

Director's Report

Dear Members,

Your Directors are pleased to present the 32nd Annual report of the Company along with the Audited Standalone and Consolidated Financial Statements for the Financial Year ended 31st March 2020.

Financial highlights

Key aspects of Financial Performance/Operating Performance of the Company for the year ended March 31, 2020 are tabulated below;

The consolidated performance of the Company and its subsidiaries has also been set out herein, wherever required:-

(In
Rs. Lacs)

Particular	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from operations	18014.56	15027.22	24200.30	20488.58
Other Income	365.70	635.99	342.10	589.53
Total Revenue	18380.26	15663.21	24542.40	21078.11
Operating expenses	17505.98	14073.58	22593.79	18530.23
Earnings before interest, tax, depreciation and amortization (EBITDA)	874.28	1589.63	1948.61	2547.88
Finance Costs	186.59	151.05	199.38	178.13
Depreciation and amortization	249.06	144.59	254.87	150.42
Profit before Exceptional & Extraordinary Items & Tax	438.63	1293.99	1494.36	2219.33
Exceptional Items	161.99	0.00	0.00	0.00
Profit before Tax (PBT)	276.64	1293.99	1494.36	2219.33
Taxes	73.20	402.86	412.58	625.41
Profit for the year before minority interest	203.44	891.13	1081.78	1593.90
Minority Interest	0.00	0.00	(2.34)	0.7
Profit for the year	203.44	891.13	1084.12	1593.18

Operations

The Company has achieved turnover of Rs. 18,014.56/-Lacs during the financial year 2019-20 as compared to Rs. 15,027.22/- Lacs in the previous year signifying a growth of 20% in its revenue. Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) for FY 20 was Rs. 874.28/- Lacs against Rs. 1589.63/- Lacs for FY 19. Net Profit after tax was Rs. 203.44/- Lacs for FY 20 against Rs. 891.13/- Lacs for FY 19.

On a Consolidated basis, revenue for the year was Rs. 24,200.30/- Lacs against Rs. 20,488.58/- Lacs in previous Financial year with a growth of 18%. Profit before Tax was Rs. 1494.36/- Lacs for the year and Net profit for the year was Rs. 1084.12/- Lacs.

New SEZ Unit set up

The Board of Directors of your company have approved to expand its Infrastructure by setting up a new 1000 sq. ft SEZ office located at Greater Noida West (NCR) and the Company has received approval from the concerned Govt. Authority/Authorities for setting up a new unit located at TechZone-IV Greater Noida, Uttar Pradesh. it has become functional from March 16th, 2020.

Dividend

In order to conserve the resource of the company, the Directors do not recommend any dividend on the equity shares of the company for the financial year 2019-20.

Reserves

During the year an amount of Rs. 20,344,177/- was left as Profit After tax, which forms a part of Reserve & Surplus. The Reserve & Surplus of the Company as on 31st March' 2020 is Rs. 414,320,129/-

Share Capital

The paid up share capital of the company as at 31st March, 2020 remained Rs. 55,948,780/-. During the period under report, the company has not issued any share including sweat equity, ESOP and/or convertible Debenture.

Changes in the nature of Business, if any

There is no change in the nature of business of the company during the year 2019-20.

Committees of the Board

As on March 31, 2020, the Board had 3 (three) Committees viz: Audit Committee, Nomination and Remuneration Committee & Corporate Social Responsibility Committee.

Directors Appointment/re-appointment

In accordance to the provisions of section 152 of the companies Act,2013 and subject to Articles of the Company, Mr. Partho Pratim Kar (DIN: 00508567) and Mr. Babu Abraham (DIN: 00532197) will retire by rotation at the ensuring Annual General Meeting and being eligible offers himself for re-appointment.

All Independent Directors have given declarations to the effect that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

Key Managerial Personnel

The following persons have been designated as the Key Managerial Personnel of the Company pursuant to Section 2(51) and 203 of the Companies Act, 2013 read with the rules framed thereunder:

Sr. No.	Name	DIN/Membership No.	Designation	Tenure
1	Mr. Satish Chandra Gupta	01595040	Whole time Director	ongoing
2	Mr. Manit Kunal	29875	Company Secretary	Upto 26.08.2019
2	Mr. Amir M. Saiyad	ACS 56996	Company Secretary	ongoing

Meeting of the Board of Directors

During the year 2019-20, 6 (Six) Board meetings were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The dates on which the meetings were held are as follows:

10th June '2019, 8th July'2019, 27th August'2019, 3rd September'2019, 12th December'2019 and 16th March'2020.

Subsidiary and Associate Companies

The Company has 6 (Six) Subsidiaries and 1 (one) Associate Company as on 31st March 2020. Pursuant to the provisions of section 129 (3) of the Act, A statement containing salient features of the financial statements of the Company's Subsidiaries in form AOC-I is attached to the report as **Annexure-I**.

Consolidated Financial Statement

Pursuant to section 129 of the Companies Act, 2013 and Accounting Standard-21, the Company has prepared consolidated financial statements including that of its subsidiary Companies, which shall be laid before the Members at the 32nd Annual General Meeting along with the standalone financial statement of the Company.

Material Changes and Commitments affecting Financial position between the end of the Financial Year and date of report

There have been no material changes and commitments affecting the financial position of the company between the end of the financial year and the date of report.

Significant and Material Order(s) passed by the Regulator (s)/ Court (S) or Tribunal (s)

No significant or material orders have been passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operations in future.

Statutory Auditors

M/s. Mittal Gupta & Co., Chartered Accountants, Kanpur (FRN: 01874C) the Company's Auditors were re-appointed to hold office till the conclusion of 32nd Annual General Meeting at the 27th Annual General Meeting of the Company. However, M/s. Mittal Gupta & Co., Chartered Accountants, have expressed their unwillingness to continue as the Statutory Auditors of the Company as indicated in their letter dated June 26, 2020.

Based on the recommendation of the Audit Committee, the Board of Director at their meeting held on July 15, 2020 appointed M/s. SS Kothari Mehta & Co, Chartered Accountants, New Delhi (FRN: 000756N) as the Statutory Auditors of the Company to fill the causal vacancy.

