy on materiality of related party transactions and manner of dealing with related party transactions which is available on the Company's website at the link: <https://d3tj4wnms16o5e.cloudfront.net/s3fs-public/RPT%20POLICY.pdf>

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

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 third proviso thereto shall be disclosed in **Form No. AOC-2 as Annexure -II**



All transactions with related parties were reviewed and approved by the Audit Committee. Omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. A statement giving details of all related party transactions entered pursuant to omnibus approval so granted is placed before the Audit Committee on a quarterly basis for its review. Details of transactions, contracts and arrangements entered into with related parties by the Company, during FY 2021-22, is given under Notes to Accounts annexed to Financial Statements, which forms part of this Annual Report.

33. MATERIAL SUBSIDIARY POLICY:

The Company has adopted a policy for determining material subsidiary, in line with the requirements of the Listing Agreement. The Policy on Material Subsidiary is available on the website of the Company at <https://kellton-revamp-prod.s3.amazonaws.com/s3fs-public/Financials/Policies%20on%20Subsidiaries.pdf>

34. PARTICULARS OF EMPLOYEES:

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as **Annexure - III** to this Report.

In terms of Section 136 of the Companies Act, 2013 the same is open for inspection at the Registered Office of the Company.

Copies of this statement may be obtained by the members by writing to the Company Secretary at the Registered Office of the Company.

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are enclosed in **Annexure – III** and forms part of this Report

35. CHAIRMAN & MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

As required under the SEBI Guidelines, the Chairman and Managing Director and the Chief Financial Officer Certification is attached to this Report. **Annexure- V(B)**

36. INTERNAL AUDIT & CONTROLS:

The Company has a proper and adequate system of internal control to ensure all the assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, regarded and reported correctly. The internal control is supplemented by an extensive program of internal audits, review by management and procedures. It is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of assets. The Company's Internal Audit Department is regularly carrying out the Audit in all areas. Normal foreseeable risks of the Company's Assets are adequately covered by comprehensive insurances.



37. INTERNAL FINANCIAL CONTROL SYSTEMS:

The Company has adequate Internal Financial Controls consistent with the nature of business and size of the operations, to effectively provide for safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statutes, accounting policies, approval procedures and to ensure optimum use of available resources. These systems are reviewed and improved on a regular basis. These systems ascertain that transactions are authorised, recorded and reported correctly. The Company ensures adherence with all internal control policies and procedures as well as compliance with all regulatory guidelines in respect of the business, risk, branches and support functions. The Audit Committee of the Board of Directors reviews the adequacy of these systems. All significant audit observations of the Internal Auditors and follow-up actions were duly reported upon and discussed at the Audit Committee. During the year under review, the 'Internal Control Framework' was evaluated on the design and effectiveness of controls by an Independent Risk Advisory Consultant and was found to be in accordance with the Internal Financial controls requirement of Companies Act, 2013. It has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

38. INDUSTRIAL RELATIONS:

The Company enjoyed cordial relations with its employees during the year under review and the Board appreciates the employees across the cadres for their dedicated service to the Company, and looks forward to their continued support and higher level of productivity for achieving the targets set for the future.

39. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)

During the period under review, there was no application made nor any proceeding initiated or pending under the Insolvency and Bankruptcy code, 2016.

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

During the period under review, there was no one time settlement with any Bank.

41. HUMAN RESOURCES:

Your Company treats its "human resources" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

42. ACKNOWLEDGEMENTS:

Your Directors wish to express their appreciation for the support and co-operation extended by the bankers, financial institutions, joint development partners, shareholders, government agencies and other business associates. Your Directors wish to place on record their deep sense of appreciation for the committed services by the employees of the Company.



For and on behalf of the Board of
Kellton Tech Solutions Limited

Sd/-
Krishna Chintam
Managing Director
DIN: 01658145

Sd/-
Niranjan Chintam
Whole Time Director
DIN: 01658591

Place : Hyderabad

Date : 06.09.2022

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

(Information in respect of each subsidiary to be presented with amounts in Rs.)

S No.	Particulars	Details		
1.	Name of the subsidiary	Kellton Dbydx Software Private Limited	Kellton Tech Solutions Inc.	Kellton Tech Inc.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 01, 2021, to March 31, 2022	January 01, 2021 to December 31, 2021	January 01, 2021 to December 31, 2021
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Reporting Currency: INR Exchange Rate: NA	Reporting Currency: Dollar Exchange Rate: 74.30	Reporting Currency: Dollar Exchange Rate: 74.30
4.	Share capital	83,23,765	58,37,97,316	34,66,09,500
5.	Reserves & surplus	63,52,577	20,39,31,953	60,24,43,495
6.	Total assets	6,49,41,973	1,96,68,00,278	1,42,62,21,564
7.	Total Liabilities	5,02,65,631	1,17,90,71,009	47,71,68,568
8.	Investments	Nil	Nil	Nil
9.	Turnover	4,48,23,206	4,08,73,68,864	2,15,51,68,462
10.	Profit before taxation	15,27,695	10,34,40,014	8,81,68,615
11.	Provision for taxation	(10,05,015)	1,49,70,484	2,63,79,323
12.	Profit after taxation	25,32,710	8,84,69,530	6,17,55,857
13.	Proposed Dividend	--	--	--
14.	% of shareholding	100	100	100

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

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



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/Joint Ventures	Not Applicable
1. Latest audited Balance Sheet Date	
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	
Amount of Investment in Associates/Joint Venture	
Extend of Holding%	
3. Description of how there is significant influence	
4. Reason why the associate/joint venture is not consolidated	
5. Net worth attributable to shareholding as per latest audited Balance Sheet	
6. Profit/Loss for the year) Considered in Consolidation	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

1. Names of associates or joint ventures which are yet to commence operations : Nil
2. Names of associates or joint ventures which have been liquidated or sold during the year : Nil

FORM AOC-2

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 arms length transactions under third proviso there to (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

There was no such contract or arrangement or transaction entered during the year ended 31.03.2022 which was not at arm's length basis.

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/arrangements/ Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Prosoft Technology Group Inc. (Step-down Subsidiary)	Sale of services	10,12,95,445	Amount as per monthly invoice raised based on transfer pricing guidelines	27.04.2015	-
Kellton Tech Limited (Wholly Owned Subsidiary)	Sale of services	2,98,20,840	Amount as per monthly invoice raised based on transfer pricing guidelines	24.04.2017	-
Lenmar Consulting Inc (Step-down Subsidiary)	Sale of services	1,29,89,907	Amount as per monthly invoice raised based on transfer pricing guidelines	24.04.2017	-
Sreevidya Chintam & Niranjan Chintam (Relative of Key Managerial Personnel)	Rent paid for office building	1,91,44,248	Rent on monthly basis as per lease deed	30.06.2014	-
Kellton Dbydx Software Private Limited (Subsidiary)	Sale of services	2,87,36,448	Amount as per invoice raised based on cost plus margin	-	-

KELLTON TECH SOLUTIONS LIMITED



For and on behalf of the Board of
Kellton Tech Solutions Limited

Sd/-
Krishna Chintam
Managing Director
DIN: 01658145

Sd/-
Niranjan Chintam
Whole Time Director
DIN: 01658591

Place : Hyderabad

Date : 06.09.2022

STATEMENT OF PARTICULARS AS PER RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

PART-A

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial Year 2021-22:

S.No	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Mr. Niranjan Chintam	4.31
2.	Mr. Krishna Chintam	4.31
3.	Mr. Karan Jit Singh	7.89
4.	Mr. Srinivasa Vijay Kumar Appana	Nil
5.	Mr. Brijmohan Venkata Mandala	Nil
6.	Mr. Srinivas Potluri	Nil
7.	Mr. P V V Srinivasa Rao	Nil
8.	Ms. Kunda Kalpana	Nil

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year

1.	Mr. Niranjan Chintam	Nil
2.	Mr. Krishna Chintam	Nil
3.	Mr. Karan Jit Singh	Nil
4.	Mr. Srinivasa Vijay Kumar Appana	Nil
5.	Mr. Brijmohan Venkata Mandala	Nil
6.	Mr. Srinivas Potluri	Nil
7.	Mr. P V V Srinivasa Rao	Nil
8.	Ms. Kunda Kalpana	Nil
9.	Ms. Surabi Jain	Nil

(iii) The number of permanent employees on the rolls of Company: 1269

(IV) In the Financial Year 2021-22, there was an increase of 14.43% in the median Remuneration of employees.

(V) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Human Resources, Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

(VI) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

(VII) The Remuneration paid to Key Managerial Personnel is as per the Remuneration Policy of the Company.



PART-B

Information under Section 197 (12) of the Companies Act, 2013 read with the rule 5(2) Companies (Appointment and remuneration of managerial personnel) Rules, 2014 and forming part of Directors Report for the year ended March 31, 2021

1) Names of top 10 Employees Employed throughout the Financial Year and in receipt of remuneration aggregating Rs 1,00,00,000 or more

Name of the Employee	Designation	Remuneration (in Rs)	Qualification	Experience (years)	Date of end of Employment	Age	Last employment held before joining the company	% of equity shares held in the Company
Nil								

2) Names of top 10 Employees Employed throughout the Financial Year and in receipt of remuneration for a part of that year, at a rate which, in aggregate, was not less than Rs. 8,50,000 per month

Name of the Employee	Designation	Remuneration (in Rs)	Qualification	Experience (years)	Date of end of Employment	Age	Last employment held before joining the company	% of equity shares held in the Company
Nil								

3) Employee employed throughout the financial year or the part thereof, was in receipt of remuneration that year which, in the aggregate, or the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the company: Nil

For and on behalf of the Board of
Kellton Tech Solutions Limited

Sd/-
Krishna Chintam
Managing Director
DIN: 01658145

Sd/-
Niranjan Chintam
Whole Time Director
DIN: 01658591

Place : Hyderabad
Date : 06.09.2022



Management Discussion and Analysis Report

1. INDUSTRY OVERVIEW

In the post-pandemic environment, businesses across industries are increasingly looking at technology as a key strategic differentiator. According to International Data Corporation (IDC) research, investments in various technologies that support Future of Work initiatives will surpass \$1 trillion worldwide by 2024. Another report by Gartner estimates that worldwide IT spending will touch \$4.5 trillion in 2022, an increase of 3% from 2021.

We have witnessed price hikes and delivery uncertainty during the year, further aggravated by the Ukraine crisis. These economic developments have made business and technology leaders shift gears and move from ownership to service. According to Gartner, cloud spending that grew by 18.4% in 2021 is expected to increase by 22.1% in overall cloud business expenditure. Investments in data center systems are likely to shoot up by 11.1% in 2022. Cloud consulting, implementation, and managed services are expected to grow by 17.2% in 2022, from \$217 billion in 2021 to \$255 billion in 2022.

In the US, digital adoption has increased with a cascading effect. This year, businesses across industries have replaced traditional systems and applications and embraced future-proof

technologies and platforms to stay ahead of the curve. According to the economic forecast by the European Commission Winter 2022, the EU economy, following a strong recovery by 5.3% in 2021, is now forecast to grow by 4.0% in 2022, as in the euro area, and by 2.8% in 2023 (2.7% in the euro area).

In India, businesses have increased IT spending through 2021 to drive digital transformations, achieve agility and resiliency, and craft hyper-relevant customer experiences. According to IDC, adopting new technologies, such as cloud platforms, artificial intelligence (AI)-based services, and cyber security, helped IT services grow last year. As we enter a new phase of business development, it is estimated that the domestic IT services industry will reach \$21.67 billion in valuation by 2026 at an estimated compound annual growth rate (CAGR) of 8.9%.

2. STRATEGY AND EXECUTION

In the past year, we were focused on positioning our company on a stronger growth trajectory. Our thought leaders collaborated across various organizational layers to weigh every aspect of our business and deliberated on potential measures that could unlock new streams of growth. We determined the need to shift to a more integrated, synchronized business model and create liquid



ways to serve our customers globally. OneKellton was hence born in line with our vision.

OneKellton is a large-scale, growth-driven realignment exercise in force, driving an integrated ecosystem of people, partners, and processes to improve customer service while enabling an on-shore and off-shore hybrid model that delivers the promise of technology competently. With innovation as a central focus, we are building a stronger digital innovation architecture, which is scaling across Delivery, Practice, and Sales domains under OneKellton. This is helping to foster an even better service pipeline for our customers. We are also revolutionizing the way that organizations work by building more advanced, leading-edge Centers of Excellence (CoE) through facilitating inter-geographic movements and cross-collaborative leadership.

Our delivery model has always been a source of competitive advantage for us. With OneKellton in place, we are fiercely working in the direction of building an International Delivery Model that brings Product, Design, and Engineering functions across geographies together and leverages their unmatched potential to generate measurable value for our clients. Speaking of transition under OneKellton, we are endeavoring hard and laying the groundwork to help our employees navigate the complexities of this realignment seamlessly. OneKellton is disrupting the business structure from the ground up and has cultural implications. We are embedding adaptability and patience into the workplace as critical drivers of change through several strategic measures. Our leaders have opened a dialog to communicate what OneKellton is and help our employees understand its relevance to our long-term growth objectives. They are continually exchanging thoughts and addressing concerns on OneKellton to find a level

playing field with employees and tread together on the path to shared success.

3. DIGITAL INCUBATION AND ACCELERATION

Under OneKellton, we are augmenting our capabilities and setting up incubators to foster real innovation and differentiation. Reflecting our passion for gaining performance excellence, we are investing in a wide range of technologies and platforms, which includes Web3.0, cloud, automation, open API standards, and the Internet of Things (IoT). We understand our technology solutions are as good as our teams' capabilities. We are heavily investing in upskilling and reskilling our people so they can anticipate and build solutions that our customers need to stay ahead of their peers.

Our SAP capabilities are also critical for our clients. As a global SAP-certified partner, we are helping our clients unlock the full potential of SAP technology by catering to their requirements every step of the way, from SAP S/4HANA implementation and landscape optimization to SAP migration and application management. This year, we have successfully delivered on our First Greenfield S/4HANA on AWS implementation, and we will continue to cover more ground as a trusted S/4HANA partner and help our clients embrace a cloud-first strategy by moving to AWS with minimal disruption.

We are making significant strides in making our data engineering practice a growth engine. We are enhancing our capabilities in data lake and warehousing domains to help our clients extract the hidden value in insights and shape their businesses for relevance and resilience. Kellton's innovative data solutions are empowering



organizations to make smarter business moves, and achieve more efficient operations, higher profits, and happier customers.

Our clients are also benefiting from our strong partnerships with leading technology ecosystem partners whose capabilities and offerings complement ours and help us chart new frontiers in digital innovation and delivery. Our partners include leading-edge, cloud-enabled platforms like SAP, Automation Anywhere, and Amazon Web Services (AWS). We are strategically leveraging all our partnerships to lead our clients in the new digital, build a more connected enterprise, and craft compelling customer experiences across all touch points.

4. FINANCIALS

Our growth has been steady, stable, and resilient during the year under review. The unwavering support of our employees, combined with our dependable partner ecosystem and sustainable shareholder value, has helped in honing our service edge and leading the business in the right direction. Pivotal recruitments at the leadership level, prudent digital and business investments, and re-engineered service models have been our top moves in bolstering our brand niche. To ensure that we meet financial goals and make measurable progress as we enter a new year, we will look into ways to accelerate our transformation efforts and break new grounds as a technology leader.

We have achieved total revenue of INR 8439 Mn and a growth of 8.15% on a Y-O-Y basis. The number is resounding and represents the growth gained across geographies also serving as a reminder of our abilities to create a superior brand resonance through technology, investments, and partnerships.

5. RISKS AND CONCERNS

Our global operations expose us to a multitude of risk types. Over the year, we have overcome many challenges posed by technological disruptions, cybercrime proliferation, and geopolitical volatilities. But, our firm foundation, underpinned by comprehensive and flexible approaches, has stood us in good stead. Trends that belong to the digital realm are transitory and create the perfect storm for risk managers. This year, we have experienced strong headwinds of change as technologies evolved; however, by strengthening our risk mitigation drivers and establishing a hands-on team tasked with moving our business forward around many challenges, we are conquering obsolescence risks early on, reducing organizational complexity, and managing regulatory pressures and issues with clarity and confidence.

Our success depends, in part, on our ability to build a robust talent pipeline that delivers on the evolving market expectations and bolsters our market strength. During the year, we have been on a hiring spree and recruited experienced people and freshers across our business footprint. We have identified talent retention as an area of improvement and doubled down on improving employee experiences. We are taking conscious steps to drive fundamental changes in how we help our employees feel positive and motivated. We are helping each team member break through monotony and explore opportunities to learn new skills. To compensate for the loss of face-to-face conversations, we are investing in virtual team building to recreate that lost connection and foster a sense of belonging.



A particular focus of this year is cyber security and counter-cyberterrorism. Acts of cyber crime are evolving and launching attacks of varying degrees to hinder business operations. As part of our data governance initiatives, we have created a robust cybersecurity risk measurement apparatus that measures our preparedness on an ongoing basis and helps us make informed decisions on how to manage the risks. Liquidity risks are lurking in every business enterprise. The company's core value is sustainability; hence, this year, we have paid particular attention to strengthening processes for contract evaluation, implementing more reliable and trusted vetting procedures, ensuring compliance, and fortifying account management practices. This year has been truly transformative despite the complexity of navigating post-pandemic challenges and their countermeasures. We have emerged stronger and built exceptional momentum towards creating a vibrant future with tremendous opportunity and positive revenue growth.

6. WORKFORCE

We are committed to empowering our employees in whichever ways we can muster. We focus on cultivating a culture that reinforces growth, learning, and development opportunities for our people while encouraging demonstrated performance from each individual at every level. After the unprecedented pandemic-led challenges that we have been braving since 2020, it is safe to say that our workforce is the bedrock of our success, keeping our client engagements running through different locations and time lines and delivering on commitments unflinchingly.

As of March 31, 2022, the total workforce at Kellton was 1751 which indicates a net increase of 11% that stands higher than the previous year.

We are growing as a family and taking pride in our cultural and ethnic diversity. Gender parity and women's participation across departments are at the forefront of our growth approach. Equal growth and role opportunities for all while letting go of the prejudices of age, gender, or favoritism is the principle we work on. We are pleased to inform you that 18% of our total current workforce are women.

Through the integration of our global operations under the OneKellton initiative, we are creating a melting pot of innovation, talent, and new thinking. By blurring geographical boundaries and laying the foundation of a more connected, inclusive, and synchronized environment, we are eliminating friction points of employee communication and driving the co-creation of innovation to improve customer experiences. We are allowing our employees to access a broader set of opportunities across the global footprint and unlock their maximum potential. Without silos and sandboxes, our workforce is capitalizing on our global network of leaders, capabilities, and partnerships to provide more relevant, true-to-challenge digital business solutions and serve our customers better.

During the year under review, we have pivoted to the hybrid work model and are adopting new, proactive measures to encourage 'productivity anywhere' while driving a culture of wellness and work-life harmony. We are doing pioneering work in enabling new engagement dynamics to forge motivation among our employees and help them collaborate confidently. As we usher in the new era of work, we are driving several avenues where employees can take the initiative to innovate and display their potential while prioritizing their emotional, physical, and financial wellbeing.



We identify employee development as a key to sustainable growth. We are continually investing in upskilling opportunities, equipping our people with the skills they need to work with evolving technologies, and embedding resilience into the fabric of our organization. As a company, we are investing in spaces, technology, and tools to support our global collective of diverse people innovating together. We are inspiring new, value-driven conversations, positively influencing workplace morale, driving desired behaviors, fortifying our culture of productivity, and managing business challenges quicker and more effectively.

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

1. COMPANY'S PHILOSOPHY:

Good governance facilitates efficient, effective and entrepreneurial management that can deliver stakeholder value over long term. It is about commitment to values and ethical business conduct. It is a set of laws, regulations, processes and customs affecting the way a Company is directed, administrated, controlled or managed. Good corporate governance underpins the success and integrity of the organizations, institutions and markets. It is one of the essential pillars for building an efficient and sustainable environment

Corporate governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem from the culture and mind-set of the organization. The effectiveness of corporate governance in the Company depends on regular review, preferably regular independent review.

Kellton Tech Solutions Limited strives to deliver state-of-the art enterprise IT Solutions. It is committed to achieve transparency and accountability by complying with Industry Standards and establishing healthy relationship with our stakeholders. The Company believes in following best practices to achieve sustainable growth of the Company and exceed our stakeholder's expectations.

Corporate governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal control and promotion of ethics at workplace have been institutionalized. The Company recognizes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards of corporate governance in the overall interest of its stakeholders.