The Company has received the consent from the M/s. SS Kothari Mehta & Co, Chartered Accountants, New Delhi (FRN: 000756N) and confirmation to the effect that they are not disqualified to be appointed as the Auditors of the Company in terms of the provisions of the Companies Act, 2013 and rules made thereunder.

M/s. SS Kothari Mehta & Co, Chartered Accountants, New Delhi (FRN: 000756N) hold office as the Statutory Auditors of the company till the conclusion of the ensuing 32nd Annual General meeting.

Your Directors recommend the re-appointment of M/s. SS Kothari Mehta & Co, Chartered Accountants, New Delhi (FRN: 000756N) as Statutory Auditors of the Company for a term of five consecutive years.

Auditors Report

The comments on statement of accounts referred to in the report of the Auditors are self-explanatory. The Auditors report does not contain any qualification, reservation or adverse remark.

Audit Committee

The Company has an adequately qualified Audit Committee constituted in accordance with the provisions of Companies Act, 2013. As on 31 March 2020, the Committee comprised three non-executive Directors viz. Mr. Partho Kar, Mr. Maneesh Mansingka and Mr. Narayan Prasad Agrawal. All members of the Committee are financially literate and have accounting or related financial management expertise.

Nomination and remuneration policy

In terms of provisions of the Companies Act, 2013, as amended from time to time, the policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company had been formulated by the Nomination and Remuneration Committee of the Company and was approved by the Board of Directors. The policy acts as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

Whistle blower policy

Pursuant to the provisions of the Companies Act, 2013, the Company has in place Whistle Blower Policy to encourage all employees or any other person dealing with the Company to disclose any wrong doing that may adversely impact the Company, the Company's customers, shareholders, employees, investors, or the public at large. This policy, inter-alia, also sets forth (i) procedures for reporting of questionable auditing accounting, internal control and unjust enrichment matters.

Related Party Transactions

All related party transactions that were entered into during the financial year 2019-20, were on arm's length basis and were in the ordinary course of business and that the provisions of section 188 of the companies Act, 2013 are not attracted. Further there are no material related party transactions made by the company with promoters, Directors or other designated persons which may have a potential conflict with the interest of the company at large. Disclosure of related party transactions during the year is annexed in form no. AOC II as Annexure-II.

Public Deposits

During the year under review, Your Company did not accept deposits covered under Chapter V of the Companies Act, 2013.

Internal Control systems and adequacy of Internal Financial Control

The Company has put in place adequate Internal Financial Control procedures commensurate with its size, scale and complexities of its operations and nature of business. The financial control are tested for operating effectiveness through ongoing monitoring and review process by the management and also independently by the Independent Firm/Auditors. Where weakness are identified as a result of the review, new procedures are put in place to strengthen controls and these are in turn reviewed at regular intervals. The Internal Auditors reports functionally to the Audit Committee of Board, which reviews and approves risk based Internal Audit plan. The Audit Committee and also the Board of Directors periodically reviews the performance of Internal Audit function.

Basis the review, nothing has come to the attention of the Directors to indicate that any material breakdown in the function of these controls, procedures or systems occurred during the year under review.

Risk Management Policy

The Company has a well laid out risk management policy, covering the process of identifying, assessing, mitigating and reviewing critical risks impacting the achievements of the Company's objectives.

Extract of Annual Return

The details forming part of the extract of Annual return in form no. **MGT-9** as required under section 92 of the Companies Act, 2013 is annexed hereto as **ANNEXURE-III**.

Corporate Social Responsibility

The Company has a well-defined policy on Corporate Social Responsibility (CSR) as per the requirement of section 135 of the Companies Act, 2013 which covers the activities as prescribed under schedule VII, of the Companies Act, 2013. The Company has contributed Rs. 15,93,301/- during the financial year 2019-20. The brief outline of the Corporate Social Responsibility (CSR) policy of the Company, Composition of CSR Committee are set out in **ANNEXURE-IV** of this report in the format prescribed in the Companies (Corporate Social Responsibility) Rules, 2014.

Disclosure under Sexual harassment of women at workplace (Prevention, prohibition and Redressal) Act, 2013

The Company has in place a policy on prevention of sexual harassment and has put in place a redressal mechanism for resolving complaints received with respect to sexual harassment and discriminatory employment practices. No case of sexual harassment and discriminatory employment was reported during the financial year under review.

Particulars of Loans, guarantee or investments under Section 186

Details of Loans and Advances made during the year are given under notes to the financial statements.

Particulars of Employees

During the year, the company has not engaged any employee whose particulars are required to be reported under the provisions of section 134 of the companies Act, 2013 read with Companies (Appointment & Remuneration) Rules, 2014.

Conservation of energy

The company is in Service Industry and do not consume high level of energy, adequate measures have been taken by the management to consume energy by using energy-efficient computers & equipment with the latest Technologies. As the cost of energy consumed by the Company forms a very small portion of the total cost, the impact of change in energy cost on total cost is insignificant.

Technology Absorption

Your Company has no activity related to Technology Absorption.

Foreign Exchange Earnings and Outgo

The total value of Export is Rs. 11488.33/- Lacs as compared to Rs. 8728.14/- Lacs in previous year. The company has also spent Rs. 152.02/- Lacs on foreign Travelling and other Activities as Compared to Rs. 514.98/- Lacs in previous Financial year.

Directors Responsibility Statement

The Director's Pursuant to the provisions of section 134(3) of the Companies Act, 2013 do hereby confirm that:

1. In the preparation of the annual accounts, the applicable Accounting Standards have been followed and that no material departures have been made from the same;
2. 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 of for that year;
3. They have taken proper and sufficient care for 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;
4. They have prepared the annual accounts ongoing concern basis;
5. They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
6. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgement

Your Directors wish to place on record their appreciation for the services of the employees at all levels and for the assistance form holding company, bank, customers, vendors and member during the year under review.