This report shall reflect the compliance with the Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations) as given below:

2. BOARD OF DIRECTORS:

During the Financial Year the Board of Directors of the Company comprised of Eight Directors. The Company has an Executive Chairman. The Executive Chairman and the Managing Director manage the day-to-day affairs of the Company. The Board has an optimum combination of Executive and Non-Executive directors. However on July 06, 2022 Ms. Kunda Kalpana (DIN-07328517), the Independent Director of the Company has tendered her resignation

a) Composition and Category of directors as on March 31, 2022:

Category	No. of Directors
Promoter Director(s) and Executive Director(s)	3
Non- Executive Director(s)	1
Independent Director(s)	4
Nominee Directors(s)	Nil
Total	8



The composition of the Board is in conformity with the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b) Number of other directorship or Committees in which a Directors are member or Chairperson as at March 31, 2022

Sl. No	Name of the Director	Category	Number of other Directorships held in other public companies	Name of listed company where the person is a director and the category of directorship	Number of Committee membership held in other public companies (limited to only Audit and Stakeholders' Relationship Committees)		No and % of Equity Shares held in the Company (%)
					As Chairperson	As Board	
1	Mr. Niranjana Chintam	Pro-moter & Executive Director	None	Nil	Nil	Nil	-
2	Mr. Krishna Chintam	Pro-moter & Executive Director	None	Nil	Nil	Nil	11,42,286 and 1.19%
3	Mr. Karan Jit Singh	Executive Director	None	Nil	Nil	Nil	3,73,490 and 0.39%
4	Mr. Srinivas Potluri	Non-Executive Non-Independent Director	None	Nil	Nil	Nil	3,33,332 and 0.35%
5	Mr. Srinivasa Vijay Kumar Appana	Non-Executive Independent Directors	None	Nil	Nil	Nil	-
6	Mr. Brijmohan Venkata Mandala	Non-Executive Independent Directors	3	Southern Online Bio Technologies Limited, Non-executive Non independent director	Nil	Nil	2,00,000 and 0.2%
7	Mr. P V V Srinivasa Rao	Non-Executive Independent Directors	Nil	Nil	Nil	Nil	-
8	Ms. Kunda Kalpana	Non-Executive Independent Directors	2	Nil	Nil	2	-



**excludes private companies, foreign companies and membership in committees other than stake holder relationship and audit committee.*

c) Attendance of each director at the Board meetings held during the year 2021-22 and at the last Annual General Meeting :

Name of the Director	Held during tenure	Attended	AGM –September 27, 2021
Mr. Niranjan Chintam	7	7	Yes
Mr. Krishna Chintam	7	6	Yes
Mr. Brijmohan Venkata Mandala	7	5	Yes
Mr. Srinivas Potluri	7	5	Yes
Mr. Karanjit Singh	7	7	Yes
Mr. P V V Srinivasa Rao	7	7	Yes
Ms. Kunda Kalpana	7	3	Yes
Mr. Srinivasa Vijay Kumar Appana	7	6	Yes

d) Details of Board Meetings held during the year 2021-22:

Meeting No.	Date	Mode
1.	May 21, 2021	Physical
2.	June 14, 2021	Video Conferencing
3.	July 15, 2021	Physical
4.	August 14, 2021	Video Conferencing
5.	September 27, 2021	Physical
6.	November 12, 2021	Video Conferencing
7.	February 08, 2022	Video Conferencing

e) Disclosure of relationships between directors inter-se:

The Directors of the Company are not related to each other as defined Section 2(77) of the Companies Act, 2013 and Rules framed there under, except Mr. Niranjan Chintam and Mr. Krishna Chintam, who are related as Brothers.

f) Web link where details of familiarization programmes imparted to independent directors is disclosed:

The familiarization program and other disclosures as specified under SEBI (LODR) Regulations, 2015 is available on the Company's website at <https://www.kellton.com/governance-new>

g) List of core skills/ expertise/ competencies identified by the board as required in the context of its business(es) and sector(s) for an efficient functioning and those actually available with the Board:

The Directors of the Company bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process. The following are the core skills, expertise and competencies for effective functioning of the Board which are currently available with all the Directors of the Company.



- a) Hands on experience in the Information Technology Industry and ITES Service industry, marketing and business development
- b) Accounting, Financial, Budget, Costing expertise
- c) Legal and HR expertise
- d) Experience in IT Services QA & Delivery
- e) Expertise in Corporate Governance
- f) Formulation of effective strategy

The Board members possess the following core skills/expertise/ competencies:

1. Mr. Niranjan Chintam - Chairman & Whole-Time Director – a, b, d, e and f of above
2. Mr. Krishna Chintam - Managing Director – a, b, d, e and f of above
3. Mr. Karanjit Singh - Whole-Time Director – a, b, c, d and f of above
4. Mr. Srinivas Potluri - Non-Executive Director - a, b, c, d and f of above
5. Mr. Brijmohan Venkata Mandala - Independent, Non-Executive Director – b, c, e and f of above
6. Mr. Srinivasa Vijay Kumar Appana - Independent, Non-Executive Director – b, e and f of above
7. Mr. Srinivasa Rao Veera Venkata Pydisetty - Independent, Non-Executive Director – b, c, e and f of above.
8. Ms. Kunda Kalpana - Independent, Non-Executive Director – a, c, e and f of above

h) Confirmation about Independent Directors:

The Board is of the opinion that the Independent Directors fulfill the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management.

During the financial year 2021-22, 1 (One) meeting of the Independent Directors was held on August 14, 2021, interalia to review the following and the meeting was attended by all the Independent Directors:

- I. Review performance of non-independent directors and the Board of Directors as a whole;
- II. Review performance of the Chairperson of the Company;
- III. Assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board to effectively and reasonably perform their duties.

No Independent Director had resigned during the financial year 2021-22. However, Ms. Kunda Kalpana the Independent Director of the Company has resigned from the office of the Independent Director of the Company due to her preoccupation on July 06, 2022.

i) CEO/CFO Certification

As required under Regulation 17 (8) of SEBI (LODR) Regulations, CEO/CFO have certified to the Board that the Financial Statements for the financial year ended March 31, 2022 do not contain any untrue statement and that these statements represent a true and fair view of the Company's affairs and other matters as specified thereunder. Copy of the Certificate is attached as **Annexure V(B)** to this Report.

j) Code of conduct for Directors and Senior Management

The Company has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel to ensure that the business of the Company is conducted with the highest standards of ethics and values in accordance with the applicable laws, regulations and rules and is critical to the success of the Company. The Code is available on the Company's website a https://kellton-revamp-prod.s3.amazonaws.com/s3fs-public/Code%20of%20conduct_0.pdf



All the Board Members and Senior Management Personnel have affirmed compliance with the Code. A declaration signed by the CEO/CFO to this effect is enclosed as part of **Annexure V(C)** to this Report

3. AUDIT COMMITTEE:

a) The terms of reference of the Audit Committee cover the matters specified for Audit Committees under SCHEDULE II Part C of SEBI Listing Regulations 2015 and Section 177 of the Companies Act, 2013.

b) Composition, Name of Members and Chairperson:

Name of the Member	Status	Nature of Directorship
Brijmohan Venkata Mandala	Chairman	Independent, Non-Executive
Srinivasa Vijay Kumar Appana	Member	Independent, Non-Executive
Niranjan Chintam	Member	Whole Time Director, Executive

The Company Secretary of the Company acts as a Secretary of the Committee.

c) Meetings and attendance during the year 2021-22:

Name of the Member	Held during tenure	Attended
Brijmohan Venkata Mandala	5	5
Srinivasa Vijay Kumar Appana	5	5
Niranjan Chintam	5	5

d) Chief Financial Officer was also invited to all the meetings and the Company Secretary acts as the Secretary of the Audit Committee.

e) The Chairman of the Audit Committee attended last Annual General Meeting of the Company held on September 27, 2021.

4. NOMINATION AND REMUNERATION CUM COMPENSATION COMMITTEE:

a. The terms of reference of the Committee cover the matters specified for the Nomination and Remuneration Committee under Section 178 of the Companies Act, 2013 and Listing Regulations

b) COMPOSITION, NAME OF MEMBERS AND CHAIRPERSON:

Name of the Member	Status	Nature of Directorship
Srinivasa Vijay Kumar Appana	Chairman	Independent, Non-Executive
Brijmohan Venkata Mandala	Member	Independent, Non-Executive
Srinivas Potluri	Member	Non-Independent, Non-Executive
Niranjan Chintam	Member	Whole Time Director, Executive
P V V Srinivasa Rao	Member	Independent, Non-Executive (w.e.f 12.11.2021)
Kunda Kalpana	Member	Independent, Non-Executive(w.e.f 12.11.2021)



The Company Secretary of the Company acts as the Secretary to the Nomination & Remuneration Committee.

C. MEETINGS AND ATTENDANCE DURING THE YEAR 2021-22:

Name of the Member	Held during tenure	Attended
Srinivasa Vijay Kumar Appana	4	4
Brijmohan Venkata Mandala	4	4
Srinivas Potluri	4	4
Niranjan Chintam	4	4
P V V Srinivasa Rao	4	1
Kunda Kalpana	4	1

d) The Chairman of the Nomination and Remuneration Committee has attended last Annual General Meeting of the Company held on September 27, 2021.

e) Performance evaluation criteria for the Independent Directors:

The indicative criteria for evaluation of performance of the Independent Director that are provided in their terms of appointment are as under:

- (i) Attendance and contribution at Board and Committee meetings.
- (ii) Appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align Company's value and standards.
- (iii) Knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes and corporate governance.
- (iv) Ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
- (v) Effective decision making ability.
- (vi) Ability to open channels of communication with executive management and other colleagues on Board to maintain high standards of integrity and probity.
- (vii) His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.
- (viii) His/her ability to monitor the performance of management and satisfy himself/herself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.
- (ix) His/her contribution to enhance overall brand image of the Company.



5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Company has a Stakeholders Relationship Committee (SRC) of Directors to look into the Redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports, etc.

a. CONSTITUTION AND COMPOSITION OF THE STAKEHOLDERS' RELATIONSHIP COMMITTEE

Name of the Director	Status	Nature of Directorship
Brijmohan Venkata Mandala	Chairman	Independent, Non-Executive
Srinivasa Vijay Kumar Appana	Member	Independent, Non-Executive
Krishna Chintam	Member	Managing Director, Executive

b. DETAILS OF COMMITTEE MEETINGS HELD DURING THE YEAR

Name of the Member	Held during tenure	Attended
Brijmohan Venkata Mandala	4	4
Srinivasa Vijay Kumar Appana	4	4
Krishna Chintam	4	4

c) NAME, DESIGNATION AND ADDRESS OF THE COMPLIANCE OFFICER:

Name: Mr. Rahul Jain

Address: Plot No. 1367, Road No. 45, Jubilee Hills, Hyderabad – 500 033

Contact Details: Tel: 040-44333030;

Fax: 040-23552358

E-mail ID: compliance@kelltontech.com

d. During the year the Company had not received any complaint from the investors.

Sl. No.	Description	Received	Resolved	Pending
1	Non receipt of Electronic Credits	Nil	Nil	Nil
2	Non receipt of Annual Reports	Nil	Nil	Nil
3	Non receipt of Dividend Warrants	5	5	Nil
4	Non receipt of Refund order	Nil	Nil	Nil
5	SEBI	Nil	Nil	Nil
6	Stock Exchanges	Nil	Nil	Nil
Total		Nil	Nil	Nil

6. RISK MANAGEMENT COMMITTEE:

The Company has a Risk Management Committee (RMC) of Directors for primarily identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee. Apart from this the RMC also responsible for the Role as Specified in the Schedule II Part D and any other provision of the Act applicable over the Company.



a) CONSTITUTION AND COMPOSITION OF THE RISK MANAGEMENT COMMITTEE

Name of the Director	Status	Nature of Directorship
Srinivasa Vijay Kumar Appana	Chairman	Independent, Non-Executive
Brijmohan Venkata Mandala	Member	Independent, Non-Executive
Krishna Chintam	Member	Managing Director, Executive

b) DETAILS OF COMMITTEE MEETINGS HELD DURING THE YEAR

Name of the Member	Held during tenure	Attended
Srinivasa Vijay Kumar Appana	2	2
Brijmohan Venkata Mandala	2	2
Krishna Chintam	2	2

7. REMUNERATION OF DIRECTORS:

a) Details of remuneration to the directors:

Particulars	Executive Directors			Non-Executive				
	Niranjan Chintam	Krishna Chintam	Karanjit Singh	Srinivas Potluri	Independent Directors			
					Srinivasa Vijay Kumar Appana	Brijmohan Venkata Mandala	P. V. V. Srinivasa Rao	Kunda Kalpana
Salary	30,00,000	30,00,000	54,71,172	--	--	--	--	--
Commission	--	--	--	--	--	--	--	--
PF Contribution	--	--	21,600	--	--	--	--	--
Sitting fees	--	--	--	--	--	--	--	80,000
Total	30,00,000	30,00,000	54,92,772	--	--	--	--	80,000

b) REMUNERATION POLICY:

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation program, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.



8. GENERAL BODY MEETINGS:

a) LOCATION AND DATE / TIME FOR LAST THREE ANNUAL GENERAL MEETINGS WERE:

Financial Year	Location of the Meeting	Date and Time	Number of Special Resolutions passed	Details of Special Resolutions
2020-21	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	27.09.2021 09:00A.M.	02	1. To re-appoint Mr. Niranjana Chintam (DIN: 01658591) as Whole-Time Director of the Company 2. To re-appoint Ms. Kunda Kalpana (DIN:07328517) as an Independent Director of the Company
2019-20	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	28.09.2021 11:00 A.M.	04	1. To re-appoint Mr. Krishna Chintam as Managing Director of the Company. 2. To re-appoint Mr. Karanjit Singh Chintam as Whole Time Director of the Company. 3. To re-appoint Mr. P. Srinivasa Rao as an Independent Director of the Company. 4. To issue 80,000 convertible warrants on preferential basis.
2018-19	Ebony Boutique JHotel, Door no. 8-2-20/C/198/192, Road Number 2, Banjara Hills, Near Annapurna Studio, Hyderabad, Telangana-500033	27.09.2019 11:00A.M.	04	1. To re-appoint Mr. Krishna Chintam as Managing Director of the Company. 2. To re-appoint Mr. Brijmohan Venkata Mandala as an Independent Director of the Company. 3. To authorise Board of Director to pledge shares of subsidiaries for availing loans. 4. To authorise Board of Directors to give loan, provide Corporate Guarantee/ security and invest in the securities of other Body Corporate.

During the F.Y 2021-22, the Company did not have any Extra-ordinary General Meeting also Company has not taken any approval of the Shareholder through Postal Ballot.



9. MEANS OF COMMUNICATION:

- (i) The quarterly, half yearly, and annual results are intimated to the Stock Exchanges on event basis.
- (ii) The Company posts all the vital information relating to the Company and its performance / results including the press releases on its web site <https://www.kellton.com/> for the benefit of the shareholders and public at large.
- (iii) Quarterly financial results are published in leading newspapers, viz. The Financial Express in English, and Praja Shakti in vernacular language. The audited results for the financial year are approved by the Board and then communicated to the members through the Annual Report and also published in the newspapers.
- (iv) The presentations made to the investors are also uploaded on the website of the Company.
- (v) **SEBI Complaints Redressal System (SCORES):** SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The Company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

10. GENERAL SHAREHOLDER' INFORMATION:

Date, Time & Venue of Annual General Meeting	Date- September 30, 2022 Time- 10:00 A.M. Venue- The Company is conducting the Annual General Meeting through Video Conference /Other Audio-Visual Mode (VC/OAVM) pursuant to the MCA Circular dated 5th May, 2020 and as such there is no requirement to have a venue for the AGM.	
Financial Year	April 01, 2021 to March 31, 2022.	
Dividend payment date	NA	
Listing on Stock Exchanges	BSE, Phiroze Jeejeebhoy Towers - Dalal Street, Fort, Mumbai - 400 023	National Stock Exchange of India Ltd (NSE) Exchange Plaza, 5 Floor, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051
	Stock Code- 519602	Stock Symbol- KELLTONTEC
	Further, Company has paid the applicable Listing fees to both the Stock Exchanges.	
Suspension of shares	None of the securities of the Company were suspended from trading during the year.	
Registrar and Transfer Agents	M/s XL Softech Systems Limited, 3 Sagar Society, Road No.2, Banjara Hills, Hyderabad – 500 034, Telangana Tel: 040 23545913 Fax: 040 23553214 e-mail: mail@xlsoftech.com	
Share Transfer System	The Company's shares are transferable through the depository system. The Company has appointed M/s. XL Softech Systems Limited, Registrars and Share Transfer Agents and also Depository Transfer Agent.	
	The Company has signed a tripartite agreement with NSDL/CDSL and M/s. XL Softech Systems Limited to facilitate dematerialisation of shares. The Members may contact for the redressal of their grievances to either M/s XL Softech Systems Limited or the Company Secretary of the Company.	



Dematerialisation of shares and Liquidity	As on 31st March, 2022, 9,59,70,900 shares representing 99.46% of shareholding have been dematerialised. The balance 5,24,900 equity shares representing 0.052 were in physical form The Company's shares are compulsorily traded in dematerialized form and are regularly traded on NSE and BSE. The ISIN Number allotted for the Equity shares is INE164B01022.		
Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity	As on March 31, 2022, there were no outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments of the Company.		
Commodity price risk or foreign exchange risk and hedging activities;	Not Applicable		
Plant locations/offices;	The Company operates from : Plot No. 270, Udyog Vihar Phase -2, Gurgaon, Haryana- 122016, India and Plot No. 1367, Road No. 45, Jubilee Hills, Hyderabad – 500 033, Telangana.		
Credit ratings obtained by the entity along with any revisions thereto during the relevant financial year	Ratings downgraded to [ICRA]BBB		
Registered Office/ address for correspondence	<table border="0"> <tr> <td style="vertical-align: top;"> Investor correspondence may be addressed to: M/s. XL Softech Systems Limited, 3 Sagar Society, Road No.2, Banjara Hills, Hyderabad – 500 034, Telangana Tel: 040 23545913 Fax: 040 23553214 e-mail: mail@xlsoftech.com </td> <td style="vertical-align: top; border-left: 1px solid black; padding-left: 10px;"> For Correspondence to the Company: Kellton Tech Solutions Limited Plot No. 1367, Road No. 45, Jubilee Hills, Hyderabad – 500 033 , Telangana Tel No - 040-44333030 Email-id: compliance@kelltontech.com Website: www.kellton.com </td> </tr> </table>	Investor correspondence may be addressed to: M/s. XL Softech Systems Limited, 3 Sagar Society, Road No.2, Banjara Hills, Hyderabad – 500 034, Telangana Tel: 040 23545913 Fax: 040 23553214 e-mail: mail@xlsoftech.com	For Correspondence to the Company: Kellton Tech Solutions Limited Plot No. 1367, Road No. 45, Jubilee Hills, Hyderabad – 500 033 , Telangana Tel No - 040-44333030 Email-id: compliance@kelltontech.com Website: www.kellton.com
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a) Distribution of Shareholding as on March 31, 2022 was as follows -

a) Categories of Shareholding-

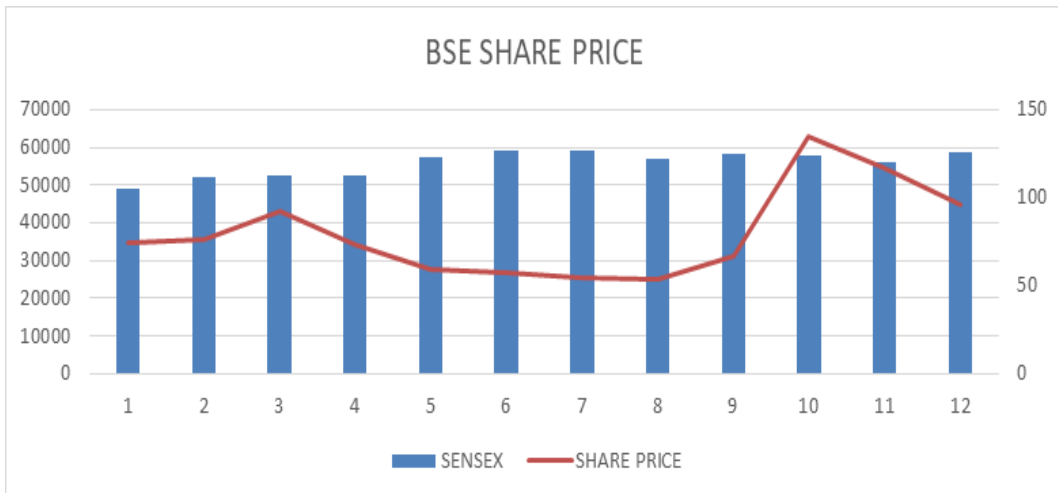
Category	No. of shares held	Percentage of shareholding
Promoters	2394384	2.48
Promoters Body Corporate	47937740	49.68
Mutual funds / UTI	-	-
Financial Institutions /Banks	-	-
Foreign Institutional Investors	-	-
Alternative Investment Funds	279350	0.29
Venture Capital Funds		
Bodies Corporate	3234774	3.35
Foreign Bodies Corporate	465577	0.48
Retail individuals/NRIs/Trusts / others	42183975	43.72
Total	96495800	100

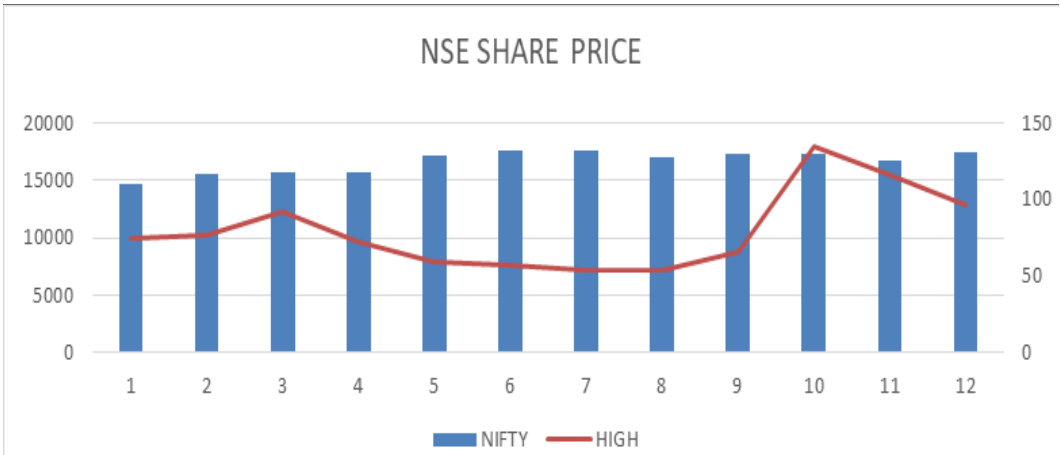


b) Distribution of Shareholding-

Sl. No	Category (Shares)	No. of Holders	% To Holders	Shares Amount	% To Equity
1	1 - 5000	103968	88.19	54368680	11.27
2	5001 - 10000	7311	6.2	29225100	6.06
3	10001 - 20000	3459	2.93	26471195	5.49
4	20001 - 30000	1113	0.94	14304715	2.96
5	30001 - 40000	470	0.4	8475435	1.76
6	40001 - 50000	427	0.36	10138795	2.1
7	50001 - 100000	629	0.53	23685180	4.91
8	100001 and above	510	0.43	315819900	65.46
	Total	117887	100	482489000	100

	BSE			NSE		
	HIGH	LOW	SENSEX	HIGH	LOW	NIFTY
April 2021	74.5	61.6	48782.36	74.4	61	14631.1
May 2021	76.5	61.15	51937.44	76.5	62.5	15582.8
June 2021	91.95	66.3	52482.71	92	66.5	15721.5
July 2021	73.1	54.3	52586.84	73.05	54.35	15763.05
August 2021	59.4	39.25	57552.39	59.4	39.3	17132.2
September 2021	57.3	43.85	59126.36	57.4	43.9	17618.15
October 2021	54.3	46.05	59306.93	54.4	46.3	17671.65
November 2021	53.75	46.4	57064.87	53.8	46.6	16983.2
December 2021	66.3	48	58253.82	66.4	47.9	17354.05
January 2022	134.95	61.75	58014.17	135	61.8	17339.85
February 2022	116.5	79.3	56247.28	116.5	79.25	16793.9
March 2022	96.1	80.75	58568.51	96.15	80.6	17464.75





11. OTHER DISCLOSURES

a) RELATED PARTY DISCLOSURE

There are no significant related party transactions with the Company's Promoters, Directors, the Management or relatives that may have potential conflict with the interest of the Company at large. Related party transactions have been disclosed in Notes to the Annual Accounts (Refer Note 37). The Company has framed a Policy on Related Party Transactions and the same is available on website of the Company at <http://www.kellton.com>.