**For and on Behalf of Board of Directors
OF J K TECHNOSOFT LIMITED**



Satish Chandra Gupta

Director

Add: B-47, Sector-36, Noida-201301
110059

Date: 24.12.2020

New Delhi



Babu Abraham (DIN00532197)

Director

Add: 24, Rajpur Road, Civil Lines, Delhi-

ANNEXURE-I
FORM AOC-I

(Pursuant to first proviso to sub section(3) of section 129 read with Rule 5 of the Companies(Accounts) Rules,2014)
Statement containing salient features of the financial statements of Subsidiaries/Associates/joint ventures

Sl. No.	Name of Subsidiaries/Associates	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Exchange Rate (Rs.)	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit(Loss) before Taxation	Provision for Taxation	Profit(Loss) After Taxation	Proposed Dividend	% of Shareholding
1	Proserve Consulting Inc., United States	USD	75.32	1,883,000	244,654,876	301,031,218	56,376,342	-	1,118,687,664	90,265,522	24,641,089	65,624,433	-	100%
2	JK Technosoft (UK) Limited, United Kingdom	GBP	93.61	1,872,268	46,408,937	173,441,103	125,159,899	-	602,969,620	17,165,234	3,472,683	13,692,551	-	100%
3	JK Technosoft Gulf LLC, Sultanate of Oman	OMR	195.61	29,341,500	(22,588,847)	7,483,061	258,205	-	NIL	(319,627)	-	(319,627)	-	65%
4	JKT Consulting Limited, India	INR	1	8,600,000	(31,480,335)	33,761,748	56,642,083	-	56,199,142	13,625,814	4,060,315	9,565,499	-	100%
5	JKT Bangladesh Private Limited, Dhaka Bangladesh	BDT	0.89	575,474	4,142,867	10,101,617	8,916,639	-	14,151,846	4,549,289	-	4,549,289	-	100%
6	JKT GCC WLL, Bahrain	BHD	199.08	995,400	2,007,324	2,057,094	49,770	-	NIL	NIL	NIL	NIL	-	98%
7	JKT Learning Solutions Private Limited, India(Associate)	INR	1	17,000,000	(44,619,943)	13,519,972	41,139,914	-	-	1,151,942	-	986,074	-	32%

Notes

- 1 Indian Rupee Equivalents of the figures given in foreign currencies in accounts of foreign companies, are based on exchange rates as on March 31, 2020.
- 2 The reporting period of all subsidiaries excluding JKT Bangladesh Private Limited & JKT GCC WLL is March 31, 2020.
- 3 Provisional figures have been taken for JKT Bangladesh Private Limited & JKT GCC WLL.
- 4 All figures are in Rs. INR

Place: New Delhi
Date: 24.12.2020

For and on behalf of Board of Directors of
J K Technosoft Limited

Satish Chandra Gupta (Director)


Babu Abraham (Director)

Amuse

Annexure II
FORM NO. AOC-2

(Pursuant to clause (h) of sub-section(3) of section 134 of the Act and Rule 8(2) of the companies (Accounts) Rules,2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto


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


There was no Contracts or Arrangements or Transactions entered into during the year ended 31st March, 2020, which were not at arm's length basis.

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

Details of material contracts or Arrangements or Transactions at arm's length basis for the year ended March 31, 2020 are as follows:

Name of related party	Nature of relationship	Nature of transaction	Transaction Value	Duration of Transaction	Date of approval by Board, if any	Amount Paid as advance, if any
1. JK Technosoft (UK) Limited	Subsidiary Company	Sale of Services/product	327,963,672	April 2019-March-2020	NA	N.A.
		Reimbursement of Expenses	9,715,079			
2. Proserve Consulting Inc.	Subsidiary Company	Sale of Services/product	722,103,170			
		Reimbursement of Expenses	24,151,850			
3. JKT Consulting Limited	Subsidiary Company	Interest received	3,763,197			
		Received against Loans/Advance given	54,450,000			
		Loans / Advance Given/Repaid	42,485,527			
		Purchase of fixed assets	10,000			
4. E Safe Solutions Pvt. Ltd. (Formerly know as JKT Learning Solutions Pvt. Ltd.)	Associate Company	Received against Loans/Advance	2,274,625			
5. JKT Bangladesh Pvt. Ltd.	Subsidiary Company	Reimbursement of Expenses	3,734,939			
6. JKT GCC WLL	Subsidiary Company	Reimbursement of Expenses	12,317,198			


Satish Chandra Gupta (DIN: 01595040)
 Director
 Address: B-47, Sector-36, Noida-201301
 Place: New Delhi
 Date: 24/12/2020


Babu Abraham (DIN: 00532197)
 Director
 Address: 24, Rajpur Road, Civil Lines, New Delhi-110059

Annexure III
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
(As on financial year ended on 31.03.2020)

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U64202DL1988PLC030870
ii	Registration Date	03/07/1988
iii	Name of the Company	J K Technosoft Limited
iv	Category/Sub-category of the	Public Company
v	Address of the Registered office & contact details	A-2,LSC, Masjid Moth, Greater Kailash-II, New Delhi-110048
vi	Whether listed company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NSDL Database Management Limited (CIN U72400MH2004PLC147094) +4th Floor, Trade World A Wing, Kamala Mills Compound, Senapati Bapat +Marg, Lower Parel, Mumbai – 400 013 022 4914 2594 (D), 022 4914 2597 (D)

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Computer Programming, Consultancy and Related Activities	62011	100%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Proserve Consulting Inc. 608, Fifth Avenue, Suite 401, New York, NY 10020, USA	NA	Subsidiary Company	100%	2(87) (ii)
2	JK Technosoft (UK) Limited, UK Highfield House, 1562, Stratford Road, Hall Green, B28 9HA, Birmingham, UK	NA	Subsidiary Company	100%	2(87) (ii)
3	JK Technosoft Gulf, LLC, Sultanate of Oman 469, 18th November Street, Al Azaiba, Muscat, Sultanate of Oman, PO Box 3390, PC 111	NA	Subsidiary Company	65%	2(87) (ii)
4	JKT Consulting Limited, A-2, LSC, Masjid Moth, Greater Kailash - II, New Delhi 110048	U74140DL2007PLC160160	Subsidiary Company	100%	2(87) (ii)
5	JKT Bangladesh Private Limited, Hakam Foundation House, 98 Block, C Road, 11 Banani Model Town, Dhaka 1213, Bangladesh	NA	Subsidiary Company	100%	2(87) (ii)
6	JKT GCC WLL Office 2210, 22nd Floor, Almoayyed Tower Building 2504, Road 2832, Block 428, Al Seef,	NA	Subsidiary Company	98%	2(87) (ii)
7	E Safe Solutions Private Limited, A-2, Shopping Complex, Masjid Moth, Greater Kailash-II, New Delhi-110048	U74140DL2007PLC160160	Associate Company	32%	2(87)

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**(i) Category-wise Shareholding**

Category of Shareholders	No. of share held at the beginning of the year (April 1, 2019)				No. of share held at the end of the year (March 31, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
A. Promoters									
(1) Indian									
a) Individual/HUF	191,304	-	20,024	211,328	201,304	20,024	221,328	3.96%	0.18%
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	5,112,950	5,112,950	-	-	5,112,950	91.39%	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
SUB TOTAL: (A) (1)	191,304	-	5,132,974	5,324,278	201,304	5,132,974	5,334,278	95.17%	0.00%
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter	191,304	-	5,132,974	5,324,278	201,304	5,132,974	5,334,278	95.35%	0.18%
(A)= (A)(1)+(A)(2)	191,304	-	5,132,974	5,324,278	201,304	5,132,974	5,334,278	95.35%	0.18%

B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	-	-	-	-	-	-	-	-
(2) Non Institutions									
a) Bodies corporates									
i) Indian		150,000	150,000	2.68%		150,000	150,000	2.68%	0.00%
ii) Overseas		-	-	-		-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs		120,600	120,600	2.16%		110,600	110,600	1.98%	-0.18%
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs		-	-	-		-	-	-	-
c) Others		-	-	-		-	-	-	-
SUB TOTAL (B)(2):		270,600	270,600	4.84%		260,600	260,600	4.66%	-0.18%
Total Public Shareholding (B)= (B)(1)+(B)(2)		270,600	270,600	4.84%		260,600	260,600	4.66%	-0.18%
C. Shares held by Custodian for GDRs & ADRs - NIL									
Grand Total (A+B+C)	191,304	5,403,574	5,594,878	100%	201,304	5,393,574	5,594,878	100%	0

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	No. of shares held at the beginning of the year (April 1, 2019)			No. of shares held at the end of the year (March 31, 2020)			% Change during the year
		No. of Shares	% of Total Share of the Company	% of shares pledged encumbered to total shares	No. of Shares	% of Total Share of the Company	% of shares pledged encumbered to total shares	
1	K.L. Pai							
2	Y.B. Shankar	4	0.00%	-	4	0.00%	-	0%
3	L.Ravi Kumar	4	0.00%	-	4	0.00%	-	0%
4	Jagdamba Prasad trivedi	4	0.00%	-	4	0.00%	-	0%
5	Ravinder Arora	4	0.00%	-	4	0.00%	-	0%
6	D.K. Mathur	4	0.00%	-	4	0.00%	-	0%
7	Neeikhanth Mercantile Limited	4	0.00%	-	4	0.00%	-	0%
8	Akshyapatra Finance & Investment Pvt. Ltd.	658,500	11.77%	-	658,500	11.77%	-	0%
9	Manphul Trading & Finance Co. Ltd.	497,500	8.89%	-	497,500	8.89%	-	0%
10	Udbhav Finance & Investment Pvt. Ltd.	1,225,950	21.91%	-	1,225,950	21.91%	-	0%
11	JK Infrastructure & Developers Ltd.	5,000	0.09%	-	5,000	0.09%	-	0%
12	Abhishek Singhania	730,000	13.05%	-	730,000	13.05%	-	0%
13	Manorama Singhania	191,304	3.42%	-	201,304	3.60%	-	0%
14	Varsha Singhania	10,000	0.18%	-	10,000	0.18%	-	0%
15	PGA Securities Pvt. Ltd.	10,000	0.18%	-	10,000	0.18%	-	0%
16	JK Consultancy and Services Ltd.	100,000	1.79%	-	100,000	1.79%	-	0%
17	Dwarikadhish Finance & Investment Co Pvt Ltd	300,000	5.36%	-	300,000	5.36%	-	0%
	Total	5,324,278	95.16%	-	5,334,278	95.34%	-	0.18%

(iii) Change in Promoter's Holding

Sl. No.	Shareholder's Name	No. of shares held at the beginning of the year (April 1, 2019)		Cumulative Shareholding during the year (April 1, 2019 to March 31, 2020)	
		No. of Shares	% of Total Share of the Company	No. of Shares	% of Total Share of the Company
1	Abhishek Singhania				
	At the beginning of the year	191,304	3.42%		
	Increase/decrease during the year				
	Transfer (by Purchase)	10,000	0.18%	191,304	3.42%
	At the end of the year	201,304	3.60%	201,304	3.60%

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Shareholder's Name	No. of shares held at the beginning of the year (April 1, 2019)		No. of shares held at the end of the year (March 31, 2020)	
		No. of Shares	% of Total Share of the Company	No. of Shares	% of Total Share of the Company
1	Ojas Suppliers Limited				
	At the beginning of the year	110,000	1.97%	110,000	1.97%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	110,000	1.97%	110,000	1.97%
2	Xenix Servis Private Limited				
	At the beginning of the year	20,000	0.36%	20,000	0.36%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	20,000	0.36%	20,000	0.36%
3	Rowdon Business Pvt Ltd.				
	At the beginning of the year	20,000	0.36%	20,000	0.36%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	20,000	0.36%	20,000	0.36%
4	Ramesh Sambamoorthy				
	At the beginning of the year	12,000	0.21%	12,000	0.21%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	12,000	0.21%	12,000	0.21%
5	Manoj Kumar				
	At the beginning of the year	12,200	0.21%	12,200	0.21%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	12,200	0.21%	12,200	0.21%
6	Shyam Verma				
	At the beginning of the year	10,000	0.18%	10,000	0.18%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	10,000	0.18%	10,000	0.18%
7	Praveen Bhatia				
	At the beginning of the year	7,000	0.13%	NIL	0.00%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	7,000	0.13%	NIL	0.00%
8	R K Kamra				
	At the beginning of the year	7,000	0.13%	7,000	0.13%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	7,000	0.13%	7,000	0.13%
9	Ravi Joshi				
	At the beginning of the year	5,000	0.09%	5,000	0.09%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	5,000	0.09%	5,000	0.09%
10	Anusuya Rao				
	At the beginning of the year	4,000	0.07%	4,000	0.07%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	4,000	0.07%	4,000	0.07%