Sr. No.	In the accounts of	Amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year.		
1	Holding Company	Loans and Advances		
		Subsidiaries	Associates	Companies/firms in which directors are interested
		Outstanding at the end of the year : Nil	Nil	Nil
1	Subsidiary	Loans and Advances		
		Subsidiaries	Associates	Companies/firms in which directors are interested
		Nil	Nil	Outstanding at the end of the year : Nil

Further, transactions with related parties are disclosed in the Notes to Accounts and all the transactions with related parties are at arms' length and in compliance with transfer pricing regulations. All Related Party Transactions are entered into by the Company only after obtaining the prior approval of the Audit Committee and Board of Directors. In terms of the provisions of the Companies Act, 2013 and Listing Agreement entered with the Stock Exchanges pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a policy to determine Related Party Transactions. The policy is placed on the Company's website at: <http://www.kellton.com>

b) The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as the regulations and guidelines of SEBI. No other penalty or strictures have been imposed on the



Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets, during the last three years.

c) The Company has established a Vigil mechanism to provide an avenue to raise concerns. The mechanism provides for adequate safeguards against victimization of employees who avail of it and also for appointment of an Ombudsperson who will deal with the complaints received. The policy also lays down the process to be followed for dealing with complaints and in exceptional cases, also provides for direct appeal to the Chairperson of the Audit Committee. During the year, no employee was denied access to Chairman of the Audit Committee.

d) The Company has complied with all the mandatory requirements of Corporate Governance as per SEBI (LODR) Regulations, 2015 and is in the process of implementing the non-mandatory requirements.

e) In terms of the SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has adopted a policy with regard to determination of material subsidiaries. The policy is placed on the Company's website at <https://www.kellton.com/governance-new>

f) Disclosure of commodity price risks and commodity hedging activities. – Not Applicable

g) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A): The Company has not raised any funds through preferential allotment or qualified institutions placement during the current financial year and hence not applicable.

h) The Company has duly enclosed the certificate received from a Company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. Further the Company has enclosed for perusal as Annexure V(D)

i) The Board had accepted recommendations of various committees of the board which were mandatorily required in the relevant financial year.

j) Auditor's Remuneration

The statutory auditor of the Company and all the entities in the network firm/network entity of which the statutory auditor is a part have been paid a total fee of Rs. 2,50,000 for all the services rendered by them during the financial year 2021-22.

k) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. Number of complaints filed during the financial year – Nil
- b. Number of complaints disposed off during the financial year - Nil
- c. Number of complaints pending as on the end of financial year - Nil

12. The Company has complied with the requirements of the Schedule V, Corporate Governance report Sub Para's (2) to (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

13. The Company has not adopted any of the Discretionary requirements as specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14. The Company has made all the disclosures for compliance with corporate governance requirements as specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 in the section



Report on corporate governance of the annual report. Further, the Company has attached Secretarial Auditor certificate as **Annexure-V(D)**.

15. DISCLOSURES:

COMPLIANCE WITH INDIAN ACCOUNTING STANDARDS (IND-AS)

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, ("the Act") and other relevant provisions of the Act.

16. MEASURES FOR PREVENTION OF INSIDER TRADING:

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2016, the Company framed a Code of Conduct for Prevention of Insider Trading and Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information for its directors and designated employees. The code lays down guidelines, which mandates the directors and designated employees on the procedures to be followed and disclosures to be made while dealing with the shares of the Company and also appraises the consequences for the violations. Details of the code for prevention of insider trading is available at the Company's website viz. <http://www.kellton.com>

17. DETAILS OF UNCLAIMED SHARES:

The Company is required to open an unclaimed suspense account with a depository participant and transfer all the unclaimed share certificates of members after giving three reminders.

All the voting rights on unclaimed shares shall remain frozen till the rightful owner of such shares claims the shares.

As on March 31, 2022 your Company has 4,94,050 equity shares in the unclaimed suspense account.

18. DEPOSITORY SERVICES:

For guidance on depository services, Shareholders may write to the Company or to the respective Depositories:

National Securities Depository Ltd.

Trade World, 4th Floor
Kamala Mills Compound
Senapati Bapat Marg, Lower Parel,
Mumbai-400013.
Tel : 09 1-022-24994200
Fax:091-022-24972993/24976351
Email : info@nsdl.co.in

Central Depository Services (India) Ltd.

PhirozeJeejeebhoy Towers,
17th Floor, Dalal Street,
Mumbai - 400023.
Tel : 091-022-22723333
Fax : 091-022-22723199
Email: investors@cDSLindia.com



CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE

[Pursuant to clause (i) of Point (10) of Para C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I have examined the following documents:

1. Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act')
2. Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents')

As submitted by the Directors of Kellton Tech Solutions Limited ('the Company') bearing CIN: L72200T-G1993PLC016819 and having its registered office at Plot No 1367, Road No- 45 Jubilee Hills Hyderabad 500033, to the Board of Directors of the Company ('the Board') for the Financial Year ended 31st March, 2022. I have considered non-disqualification to include non-debarment by Regulatory / Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Based on our examination of relevant documents made available to me by the Company and such other verifications carried out by me as deemed necessary and to the extent possible, in our opinion and to the best of our information and knowledge and (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and according to the explanations provided by the Company, its officers and authorized representatives, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I certify that none of the Directors on the Board of the Company, as listed hereunder have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Sr. No	Name of Director	Director Identification Number (DIN)
1.	Krishna Chintam	01658145
2.	Niranjan Chintam	01658591
3.	Brijmohan Venkata Mandala	00295323
4.	Srinivas Potluri	03412700
5.	Karan Jit Singh	06898258
6.	Pydisetty Veera Venkata Srinivasa Rao	06805347
7.	Srinivasa Vijay Kumar Appana	00299638
8.	Kunda Kalpana	07328517

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2022.

Sd/-

for **N.V.S.S. Suryanarayana Rao**
Company Secretaries

Membership Number: 5868

Certificate of Practice Number: 2886

Place: Hyderabad

Date: 13.08.2022



CEO & CFO DECLARATION

To
The Board of Directors
Kellton Tech Solutions Limited

We, Krishna Chintam, Managing Director cum CEO and Niranjan Chintam Whole-time Director cum CFO of Kellton Tech Solutions Limited, to the best of our knowledge and information, and on behalf of the Company certify that:

a. We have reviewed financial statements and the Cash flow Statement for the year ended March 31, 2022, and to the best of our knowledge and belief:

- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. During the year under reference -

- (i) there were no significant changes in the internal control over financial reporting;
- (ii) no significant changes in accounting policies were made; and
- (iii) no instance of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting, has come to our notice.

For and on behalf of the Board of
Kellton Tech Solutions Limited

Sd/-
Krishna Chintam
Managing Director
DIN: 01658145

Sd/-
Niranjan Chintam
Whole Time Director
DIN: 01658591

Place : Hyderabad

Date : 06.09.2022



CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT

As the Managing Director cum Chief Executive Officer and Whole Time Director cum Chief Financial Officer of Kellton Tech Solutions Limited and as required by Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby declare that all the Board members and senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the Financial Year 2021-22

For and on behalf of the Board of
Kellton Tech Solutions Limited

Sd/-
Krishna Chintam
Managing Director
DIN: 01658145

Sd/-
Niranjan Chintam
Whole Time Director
DIN: 01658591

Place : Hyderabad
Date : 06.09.2022



CERTIFICATE

TO
THE MEMBERS OF
Kellton Tech Solutions Limited

I have examined the compliance of conditions of Corporate Governance by Kellton Tech Solutions Limited ("the Company"), for the year ended on March 31, 2022, as per Regulation 17-27 and clause (b) to (i) of Sub-regulation (2) of Regulation 46 and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the period 1st April, 2021 to 31st March, 2022.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, by the Directors, Officers and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulation 17-27 and clause (b) to (i) of Sub-regulation (2) of Regulation 46 and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except:

- 1. As per the minutes of Board of Directors meeting held on 12.11.2021 the Nomination and Remuneration committee was reconstituted to comply with the SEBI LODR Regulations, 2015, however the Company has missed to report the new constitution of NRC committee in the Corporate Governance report filed for the quarter ended 31st December, 2021 and quarter ended 31st March, 2022.*
- 2. The Website Disclosure as required under Regulation 46 of the SEBI (LODR) Regulations, 2015 is yet to be hosted on the website of the Company as on the Date of this report. However, the requirement with respect to the same has been complied with as on date of signing of this report.*
- 3. The quarterly shareholding pattern submitted by the Company for the financial year 2021-22 is not in line with the shareholding patterns submitted by the Registrar and Share Transfer agent.*
- 4. The Company is yet to place the Form ISR-1, Form ISR-2, Form ISR-3, and Form No. Sh- 13 and 14 on the website of the Company as per the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAM B/P/CIR/2021/655 dated November 03, 2021, as on the date of this report. However, the requirement with respect to the same has been complied with as on date of signing this report.*

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2022.

Sd/-

N.V.S.S. Suryanarayana Rao

Company Secretaries

Membership Number: 5868

Certificate of Practice Number: 2886

UDIN: A005868D000924170

Peer review Certificate No. 1506/2021

Place: Hyderabad

Date: 06.09.2022



SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

To,
The Members,
KELLTON TECH SOLUTIONS LIMITED,
Plot No 1367, Road No- 45, Jubilee Hills,
Hyderabad- 500033,
Telangana.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KELLTON TECH SOLUTIONS LIMITED**, (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2022, (“**Audit Period**”) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

I. The Companies Act, 2013 (the “**Act**”) and the rules made there under and other applicable provisions of the Companies Act, 1956 which are still in force;

II. The Securities Contracts (Regulation) Act, 1956 (‘**SCRA**’) and the rules made there under

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”);

1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;



4. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the year under review)
 6. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the year under review) and
 8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the year under review)
 9. The Securities and Exchange Board of India (Listing and Obligations and Disclosure requirements) Regulations, 2015.
- (i) Other laws applicable to the Company.

I have also examined compliance with the applicable clauses of the following: Secretarial Standard-1 and Secretarial Standard-2, with respect to Board and General Meetings respectively, issued by The Institute of Company Secretaries of India.

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

1. During the period under review the company has delayed in filing few forms with Registrar of Companies and the same is taken on record upon payment of additional fees.
2. As per the minutes of Board of Directors meeting held on 12.11.2021 the Nomination and Remuneration committee was reconstituted to comply with the SEBI LODR Regulations, 2015, however the Company has missed to report the new constitution of NRC committee in the Corporate Governance report filed for the quarter ended 31st December, 2021 and quarter ended 31st March, 2022.
3. The Website Disclosure as required under Regulation 46 of the SEBI (LODR) Regulations, 2015 is yet to be hosted on the website of the Company as on the Date of this report. However, the requirement with respect to the same has been complied with as on date of signing of this report.
4. The quarterly shareholding pattern submitted by the Company for the financial year 2021-22 is not in line with the shareholding patterns submitted by the Registrar and Share Transfer agent.
5. The Company is yet to place the Form ISR-1, Form ISR-2, Form ISR-3, and Form No. Sh- 13 and 14 on the website of the Company as per the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAM B/P/CIR/2021/655 dated November 03, 2021, as on the date of this report. However, the requirement with respect to the same has been complied with as on date of signing this report.
6. As per provision of Section 125 read with rule 5(8) and 7 (2B) of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 the Company is yet to file the statement of information of Unpaid and Unclaimed Dividend in form IEPF 2 for the Dividend Declared in AGM held on



27.07.2021 and company is yet to communicate the details of nodal officer and deputy nodal officer in form IEPF-2 with Investor Education and Protection Fund Authority.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The change in the composition of the Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act. Adequate notice is given to all Directors to schedule the Board Meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions are carried out unanimously and are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure

Sd/-

for **N.V.S.S. Suryanarayana Rao**
Practicing Company Secretary

ACS Membership Number: 5868

Certificate of Practice Number: 2886

UDIN: A005868D000764307

Place : Hyderabad

Date : 02.09.2022

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



To,
The Members,
KELLTON TECH SOLUTIONS LIMITED,
Plot No 1367, Road No- 45, Jubilee Hills,
Hyderabad- 500033,
Telangana.

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

- a.** Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- b.** I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
- c.** I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- d.** Where ever required, I have obtained Management Representation about the compliance, laws, rules and regulations and happening of events etc.
- e.** The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- f.** The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Sd/-

for **N.V.S.S. Suryanarayana Rao**
Practicing Company Secretary

ACS Membership Number: 5868
Certificate of Practice Number: 2886
UDIN: A005868D000764307

Place : Hyderabad

Date : 02.09.2022

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L72200TG1993PLC016819
2	Name of the Company	Kellton Tech Solutions Limited
3	Registered address	Plot No 1367, Road No- 45, Jubilee Hills, Hyderabad – 500033, Telangana
4	Website	https://www.kellton.com/
5	E-mail id	compliance@kelltontech.com
6	Financial Year reported	April 2021 to March 2022
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Other Information Technology and Computer Services activities
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	<ul style="list-style-type: none"> • Information Technology services and solutions • Platform IP • Technology Infrastructure and Services
9	Total number of locations where business activity is undertaken by the Company – (a) Number of international locations- (b) Number of national locations: The Company is undertaking business activities across India and locations are given at page no .26	USA (6 Locations), United Kingdom, Ireland, Poland, India (5 Locations), Singapore
10	Markets served by the Company – Local/ State/National/International	National and International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital:	Rs. 48,24,79,000
2	Total Turnover	Rs. 1,23,18,15,618
3	Total profit after taxes:	Rs. 10,88,98,508
4	Total Spending on Corporate Social Responsibility (CSR) as a percentage of profit after tax:	The Company was liable to spend Rs. 20,49,917 for CSR Activities. However, the Company has paid short by Rs. 4,52,609.
5	List of activities in which expenditure has been incurred:	Annexed in CSR report ANNEXURE-VIII(Point9(c))



SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	As on March 31, 2022, the Company had 4 Subsidiaries.
2	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent Company?	The overseas subsidiary companies have autonomy in operations. They abide by the principles of Business Responsibility (BR) and Environment Social & Governance (ESG), as per the local laws applicable to them.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does-business with participate in the BR Initiatives of the Company? If yes, then indicate the percentage of such entity/entities?	No

SECTION D: BR INFORMATION

1. Details of Directors responsible for BR

a) Details of the Director responsible for implementation of the BR policy/policies:

DIN No.	01658591
Name	Mr. Niranjana Chintam
Designation	Whole Time Director

b) Details of BR head:

DIN No.	01658591
Name	Mr. Niranjana Chintam
Designation	Whole Time Director
Telephone	040-44333000
Email-id	compliance@kelltontech.com

2. The operating principles adopted by the Company supplement the requirements under the National Voluntary Guidelines-

- P1** - Businesses should conduct and govern themselves with ethics
- P2** - Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle
- P3** - Businesses should promote the well-being of all employees
- P4** - Businesses should respect the interests of, and be responsive to all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
- P5** - Businesses should respect and promote human rights
- P6** - Businesses should respect, protect, and make efforts to restore the environment
- P7** - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
- P8** - Businesses should support inclusive growth and equitable development
- P9** - Businesses should engage with and provide value to their customers and consumers in a responsible manner



Details of compliance (Reply in Yes/No)

S.No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	www.kellton.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

3. GOVERNANCE RELATED TO BUSINESS RESPONSIBILITY:

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year

It is proposed to be assessed annually.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Company's Annual Report includes an articulation of the 9 NVG 2011 principles. Considering the applicable provisions over the Company, Company publishes its Annual Report on the website of the Company. The Business Responsibility Report is available at <https://www.kellton.com/governance-new>.

SECTION E: PRINCIPLE-WISE PERFORMANCE

1. PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS

1.1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?



The Company has separate policies for Directors/employees and third parties. The Company has a third-party Code of Conduct for all its stakeholders. The same is posted on the website of the Company.

1.2. How many stakeholder complaints have been received in the past financial year and what percentage were satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Complaints	Received	Attended	Pending
Non-receipt of dividend	5	5	0
Non-receipt of Annual report	0	0	0
Others	0	0	0
Total	0	0	0

2. PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFECYCLE

2.1 List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.

Since the Company is in the business of Information technology. The Company does not manufacture physical products but creates and offers IT solutions and services. Thus, product policies are not applicable to the Company. All the laws applicable to the Company under the environmental laws are duly complied with.

2.2 For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

Not Applicable.

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not Applicable.

iii. Does the Company have procedures in place for sustainable sourcing (including transportation)?

Not Applicable

iv. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

Not Applicable.

v. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so. Not Applicable



3. PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES

3.1 Details about Employees of the Company- For Hyderabad and Gurugram

S.	Particulars		Male		Female	
			No.	%	No.	%
EMPLOYEES						
1	Permanent	1102	856	77.68%	246	22.32%
2	Other than permanent	66	23	34.85%	42	63.64%
3	Total employees (D + E)	1167	879	100%	288	100%

S.	Particulars		Male		Female	
			No.	%	No.	%
EMPLOYEES						
1	Permanent (D)	1	1	100.00%	0	0.00%
2	Other than Permanent (E)					
3	Total differently-abled employees (D + E)	1	1	100.00%	0	0.00%

3.2 Do you have an employee association that is recognized by management?

– Yes, for Hyderabad and Gurugram. No for US, Poland, Planet Pro, UK –Ireland.

3.3 What percentage of your permanent employees is members of this recognized employee association?

Yes, for Indian Companies. No for US, Poland, Planet Pro, UK –Ireland

3.4 Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, and sexual harassment in the last financial year and pending, as on the end of the financial year:

S. No	Category	No of complaints were filed during the financial year	No of complaints are pending as on the end of the financial year
1	Child labour / forced labour / involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory Employment	Nil	Nil

3.5 What percentage of your under-mentioned employees were given safety & skill up-gradation training in the last year?

Particulars	Safety training	Skill upgradation training
Permanent Employees	95%	100%
Permanent Women Employees	95%	100%
Casual/Temporary/ Contractual Employees	0	0
Employees with Disabilities	0	0



4. PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALISED

4.1 Has the Company mapped its internal and external stakeholders? Yes.

4.2 Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders? Yes.

4.3 Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

Kellton Tech's CSR initiative includes marginalized, deprived and vulnerable sections of society. Our CSR activities mention these segments as our beneficiaries and lead our emphasis and action towards these sections of society. Improving the education of the differently abled and digital learning-enabled platforms are the key initiatives under the wings of our CSR themes.

5. PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

5.1 Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

Our Code of ethics envisages the principles of equal employment opportunity and does not discriminate against any person on grounds of sex, religion, race, colour, age, national origin, marital status or physical disability. It is extended to all the stakeholders of the Company.

5.2 How many stakeholder complaints have been received in the past financial year and what percent were satisfactorily resolved by the management?

The Company has not received any complaint regarding the violation of human rights.

6. PRINCIPLE 6: BUSINESSES SHOULD RESPECT, PROTECT, AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

6.1 Does the policy related to Principle 6 cover only the Company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others? Not Applicable

6.2 Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? No

6.3 Does the Company identify and assess potential environmental risks? Yes

6.4 Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report been filed? No.

6.5 Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc.?



Yes. The Company has taken measures to ensure energy efficiency by incorporating energy-saving solutions (LED Solutions) for various infrastructures that we work out of.

6.6 Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported? Yes.

6.7 Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e., not resolved to satisfaction) as on the end of Financial Year.

No show cause/ legal notices have been received from CPCB/SPCB.

7. PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

7.1 Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

NASSCOMM and TIE.

7.2 Have you advocated/lobbied through the above associations for the advancement or improvement of the public good? Yes/No; if yes specify the broad areas (dropdown: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) No.

8. PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

8.1 Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company has specified programs and initiatives related to Principle 8. Some of them are detailed below:

- a) Improving education at Primary and Secondary schools through Digital Learning Platforms;
- b) Improving the Livelihood of Artisans and Craftsmen by providing them with an e-Commerce portal to sell their products as a part of our CSR programs;
- c) Scholarships for economically challenged students to Pursue Technical education;
- d) Grant to differently-abled students for wellbeing;
- e) Grant for Technology support for exhibiting, interpreting and preserving the growing collection of art and cultural artefacts;
- f) Grant to Support quality education for the Girl Child who are from economically challenged families;

8.2 Are the programmes/projects undertaken through inhouse team/own foundation/external NGO/government structures/any other organization?

Through NGO's and NPO's externally.

1. Have you done any impact assessment of your initiative? Yes.



2. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken Kellton Tech's contribution towards community development projects have been around Rs. 15.97 (in lakh)

3. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so. Yes, the Company's CSR initiatives are rolled out through its foundation which ensures that the CSR initiatives are well reached. The Corporate Social Responsibility Committee, at its meetings, reviews the programs/initiatives/projects undertaken and the spending of money in relation thereto.

9. PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

9.1 What percentage of customer complaints/consumer cases are pending as on the end of the financial year? Nil.

9.2 Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information) Not applicable.