(v) Shareholding of Directors and Key Managerial Personnel (KMP)

Sl. No.	Shareholder's Name	No. of share held at the beginning of the year (April 1, 2019)		No. of share held at the end of the year (March 31, 2020)	
		No. of Shares	% of Total Share of the Company	No. of Shares	% of Total Share of the Company
1	Abhishek Singhania				
	At the beginning of the year	191,304	3.42%	191,304	3.42%
	Increase/decrease during the year	-	-	-	-
	Transfer (By Purchase)	-	-	10,000	0.18%
	At the end of the year	191,304	3.42%	201,304	3.60%
2	Satish Chandra Gupta				
	At the beginning of the year	10,000	0.18%	10,000	0.18%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	10,000	0.18%	10,000	0.18%
3	Babu Abraham				
	At the beginning of the year	10,000	0.18%	10,000	0.18%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	10,000	0.18%	10,000	0.18%
4	Narayan Prasad Agarwal				
	At the beginning of the year	-	-	-	-
	Increase/decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
5	Partho Pratim Kar				
	At the beginning of the year	-	-	-	-
	Increase/decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
6	Maneesh Mansingka				
	At the beginning of the year	-	-	-	-
	Increase/decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
7	Vinay Kumar Singhal				
	At the beginning of the year	-	-	-	-
	Increase/decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-

8 Vipul Prakash				
At the beginning of the year				
Increase/decrease during the year	-	-	-	-
At the end of the year				
9 Manit Kunal				
At the beginning of the year				
Increase/decrease during the year	-	-	-	-
At the end of the year				

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid	122,293,358			
iii) Interest accrued but not due	-			122,293,358
Total (i+ii+iii)	122,293,358			
Change in Indebtedness during the financial year				
Additions				
Reduction				
Net Change	22,318,596			
Indebtedness at the end of the financial year	22,318,596			
i) Principal Amount				22,318,596
ii) Interest due but not paid	99,974,762			
iii) Interest accrued but not due	-			99,974,762
Total (i+ii+iii)	100,019,978			100,019,978

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	Gross salary	WTD	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		3,608,446
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock option		
3	Sweat Equity		
4	Commission as % of profit		
	Others (specify)		
5	Others (Ex Gratia)		
	Total (A)		1,500,000
	Ceiling as per the Act		5,108,446

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of the Directors	Total Amount
1	Independent Directors-		
	(a) Fee for attending board committee meetings	Mr. Maneesh Mansingka	
	(b) Commission		55,555
	(c) Others, please specify		
	(a) Fee for attending board committee meetings	Mr. Vinay Kumar Singhal	
	(b) Commission		111,110
	(c) Others, please specify		
	Total (1)		
2	Other Non Executive Directors		
	(a) Fee for attending board committee meetings		
	(b) Commission		
	(c) Others - Professional Charges		
	Total (2)	Mr. Babu Abraham	
	Total (B)=(1+2)		900,000
	Total Managerial Remuneration		900,000
	Overall Ceiling as per the Act.		1,066,665
			5,108,446
			8,400,000

C. Remuneration to Key Managerial Personnel other than MD/ Managers/ WTDS

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	CS	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		695,500		695,500
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission as % of profit				
	others, specify				
5	Others, please specify				
	Total		695,500		695,500

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Sl. No.	Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A.	COMPANY					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
B.	DIRECTORS					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
C.	OTHER OFFICERS IN DEFAULT					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-

For and on Behalf of Board of Directors of
J K TECHNO SOFT LIMITED

Satish Chandra Gupta
Satish Chandra Gupta (DIN: 01595040)
Director
Address: B-47, Sector-36, Noida-201301

Place: New Delhi
Date: 24.12.2020

Babu Abraham

Babu Abraham (DIN:00532197)
Director
Address: 24, Rajpur Road, Civil Lines, New Delhi-110059

Annexure IV

Annual Report on Corporate Social Responsibility (CSR) Activities

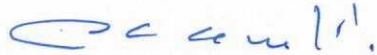
1. The Company has developed and implemented its Corporate Social Responsibility (CSR) Policy. The Company deeply acknowledges that its Business operations have wide impact on the regions where it operates, and therefore it is committed to grow in a socially and environmentally responsible way, while meeting the interests of the Stakeholders. As per CSR policy of the Company, Company can undertake any of the Programme or Activities as mentioned in the Schedule VII of the Companies Act, 2013 and which will include any modification or amendment thereof.
2. Composition of CSR Committee:
The composition of CSR Committee are as below:
 - Mr. Satish Chandra Gupta, Director
 - Mr. Vipul Prakash, Director
 - Mr. Babu Abraham, Director
3. Average Net Profit of the Company for the last three Financial Year: Rs. 79,665,034/-
4. Prescribed CSR expenditure (Two percent of total amount) : Rs. 1,593,301/-
5. Details of CSR spent during the Financial Year:
 - Total amount to be spent for the Financial year: Rs. 1,593,301/-
 - Amount unspent, if any: N.A.
 - Manner in which the amount spent during the Financial year is detailed below:

Sl no	CSR Activity/project Identified	Sector in which Activity/project covered	Project or programs (a) Local Area or other (b) State or District where projects or programs were undertaken	Amount outlay (Budget) project or program wise	Cumulative expenditure upto the reporting period	Amount spent: Direct or through Implementing Agency
1	Contribution towards training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.	Training to promote rural sports, national sports etc.	Kanpur, Uttar Pradesh	1,593,301/-	1,593,301/-	Sir Padampat Singhania Sports Academy

6. We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the CSR projects and activities in Compliance with our objectives and CSR policy.

For and on behalf of Board of Directors

Of J K Technosoft Limited



Satish Chandra Gupta (DIN: 01595040)

Director

Address- B-47, Sector-36, Noida-201301

Amur

INDEPENDENT AUDITOR'S REPORT

To
The Members
JK Technosoft Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of JK Technosoft Limited (hereinafter referred to as "the Holding Company or the Company"), its subsidiaries ("the Holding Company and its subsidiaries together referred to as "the Group") and jointly controlled entity, comprising the Consolidated Balance sheet as at 31st March 2020, and the Consolidated statement of Profit and Loss and Consolidated statement of cash flows for the year ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of such subsidiaries and jointly controlled entity as were audited by other auditors 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its jointly controlled Entity as at March 31, 2020, and the consolidated profit and consolidated cash flows for the year ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and Jointly controlled entity in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of matter

We draw attention to Note 40 of the accompanying consolidated financial statements which, describes the Holding company's assessment of impact on the consolidated financial statements and uncertainties arising from the COVID 19 pandemic. Such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.



We draw attention to the note 38 of the accompanying consolidated financial statement which, describes the holding company's investment and working capital loan in jointly controlled entity having negative net worth as on 31st March 2020. Considering the significant improvement in the financial results for the year 2019-20 and period 2020-21, diminution in value of Investments is considered as temporary in nature and loans are considered as good and recoverable.

Our opinion is not modified in respect of this matter.

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

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to made available to us after the date of auditors report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information identified above if, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management and Those Charged with Governance for consolidated financial statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and its jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the Group and its jointly controlled entity, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its jointly controlled entity for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Group and its jointly controlled entity 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 management either intends to liquidate the them, or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Group and jointly controlled are responsible for overseeing the financial reporting process of the respective entities.

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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and jointly controlled entity ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the respective entities 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 or business activities within the Group and jointly controlled entity 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. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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.

Other Matters

- a) We did not audit the financial statements of one subsidiary company incorporated in india, whose financial statements reflect total assets Rs.337,61,748/- as at March 31,2020 total revenue of Rs. 575,84,887/- and total net profit/(loss) after tax of Rs. 95,65,499/- for the year ended March 31, 2020 as considered in the consolidated financial statements. These financial statements have been audited by other auditor, whose report has been furnished to us by the Management and our opinion on the consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary company, are based solely on the report of the other auditor.
- b) We did not audit the financial statements of three subsidiary companies incorporated outside india,whose financial statements reflect total assets Rs.5067,65,215/- as at March 31,2020 total revenue of Rs.16326,82,056/- and total net profit/(loss) after tax of Rs. 745,80,133/- for the year ended March 31, 2020 as considered in the consolidated financial statements. These financial statements have been audited by other auditors

outside india, whose report has been furnished to us by the Management and our opinion on the consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary companies, are based solely on the report of the other auditors.

- c) We did not audit the financial statement of two subsidiary company incorporated outside India, whose financial statements reflected total assets of Rs. 172,97,068/- as at March 31, 2020, total revenue of 73,08,758/-, total net profit/(Loss) after tax of Rs (91,41,809/-) for the year ended on that date, as considered in the consolidated Financial Statements. This financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosers included in respect of this subsidiary are based solely on the certificate furnished by the management.
- d) Consolidated Financial statements includes jointly controlled entity's share of net profit/(loss) after tax of Rs. 986,074/- for the year ended March 31, 2020 in respect of one jointly controlled entity, as considered in the consolidated financial statements. These financial statements are audited by other auditors, whose report have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this Jointly controlled entity is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to reliance on the work done and the reports of the other auditors and financial statement 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 and on consideration of the report of the other auditors on financial statements and the other financial information of subsidiaries as referred to in other Matters paragraph, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- (c) The Consolidated Balance Sheet, Consolidated Statement of Profit & Loss, and Consolidated Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the report of statutory auditors of its subsidiaries

companies incorporated in India and jointly controlled entity, none of the directors of group and jointly controlled entities are disqualified as on March 31, 2020 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 with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A";

(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, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose impact of pending litigations as at March 31, 2020 on its financial position of the Group and jointly controlled entity (Refer Note 37);
- ii. The Group and jointly controlled entity have made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including long term derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India.

For S S Kothari Mehta & Company
Chartered Accountants
Firm Registration Number: 000756N


Naveen Aggarwal

Partner

Membership No. 094380

UDIN : 21094380AAAABK7460

Place: New Delhi

Date: 24th December, 2020



“Annexure A” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of JK Technosoft Limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 2(f) of ‘Report on Other Legal and Regulatory Requirements’ section

In conjunction with our audit of the consolidated financial statements of JK Technosoft Limited (“the Holding Company”) as of March 31, 2020, we have audited the internal financial controls with reference to financial statements of Holding Company, its subsidiaries and jointly controlled entity, which are incorporated in India as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, 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. 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.

Auditors’ Responsibility

Our responsibility is to express on the internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to financial statements of the Holding Company, its subsidiaries and jointly controlled entity, which are incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

Holding 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 consolidated 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 authorisations of management and directors of the company; and (c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

The qualification given in Auditors Report of Holding company is reproduced here under:

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the JK Technosoft limited Company's internal financial controls over financial reporting as at March 31, 2020.

- a. Review of process of identification and updation of documentation of Micro Small & Medium Enterprises as per MSMED Act 2006 and Information Technology General Controls.
- b. Risk and control matrix are lacking comprehensiveness covering of all process;



**SS KOTHARI MEHTA
& COMPANY**
CHARTERED ACCOUNTANTS

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's consolidated financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2020, 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 and except for the effects/possible effects of the material weaknesses described above, on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2020

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 Consolidated financial statements of the Company, and these material weaknesses do not affect our opinion on the Consolidated financial statements of the Company.