9.3 Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so. Nil

9.4 Did your Company carry out any consumer survey/ consumer satisfaction trends? No.

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

THE ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDED 31ST DAY OF MARCH, 2022

Pursuant to Section 135 of Companies Act, 2013 and Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014

1	Brief outline on CSR Policy of the Company.	The Company has its CSR Policy within the broad scope laid down in Schedule VII to the Act, as projects/programmes/activities, excluding activities in its normal course of business.		
2	Composition of the CSR Committee			
	Name of Director	Nature of Directorship /Designation	Number of Meetings Held	Number of Meetings Attended
	Mr. Srinivasa Vijaya Kumar Appana	Independent Director, Chairperson	01	01
	Mr. Brijmohan Venkata Mandala	Independent Director, Member	01	01
	Mr. Krishna Chintam	Executive Director, Member	01	01
3	The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	https://www.kellton.com/		
4	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable		
5	Details of CSR meeting held for during the FY 2021-22	May 21, 2022		
6	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.	2020-21- 6,17,288		
7	Average net profit of the company as per section 135(5).	Rs. 10,24,95,865		



8	a) Two percent of average net profit of the company as per section 135(5)	Rs. 20,49,917
	b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
	c) Amount required to be set off for the financial year, if any	Rs. 6,17,288
	d) Total CSR obligation for the financial year (8a+8b-8c).	Rs. 14,32,630

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

Total Amount Spent for the Financial Year	Amount Unspent (in Rs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of transfer
Rs. 15,97,308	Not Applicable.		Not Applicable.		

b) Details of CSR amount spent against ongoing projects for the financial year:

Name of the Project	Not Applicable
The item from the list of activities in Schedule VII to the Act	
Local area (Yes / No)	
Location of the Project	
Project Duration	
The amount allocated for the project (in `)	
Amount spent in the current financial Year (in `)	
Amount transferred to Unspent CSR Account for the project as per Section 135(6) The Companies Act, 2013	
Mode of Implementation- Direct (Yes/No)	
Mode of Implementation- Through Implementing Agency a) Name b) CSR Registration number	

- d) Amount spent in Administrative Overheads: Nil
 e) Amount spent on Impact Assessment, if applicable: Nil
 f) Total amount spent for the Financial Year (8b+8c+8d+8e):
 g) Excess amount for set off if any

S. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project	Amount spent for the project Amount (In Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
							Name	CSR Registration Number
1	Scholarships to meritorious students below the poverty line	Promoting Education among Children	Yes	Hyderabad, Telangana	81,500	Yes	Narayana Educational Institute	-
2	Scholarships to meritorious students below the poverty line	Promoting Education among Children	Yes	Hyderabad, Telangana	44,000	Yes	Sri Venkateshwara college of Architecture	-
3	Scholarships to meritorious students below the poverty line	Promoting Education among Children	Yes	Hyderabad, Telangana	23,150	Yes	Sai Harsha Educational	-
4	Eradicating malnutrition Promoting health care including preventive healthcare	Eradicating hunger, poverty and malnutrition, promoting health care	No	Hyderabad, Telangana	2,10,000	Yes	Deep Trust (Disease eradication through education and prevention)	-
5	Scholarships to meritorious students below the poverty line	Promoting Education among Children	Yes	Hyderabad, Telangana	5,850	Yes	Sri Adithya Junior college	-
6	Promoting health care including preventive healthcare	Promoting health care including preventive healthcare	Yes	Hyderabad, Telangana	3,96,593	Yes	Covid Relief	-
7	Scholarships to meritorious students below the poverty line	Promoting Education among Children	Yes	Hyderabad, Telangana	47,500	Yes	G Pulla Reddy Educational Institute	-
8	Cattle Feed for Gaushala	Animal Welfare	Yes	Hyderabad, Telangana	7,00,000	Yes	KPR Enterprises Pvt. Ltd (Hyd)	-
9	Scholarships to meritorious students below poverty line	Promoting Education among Children	Yes	Hyderabad, Telangana	55,200	Yes	Manson Center of Excellence School of Business Management	-
10	Scholarships to meritorious students below poverty line	Promoting Education among Children	Yes	Hyderabad, Telangana	33,515	Yes	Maturi Venkata Subba Rao Engineering College	-



S.No	Particular	Amount (In Rs.)
1	Two percent of average net profit of the company as per section 135(5)	20,49,917
2	Total amount spent for the Financial Year	15,97,308
3	Amount Eligible to set off, if any	6,17,288
4	Excess amount carry forward for set off for the financial year [1-2]	1,64,678

10. a) Details of Unspent CSR amount for the preceding three financial years:

S.No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year (in `)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years
				Name of the fund	Amount	Date of transfer	
1	2017-18	Nil	Nil	Nil			Nil
2	2018-19	Nil	Nil	Nil			Nil
3	2019-20	Nil	Nil	Nil			Nil

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

S.No	Project ID	Name of the project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed / Ongoing
NOT APPLICABLE								

11. 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)

a) Date of creation or acquisition of the capital asset(s).	NOT APPLICABLE
b) Amount of CSR spent for creation or acquisition of capital asset	NOT APPLICABLE
c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	NOT APPLICABLE
d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	NOT APPLICABLE



12. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). - **NOT APPLICABLE**

13. COMPOSITION OF CSR COMMITTEE

The CSR Committee of the board is tasked with the responsibility of keeping a close eye on the adherence of activities to Kellton Tech's CSR objectives and supervising the execution of its CSR policy. The committee earmarks the activities on which the funds are to be expended and evaluates the progress and resultant benefits accrued from them. The CSR committee comprises two independent directors and the MD. The members of the CSR committee are:

Sr. No	Name	Category of Director	Designation
1.	Mr. Srinivas Vijay Kumar Appana	Non-Executive Independent Director	Chairman
2.	Mr. Brijmohan Venkata Mandala	Non-Executive Independent Director	Member
3.	Mr. Krishna Chintam	Executive Director	Member

Sd/-
Krishna Chintam
Managing Director
DIN: 01658145

Sd/-
Srinivas Vijay Kumar Appana
CSR Committee Chairman
DIN: 00299638

Place : Hyderabad

Date : 06.09.2022



Report of Independent Auditor on
Standalone Financial
Statement



INDEPENDENT AUDITOR'S REPORT

To The Members of
Kellton Tech Solutions Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of KELLTON TECH SOLUTIONS LIMITED ('the Company'), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information. ("Here in 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 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India :

- a) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2022 ;
- b) in the case of Statement of Profit and Loss, of the Profit for the year then ended ;
- c) in the case of Cash Flow Statement, of the Cash Flows, of the Company for the year ;
- d) In the case of Statement of Changes in Equity, of the changes in Equity, for the year ended on that date.

Basis for Opinion

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



Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

SI No	Key Audit Matter	Auditor's Response
	<p>Fixed price contracts using the percentage of completion method</p> <p>Fixed price maintenance revenue is recognized either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or using percentage of completion method when the pattern of benefits from services rendered to the customer and 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. Revenue from other fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time has been recognized using the percentage-of-completion method. Use of the percentage-of-completion method requires the Company to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract. We identified the estimate of total efforts or efforts to complete fixed price contracts measured using the percentage of completion method as a key audit matter as the estimation of efforts or costs involves significant judgement throughout the period of the contract and is subject to revision as the contract progresses based on the latest available information. This estimate has a high inherent uncertainty and requires consideration of progress of the contract, efforts or costs incurred to-date and estimates of efforts or costs required to complete the remaining contract performance obligations over the lives of the contracts.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures related to estimates of total expected costs or efforts to complete for fixed-price contracts included the following, among others:</p> <p>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.</p> <p>We selected a sample of fixed price contracts with customers accounted using percentage-of completion method and performed the following:</p> <ul style="list-style-type: none"> • 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.



Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities ; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's 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 judgment and maintain professional skepticism 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation



precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to 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 standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.



2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **ANANT RAO & MALLIK**

Chartered Accountants

FRN: 006266S

Sd/-

V.ANANT RAO

Partner

M.No.: 022644

UDIN: 22022644AKBWQN4544

Place: Hyderabad

Date: 30-05-2022



(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Kellton Tech Solutions Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Kellton Tech Solutions Limited ('the Company') as of March 31, 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 Board of Directors of the Company 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. 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 Institute of Chartered Accountants of India.

For **ANANT RAO & MALLIK**

Chartered Accountants

FRN: 006266S

Sd/-

V.ANANT RAO

Partner

M.No.022644

UDIN: 22022644AKBWQN4544

Place: Hyderabad

Date: 30-05-2022



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Kellton Tech Solutions Limited of even date)

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

i With respect to Property, Plant and Equipment :

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(b) The Company has maintained proper records showing full particulars, including quantitative details and situation of Intangible Assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have been physically verified by the management in accordance with a regular programme of verification, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. We are informed that no material discrepancies were noticed on such verification having regard to the size of the Company and nature of its Property, Plant and Equipment.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not own any immovable properties.

(e) The Company has not revalued its Property, Plant and Equipment during the year.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the management has conducted physical verification of inventories at reasonable intervals during the year, in accordance with a regular program of verification, and the coverage and the procedures of such verification are appropriate. We are informed that no material discrepancies of 10 % or more in the aggregate in each class of inventory were noticed.

(b) The company has been sanctioned working capital limits by-M/s Bandhan Bank-Rs.25 Crores and M/s IndusInd Bank-Rs.5 Crores. The monthly returns filed by the company with these banks are generally in agreement with the books of account of the company subject to reconciliation.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company had made an investment in subsidiaries and step-down subsidiaries in earlier years. However there were no such investments during FY 2021-22.

(iv) According to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, and on the basis of our examination of the records of the company, the company has not accepted any fixed deposits from its Shareholders and General Public.



(vi) According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) With respect to Statutory Dues :

a) The Company by and large is regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. According to information and explanation given to us the company is not registered under the provisions of Employees State Insurance Act, 1948.

b) There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

c) According to information and explanation given to us the dues of Income Tax which have not been deposited as on 31st March, 2022, on account of disputes is as follows :

Name of the Statute	Nature of Dues	Amount involved (in Rs. Lakhs)	Amount deposited (in Rs. Lakhs)	Balance (in Rs. Lakhs)	Period to Which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Demand u/s 43(3)	907.00	NILL	907.00	AY 2018-19	Appeal Filed with CIT (Appeals)

(viii) On the basis of our examination of records and according to the information and explanations given to us, the Company does not have any transactions which are referred to in clause (viii) of para 3 referred to in the said Order.

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial Institutions.

(b) In our opinion and according to the information and explanations given to us, the company has not been declared as a wilful defaulter by any bank or Financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the Term Loans availed by the company were applied for the purposes for which they were obtained.

(d) In our opinion and according to the information and explanations given to us, the company has not raised funds on short term basis for utilisation for long term purposes.

(e) Clauses (iii) (e) and (f) of Para 3 referred to in the said Order are not applicable.

(x) In our opinion and according to the information and explanations given to us, the Company has not raised any monies by way of initial public offer or further public offer during the year. Therefore, clause (x) of paragraph 3 of the said order is not applicable to the Company.

(xi) In our opinion and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers / employees / whistle blowers has been noticed or reported during the year. Therefore, clauses (xi) (a) to (xi) (c) of paragraph 3 of the said order are not applicable to the Company.



(xii) The Company is not a Nidhi Company. Therefore, clauses (xii)(a) to (xii)(c) of paragraph 3 of the said order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) (a) The Company has an Internal Audit System –Commensurate with size and nature of its business.
(b) The Reports of the Internal Auditors for FY 2021-22 were considered by us.

(xv) According to the information and explanations given to us and based on our Examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with them and as such the provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Therefore, clauses (xvi)(a) to (xvi)(d) of paragraph 3 of the said order is not applicable to the Company.

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses in this financial year (FY 2021-22) and during the immediately proceeding financial year (FY 2020-21).

(xviii) There has been no resignation by the Statutory Auditors of the company during the year and as such provisions of clause (xviii) of paragraph 3 of the said order is not applicable to the Company.

(xix) According to the information and explanations given to us and based on our examination of the records of the Company, the information accompanying the financial statements, our knowledge of the Board of Directors and the management plans, no material uncertainty exists as on the date of the audit report and the company is 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.

(xx) According to the information and explanations given to us and based on our examination of the records of the Company, the company does not have any ongoing projects or other projects and as such provisions of clause (xx) (a) and (b) of paragraph 3 of the said order are not applicable to the Company.

(xxi) According to the information and explanations given to us and based on our examination of the records of the company, there have been no qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO Reports) in respect of its subsidiary company – M/s. Kellton Dbydx Private Limited – included in the consolidated financial statements.

For **ANANT RAO & MALLIK**
Chartered Accountants
FRN: 006266

Place: Hyderabad
Date: 30-05-2022

Sd/-
V.ANANT RAO
Partner
M.No.022644
UDIN: 22022644AKBWQN4544



STANDALONE BALANCE SHEET AS AT 31.03.2022

(Amount in Rs)

	NOTE	As at March 31,2022	As at March 31,2021
ASSETS			
Non-current assets			
Property, plant and equipment	5.1	10,06,84,213	9,34,98,476
Right to use Assets	5.2	3,92,38,155	1,91,84,473
Goodwill	6	9,62,50,000	9,62,50,000
Other intangible assets		-	36,99,195
Financial assets			
Investments	7	86,92,18,034	86,92,18,034
Other financial assets	8	67,01,027	72,71,915
Deferred tax assets (net)	9	1,42,74,124	1,41,98,291
Other non-current assets	10	3,82,09,525	5,61,86,493
		1,16,45,75,078	1,15,95,06,877
Current assets			
Inventories	28	1,20,332	1,20,332
Financial assets			
Trade receivables	11	53,83,03,436	48,91,80,399
Cash and cash equivalents	12.1	20,50,932	4,78,02,664
Bank balances other than cash and cash equivalents	12.2	2,79,85,880	4,28,80,259
Other financial assets	13	22,62,82,936	16,55,36,688
Current Tax Assets		1,01,46,984	-
Other current assets	14	9,38,18,512	9,69,05,735
		89,87,09,012	84,24,26,077
TOTAL ASSETS		2,06,32,84,090	2,00,19,32,954
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	48,24,79,000	48,19,12,340
Other equity	16	92,86,98,346	84,56,64,048
		1,41,11,77,346	1,32,75,76,388



Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	13,20,72,365	13,78,44,840
Other non-current liabilities	18	1,37,22,628	1,68,15,147
Provisions	19	3,44,64,348	3,01,92,994
Lease Liabilities	20	3,98,39,756	2,77,67,314
		22,00,99,097	21,26,20,295
Current liabilities			
Financial liabilities			
Borrowings	21	23,63,88,096	16,82,16,498
Trade payables	22	3,60,12,869	5,70,91,962
Other financial liabilities	23	5,57,44,334	2,09,81,455
Other current liabilities	24	6,72,35,412	3,82,12,703
Provisions	25	3,66,26,936	16,56,76,287
Current tax liabilities (Net)			1,15,57,366
		43,20,07,647	46,17,36,270
		65,21,06,744	67,43,56,565
TOTAL EQUITY AND LIABILITIES		2,06,32,84,090	2,00,19,32,954

The Accompanying notes 1 to 46 form an intergral part of the financial statements
As per our report of even date

For **ANANT RAO & MALLIK**
Firms' Registration Number: 006266S
Chartered Accountants

For and on behalf of the Board of Director

Sd/-
V.ANANT RAO
Partner
M No. 022644
UDIN : 22022644AKBWQN4544

Sd/-
Niranjan Chintam
Director & CFO

Sd/-
Krishna Chintam
Managing Director & CEO

Sd/-
Surabi Jain
Company Secretary
M No. A49557

Place : Hyderabad
Date : 30-05-2022



STANDALONE STATEMENT OF PROFIT AND LOSS AS AT 31ST MARCH 2022 (Amount in Rs)

	Note	For the Year ended	
		As at March 31,2022	As at March 31,2021
Revenue from operations	26	1,23,18,15,618	1,19,24,90,679
Other income	27	1,03,49,638	3,06,89,081
Total income		1,24,21,65,256	1,22,31,79,760
Expenses			
Cost of materials consumed	28	2,46,18,684	14,62,13,577
Employee benefits expense	29	85,41,08,416	66,85,15,300
Finance costs	30	4,35,69,175	5,97,11,158
Depreciation and amortization expense	31	4,97,15,520	5,75,70,398
Other expenses	32	12,50,64,721	13,84,00,943
Total expenses		1,09,70,76,516	1,07,04,11,376
Profit / (Loss) before Exceptional items and tax		14,50,88,740	15,27,68,384
Exceptional Items		1,20,948	2,37,390
Profit / (Loss) before tax		14,52,09,688	15,30,05,774
Tax expense:			
Current tax		3,75,74,000	4,35,00,000
Tax/(credit) in respect to earlier years		(18,45,007)	(37,96,513)
Deferred tax		5,82,187	29,12,110
Profit (Loss) for the period from continuing operations		10,88,98,508	11,03,90,177
Profit/(loss) for the period		10,88,98,508	11,03,90,177
Other comprehensive income			
A) (i) Items that will not be reclassified to profit or loss		-	-
Re measurements of the defined benefit (liabilities) / asset net of tax		22,61,237	(3,00,139)
(ii) Income tax relating to items that will not be reclassified to profit or loss		6,58,020	(87,340)
B) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive income		29,19,257	(3,87,479)
Total comprehensive income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)		11,18,17,765	11,00,02,698
Earnings per equity share (for continuing operation):			
Basic	33	1.16	1.14
Diluted		1.16	1.14



The Accompanying notes 1 to 46 form an integral part of the financial statements
As per our report of even date

For **ANANT RAO & MALLIK**
Firms' Registration Number: 006266S
Chartered Accountants

For and on behalf of the Board of Director

Sd/-
V.ANANT RAO
Partner
M No. 022644
UDIN : 22022644AKBWQN4544

Sd/-
Niranjan Chintam
Director & CFO

Sd/-
Krishna Chintam
Managing Director & CEO

Place : Hyderabad
Date : 30-05-2022

Sd/-
Surabi Jain
Company Secretary
M No. A49557



STANDALONE STATEMENT OF CASH FLOW

(Amount in Rs)

	For the Year ended	
	As at March 31,2022	As at March 31,2021
Cash flow from Operating Activities		
Profit for the Period	14,52,09,688	15,30,05,774
Adjustments for :		
Depreciation and amortization expense	4,97,15,520	5,75,70,398
Expense on employee stock based compensation	(7,09,275)	5,21,753
Finance costs	4,35,69,175	5,97,11,158
Profit on disposal of property, plant and equipment	1,20,948	2,37,390
Trade receivables	(4,91,23,037)	(20,00,389)
Other assets	(4,57,76,427)	8,91,90,146
Trade payables	(2,10,79,093)	(3,67,46,623)
Other liabilities	2,52,72,170	(13,46,27,887)
Provisions	(12,18,58,740)	(6,40,86,237)
Net cash provided by operating activities before taxes	2,53,40,930	12,27,75,483
Income taxes paid	5,74,33,343	3,07,97,347
Net cash provided by operating activities	(3,20,92,413)	9,19,78,136
Cash flow from investing activities		
Purchase of property, plant and equipment	(3,05,71,433)	(1,74,07,233)
Net cash (used in)or provided by investing activities	(3,05,71,433)	(1,74,07,233)
Cash flow from financing activities		
Proceeds from Issue of share capital under ESOP scheme	32,55,008	-
Dividend paid	(2,40,97,284)	-
Finance costs paid	(4,35,69,175)	(5,97,11,158)
Change in loans and borrowings	9,71,62,002	2,29,38,771
Repayment of Lease liabilities	(3,07,32,817)	(4,21,29,561)
Net cash used in financing activities	20,17,735	(7,89,01,948)
Net increase in cash and cash equivalents	(6,06,46,111)	(43,31,044)
Cash and cash equivalents including bank balances other than cash and cash equivalent at the beginning of the period	9,06,82,923	9,50,13,967
Cash and cash equivalents including bank balances other than cash and cash equivalent at the end of the period	3,00,36,812	9,06,82,923



The Accompanying notes 1 to 46 form an intergral part of the financial statements
As per our report of even date

For ANANT RAO & MALLIK
Firms' Registration Number: 006266S
Chartered Accountants

For and on behalf of the Board of Director

Sd/-
V.ANANT RAO
Partner
M No. 022644
UDIN : 22022644AKBWQN4544

Sd/-
Niranjan Chintam
Director & CFO

Sd/-
Krishna Chintam
Managing Director & CEO

Place : Hyderabad
Date : 30-05-2022

Sd/-
Surabi Jain
Company Secretary
M No. A49557



KELLTON TECH SOLUTIONS LIMITED
Statement of changes in equity for the year ended March 31, 2022

Particulars	Amount
(a) Equity share capital (Balance at the April 1, 2021)	9,63,82,468
Add: Shares capital issued under ESOP scheme	1,13,332
Balance at the March 31, 2022	9,64,95,800

(b) Other equity

Particulars	Reserves and Surplus (refer note 16)						Total
	Capital reserve	General reserve	Securities premium reserve	Share options outstanding account	Retained earnings		
Balance as at April 1, 2021	5,67,350	1,35,51,494	13,07,79,404	2,43,32,786	67,64,33,014	84,56,64,048	
Total Comprehensive Income for the year comprising of:						-	
Profit for the period					11,18,17,765	11,18,17,765	
Other Changes (Specified as under) :						-	
Issue of equity shares under ESOP Scheme			26,88,348			26,88,348	
Dividend paid					(2,40,97,283)	(2,40,97,283)	
Compensation cost related to employee share based payment				(73,74,533)		(73,74,533)	
Share issued against share application money						-	
Balance at the March 31, 2022	5,67,350	1,35,51,494	13,34,67,752	1,69,58,253	76,41,53,496	92,86,98,346	

KELLTON TECH SOLUTIONS LIMITED



The Accompanying notes 1 to 46 form an interegral part of the financial statements
As per our report of even date

For **ANANT RAO & MALLIK**
Firms' Registration Number: 006266S
Chartered Accountants

For and on behalf of the Board of Director

Sd/-
V.ANANT RAO
Partner
M No. 022644
UDIN : 22022644AKBWQN4544

Sd/-
Niranjan Chintam
Director & CFO

Sd/-
Krishna Chintam
Managing Director & CEO

Place : Hyderabad
Date : 30-05-2022

Sd/-
Surabi Jain
Company Secretary
M No. A49557



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS ACCOUNTING POLICIES FOR STANDALONE STATEMENTS 31ST -MARCH 2022

1) Corporate Information

Kellton Tech Solutions Limited ("the Company") is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The shares of the Company are listed on Bombay Stock Exchange and National Stock Exchange. The Company is global company and offers services in digital transformation, ERP and other IT services.