For S S Kothari Mehta & Company
Chartered Accountants
Firm Registration Number: 000756N


Naveen Aggarwal

Partner
Membership Number: 094380
UDIN : 21094380AAAABK7460



Place: New Delhi

Date: 24th December, 2020

Consolidated Balance Sheet as at March 31, 2020

	Note	As at 31-Mar-20	As at 31-Mar-19
I EQUITY AND LIABILITIES			
Shareholder's Funds			
(a) Share Capital	2	55,948,780	55,948,780
(b) Reserves and Surplus	3	661,418,135	533,162,364
Minority Interest	4	1,964,203	2,199,131
Non- Current Liabilities			
(a) Long term borrowings	5	7,404,028	10,329,967
(b) Long term Provisions	6	106,351,934	83,155,738
Current Liabilities			
(a) Short term borrowings	7	98,794,328	122,039,767
(b) Trade Payables	8		
(A) Total outstanding dues of micro enterprises and small enterprise, and		1,649,762	1,042,005
(B) Total outstanding dues of creditors other than micro enterprises		150,035,132	160,186,155
(c) Other current liabilities	9	106,826,112	45,757,356
(d) Short term provisions	10	31,709,779	26,590,493
TOTAL		1,222,102,193	1,040,411,756
II ASSETS			
Non Current Assets			
(a) Property Plant & Equipment	11		
(i) Tangible assets		92,307,487	84,145,921
(ii) Intangible assets		4,394,877	6,318,807
(iii) Intangible assets under Development		100,000	
(b) Non current investments	12	525,186	525,186
(c) Deferred tax assets (net)	13	50,533,753	35,148,979
(d) Long term loans and advances	14	34,231,078	33,130,051
(e) Other Non Current assets	15	44,709,667	6,418,148
Current Assets			
(a) Current investments	12.1	1,545,938	3,829,988
(b) Trade receivables	16	557,946,706	470,069,789
(c) Cash and Cash equivalents	17	196,204,405	142,488,698
(d) Short term loans and advances	18	119,521,261	122,368,572
(e) Other Current assets	19	120,081,835	135,967,616
TOTAL		1,222,102,193	1,040,411,756

Significant Accounting Policies
And Notes to accounts form an integral
part of Financial Statements

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2 to 42

AS PER OUR REPORT OF EVEN DATE ATTACHED HERewith
For S S Kothari Mehta & Company
Chartered Accountants
FRN.000756N


(Naveen Aggarwal)
Partner
M.No. 94380
Place : New Delhi
Date : 24.12.2020
UDIN:- 21094380AAAABK7460



For and on behalf of Board of Directors of
J K Technosoft Limited

 
Satish Chandra Gupta Babu Abraham
Director Director
DIN:01595040 DIN:00532197


Saiyad Amir
Company Secretary

Consolidated Statement of Profit and Loss for the period ended March 31, 2020

	Note	YEAR ENDED 31-Mar-20	YEAR ENDED 31-Mar-19
I Revenue from Operations	20	2,420,030,500	2,048,858,604
II Other Income	21	34,210,334	58,952,632
A. TOTAL REVENUE (I+II)		2,454,240,835	2,107,811,236
III Expenses:			
(a) Purchases	22	9,791,994	10,583,541
(b) Increase/(Decrease) in inventory	23	-	10,626,118
(c) Employee Benefit Expenses	24	1,675,814,920	1,223,046,038
(d) Other Expenses	25	573,772,139	608,767,337
(e) Finance Costs	26	19,938,914	17,813,858
(f) Depreciation And amortisation Expenses	27	25,487,001	15,042,245
B. TOTAL EXPENSES		2,304,804,968	1,885,879,137
IV Profit before Exceptional & Extraordinary Items & Tax (A-B)		149,435,867	221,932,099
V Exceptional Items		-	-
VI Profit before Extraordinary Items & Tax		149,435,867	221,932,099
VII Profit before Tax (IV - V + VI)		149,435,867	221,932,099
VIII Tax Expenses			
(a) Current Tax		58,691,496	65,791,433
(b) Deferred Tax Liability /(Assets)		(15,413,662)	(1,249,330)
(c) Income Tax Adjustment		254,460	608,973
(d) Mat Credit Reversal /(Entitlement)		(2,274,421)	(2,609,464)
IX Profit for the year before Minority Interest (VI - VII)		108,177,994	159,390,487
X Less: Share of profit/(loss) of Minority		(234,928)	72,450
XI Profit for the year		108,412,921	159,318,037
XII Earnings per Equity Share:	32		
(a) Basic		19.38	28.48
(b) Diluted		19.38	28.48

AS PER OUR REPORT OF EVEN DATE ATTACHED HERewith

For S S Kothari Mehta & Company

Chartered Accountants

FRN.000756N

Naveen Aggarwal
(Naveen Aggarwal)