2) Basis of preparation

a) The financial statements are prepared under the historical cost convention and in accordance with the applicable accounting standards issued by the institute of chartered accountants of India and requirements of the Companies Act 2013 and on a going concern concept other than Share based payment transactions and Defined benefit and other long-term employee benefits.

b) The company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.

c) Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, ("the Act") and other relevant provisions of the Act.

3) Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes



a) Revenue recognition

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative effect method. The standard is applied retrospectively only to contracts that are not completed as at the date of the initial application and the comparative information is not restated in the condensed consolidated interim statement of profit and loss. The effect on adoption of the said standard was insignificant on these financial statements.

b) Income tax

The Company' tax jurisdictions are India. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions

c) Other estimates

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required. The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

4) Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

b) Foreign currency transactions and balances

i. Initial Recognition

Foreign currency transactions are recorded at the rates prevailing date of transactions.



ii. Exchange Differences

Exchange differences arising on settlement of transaction and translation of monetary items are recognized as income or expense.

iii. Conversion

Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Nonmonetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

iv. Translational

Any exchange gain/loss consequent to translating financial statements from functional currency to presentation currency the resultant exchange difference is recognized in OCI and part of foreign currency translation reserve until eventual disposal of investment.

c) Investments

Long term and unquoted current investments are stated at cost and quoted current investments at lower of cost or market value. Provision for diminution in value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

d) Financial instruments

Company does not has any financial instruments

e) Inventories

Inventories are valued at lower of the cost or net realizable value whichever is lower on weighted average basis.

f) Property, plant and equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price and directly attributable costs of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Capital work-in-progress includes cost of Property, Plant and Equipment that are not ready to be put to use.



Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it is probable that future economic benefits associated with the item will flow to the Company. All other expenses on existing Property, Plant and Equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gains or losses arising from disposal 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.

g) Intangible Assets

The Intangible assets are recognized when it is probable that the future economic benefit that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

Software licenses of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. Following initial recognition intangible assets are carried at cost less accumulated amortization.

Gains or losses arising from disposal of intangible assets 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.

Goodwill is subject to impairment testing on an annual basis. However, if indicators of impairment are present, the company will review goodwill for impairment when such indicators arise. The company performs an annual review and no impairment was recorded. Key assumptions used by management to determine the fair value of the goodwill include industry earnings multiples and earnings multiples from previous company acquisitions

h) Depreciation

Depreciation on fixed assets [Tangible and Intangible assets] is provided on Straight line method on pro-rata basis at the rates prescribed in schedule XIV of the Companies Act, 2013 as amended from time to time.

i) Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors.

Preliminary expenditure: To write off preliminary expenses in ten equal yearly installments.



j) Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessary takes substantial period of time to get ready for intended use. All other borrowing costs are charged in statement of profit and loss.

k) Leases

Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. Company uses significant judgement in assessing the lease term and the applicable discount rate.

Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

l) Revenue Recognition

i. Revenue from time and material engagements is recognized on time proportion basis as and when the services are rendered in accordance with the terms of the contracts with customers.

ii. Revenue from fixed-price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method.

iii. Revenue from maintenance contracts and subscription is recognized on a pro-rata basis over the period of the contract.

iv. Unbilled revenue represents revenue recognized in relation to work done on time and material projects and fixed price projects until the balance sheet date for which billing has not taken place.

v. Interest income is recognized on a time proportion basis taking into account the carrying amount and the effective interest rate. Interest income is included under the head 'Other income' in the statement of profit and loss.



m) Employee Benefits

The Company has the following employee benefit plans:

i. Provident fund

Provident fund is a defined contribution plan covering eligible employees. The Company and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the basic salary. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

ii. Gratuity

The Company has a scheme for payment of gratuity to all its employees as per provisions of the Payment of Gratuity Act 1972. The Company provides for period end liability using the projected unit credit method as per the actuarial valuation carried out by the Independent actuary. The cost of providing benefit under gratuity plan are charged to the statement of profit and loss, except for the remeasurements, comprising of actuarial gains and losses which are recognized in full in the statement of other comprehensive income in the reporting period in which they occur.

iii. Leave encashment.

Leave encashment claims are settled on year to year basis.

n) Share based payments

In accordance with Ind AS 102 –“Share Based Payments”, Employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant.

The expense is recognized in the statement of profit and loss with a corresponding increase to the share based payment reserve, a component of equity.

The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization). The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

o) Income Tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit



and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income

i. Current Income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

ii. Deferred Income Tax

Deferred income taxes reflect the impact of temporary differences between tax base of assets and liabilities and their carrying amounts. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax asset is recognized 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 utilized.

The carrying amount of deferred income 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 income tax asset to be utilized.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. MAT credit available is recognized as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

p) Segment reporting

The Group prepares its segment information in conformity with accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.



q) Earnings Per Share

The Company presents basic and diluted earnings per share (“EPS”) data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

r) Provisions

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

s) Contingent Liabilities

Subject to IND AS 109, 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 Company 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.

t) Cash and cash equivalents

Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with an original, which are subject to an insignificant risk of changes in value.

u) Cash flow statement

Cash flows are reported using indirect method as set out in Ind AS -7 “Statement of Cash Flows”, 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. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



v) Borrowing cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessary takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

w) Related parties Transactions:

Related party transactions including purchases, services, fund and non-fund-based agreements are disclosed separately.



KELLTON TECH SOLUTIONS LIMITED
Significant accounting policies and notes to the accounts
 For the year ended March 31, 2022

Note No 5.1 Property, plant and equipment

Particulars	Plant and machinery	Office equipment	Computers	Electrical installations	Furniture and fixtures	Vehicles	Total
Gross carrying value							
At April 1, 2021	26,52,666	51,10,613	5,77,84,456	5,80,51,184	5,24,51,923	2,32,67,997	19,93,18,839
Additions	29,688	8,23,703	2,42,18,127	3,56,789	1,32,000	53,26,434	3,08,86,740
Disposals / adjustments						(16,99,960)	(16,99,960)
At March 31, 2022	26,82,354	59,34,316	8,20,02,582	5,84,07,973	5,25,83,923	2,68,94,471	22,85,05,619
Accumulated depreciation							
At April 1, 2021	14,78,528	44,81,449	4,17,30,498	1,80,52,629	2,17,12,540	1,83,64,718	10,58,20,363
Depreciation expense	3,17,678	4,19,563	98,87,119	55,34,233	49,59,821	21,46,334	2,32,64,748
Disposals / adjustments						(12,63,704)	(12,63,704)
At March 31, 2022	17,96,206	49,01,012	5,16,17,617	2,35,86,862	2,66,72,362	1,92,47,348	12,78,21,406
Net block March 31, 2022	8,86,148	10,33,304	3,03,84,965	3,48,21,111	2,59,11,561	76,47,123	10,06,84,213
Net block March 31, 2021	11,74,138	6,29,164	1,60,53,958	3,99,98,555	3,07,39,383	49,03,279	9,34,98,476



Note No 5.2 Right of use assets

	Office premises
Gross block (at cost)	
As at April 1, 2021	8,72,90,229.00
Additions	4,28,05,264
As at March 31, 2022	13,00,95,493
Accumulated depreciation	
As at April 1, 2021	6,81,05,756
Charge for the year	2,27,51,582
As at March 31, 2022	9,08,57,338
Net block	
As at March 31, 2022	3,92,38,155
As at March 31, 2021	1,91,84,473

Note No 6. Other Intangible assets

	Good Will	Other Intangible Assets
Gross carrying value		
At April 1, 2021	9,62,50,000	2,63,23,662
Additions	-	-
Disposals / adjustments	-	-
At March 31, 2022	9,62,50,000	2,63,23,662
Accumulated depreciation		
At April 1, 2021	-	2,26,24,467
Amortisation expense	-	36,99,195
Disposals / adjustments	-	-
At March 31, 2022	-	2,63,23,662
Net block March 31, 2022	9,62,50,000	0
Net block March 31, 2021	9,62,50,000	36,99,195



NON-CURRENT ASSETS FINANCIAL ASSET

Note No 7. Investments

Particulars	As at March 31,2022	As at March 31,2021
1) Investment in equity instruments (unquoted) Wholly owned subsidiaries (At Cost)		
8,323,765 (March 31, 2021: 8,323,765) fully paid equity shares in Kellton Dbydx Software Pvt Ltd	4,05,79,293	4,05,79,293
547,068 (March 31, 2021: 547,068) fully paid equity shares in Kellton Tech Inc	31,18,36,382	31,18,36,382
2,380 (As at March 31,2021: 2380) fully paid equity shares in Kellton Tech Solution Inc	51,68,02,359	51,68,02,359
0 (March 31, 2021: 0 fully paid equity shares in Kellton Tech Limited	-	-
Total	86,92,18,034	86,92,18,034

Note No 8. Other Financial Assets

Particulars	As at March 31,2022	As at March 31,2021
Security deposits		
Unsecured considered good	67,01,027	72,71,915
Total	67,01,027	72,71,915

Note No 9. Deferred tax assets (net)

Particulars	As at March 31,2022	As at March 31,2021
Deferred tax liabilities		
Total Deferred tax liabilities	-	-
Deferred tax assets		
"Differences in book values and tax base values of block of Property, Plant and Equipment and intangible assets"	50,03,865	36,50,493
Provision for doubtful debts	-	4,49,608
Provision for gratuity and leave encashment	91,18,849	79,38,062
Right of use asset and lease liability	1,51,410	21,60,128
Total Deferred tax assets	1,42,74,124	1,41,98,291
Deferred tax assets after set off	1,42,74,124	1,41,98,291



Note No 10. Other non-current assets

Particulars	As at March 31,2022	As at March 31,2021
Security Deposit	67,89,108	59,54,286
Prepaid expenses	11,79,876	-
Other non-current assets	2,47,30,756	3,80,57,164
Other non current assets-ESOPS	55,09,785	1,21,75,043
Total	3,82,09,525	5,61,86,493

FINANCIAL ASSETS

Note No 11. Trade receivables

Particulars	As at March 31,2022	As at March 31,2021
(Unsecured)		
Considered good	53,83,03,436	49,09,66,827
Less: Allowance for doubtful debts	-	(17,86,428)
Total	53,83,03,436	48,91,80,399

Trade Receivable aging schedule

Particulars	Outstanding for following periods from due date of payment						Total
	No Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	18,82,15,172	34,47,80,936	53,07,328	-	-	-	53,83,03,436
As at As at March 31,2022	18,82,15,172	34,47,80,936	53,07,328	-	-	-	53,83,03,436

Particulars	Outstanding for following periods from due date of payment						Total
	No Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	15,52,16,293	32,79,59,779	77,90,755	-	-	-	49,09,66,827
As at As at March 31,2021	15,52,16,293	32,79,59,779	77,90,755	-	-	-	49,09,66,827



Note No 12.1 Cash and cash equivalents

Particulars	As at March 31,2022	As at March 31,2021
Cash on hand	3,43,822	2,26,555
Balances with banks in current accounts	17,07,110	4,75,76,109
Cash and cash equivalents as per balance sheet	20,50,932	4,78,02,664

Note No 12.2 Bank balances other than cash and cash equivalents

Particulars	As at March 31,2022	As at March 31,2021
Fixed Deposit with banks	2,79,85,880	4,28,80,259
Total	2,79,85,880	4,28,80,259

Note No 13. Other current financial assets

Particulars	As at March 31,2022	As at March 31,2021
Advances to employees	29,55,736	31,48,787
Accrued Revenue	-	16,20,20,290
Other Advances	22,33,27,200	3,67,611
Total	22,62,82,936	16,55,36,688

Note No 14. Other current assets

Particulars	As at March 31,2022	As at March 31,2021
Prepaid expenses	1,98,50,060	1,87,30,014
Deposits	63,16,301	94,68,445
Others	6,76,52,151	6,87,07,276
Total	9,38,18,512	9,69,05,735

Note No 15. Equity share capital

a)

Particulars	As at March 31,2022	As at March 31,2021
Authorised		
12,00,00,000 (March 31, 2021: 12,00,00,000) equity shares of Rs 5/- each	60,00,00,000	60,00,00,000
Issued, subscribed and paid-up capital		
96495800 (March 31, 2021: 9,63,82,468) equity shares of Rs 5/- each fully paid	48,24,79,000	48,19,12,340
	48,24,79,000	48,19,12,340



b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period are as given below:

Particulars	As at March 31,2022		As at March 31,2021	
	No of Shares	Amount	No of Shares	Amount
Number of shares outstanding at the beginning of the period	9,63,82,468	48,19,12,340	9,63,82,468	48,19,12,340
Add: Shares issued on exercise of employee stock options	1,13,332.00	5,66,660	-	-
Add: Bonus shares issued *	-	-	-	-
Number of shares outstanding at the end of the period	9,64,95,800	48,24,79,000	9,63,82,468	48,19,12,340

c) Terms/rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs 5 each. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

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. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31,2022		As at March 31,2021	
	No of shares	% Holding	No of shares	% Holding
Name of the shareholder*				
1.Matnic Finvest LLP	4,07,54,356	42.23%	4,25,04,356	44.09%
2.Kellton Wealth Management LLP	71,83,384	7.44%	89,33,384	9.27%

* The share holding information is based on legal ownership of shares and has been extracted from the records of the Company including register of shareholders / members

e) In the period of five years immediately preceding March 31, 2022:

i) The Company has allotted 4,81,91,234 fully paid up equity shares during the quarter ended March 31, 2018, pursuant to 1:1 bonus share issue approved by shareholders passed through Postal Ballot concluded on 19.03.2018

ii) The Company has not bought back any equity shares.

iii) The Company has not allotted any equity shares as fully paid up without payment being received in cash



f) Details of shares held by promoters at the end of the year 31st Mar,2022:

Promoter Name	No of Shares at the beginning of the year	Changes during the year	No. of Shares at the end of the year	%of total shares	% Change during the year
Krishna Reddy Chintam	11,42,286	-	11,42,286	1.18%	0.00%
Sreevidya Chintam	9,02,776	-	9,02,776	0.94%	0.00%
Mohana Reddy Chintam	3,28,552	-	3,28,552	0.34%	0.00%
Lakshmi Chintam	20,770	-	20,770	0.02%	0.00%
Kellton Wealth Management LLP	89,33,384	17,50,000	71,83,384	7.44%	-1.82%
Matric Finvest LLP	4,25,04,356	17,50,000	4,07,54,356	42.23%	-1.87%
Total	5,38,32,124	35,00,000	5,03,32,124	52.16%	-3.69%

Details of shares held by promoters at the end of the year 31st Mar,2021

Promoter name	No of Shares at the beginning of the year	Changes during the year	No. of Shares at the end of the year	%of total shares	% Change during the year
Krishna Reddy Chintam	11,42,286	-	11,42,286	1.19%	0.00%
Sreevidya Chintam	9,02,776	-	9,02,776	0.94%	0.00%
Mohana Reddy Chintam	3,28,552	-	3,28,552	0.34%	0.00%
Lakshmi Chintam	20,770	-	20,770	0.02%	0.00%
Kellton Wealth Management LLP	1,19,33,384	30,00,000	89,33,384	9.27%	-3.11%
Matric Finvest LLP	4,25,04,356	-	4,25,04,356	44.10%	0.00%
Total	5,68,32,124	30,00,000	5,38,32,124	55.85%	-3.11%

Note No 16. Other equity

Particulars	As at March 31,2022	As at March 31,2021
a) Capital reserve		
Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.	5,67,350	5,67,350
b) Security premium		
Amounts received on (issue of shares) in excess of the par value has been classified as securities premium.	13,34,67,753	13,07,79,404
c) General reserve		
This represents appropriation of profit by the Company.	1,35,51,494	1,35,51,494
d) Retained earnings		



Retained earnings comprise of the Company's prior years' undistributed earnings after taxes.	76,41,53,496	67,64,33,014
e) Share option outstanding account		
The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees in case of forfeiture corresponding balance is transferred to general reserve.	1,69,58,253	2,43,32,786
Total	92,86,98,346	84,56,64,048

NON- CURRENT LIABILITIES FINANCIAL LIABILITIES

Note No 17. Borrowings

Particulars	As at March 31,2022	As at March 31,2021
(Long Term and Secured)		
Vehicle Loans		
a) ICICI Bank Ltd	3,05,352	6,80,274
b) Kotak Mahindra Bank Ltd	23,27,137	-
Loan - Indusind Bank	1,01,19,130	1,75,69,119
Bandhan Term Loan	2,66,66,667	4,00,00,000
IndusInd Term Loan	49,94,872	99,89,744
Kotak Term Loan	8,76,59,207	6,96,05,703
Total	13,20,72,365	13,78,44,840

Secured long term borrowings represent the amounts received from Banks as summarized below

Lender	Rate of Interest	Security	Terms of repayment	Amount Overdue
ICICI Banks	9.5%	Vehicle	60 Months	Nil
Kotak Mahindra Bank Limited	7.5%	Vehicle	36 Months	Nil
Indusind Bank	1 Year MCLR+ 0.70%	Pari Pasu charge with Bandhan bank	Multi years	Nil

Note No 18. Other non-current liabilities

Particulars	As at March 31,2022	As at March 31,2021
Other liabilities	1,37,22,628	1,68,15,147
Total	1,37,22,628	1,68,15,147



Note No 19. Provisions : Other Long Term Provisions

Particulars	As at March 31,2022	As at March 31,2021
Provision for employee benefits		
Gratuity	3,44,64,348	3,01,92,994
Total	3,44,64,348	3,01,92,994

Note No 20. Lease Liabilities

Particulars	As at March 31,2022	As at March 31,2021
Opening balance	2,77,67,314	8,55,52,529
Additions	4,28,05,264	-
Add: Interest recognized during the year	3,11,802	62,46,373
Adjustment on account of lease modification	-	(2,15,05,862)
Less: Payments made	(3,10,44,624)	(4,25,25,726)
Total	3,98,39,756	2,77,67,314

CURRENT LIABILITIES FINANCIAL LIABILITIES

Note No 21. Borrowings

Particulars	As at March 31,2022	As at March 31,2021
Working Capital Loan : Bandhan Bank	23,63,88,096	16,82,16,498
Total	23,63,88,096	16,82,16,498

Note:

Lender	Nature of facility	Sanction amount	Rate of interest	Security
Bandhan Bank	Cash Credit	25,00,00,000	9.85% p.a	"(a) Pari Pasu charge on current assets, present and future alongwith Indusind bank . (b) Hypothecation on properties owned by promoters. (c) Pledge of 24 lacs shares held by Matnic Finvest Private Limited (Promoter company) (d) Personal Gurantee and comfort letter from Promoters"

Note No 22. Trade Payables

Particulars	As at March 31,2022	As at March 31,2021
Trade Payables for goods and services	3,60,12,869	5,70,91,962
Total	3,60,12,869	5,70,91,962

Trade Payable ageing schedule



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
MSME	-	-	-	-	-
Others	3,51,85,217	8,27,652	-	-	3,60,12,869
As at As at March 31, 2022	3,51,85,217	8,27,652	-	-	3,60,12,869

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
MSME	-	-	-	-	-
Others	5,64,06,719	6,85,243	-	-	5,70,91,962
As at As at March 31, 2021	5,64,06,719	6,85,243	-	-	5,70,91,962

Note No 23. Other current financial liabilities

Particulars	As at March 31,2022	As at March 31,2021
Current maturities of long-term debt*	5,57,24,070	2,09,73,529
Interest accrued but not due on borrowings*	20,264	7,926
Total	5,57,44,334	2,09,81,455

Note:

* The details of interest rates, repayment and other terms are disclosed under note 17

Note No 24. Other current liabilities

Particulars	As at March 31,2022	As at March 31,2021
Statutory dues payable	6,62,68,396	3,68,31,112
Dividend Payable	4,90,516	-
Others	4,76,500	13,81,591
Total other current liabilities	6,72,35,412	3,82,12,703

Note No 25. Provisions : Other Short Term Provisions

Particulars	As at March 31,2022	As at March 31,2021
Provisions for employees benefits	3,62,76,936	6,63,17,118
Accrued Expenses	-	9,90,59,169
Audit fee payable	3,50,000	3,00,000
Total	3,66,26,936	16,56,76,287



Note No 26. Revenue from operations:-

for the year end

Particulars	March 31,2022	March 31,2021
Revenue from operations (net)		
Software Services	1,22,02,70,092	1,13,38,94,603
Maintenance Services	1,15,45,526	5,85,96,076
Total	1,23,18,15,618	1,19,24,90,679

Note No 27. Other income:

for the year end

Particulars	March 31,2022	March 31,2021
Foreign exchange gain	70,55,145	1,70,39,612
Interest income on financial assets at amortised cost	12,99,366	15,16,985
Interest received	19,43,889	57,02,287
Miscellaneous Income	51,238	64,30,197
Total	1,03,49,638	3,06,89,081

Note No 28. Cost of Material Consumed:

for the year end

for the year end

Particulars	March 31,2022	March 31,2021
Purchase of Stock in trade	2,46,18,684	14,57,68,577
Opening Stock	1,20,332	5,65,332
(Less): Closing stock	(1,20,332)	(1,20,332)
Total	2,46,18,684	14,62,13,577

Note No 29. Employee benefits expense:

for the year end

Particulars	March 31,2022	March 31,2021
Salaries and wages	80,61,60,598	62,64,15,674
Gratuity Expenses*	1,12,91,406	98,81,952
Contribution to provident and other funds	2,15,74,155	1,88,98,978
Employee stock compensation expenses	(7,09,275)	5,21,753
Staff welfare expenses	1,57,91,532	1,27,96,943
Total	85,41,08,416	66,85,15,300

* Refer note 34

Note No 30. Finance costs

for the year end

Particulars	March 31,2022	March 31,2021
Interest expense	3,64,77,047	3,44,31,309
Finance Cost on Lease	3,11,802	62,46,373
Other borrowing cost	67,80,326	1,90,33,476
Total	4,35,69,175	5,97,11,158



Note No 31. Depreciation and amortization expense

for the year end

Particulars	March 31,2022	March 31,2021
On property, plant and equipment	2,32,64,743	1,92,60,706
On other intangible assets	36,99,195	72,67,514
On Right-of-use assets	2,27,51,582	3,10,42,178
Total	4,97,15,520	5,75,70,398

Note No 32. Other expenses:

for the year end

Particulars	March 31,2022	March 31,2021
Professional Fee	5,68,64,643	4,43,10,645
Rent	25,36,661	31,26,144
Travelling and Conveyance	1,57,97,385	66,54,010
Internet and webhosting	15,34,472	19,27,348
Repairs and maintenance	1,27,45,310	1,60,51,454
Sales and Marketing	64,05,599	49,10,559
Printing & Stationery	5,23,812	44,25,903
Rates and taxes	20,74,376	63,93,007
CSR Contributions	15,97,308	25,88,320
Subscription fees and licences renewal cost	62,64,224	91,33,348
Exchange fluctuations Loss	65,37,178	2,20,40,674
Other Miscellaneous expenses	1,18,83,753	1,65,39,531
Auditor Remuneration:-		
a) Statutory Audit fee	2,50,000	2,50,000
b) Taxation	50,000	50,000
Total	12,50,64,721	13,84,00,943

Note No 33. Earnings per Share

for the year end

Particulars	March 31,2022	March 31,2021
Numerator for EPS		
Net Profit after tax (A)	11,18,17,765	11,00,02,698
Weighted Average no. of Shares considered for Denominator for Basic EPS (B)*	9,64,95,800	9,63,82,468
Weighted Average no. of Shares considered for Denominator for Diluted EPS (after effect of dilutive issues of stock options)(C)*	9,65,71,639	9,65,69,784
Basic and diluted Earnings Per Share (A)/(B)	1.16	1.14
Diluted Earnings Per Share (A)/(C)	1.16	1.14

* The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.



Note No 34. Gratuity

a) Gratuity

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an Independent actuary, at each balance sheet date using the projected unit credit method. The discount rate assumed is 7.36% (31-March-2022-7.36% and 31-March-2021 - 6.89%). The retirement age has been considered at 58 years

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the Balance Sheet for the respective plans.

Particulars	For the period ending	
	As at March 31,2022	As at March 31,2021
Present Value of Obligation as at beginning	3,15,40,299	2,54,16,130
Current Service Cost	49,29,193	42,38,380
Interest Expense or Cost	20,23,664	15,85,650
Change in financial assumptions	(22,61,238)	3,00,139
Present Value of Obligation as attheend	3,62,31,918	3,15,40,299

Bifurcation of Net Liability

Particulars	As on	
	As at March 31,2022	As at March 31,2021
Current Liability Short-term)	17,67,570	13,47,305
Non-Current Liability (Long-term)	3,44,64,348	3,01,92,994
Total Liability	3,62,31,918	3,15,40,299

b) Leave Encashment:-

Since leave encashment claims are settled on year to year basis, no actuarial valuation needs to be obtained.

Note No 35. Financial risk management

The Company has exposure to the following risks arising from the financial instruments

Market Risk
Liquidity Risk
Credit Risk

i) Risk management framework

The Company's risk management is carried out by the treasury department under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of financial instruments and investment of excess liquidity.

ii) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.



a) Foreign currency risk

The Company has export revenue and is exposed to foreign currency rate risk through operating activities. The foreign currency risks from financial instruments are as follows:

As at 31-March 2022	USD	GBP	EURO	CAD
Trade Receivable	21,73,497	21,755	2,88,299	-
Cash and Cash equivalent	-	-	-	-
Investments-(In WOS)	1,25,22,300	-	-	-
Total	1,5,910,850	27,946	3,04,217	-
Financial liabilities	-	-	-	-
Financial Guarantee	5,34,108	-	-	-
Trade payable	-	-	-	-

As at 31-March 2021	USD	GBP	EURO	CAD
Trade Receivable	33,88,550	27,946	3,04,217	-
Cash and Cash equivalent	-	-	-	-
Investments-(In WOS)	1,25,22,300	-	-	-
Total	1,5,910,850	27,946	3,04,217	-
Financial liabilities	-	-	-	-
Financial Guarantee	27,50,000	-	-	-
Trade payable	-	-	-	-

b) Liquidity Risk

The Company requires funds both for short-term operational needs as well as for long-term investment programmers mainly in growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening balance sheet

(c) Credit Risk

Credit risk is the risk that the counterpart will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The customer's credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management

Credit quality of a customer is assessed based on the individual credit limits are defined in accordance with the assessment and outstanding customer receivables are regularly monitored.

On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company uses a provisioning policy approved by the Board of Directors to compute the expected credit loss allowance for trade receivables. The policy takes into account available external and internal credit risk factors and the Company's historical experience for customers.



Note No 36. Leases

The Company's lease asset classes primarily consist of leases for land and buildings. At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. 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. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The changes in the carrying value of ROU assets for the year ended are as follows

(Amount in Lacs)

Particulars	As at March 31,2022	As at March 31,2021
Balance at the beginning	191.84	658.82
Additions	428.06	-
Adjustment on account of lease modification		(156.56)
Depreciation	(227.52)	(310.42)
Balance at the end	392.38	191.84

The movement in lease liabilities during the year ended as follows:

(Amount in Lacs)

Particulars	As at March 31,2022	As at March 31,2021
Balance at the beginning	277.67	855.53
Additions	428.06	-
Finance cost accrued during the period	3.12	62.46
Adjustment on account of lease modification	-	(215.06)
Payment of Lease Liabilities	(310.45)	(425.26)
Balance at the end	398.40	277.67



Note No 37. Related Party Disclosures

I) RELATED PARTIES WHERE CONTROL EXISTS

Names of the parties	Description of relationship
Kellton Tech Inc	Wholly owned Subsidiary
Kellton Dbydx Software Private Limited	Wholly owned Subsidiary
Kellton Tech Solutions Inc	Wholly owned Subsidiary
Kellton Tech Limited (Ireland)	Wholly owned Subsidiary
Evantage Solutions Inc	Step Down Subsidiary (Wholly owned Subsidiary of Kellton Tech Inc)
Vivos Professional LLC	Step Down Subsidiary (Wholly owned Subsidiary of Kellton Tech Inc)
Prosoft Technology Group Inc	Step Down Subsidiary (Wholly owned Subsidiary of Kellton Tech Solutions Inc)
Intelligencepeople Inc	Step Down Subsidiary (Wholly owned Subsidiary of Kellton Tech Solutions Inc)
Kellton Tech (UK) Limited	Step Down Subsidiary (Wholly owned Subsidiary of Kellton Tech Limited)
Lenmar Consulting ,Inc	Step Down Subsidiary (Wholly owned Subsidiary of Kellton Tech Solutions Inc)
SID Computer Group, Inc	Step Down Subsidiary (Wholly owned Subsidiary of Kellton Tech Solutions Inc)
Talent Partners, Inc	Step Down Subsidiary (Wholly owned Subsidiary of Kellton Tech Solutions Inc)
Planetpro Inc	Step Down Subsidiary (Wholly owned Subsidiary of Kellton Tech Inc)
Planetpro Canada Inc	Step Down Subsidiary (Wholly owned Subsidiary of Kellton Tech Limited)
Planetpro Asia Pte Limited	Step Down Subsidiary (Wholly owned Subsidiary of Kellton Tech Limited)
Tivix Europe SP Z O O	Step Down Subsidiary (wholly owned subsidiary of Kellton Tech Limited)

II) KEY MANAGERIAL PERSONNEL

- a) Mr. Niranjan Chintam - Director and CFO
- b) Mr. Krishna Chintam - Managing Director and CEO
- c) Mr. Karanjit Singh- Executive Director
- d) Ms. Surabi Jain-Company Secretary

III) RELATIVE OF KEY MANAGERIAL PERSONNEL

Ms. SreeVidya Chintam- Wife of Mr. Niranjan Chairman

IV) RELATED PARTY TRANSACTIONS DURING THE YEAR



Nature of transactions	Name of Entity	As at March 31,2022	As at March 31,2021
Sale of Services	Subsidiaries		
	Prosoft Technology Group Inc	10,12,95,445	13,64,03,607
	Kellton Tech Limited	2,98,20,840	3,73,69,383
	Lenmar Consulting Inc	1,29,89,907	1,36,69,249
	PlanetproInc	-	29,40,332
	Kellton Dbydx Software Private Limited	2,87,36,448	3,41,25,640
Rent paid for office building	Relative of Key Management personnel		
	SreeVidya Chintam & Niranjan Chintam	1,91,44,248	1,82,32,608

V) REMUNERATION OF KEY MANAGERIAL PERSONNEL:

Particulars of Remuneration	For the year ended	
	As at March 31,2022	As at March 31,2021
Short Term employee benefits	1,21,46,310	77,11,404
Share-based payment transactions	Nil	Nil
Total compensation paid to key management personnel	1,21,46,310	77,11,404

* The above post employment benefits excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

VI) OUTSTANDING BALANCES

		As at March 31,2022	As at March 31,2021
Trade Receivable	Prosoft Technology Group Inc	7,99,98,778	10,91,20,373
	Kellton Tech Limited	2,44,07,322	2,61,92,814
	Lenmar Consulting Inc	41,13,672	73,30,771
	Kellton Dbydx Software Private Limited	3,33,21,755	3,32,42,999
Equity Investment in Subsidiaries			
	Kellton Dbydx Software Private Limited	4,05,79,293	4,05,79,293
	Kellton Tech Inc	31,18,36,382	31,18,36,382
	Kellton Tech Solutions Inc	51,68,02,359	51,68,02,359
Security Deposit	Sree Vidya Chintam	25,85,000	25,85,000

Note No 38. Employee stock option plan (ESOPS)

The company instituted Kellton Tech Solutions employee stock option, which was approved by shareholders at 19th AGM i.e 27-Dec-2013. The options granted under the ESOP scheme of the Company shall vest only if till the employee serves the Company. Company has made 12 grants under this scheme as of now.

Details of the grant/issue are given below



Particulars	As at March 31,2022	As at March 31,2021
	No of option	No of option
Options outstanding at the beginning of the year	524028	584696
Granted during the year	1257500	-
Vested during the year	319162	33333
Exercised during the year	113332	-
Lapsed or Forfeited during the years	366357	60668
Options outstanding at the end of the year	1301839	524028
Options vested and exercisable at the end of the year	330168	490695

The financial entries pertaining to ESOPS are subject to reconciliation after considering the terms and conditions of issue of ESOPS.

Note No 39. Segment Reporting

On standalone basis segmental revenue is 99% from Digital transformation services 1% from others.

Note No 40. Contingent liabilities

Contingent liabilities as at 31-March-2022 are Nil (previous year-Nil).

Note No 41. In the opinion of the management, the sum of Rs. 6,38,95,787/- due from M/s. Enterprise Consulting Partner Inc is overdue but good and recoverable. The said entity is also having dues of a sum of Rs. 6,06,48,000/- (USD 800000) in Kellton Tech Inc, subsidiary company. The balance due of Rs. 32,47,787/- is good and recoverable.

Note No 42. Inventory consists of only bought out items pertaining to computer peripherals required for execution of projects.

Note No 43. Impairment of goodwill as an asset has been considered by management and it is of view that there is no impairment in view of business continuity post acquisition of M/s. Tekriti.

Note No 44. Corporate social responsibility

The Company has incurred an expenditure on Corporate Social Responsibility in accordance with section 135(5) of the Companies Act, 2013.



Particulars	Year Ended	Year Ended
	31-Mar-22	31-Mar-21
a) Gross amount required to be spent by the company	20,49,917	19,71,032
b) Amount of expenditure incurred	15,97,308	25,88,320
c) Short fall at the end of the year	4,52,609	-
d) Total of previous year shortfall	-	-
e) Reason for short fall	-	-
f) Nature of CSR Activities	Promoting Education, Ensuring Environmental sustainability, Corona Relief	Promoting Education, Ensuring Environmental sustainability
g) Details of related party transactions	-	-
h) Details of Provision made for liability incurred by entering into contractual obligation	-	-

Note No 45. Previous year's figures have been regrouped where necessary to conform to current year's classification

Note No 46. Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has evaluated the likely impact of the COVID-19 on the overall business of the Company. The impact of the pandemic has been minimal and mitigated with prudent policies adopted by the Company, with a strong focus on the Digital Transformation segment targeting specific industry segments for growth. The Company was impacted during Q1 & Q2 of FY2021-22 due to the ongoing pandemic, during this challenging time the Company has been able to retain existing clients and add new clients during Q3 & Q4 of FY2021-22. The Company as at the date of the approval of these financial, has used various available sources of information to analyze the carrying amount of its financial assets and exposures. The impact of COVID-19 on the Company's financial statements may differ from the estimate as on the date of the approval of the financial statements.



Independent Auditors Report on the
Consolidated Financial
Statements



Independent Auditors' Report To The Members of Kellton Tech Solutions Limited

Date: 30-05-2022

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of KELLTON TECH SOLUTIONS LIMITED ('the Company'), and its subsidiaries (the Company 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 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India :

- a) in the case of Consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2022 ;
- b) in the case of Consolidated Statement of Profit and Loss, of the Profit for the year then ended ;
- c) in the case of Consolidated Cash Flow Statement, of the Cash Flows of the Company for the year ;
- d) in the case of Consolidated Statement of Changes in Equity, of the changes in Equity, for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial

Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



SI No	Key Audit Matter	Auditor's Response
	<p>Fixed price contracts using the percentage of completion method</p> <p>Fixed price maintenance revenue is recognized either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or using percentage of completion method when the pattern of benefits from services rendered to the customer and 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</p> <p>Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time has been recognized using the percentage-of-completion method. Use of the percentage-of-completion method requires the Group to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgement and is assessed throughout the period of the contract to reflect any changes based on the latest available information. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.</p> <p>We identified the estimate of total efforts or efforts to complete fixed price contracts measured using the percentage of completion method as a key audit matter as the estimation of efforts or costs involves significant judgment throughout the period of the contract and is subject to revision as the contract progresses based on the latest available information. This estimate has a high inherent uncertainty and requires consideration of progress of the contract, efforts or costs incurred to-date and estimates of efforts or costs required to complete the remaining contract performance obligations over the lives of the contracts.</p>	<p>Principal Audit Procedures</p> <p>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.</p> <p>We selected a sample of fixed price contracts with customers accounted using percentage of-completion method and performed the following:</p> <ul style="list-style-type: none"> • 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.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Share-



holder's Information, 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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the IndAS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective 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 Consolidated 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 judgment and maintain professional skepticism 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 ability of the Group 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. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

Other Matters

We did not audit the financial statements / financial information of 4 subsidiaries, for the year ended on that date, as considered in the consolidated financial statements. As disclosed in Note No. 45 forming part of accounts, these financial statements / financial information pertaining to 3 subsidiaries which are unaudited and 1 subsidiary which is audited by other auditors have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the aforesaid subsidiaries, is based solely on such financial statements / financial information given to us by the Management.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

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 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), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant 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 Indian Accounting Standards prescribed under Section 133 of the Act.
- e)** On the basis of the written representations received from the Directors of the Company as on March 31, 2021 taken on record by the Board of Directors of the Company and its subsidiary incorporated in India and the reports of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 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 and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' which is based on the auditor's reports of the Company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for the reasons stated therein.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary company incorporated in India.

For **ANANT RAO & MALLIK**

Chartered Accountants

FRN: 006266S

Sd/-

V.ANANT RAO

Partner

M.No.022644

UDIN: 22022644AKBWYX8616

Place: Hyderabad

Date: 30-05-2022



(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Kellton Tech Solutions Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Kellton Tech Solutions Limited (hereinafter referred to as the "Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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 the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls



over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal



financial control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **ANANT RAO & MALLIK**
Chartered Accountants
FRN: 006266S

Sd/-
V.ANANT RAO
Partner
M.No.022644
UDIN: 22022644AKBWYX8616

Place: Hyderabad
Date: 30-05-2022



CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2022

(Amount in Rs)

	NOTE	As at March 31,2022	As at March 31,2021
ASSETS			
Non-current assets			
Property, plant and equipment	6.1	10,47,17,544	10,02,24,623
Right to use Assets	6.2	6,67,19,978	6,06,81,176
Good will	7	1,52,93,25,841	1,61,54,41,982
Other intangible assets		28,91,51,202	28,82,92,825
Financial assets			
Other financial assets	8	73,72,130	79,21,864
Other non-current assets	9	9,57,73,975	11,83,74,350
		2,09,30,60,670	2,19,09,36,820
Current assets			
Inventories	29	1,20,332	1,20,332
Financial assets			
Trade receivables	10	2,22,60,12,787	2,05,84,84,855
Cash and cash equivalents	11.1	22,01,05,427	33,42,06,924
Bank balances other than cash and cash equivalents	11.2	2,80,48,463	5,39,67,841
Other financial assets	12	1,62,91,15,085	1,13,19,48,725
Other current assets	13	52,35,56,328	54,92,69,809
		4,62,69,58,421	4,12,79,98,486
TOTAL ASSETS		6,72,00,19,091	6,31,89,35,306
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	48,24,79,000	48,19,12,340
Other equity	15	4,30,42,93,578	3,72,35,07,809
		4,78,67,72,578	4,20,54,20,149
Liabilities			
Non-current liabilities			
Borrowings	16	13,23,44,700	22,65,44,053
Other financial liabilities	17	8,80,28,198	9,47,26,758
Other non-current liabilities	18	1,37,22,628	1,68,15,147
Provisions	19	3,44,64,348	3,01,92,994
Deferred tax liabilities (Net)	20	2,36,04,772	2,25,61,681
Lease Liabilities	21	7,57,41,386	7,96,51,066
		36,79,06,032	47,04,91,699



	NOTE	As at March 31,2022	As at March 31,2021
Current liabilities			
Financial liabilities			
Borrowings	22	91,78,23,065	64,89,04,709
Trade payables	23	15,12,98,231	16,17,32,986
Other financial liabilities	24	9,72,35,770	13,66,11,655
Other current liabilities	25	11,24,34,537	10,67,15,751
Provisions	26	25,51,01,752	41,24,96,339
Current tax liabilities (Net)		3,14,47,125	17,65,62,018
		1,56,53,40,480	1,64,30,23,458
		1,93,32,46,513	2,11,35,15,157
TOTAL EQUITY AND LIABILITIES		6,72,00,19,091	6,31,89,35,306

The Accompanying notes 1 to 49 form an integral part of the financial statements
As per our report of even date

For **ANANT RAO & MALLIK**
Firms' Registration Number: 006266S
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
V.ANANT RAO
Partner
M No. 022644
UDIN : 22022644AKBWYX8616

Sd/-
Niranjan Chintam
Director & CFO

Sd/-
Krishna Chintam
Managing Director & CEO

Place : Hyderabad
Date : 30-05-2022

Sd/-
Surabi Jain
Company Secretary
M No. A49557



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

(Amount in Rs)

	Note	For the year ended	
		March 31,2022	March 31,2021
Revenue from operations	27	8,42,67,12,473	7,75,63,21,107
Other income	28	1,19,70,741	4,67,48,556
Total income		8,43,86,83,214	7,80,30,69,663
Expenses			
Cost of materials consumed	29	2,46,18,684	14,62,13,577
Employee benefits expense	30	4,30,36,22,263	3,85,67,51,805
Finance costs	31	11,55,29,104	12,84,94,270
Depreciation and amortization expense	32	10,93,42,945	12,92,30,892
Other expenses	33	3,05,11,59,085	2,67,53,47,640
Total expenses		7,60,42,72,081	6,93,60,38,184
Profit / (Loss) before Exceptional items and tax		83,44,11,133	86,70,31,479
Exceptional Items		1,20,948	2,37,390
Profit / (Loss) before tax		83,45,32,081	86,72,68,869
Tax expense:			
Current tax		13,27,83,265	15,65,06,789
Tax/(credit) in respect to earlier years		(32,34,587)	(33,48,491)
Deferred tax	20	5,32,252	28,75,494
Profit (Loss) for the period from continuing operations		70,44,51,151	71,12,35,077
Profit/(loss) for the period		70,44,51,151	71,12,35,077
Other comprehensive income			
A) (i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit liabilities / (asset) (net of tax)		22,61,237	(3,00,139)
(ii) Income tax relating to items that will not be reclassified to profit or loss		6,58,020	(87,340)
B) (i) Items that will be reclassified to profit or loss		54,52,390	(32,74,219)
(ii) Income tax relating to items that will be reclassified to profit or loss			
Total other comprehensive income		83,71,647	(36,61,698)
Total comprehensive income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)		71,28,22,798	70,75,73,379
Earnings per equity share (for continuing operation):			
Basic	34	7.39	7.34
Diluted		7.39	7.33

The Accompanying notes 1 to 49 form an integral part of the financial statements



As per our report of even date

For **ANANT RAO & MALLIK**
Firms' Registration Number: 006266S
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
V.ANANT RAO
Partner
M No. 022644
UDIN : 22022644AKBWYX8616

Sd/-
Niranjan Chintam
Director & CFO

Sd/-
Krishna Chintam
Managing Director & CEO

Place : Hyderabad
Date : 30-05-2022

Sd/-
Surabi Jain
Company Secretary
M No. A49557



CONSOLIDATED STATEMENT OF CASH FLOW

	For the Year ended	
	March 31'2022	March 31'2021
Cash flow from Operating Activities		
Profit for the Period	83,45,32,081	86,72,68,869
Adjustments for :		
Depreciation and amortization expense	10,93,42,945	12,92,30,892
Expense on employee stock based compensation	(73,74,534)	15,91,147
Allowance for doubtful debt	(17,86,428)	0
Bad Debts	6,87,44,146	4,59,27,700
Finance costs	11,55,29,104	12,84,94,270
Miscellaneous expenses written back	0	0
Foreign currency translation	54,52,390	(32,74,219)
Profit on disposal of property, plant and equipment	1,20,948	2,37,390
Other Comprehensive Income		
Changes in operating assets and liabilities		
Trade receivables	(23,44,85,650)	(7,85,44,435)
Other assets	(44,83,02,770)	27,34,32,175
Trade payables	(1,04,34,755)	(23,06,19,371)
Other liabilities	26,26,267	(9,17,62,682)
Provisions	(15,31,23,233)	(3,62,18,448)
Net cash provided by operating activities before taxes	28,08,40,511	1,00,57,63,288
Income taxes paid	(27,41,52,732)	(21,07,41,966)
Net cash provided by operating activities	66,87,779	79,50,21,322
Cash flow from financing activities		
Purchase of property, plant and equipment	(12,08,53,993)	(5,73,94,817)
Goodwill and capital reserve	8,61,16,141	64,12,20,879
Earnout payments-(net)	(66,98,560)	(26,84,64,144)
Proceeds from sale of investment in mutual funds		
Net cash (used in)or provided by investing activities	(4,14,36,412)	31,53,61,918
Cash flow from financing activities		
Proceeds from Issue of share capital under ESOP scheme	32,55,009	0
Finance costs paid	(11,55,29,104)	(12,84,94,270)
Change in loans and borrowings	13,53,43,118	(15,03,50,739)
Dividend paid	(2,40,97,284)	0
Changes in Reserves	(10,03,34,303)	(66,76,32,786)
Repaymet of Lease Liabilities	(39,09,679)	(7,52,36,415)
Net cash used in financing activities	(10,52,72,243)	(1,02,17,14,210)

KELLTON TECH SOLUTIONS LIMITED



Net increase in cash and cash equivalents	(14,00,20,876)	8,86,69,030
Cash and cash equivalents including bank balances other than cash and cash equivalent at the beginning of the period	38,81,74,765	29,95,05,735
Cash and cash equivalents including bank balances other than cash and cash equivalent at the end of the period	24,81,53,889	38,81,74,765

The Accompanying notes 1 to 49 form an integral part of the financial statements
As per our report of even date

For **ANANT RAO & MALLIK**
Firms' Registration Number: 006266S
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
V.ANANT RAO
Partner
M No. 022644
UDIN : 22022644AKBWYX8616

Sd/-
Niranjan Chintam
Director & CFO

Sd/-
Krishna Chintam
Managing Director & CEO

Place : Hyderabad
Date : 30-05-2022

Sd/-
Surabi Jain
Company Secretary
M No. A49557

KELLTON TECH SOLUTIONS LIMITED

Statement of changes in equity for the year ended March 31, 2022

Particulars	Amount (Rs)
(a) Equity share capital (Balance at the April 1, 2021)	96,382,468
Add: Shares capital issued under ESOP scheme	113,332
Balance at the March 31, 2022	96,495,800

(b) Other equity

Particulars	Reserves and Surplus (refer note 15)						Total
	Capital reserve	General reserve	Securities premium reserve	Share options outstanding account	Retained earnings	Other Comprehensive Income	
Balance as at April 1, 2021	20,23,30,050	1,17,97,477	13,07,79,404	2,43,32,786	3,35,79,29,790	(36,61,698)	3,72,35,07,809
Total Comprehensive Income for the period comprising of:							
(i) Profit for the period					70,44,51,151		70,44,51,151
(ii) Other comprehensive income (net of taxes)	(40,64,840)				(49,51,130)	1,20,33,345	30,17,375
Issue of equity shares			26,88,349				26,88,349
Dividend paid					(2,40,97,283)		(2,40,97,283)
Goodwill Impairment				(73,74,533)	(9,78,99,290)		(9,78,99,290)
Compensation cost related to employee share based payment							(73,74,533)
Balance as at March 31, 2022	19,82,65,210	1,17,97,477	13,34,67,753	1,69,58,253	3,93,54,33,238	83,71,647	4,30,42,93,578



The Accompanying notes 1 to 49 form an intergral part of the financial statements
As per our report of even date

For **ANANT RAO & MALLIK**
Firms' Registration Number: 006266S
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
V.ANANT RAO
Partner
M No. 022644
UDIN : 22022644AKBWYX8616

Sd/-
Niranjan Chintam
Director & CFO

Sd/-
Krishna Chintam
Managing Director & CEO

Place : Hyderabad
Date : 30-05-2022

Sd/-
Surabi Jain
Company Secretary
M No. A49557



NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS ACCOUNTING POLICIES FOR CONSOLIDATED STATEMENTS 31ST-MARCH 2022

1) Corporate Information

Kellton Tech Solutions Limited (“the Company”) is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The shares of the Company are listed on Bombay Stock Exchange and National Stock Exchange. The Company is global company and offers services in digital transformation, ERP and other IT services.

2) Basis of preparation

a) The financial statements are prepared under the historical cost convention and in accordance with the applicable accounting standards issued by the institute of chartered accountants of India and requirements of the Companies Act 2013 and on a going concern concept other than Share based payment transactions and Defined benefit and other long-term employee benefits.

b) The company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.

Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (“the Act”) and other relevant provisions of the Act.

3) Principles of consolidation

The consolidated financial statements of the Company and its subsidiaries (“the Group”) for the year ended March 31, 2022 are prepared in accordance with generally accepted accounting principles applicable in India, and the Indian Accounting Standard 110 (Ind AS 110) on ‘Consolidated Financial Statements’, notified by Companies (Accounting Standards) Rules, 2015, (“Indian Accounting Standards”) by and to the extent possible in the same format as that adopted by the Company for its separate financial statements.

The financial statements of the Company and its subsidiary companies have been combined on line by line basis by adding together, the book values of like items of assets and liabilities, income and expenses after eliminating intra group balances and intra group transactions except where cost cannot be recovered. The unrealized profits or losses resulting from the intra group transactions and balances have been eliminated.



The excess of the cost to the Company of its investment in a subsidiary and the Company's portion of equity of subsidiary on the date at which investment in the subsidiary is made, is described as goodwill and recognized separately as an asset in the consolidated financial statements. The excess of the Company's portion of equity of the subsidiary over the cost of investment in the subsidiary is treated as capital reserve in the consolidated financial statements

4) Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes

a) Revenue recognition

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative effect method, The standard is applied retrospectively only to contracts that are not completed as at the date of the initial application and the comparative information is not restated in the condensed consolidated interim statement of profit and loss. The effect on adoption of the said standard was insignificant on these financial statements.

b) Income tax

The Company' tax jurisdictions are India. Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions

c) Other estimates

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required. The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

d) Intangible assets and contingent consideration in business combinations



Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquire. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts.

5) Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

b) Foreign currency transactions and balances

i) Initial Recognition

Foreign currency transactions are recorded at the rates prevailing date of transactions.

ii) Exchange Differences

Exchange differences arising on settlement of transaction and translation of monetary items are recognized as income or expense.

iii) Conversion

Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Nonmonetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

iv) The foreign exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognized in other comprehensive income and is presented under equity in the foreign currency translation reserve.



c) Investments

Long term and un quoted current investments are stated at cost and quoted current investments at lower of cost or market value. Provision for diminution in value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

d) Financial instruments

Company does not has any financial instruments

e) Inventories

Inventories are valued at lower of the cost or net realizable value whichever is lower on weighted average basis.

f) Property, plant and equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price and directly attributable costs of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Capital work-in-progress includes cost of Property, Plant and Equipment that are not ready to be put to use.

Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it is probable that future economic benefits associated with the item will flow to the Company. All other expenses on existing Property, Plant and Equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gains or losses arising from disposal 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.

g) Intangible Assets

The Intangible assets are recognized when it is probable that the future economic benefit that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.



Software licenses of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. Following initial recognition intangible assets are carried at cost less accumulated amortization.

Gains or losses arising from disposal of intangible assets 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.

Goodwill is subject to impairment testing on an annual basis. However, if indicators of impairment are present, the company will review goodwill for impairment when such indicators arise. The company performs an annual review and no impairment was recorded. Key assumptions used by management to determine the fair value of the goodwill include industry earnings multiples and earnings multiples from previous company acquisitions

h) Depreciation

Depreciation on fixed assets [Tangible and Intangible assets] is provided on Straight line method on pro-rata basis at the rates prescribed in schedule XIV of the Companies Act, 2013 as amended from time to time.

i) Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors.

Preliminary expenditure: To write off preliminary expenses in ten equal yearly installments.

j) Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessary takes substantial period of time to get ready for intended use. All other borrowing costs are charged in statement of profit and loss.

k) Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term and the applicable discount rate.



The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

l) Revenue Recognition

i) Revenue from time and material engagements is recognized on time proportion basis as and when the services are rendered in accordance with the terms of the contracts with customers.

ii) In case of fixed price contracts, revenue is recognized based on the milestones achieved as specified in the contracts, on proportionate completion basis.

iii) Revenue from maintenance contracts and subscription is recognized on a pro-rata basis over the period of the contract.

iv) Unbilled revenue represents revenue recognized in relation to work done on time and material projects and fixed price projects until the balance sheet date for which billing has not taken place.

v) Interest income is recognized on a time proportion basis taking into account the carrying amount and the effective interest rate. Interest income is included under the head 'Other income' in the statement of profit and loss.

m) Employee Benefits

The Company has the following employee benefit plans:

i) Provident fund

Provident fund is a defined contribution plan covering eligible employees. The Company and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the basic salary. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.



ii) Gratuity

The Company has a scheme for payment of gratuity to all its employees as per provisions of the Payment of Gratuity Act 1972. The Company provides for period end liability using the projected unit credit method as per the actuarial valuation carried out by the Independent actuary. The cost of providing benefit under gratuity plan are charged to the statement of profit and loss, except for the remeasurements, comprising of actuarial gains and losses which are recognized in full in the statement of other comprehensive income in the reporting period in which they occur.

iii) Leave encashment.

Leave encashment claims are settled on year to year basis.

n) Share based payments

In accordance with Ind AS 102 – “Share Based Payments”, Employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant.

The expense is recognized in the statement of profit and loss with a corresponding increase to the share-based payment reserve, a component of equity.

The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization). The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

o) Income Tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income

i) Current Income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.



ii) Deferred Income Tax

Deferred income taxes reflect the impact of temporary differences between tax base of assets and liabilities and their carrying amounts. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax asset are recognized 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 utilized.

The carrying amount of deferred income 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 income tax asset to be utilized.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. MAT credit available is recognized as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

p) Segment reporting

The Group prepares its segment information in conformity with accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

q) Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

r) Provisions

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



The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

s) 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 Company 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

t) Cash and cash equivalents

Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with an original, which are subject to an insignificant risk of changes in value.

u) Cash flow statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", 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. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

v) Borrowing cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets.

A qualifying asset is one that necessary takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

w) Related parties Transactions:

Related party transactions including purchases, services, fund and non-fund-based agreements are disclosed separately.



KELLTON TECH SOLUTIONS LIMITED
Significant accounting policies and notes to the accounts
For the year ended March 31, 2022

Note No 6.1 Property, plant and equipment

Particulars	Leasehold improvements	Plant and machinery	Office equipment	Computers	Electrical installations	Furniture and fixtures	Vehicles	Total
Gross carrying value								
At April 1, 2021	60,20,398	26,64,015	8,00,96,965	7,22,22,632	5,80,51,184	6,27,65,853	3,27,11,583	31,45,32,631
Additions		29,688	8,23,703	2,42,18,127	3,56,789	1,32,000	53,26,434	3,08,86,740
Disposals / adjustments							(16,99,960)	(16,99,960)
Translation exchange difference	1,89,213	-	23,00,209	(70,211)	-	3,00,528	2,02,175	29,21,913
At March 31, 2022	62,09,611	26,93,703	8,32,20,877	9,63,70,548	5,84,07,973	6,31,98,380	3,65,40,232	34,66,41,324
Accumulated depreciation								
At April 1, 2021	60,20,398	14,89,878	7,94,90,793	5,38,35,256	1,80,52,629	3,20,15,097	2,34,03,957	21,43,08,008
Depreciation expense		3,17,678	4,22,005	1,09,76,401	55,34,233	49,71,199	38,08,235	2,60,29,751
Disposals / adjustments							(12,62,874)	(12,62,874)
Translation exchange difference	1,89,213	-	23,00,209	(48,048)	-	3,00,528	1,06,994	28,48,895



At March 31, 2022	62,09,611	18,07,556	8,22,13,007	6,47,63,609	2,35,86,861	3,72,86,824	2,60,56,311	24,19,23,780
Net block March 31, 2022	-	8,86,147	10,07,871	3,16,06,938	3,48,21,111	2,59,11,556	1,04,83,921	10,47,17,544
Net block March 31, 2021	-	11,74,137	6,06,173	1,83,87,376	3,99,98,555	3,07,50,756	93,07,626	10,02,24,623

Note No 6.2 Right of use assets

	Office premises	
Gross block (at cost)		
As at April 1, 2021		15,84,91,488
Additions		4,28,05,264
Translation exchange difference		22,37,754
As at March 31, 2022		20,35,34,506
Accumulated depreciation		
As at April 1, 2021		9,78,10,312
Charge for the year		3,78,07,953
Translation exchange difference		11,96,263
As at March 31, 2022		13,68,14,528
Net block		
As at March 31, 2022		6,67,19,978
As at March 31, 2021		6,06,81,176



Note No 7. Other Intangible assets

	Good Will	Other Intangible Assets
Gross carrying value		
At April 1, 2021	1,61,54,41,982	55,24,13,044
Additions	-	5,01,63,477
Disposals / adjustments	(9,78,99,290)	-
Translation exchange difference	1,17,83,149	37,70,786
At March 31, 2022	1,52,93,25,841	60,63,47,307
Accumulated depreciation		
At April 1, 2021	-	26,41,20,220
Amortisation expense	-	4,55,05,241
Disposals / adjustments	-	-
Translation exchange difference	-	75,70,645
At March 31, 2022	-	31,71,96,105
Net block March 31, 2022	1,52,93,25,841	28,91,51,202
Net block March 31, 2021	1,61,54,41,982	28,82,92,825

Note No 8. Other financial assets

Particulars	As at March 31,2022	As at March 31,2021
Security deposits		
Unsecured considered good	73,72,130	79,21,864
Total	73,72,130	79,21,864

Note No 9. Other non-current assets

Particulars	As at March 31,2022	As at March 31,2021
Security Deposit	79,68,984	59,79,286
Other non-current assets	1,11,30,756	3,80,57,164
Other non current assets*	7,66,74,235	7,43,37,900
Total	9,57,73,975	11,83,74,350

*Sale Consideration



FINANCIAL ASSETS

Note No 10. Trade receivables

Particulars	As at March 31,2022	As at March 31,2021
(Unsecured)		
Considered good	2,22,95,24,796	2,06,44,58,467
Less: Allowance for doubtful debts	(35,12,009)	(59,73,612)
Total	2,22,60,12,787	2,05,84,84,855

Trade receivable aging schedule

Particulars	Outstanding for following periods from due date of payment						Total
	No Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undis-puted Trade receivables – considered good	70,74,76,946	1,39,92,44,886	12,28,02,964	-	-	-	2,22,95,24,796
As at As at March 31,2022	70,74,76,946	1,39,92,44,886	12,28,02,964	-	-	-	2,22,95,24,796

Particulars	Outstanding for following periods from due date of payment						Total
	No Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undis-puted Trade receivables – considered good	71,86,91,051	1,24,06,04,073	10,51,63,343	-	-	-	2,06,44,58,467
As at As at March 31,2021	71,86,91,051	1,24,06,04,073	10,51,63,343	-	-	-	2,06,44,58,467

Note No 11.1 Cash and cash equivalents

Particulars	As at March 31,2022	As at March 31,2021
Cash on hand	5,36,815	3,12,554
Balances with banks in current accounts	21,95,68,610	33,38,94,370
Cash and cash equivalents as per balance sheet	22,01,05,426	33,42,06,924



Note No 11.2 Bank balances other than cash and cash equivalents

Particulars	As at March 31,2022	As at March 31,2021
Fixed Deposit with banks	2,80,48,463	5,39,67,841
Total	2,80,48,463	5,39,67,841

Note No 12. Other current financial assets

Particulars	As at March 31,2022	As at March 31,2021
Advances to employees	91,85,264	75,04,924
Accrued Revenue	1,31,71,19,025	1,05,05,34,421
Other Advances	30,28,10,796	7,39,09,380
Total	1,62,91,15,085	1,13,19,48,725

Note No 13. Other current assets

Particulars	As at March 31,2022	As at March 31,2021
Prepaid expenses	6,09,68,715	6,39,37,163
Deposits	1,15,57,448	1,47,12,289
Others	45,10,30,165	47,06,20,357
Total	52,35,56,328	54,92,69,809

Note No 14. Equity share capital

a)

Particulars	As at March 31,2022	As at March 31,2021
Authorised		
12,00,00,000 (March 31, 2021: 12,00,00,000) equity shares of Rs 5/- each	60,00,00,000	60,00,00,000
Issued, subscribed and paid-up capital		
96495800 (March 31, 2021: 9,63,82,468) equity shares of Rs 5/- each fully paid	48,24,79,000	48,19,12,340
	48,24,79,000	48,19,12,340



b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period are as given below:

Particulars	As at March 31,2022		As at March 31,2021	
	No of Shares	Amount	No of Shares	Amount
Number of shares outstanding at the beginning of the period	9,63,82,468	48,19,12,340	9,63,82,468	48,19,12,340
Add: Shares issued on exercise of employee stock options	1,13,332	5,66,660	-	-
Add: Bonus shares issued *	-	-	-	-
Number of shares outstanding at the end of the period	9,64,95,800	48,24,79,000	9,63,82,468	48,19,12,340

c) Terms/rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs 5 each. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting.

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. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31,2022		As at March 31,2021	
	No of shares	% Holding	No of shares	% Holding
Name of the shareholder*				
1.Matnic Finvest LLP	4,07,54,356	42.23%	4,25,04,356	44.09%
2.Kellton Wealth Management LLP	71,83,384	7.44%	89,33,384	9.27%

* The share holding information is based on legal ownership of shares and has been extracted from the records of the Company including register of shareholders / members

e) In the period of five years immediately preceding March 31, 2022:

i) The Company has allotted 4,81,91,234 fully paid up equity shares during the quarter ended March 31, 2018, pursuant to 1:1 bonus share issue approved by shareholders passed through Postal Ballot concluded on 19.03.2018

ii) The Company has not bought back any equity shares.

iii) The Company has not allotted any equity shares as fully paid up without payment being received in cash



f) Details of shares held by promoters at the end of the year 31st Mar,2022

Promoter name	No of Shares at the beginning of the year	Changes during the year	No. of Shares at the end of the year	%of total shares	% Change during the year
Krishna Reddy Chintam	11,42,286	-	11,42,286	1.18%	0.00%
Sreevidya Chintam	9,02,776	-	9,02,776	0.94%	0.00%
Mohana Reddy Chintam	3,28,552	-	3,28,552	0.34%	0.00%
Lakshmi Chintam	20,770	-	20,770	0.02%	0.00%
Kellton Wealth Management LLP	89,33,384	17,50,000	71,83,384	7.44%	-1.82%
Matnic Finvest LLP	4,25,04,356	17,50,000	4,07,54,356	42.23%	-1.87%
Total	5,38,32,124	35,00,000	5,03,32,124	52.16%	-3.69%

Details of shares held by promoters at the end of the year 31st Mar,2021

Promoter name	No of Shares at the beginning of the year	Changes during the year	No. of Shares at the end of the year	%of total shares	% Change during the year
Krishna Reddy Chintam	11,42,286	-	11,42,286	1.19%	0.00%
Sreevidya Chintam	9,02,776	-	9,02,776	0.94%	0.00%
Mohana Reddy Chintam	3,28,552	-	3,28,552	0.34%	0.00%
Lakshmi Chintam	20,770	-	20,770	0.02%	0.00%
Kellton Wealth Management LLP	1,19,33,384	30,00,000	89,33,384	9.27%	-3.11%
Matnic Finvest LLP	4,25,04,356	-	4,25,04,356	44.10%	0.00%
Total	5,68,32,124	30,00,000	5,38,32,124	55.85%	-3.11%

Note No 15. Other equity

Other equity	As at March 31,2022	As at March 31,2021
a) Capital reserve		
Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.	19,82,65,210	20,23,30,050
b) Security premium		



Amounts received on (issue of shares) in excess of the par value has been classified as securities premium.	13,34,67,753	13,07,79,404
c) General reserve		
This represents appropriation of profit by the Company.	1,17,97,477	1,17,97,477
d) Retained earnings		
Retained earnings comprise of the Company's prior years' undistributed earnings after taxes.	3,93,54,33,238	3,35,79,29,790
e) Share option outstanding account		
The share option outstanding account is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to share premium upon exercise of stock options by employees in case of forfeiture corresponding balance is transferred to general reserve.	1,69,58,253	2,43,32,786
f) Other items of other comprehensive income	83,71,647	(36,61,698)
Total	4,30,42,93,578	3,72,35,07,809

NON- CURRENT LIABILITIES FINANCIAL LIABILITIES

Note No 16. Borrowings

Particulars	As at March 31,2022	As at March 31,2021
(Long Term and Secured)		
Vehicle Loans		
a) ICICI Bank Ltd	3,05,352	6,80,274
b) Bank of America	2,72,335	12,34,237
c) Kotak Mahindra Bank Ltd	23,27,137	-
Loan - Indusind Bank	1,01,19,130	1,75,69,119
Loan-Axis Bank Limited (UK)	-	8,74,64,976
Bandhan term Loan	2,66,66,667	4,00,00,000
IndusInd Term Loan	49,94,872	99,89,744
Kotak Term Loan	8,76,59,207	6,96,05,703
Total	13,23,44,700	22,65,44,053

*Secured long term borrowings represent the amounts received from Banks as summarized below



Lender	Rate of Interest	Security
ICICI Banks	9.5%	Vehicle
Bank of America	7.5%	Vehicle
Axis Bank -UK	6.5%	Vehicle
Indusind Bank	1 Year MCLR+ 0.70%	Pari Pasu charge with Bandhan bank
Alostar	LIBOR + 3.50% P.A	Receivables of the Company-Subsidiary

Note No 17. Other financial liabilities

Particulars	As at March 31,2022	As at March 31,2021
Acquisition contingent payout	8,80,28,198	9,47,26,758
Total	8,80,28,198	9,47,26,758

Note No 18. Other non-current liabilities

Particulars	As at March 31,2022	As at March 31,2021
Other liabilities	1,37,22,628	1,68,15,147
Total	1,37,22,628	1,68,15,147

Note No 19. Provisions : Other Long Term Provisions

Particulars	As at March 31,2022	As at March 31,2021
Provision for employee benefits		
Gratuity	3,44,64,348	3,01,92,994
Total	3,44,64,348	3,01,92,994

Note No 20. Deferred tax liability (net)

Particulars	As at March 31,2022	As at March 31,2021
Deferred tax liabilities		
Differences in book values and tax base values of block of Property, Plant and Equipment and intangible assets	3,30,21,188	3,32,58,462
Total Deferred tax liabilities	3,30,21,188	3,32,58,462
Deferred tax assets		
Provision for doubtful debts	-	(4,49,608)
Provision for gratuity and leave encashment	(92,65,006)	(80,69,929)
Right of use asset and lease liability	(1,51,410)	(21,77,244)
Mat credit	-	-
Total Deferred tax assets	(94,16,416)	(1,06,96,781)
Deferred tax liability after set off	2,36,04,772	2,25,61,681



Note No 21. Lease Liabilities

Particulars	As at March 31,2022	As at March 31,2021
Opening balance	7,96,51,066	15,48,87,480
Additions	4,28,05,264	-
Add: Interest recognized during the year	34,47,140	1,05,22,622
Less: Payments made	(5,14,90,690)	(6,26,64,620)
Adjustment on account of lease modification	-	(2,15,05,862)
Translation exchange difference	13,28,606	(15,88,554)
Total	7,57,41,386	7,96,51,066

CURRENT LIABILITIES FINANCIAL LIABILITIES

Note No 22. Borrowings

Particulars	As at March 31,2022	As at March 31,2021
(Short Term and Secured)		
Working Capital Loan : Bandhan Bank	23,63,88,096	16,82,16,498
Working capital Line of Credit: Alostar	68,14,34,969	48,06,88,211
Total	91,78,23,065	64,89,04,709

Short term borrowings represent the amounts received from Banks as summarized below

Lender	Nature of facility	Rate of interest
Bandhan Bank	Cash Credit	9.85% p.a
Alostar	Working Capital	LIBOR + 2.75%

Note No 23. Trade Payables

Particulars	As at March 31,2022	As at March 31,2021
Trade Payables for goods and services	15,12,98,231	16,17,32,986
Total	15,12,98,231	16,17,32,986



Trade Payable ageing schedule

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
MSME	-	-	-	-	-
Others	11,58,43,004	3,54,55,227	-	-	15,12,98,231
As at As at March 31,2022	11,58,43,004	3,54,55,227	-	-	15,12,98,231

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
MSME	-	-	-	-	-
Others	12,35,83,409	3,81,49,577	-	-	16,17,32,986
As at As at March 31,2021	12,35,83,409	3,81,49,577	-	-	16,17,32,986

Note No 24. Other current financial liabilities

Particulars	As at March 31,2022	As at March 31,2021
Current maturities of long-term debt*	9,72,15,506	13,66,03,729
Interest accrued but not due on borrowings*	20,264	7,926
Total	9,72,35,770	13,66,11,655

*The details of interest rates,repayment and other terms are disclosed under note 16

Note No 25. Other current liabilities

Particulars	As at March 31,2022	As at March 31,2021
Statutory dues payable	7,63,47,326	3,64,28,968
Dividend Payable	4,90,516	-
Advances received from customers	41,16,483	39,91,050
Others	3,14,80,212	6,62,95,733
Total other current liabilities	11,24,34,537	10,67,15,751

Note No 26. Provisions : Other Short Term Provisions

Particulars	As at March 31,2022	As at March 31,2021
Provisions for employees benefits	15,86,02,437	20,53,94,338
Accrued Expenses	9,64,99,315	20,71,02,001
Total	25,51,01,752	41,24,96,339



Note No 27. Revenue from operations

for the year ended

Particulars	March 31,2022	March 31,2021
Revenue from operations (net)		
Software Services	8,39,04,84,440	7,69,15,96,708
Hardware Services	-	-
Maintenance Services	3,62,28,033	6,47,24,399
Total	8,42,67,12,473	7,75,63,21,107

Note No 28. Other income

for the year ended

Particulars	March 31,2022	March 31,2021
Foreign exchange gain/ (loss)	70,67,857	1,75,63,644
Interest income on financial assets at amortised cost	12,99,366	15,16,985
Interest received	19,43,889	57,02,287
Miscellaneous Income	16,59,629	2,19,65,640
Total	1,19,70,741	4,67,48,556

Note No 29. Cost of Material Consumed

for the year ended

Particulars	March 31,2022	March 31,2021
Purchase of Stock in trade	2,46,18,684	14,57,68,577
Opening Stock	1,20,332	5,65,332
(Less): Closing stock	(1,20,332)	(1,20,332)
Total	2,46,18,684	14,62,13,577

Note No 30. Employee benefits expense

for the year ended

Particulars	March 31,2022	March 31,2021
Salaries and wages	4,14,87,44,579	3,70,42,69,130
Gratuity Expense	1,17,48,564	98,81,952
Contribution to provident and other funds	2,15,83,655	1,89,30,428
Employee stock compensation expenses	(73,74,534)	15,91,147
Staff welfare expenses	12,89,19,999	12,20,79,148
Total	4,30,36,22,263	3,85,67,51,805



Note No 31. Finance costs

Particulars	for the year ended	
	March 31,2022	March 31,2021
Interest expense	8,50,44,566	8,54,03,086
Finance Cost on Lease	34,47,140	1,05,22,622
Other borrowing cost	2,70,37,398	3,25,68,562
Total	11,55,29,104	12,84,94,270

Note No 32. Depreciation and amortization expense

Particulars	for the year ended	
	March 31,2022	March 31,2021
On property, plant and equipment	2,60,29,751	2,27,85,407
On other intangible assets	4,55,05,241	6,04,09,576
On Right-of-use assets	3,78,07,953	4,60,35,909
Total	10,93,42,945	12,92,30,892

Note No 33. Other expenses

Particulars	for the year ended	
	March 31,2022	March 31,2021
Professional Fee	15,55,38,331	13,96,67,588
Subcontracting Expenses	2,45,33,33,849	2,19,80,63,930
Rent	2,79,85,147	3,77,93,094
Travelling and Conveyance	6,10,86,589	3,50,01,356
Internet and web hosting	2,92,99,099	1,53,14,038
Repairs and maintenance	4,28,27,644	6,85,37,122
Sales and Marketing	1,80,15,227	1,73,54,040
Printing & Stationery	6,42,267	45,56,512
Rates and taxes	20,74,376	63,96,519
CSR Contributions	15,97,308	25,88,320
Subscription fees and licences renewal cost	1,20,62,227	1,44,06,770
Exchange fluctuations Loss	65,37,178	2,25,03,099
Provision for doubtful debts	(17,86,428)	-
Bad Debts	6,87,44,146	4,59,27,700
Other Miscellaneous expenses	16,48,80,186	5,91,76,174
Auditor Remuneration for subsidiary companies	80,21,939	77,61,378
Auditor Remuneration		
a) Statutory Audit fee	2,50,000	2,50,000
b) Taxation	50,000	50,000
Total	3,05,11,59,085	2,67,53,47,640



Note No 34. Earnings per Share

Particulars	March 31,2022	March 31,2021
Numerator for EPS		
Net Profit after tax (A)	71,28,22,798	70,75,73,379
Weighted Average no. of Shares considered for Denominator for Basic EPS (B)*	9,64,95,800	9,63,82,468
Weighted Average no. of Shares considered for Denominator for Diluted EPS (after effect of dilutive issues of stock options)(C)*	9,65,71,639	9,65,69,784
Basic and diluted Earnings Per Share (A)/(B)	7.39	7.34
Diluted Earnings Per Share (A)/(C)	7.39	7.33

Note No 35.

a) Gratuity

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an Independent actuary, at each balance sheet date using the projected unit credit method. The discount rate assumed is 7.36% (31-March-2022-7.36% and 31-March-2021 - 6.89%). The retirement age has been considered at 58 years

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the Balance Sheet for the respective plans.

for the period ending

Particulars	March 31,2022	March 31,2021
Present Value of Obligation as at beginning	3,15,40,299	2,54,16,130
Current Service Cost	49,29,193	42,38,380
Interest Expense Cost	20,23,664	15,85,650
Change in financial assumptions	(22,61,238)	3,00,139
Present Value of Obligation as at the end	3,62,31,918	3,15,40,299

Bifurcation of Net Liability

Particulars	As on	
	March 31,2022	March 31,2021
Current Liability (Short-term)	17,67,570	13,47,305
Non-Current Liability (Long-term)	3,44,64,348	3,01,92,994
Total Liability	3,62,31,918	3,15,40,299

b) Leave Encashment:-

Since leave encashment claims are settled on year to year basis, no actuarial valuation needs to be obtained.



Note No 36. Leases

The Company's lease asset classes primarily consist of leases for land and buildings. At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. 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. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The changes in the carrying value of ROU assets for the year ended are as follows

(Amount in Lacs)

for the year ended

Particulars	March 31,2022	March 31,2021
Balance at the beginning	606.81	1,236.80
Additions	428.05	-
Adjustment on account of lease modification	-	(156.56)
Depreciation	(378.08)	(460.35)
Translation exchange difference	10.41	(13.08)
Balance at the end	667.19	606.81

The movement in lease liabilities during the year ended as follows:

(Amount in Lacs)

for the year ended

Particulars	March 31,2022	March 31,2021
Balance at the beginning	796.51	1,548.87
Additions	428.05	-
Finance cost accrued during the period	34.47	105.23
Adjustment on account of lease modification	-	(215.06)
Payment of Lease Liabilities	(514.91)	(626.65)
Translation exchange difference	13.29	(15.88)
Balance at the end	757.41	796.51



Note No 37. Related Party Disclosures

I) RELATED PARTY WITH WHOM TRANSACTIONS HAVE TAKEN PLACE

- i) Mr. Niranjana Chintam - Chairman and CFO
- ii) Mr. Krishna Chintam - Managing Director and CEO
- iii)) Mr. Karanjit Singh- Executive Director

II) KEY MANAGEMENT PERSONNEL

- a) Mr Niranjana Chintam - Chairman and CFO
- b) Mr Krishna Chintam - Managing Director and CEO
- c) Mr Karanjit Singh- Executive Director
- d) Surabi Jain-Company Secretary

III) RELATIVE OF KEY MANAGEMENT PERSONNEL

Ms. Sree Vidya Chintam- Wife of Mr. Niranjana Chairman

IV) RELATED PARTY TRANSACTIONS DURING THE YEAR

Nature of transactions	Particulars	As at March 31,2022	As at March 31,2021
Rent paid for office building	Relative of Key Management personnel	1,91,44,248	1,82,32,608

V) REMUNERATION OF KEY MANAGERIAL PERSONNEL:

Particulars of Remuneration	For the year ended	
	As at March 31,2022	As at March 31,2021
Short Term employee benefits	1,21,46,310	77,11,404
Share-based payment transactions	Nil	Nil
Total compensation paid to key management personnel	1,21,46,310	77,11,404

* The above post-employment benefits excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.

VI) OUTSTANDING BALANCES

Particular	Name of Party	As at March 31,2022	As at March 31,2021
Security Deposit	Sree Vidya Chintam	25,85,000	25,85,000

Note No 38. Employee stock option plan (ESOPS)

The company instituted Kellton Tech Solutions employee stock option, which was approved by shareholders at 19th AGM i.e. 27-Dec-2013. The options granted under the ESOP scheme of the Company shall vest only if till the employee serves the Company. Company has made 12 grants under this scheme as of now.



Details of the grant/issue are given below

Particulars	For the year ended	
	As at March 31,2022	As at March 31,2021
Options outstanding at the beginning of the year	524028	584696
Granted during the year	1257500	-
Vested during the year	319162	33333
Exercised during the year	113332	-
Lapsed or Forfeited during the years	366357	60668
Options outstanding at the end of the year	1301839	524028
Options vested and exercisable at the end of the year	330168	490695

The financial entries pertaining to ESOPS are subject to reconciliation after considering the terms and conditions of issue of ESOPS.

Note No 39. Segment Reporting

In accordance with para 4 of Notified Indian Accounting Standard 108 (Ind AS-108) "Operating Segments" the Company shall disclose segment information only on the basis of consolidated financial statements which are presented together with the standalone financial statements.

(Amount in Rs.)

Revenue	March 31,2022	March 31,2021
Digital Transformation	6,89,18,42,207	6,15,40,35,069
Enterprise Solutions	1,19,48,98,845	1,18,30,43,893
Consulting	33,99,71,421	41,92,42,145
Total	8,42,67,12,473	7,75,63,21,107
Identifiable expense		
Digital Transformation	4,75,75,68,490	3,88,09,33,884
Enterprise Solutions	94,28,12,985	85,46,36,011
Consulting	26,68,12,543	29,83,55,213
Total	5,96,71,94,018	5,03,39,25,108
Segmental result		
Digital Transformation	2,13,42,73,717	2,27,31,01,185
Enterprise Solutions	25,20,85,860	32,84,07,882
Consulting	7,31,58,878	12,08,86,932
Total	2,45,95,18,455	2,72,23,95,999
Unallocable Expenses	1,52,15,48,959	1,77,36,18,806
Operating income	93,79,69,496	94,87,77,193
Finance Charges	11,55,29,104	12,84,94,270
Other Income	1,20,91,689	4,69,85,946
Profit before taxes	83,45,32,081	86,72,68,869
Taxes	13,00,80,930	15,60,33,792
Profit after taxes	70,44,51,151	71,12,35,077



Note No 40. Acquisitions and Disinvestment

During the year there is no acquisitions and dis investments.

Note No 41. Company has not made any default in loan repayment and no over due's are outstanding

Note No 42. Contingent liabilities

Contingent liabilities as at 31-March-2022 is Nil (previous year-Nil).

Note No 43. Goodwill represents the excess of the purchase price of an acquired business over the fair value of the underlying net tangible and intangible assets. Goodwill is evaluated for impairment annually and whenever events or changes in circumstances indicate the carrying value of goodwill may not be recoverable.

Note No 44. In the opinion of the management, the sum of Rs. 6,38,95,787/- due from M/s. Enterprise Consulting Partner Inc is overdue, but good and recoverable. The said entity is also having dues of a sum of Rs. 6,06,48,000/- (USD 800000) in Kellton Tech Inc, subsidiary company. The balance due of Rs. 32,47,787/- is good and recoverable.

Note No 45. Kellton Tech Solutions Inc (USA), Kellton Tech Inc (USA) are 100% subsidiaries of Kellton Tech Solutions Ltd (India) have been audited by other auditors as on 31st Dec, 2021. Financial statements have been prepared considering audited figures up to 31st Dec, 2021 and unaudited figures from Jan, 2022 to Mar, 2022. Kellton Dbydx Private Limited is a 100% subsidiary of Kellton Tech Solutions Ltd (India) and has been audited by other auditors as on 31st March, 2022.

In addition, Kellton Tech Limited (Ireland) a 100% subsidiary of Kellton Tech Solutions Ltd (India) audit has not been completed. This entity's statements/financial information reflect a Total Assets of Rs. 1,98,52,15,013/-, Total Revenue of Rs. 91,06,52,737/- and Net Income of Rs. 11,82,05,242/- for the 12 month period ending March 31, 2022.

Note No 46. Corporate social responsibility

The Company has incurred an expenditure on Corporate Social Responsibility in accordance with section 135(5) of the Companies Act, 2013.

Particulars	Year Ended March 31,2022	Year Ended March 31,2021
a) Gross amount required to be spent by the company	20,49,917	19,71,032
b) Amount of expenditure incurred	15,97,308	25,88,320
c) Short fall at the end of the year	4,52,609	-
d) Total of previous year shortfall	-	-
e) Reason for short fall	-	-
f) Nature of CSR Activities	Promoting Education, Ensuring Environmental sustainability, Corona Relief	Promoting Education, Ensuring Environmental sustainability
g) Details of related party transactions	-	-
h) Details of Provision made for liability incurred by entering into contractual obligation	-	-



NOTE NO 47. Inventory consists of only bought out items pertaining computer peripherals required for execution of projects.

NOTE NO 48. Previous year's figures have been regrouped where necessary to conform to current year's classification.

Note No 49. Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has evaluated the likely impact of the COVID-19 on the overall business of the Company. The impact of the pandemic has been minimal and mitigated with prudent policies adopted by the Company, with a strong focus on the Digital Transformation segment targeting specific industry segments for growth. The Company was impacted during Q1 & Q2 of FY21-22 due to the ongoing pandemic, during this challenging time the Company has been able to retain existing clients and add new clients during Q3 & Q4 of FY21-22. The Company as at the date of the approval of these financials, has used various available sources of information to analyze the carrying amount of its financial assets and exposures. The impact of COVID-19 on the Company's financial statements may differ from the estimate as on the date of the approval of the financial statements.

KELLTON TECH SOLUTIONS LIMITED



FORM FOR REGISTRATION OF EMAIL ADDRESS FOR RECEIVING DOCUMENTS / NOTICES BY ELECTRONIC MODE

To
M/s XL Softech System Limited
3, Sagar Society, Road No. 2,
Banjara Hills, Hyderabad – 500 034, Telangana
e-mail ID: mail@xlsoftech.com
Phone: 040-23545913

Company: **KELLTON TECH SOLUTIONS LIMITED**

I agree to receive all documents / notices including the Annual Report from the Company in electronic mode. Please register my email address given below in your records for sending communication through email.

Name of Sole / First Holder : _____

DP ID / Client ID / Regd. Folio No. : _____

PAN No. : _____

E-mail Address : _____

Date :

Place : (Signature of Member)



UPDATION OF PAN & BANK DETAILS FOR MEMBERS HOLDING SHARS IN PHYSICAL FORMAT

Dear Shareholder,

Ref: Shares held in KELLTON TECH SOLUTIONS LIMITED

**SUB: UPDATION OF PAN & BANK DETAILS FOR MEMBERS HOLDING SHARES IN PHYSICAL FORMAT – RE
G**

We draw your attention to the circular issued by securities and exchange Board of India (SEBI) No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 DATED 20/04/2018. SEBI, in point no. 12 (ii) of the Annexure to its circular had directed all the listed companies to send a communication to all its shareholders through their Registrars and Transfer agents (RTA), who are holding shares in physical form and obtain copy of the PAN of all the holders and Bank account details of the first/ sole shareholder of the company.

These guidelines are issued by SEBI to streamline and strengthen the procedures and processes with regard to handling and maintenance of records, transfer of securities and payment of dividend/interest/redemption by the RTAs, Issuer Companies and Bankers to Issue.

To enable us to update the PAN and Bank account details, we, being RTA to the above referred company request you to kindly submit the following documents within 21 days of this letter:

- Copy of self-attested PAN card of the shareholders including joint holders, if any in the format attached
- Bank A/C details of the first/sole shareholder, as per the Bank Mandate format attached
- Original cancelled cheque leaf with the name of the first/sole shareholder printed on it or copy of bank passbook showing name & account details of the account holder attested by the bank

On receipt of the above documents, we will update the same in our records.

In case of dividend declarations by the company, all dividends including past unpaid dividends, if any, will be directly credited to the bank account furnished by you. It is not out of place to mention here that under section 124 (6) of the Companies Act 2013, if dividends remain unpaid / unclaimed for a period of seven consecutive years then the underlying shares are also liable to be transferred to the A/c of IEPF authority. We request you to kindly arrange to send us the first/sole shareholders email Id for sending future communications as per the format attached. Hence we request you to kindly submit the documents sought immediately.



We refer to SEBI Notification no. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 for amendment to SEBI(LODR) regulation that "NO PHYSICAL TRANSFER OF SHARES WITH EFFECT FROM December 5, 2018". All the transfers henceforth shall be through demat only. The duly filled up enclosed form with enclosures shall be sent to our Registrars & share transfer agents to the address as mentioned below:

XL Softech Systems Ltd.,

Unit: The Andhra Sugars Ltd.,
3, Sagar Society,
Road No.2, Banjara Hills,
Hyderabad – 500 034.

Thanking you,

Yours sincerely

For **Kellton Tech Solutions Limited**

Sd/-

Ms. Rahul Jain

Company Secretary



PAN MANDATE FORM

NAME OF THE COMPANY	KELLTON TECH SOLUTIONS LIMITED
FOLIO NO.	

First/Sole Shareholder Name	PAN1																		
First Jt. Holder Name	PAN2																		
Second Jt. Holder Name	PAN3																		

(SELF-ATESTED COPIES OF PAN CARD ENCLOSED HEREWITH)
NACH MANDATE FORM

Name of the Bank																			
Branch Name & Address																			
Bank A/c Type (SB A/c/ Current A/C)																			
Bank A/c No.																			
Bank MICR ECS code No																			
Bankers IFSC Code																			

(ORIGINAL CANCELLED CHEQUE LEAF WITH THE NAME OF SHAREHOLDER PRINTED ATTACHED HEREWITH)

EMAIL REGISTRATION FORM

Email ID																			
Telephone No. / Mobile No.																			

I hereby

- a. State that the particulars of PAN and Bank account details are correct and complete/
- b. Authorize the company/RTA to credit my dividend on the shares held by me directly to my above bank account mentioned herein above.
- c. Convey my consent to receive all communications, Annual Report/ Notice of the Meetings and from the company through Email rather than hard copy.

SIGNATURE OF THE FIRST/SOLE SHAREHOLDER:



Visit us at:
www.kellton.com

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