Partner

M.No. 94380

Place : New Delhi

Date : 24.12.2020

UDIN:- 21094380AAAABK7460



For and on behalf of Board of Directors of
JK Technosoft Limited

Satish Chandra Gupta
Babu Abraham

Satish Chandra Gupta
Director
DIN:01595040

Babu Abraham
Director
DIN:00532197

Saiyad Amir
Saiyad Amir
Company Secretary



PARTICULARS	2019-20	2018-19
A. Cash Flow from Operating Activities		
Net Profit Before Tax and Extra Ordinary and Exceptional items	149,435,867	221,932,099
Adjustments for:		
Depreciation and Amortisation	25,487,001	15,042,245
Foreign Currency Fluctuation Reserve	19,842,850	6,608,660
Dividend Income	(19,461)	(14,913)
Foreign Exchange Gain- Unearned	(6,878,847)	(3,341,853)
(Profit)/Loss on Sale of Assets	166,118	993,957
Loss on assets Written off	1,031,914	-
Bad Debts written off	22,698,013	7,339,269
Provision of doubtful debts	40,862,239	-
Loss on Investment	-	1,177,162
Interest Expenses	17,959,128	17,813,858
Interest Income	(14,750,009)	(3,463,153)
Operating Profit Before Working Capital Changes	255,834,813	264,087,331
Change in Working Capital		
Adjustments for (increase)/decrease in Operating Assets/ Liabilities:		
Changes In other Current Assets	24,204,990	(164,084,760)
Changes in long term provisions	23,196,196	
Changes In Short term provisions	5,119,286	
Changes In Trade Receivable	(151,437,169)	
Changes in other current Liabilities	61,068,756	
Changes In Short term Loan and advances	(9,463,448)	
Changes In Non Other Current Assets		
Changes in Inventories	-	10,444,156
Changes In Trade and Other Payables	(9,543,266)	68,224,311
Cash Generated from operations	198,980,158	178,671,038
Less: Direct Tax Paid	(44,360,776)	(71,715,536)
Net Cash flow from Operating Activities	154,619,382	106,955,503
B. Cash Flow From Investing Activities		
Purchase of fixed assets	(33,178,438)	(43,958,649)
Proceeds from sale of fixed assets	155,769	1,567,869
Dividend Income	19,461	14,913
Loan to Associates	(1,101,027)	(976,344)
Interest Income	13,338,534	3,463,153
Fixed Deposits/ Margin Money	(68,199,231)	(31,185,839)
Purchase of Current Investments	-	(499,792)
Proceeds from sale of Current Investments	2,284,050	-
Net Cash flow from Investing Activity	(86,680,882)	(71,574,689)
C. Cash flow from Financing Activities		
Repayment of long term borrowings	(2,925,939)	(7,061,826)
Proceeds of long term borrowings	-	13,000,000
Proceeds (Repayment) of short term borrowings	(23,245,439)	15,804,370
Interest Paid	(17,959,128)	(21,363,879)
Net Cash flow from Financing Activity	(44,130,506)	378,665
Net increase/(decrease) in cash and cash equivalent during the year(A+B+C)	23,807,994	35,759,478
Cash & Cash Equivalent at the beginning of the year	108,260,036	72,500,558
Less: Cash balance due to cessation of subsidiary		
Cash & Cash Equivalent at the end of the year	132,068,030	108,260,036
Balance as per Balance Sheet	196,204,405	142,488,698
Less: deposits pledged against Margin Money and fixed deposits with bank	(64,136,375)	(34,228,663)
Balance as per Cash flow statement	132,068,030	108,260,035

AS PER OUR REPORT OF EVEN DATE ATTACHED HERewith
For S S Kothari Mehta & Company
Chartered Accountants
FRN:00756N


(Naveen Aggarwal)
Partner
M.No. 94380
Place : New Delhi
Dated: 24.12.2020
UDIN:- 21094380AAAABK7460



For and on behalf of Board of Directors of
J K Technosoft Limited

Satish Chandra Gupta
Director
DIN:01595040

Babu Abraham
Director
DIN:00532197


Saiyad Amir
Company Secretary

Notes forming part of Financial Statements

1) CORPORATE INFORMATION

1.1) JK Technosoft Limited (CIN - U64202DL1988PLC030870) is public limited company having its registered office at A-2, Local Shopping Complex, Masjid Moth, Greater Kailash - II, New Delhi - 110048 and its corporate office at F-3, Sector 3, Noida 201301. The company has its subsidiary in UK (JK Technosoft (UK) Limited - 100%), US (Proserve Consulting Inc. 100%), Muscat, Sultanate of Oman (JK Technosoft Gulf LLC - 65%), Bangladesh, (JKT Bangladesh Private Limited- 100%) Bahrain (JKT GCC WLL-98%) and in India (JKT Consulting Limited - 100%) . The company is into IT Services (Application Development, Integration & Support, IT Consulting, Mobility, Progress, Staff Augmentation, Portal Services), Enterprise Solutions (ERP & CRM), Education and Training (IT/ Non IT, eLearning, SAP, Industry Induction and Mobile Solutions).

1.2) PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to JK Technosoft Limited ("the company") and its subsidiary companies ("the group companies") collectively referred to as "the Group" and its associate company. As per applicable Accounting Standard, foreign subsidiaries are treated as Non Integral Operation. The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Inter-company balances and transactions and unrealized profits or losses have been fully eliminated.
- ii) In case of foreign subsidiaries, being non-integral foreign operation, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Exchange Fluctuation Reserve.
- iii) As far as possible, the consolidated financial statements have been prepared using uniform accounting policies, like transaction and events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.



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- iv) The excess of the cost to the parent of its investments in a subsidiary over the parent's portion of equity at the date on which investment in the subsidiary is made, is recognized as 'Goodwill (on consolidation)'. When the cost to the parent of its investment in a subsidiary is less than the parent's portion of equity of the subsidiary at the date on which investment in the subsidiary is made, the difference is treated as 'Capital Reserve (on consolidation)' in the consolidated financial statements.
- v) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments in the subsidiary companies are made and further movements in their share in the equity, subsequent to the dates of investments.
- vi) The financial statement of the associate used in the consolidation is drawn up to the same reporting date of the company i.e. year ended March 31, 2020
- vii) The consolidated financial statements include the share of profit/loss of the associate company which has been accounted as per the 'Equity method' and accordingly, the share of profit/loss of associate company has been added to/ deducted from the cost of investments (the loss being restricted to the cost of investment). An associate is an enterprise in which the investor has significant influence, and which is neither a subsidiary nor joint venture of the investor.



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The subsidiaries and associate considered in the consolidated financial statements are:

Name of Entity	Country of incorporation	% voting power held as at March 31, 2020	% voting power held as at March 31, 2019
SUBSIDIARIES:			
JKT Consulting Limited	India	100%	100%
JK Technosoft (U.K.) Limited	United Kingdom	100%	100%
Proserve Consulting, inc	United State of America	100%	100%
JK Technosoft Gulf LLC	Muscat, Sultanate of Oman	65%	65%
JK Technosoft GCC WLL	Bahrain	98%	98%
ASSOCIATE:			
E-Safe Solution Private Limited	India	31.76%	31.76%

1.2) SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts), Rule, 2014 and the relevant provision of the Companies Act, 2013/Companies Act, 1956, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. For Consolidation purpose, refer 'Principles of Consolidation' - Note 1.2.



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B. USE OF ESTIMATES

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities, including the disclosure of contingent liabilities as of the date of the financial statements and the reported income and expenses during the reporting period like provision for employee benefits, provision for doubtful debts, useful lives of fixed assets, calculation of work in progress and provision for taxation etc. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates between the actual results and the estimates are recognized in the periods in which the results are known / materialize. Refer 'Principles of Consolidation' Note 1.2.

C. REVENUE RECOGNITION

The group derives its revenues primarily from software services. Revenue from software development on time and material basis is recognised as the related services are rendered. Revenue from fixed price contracts is recognised using the milestone completion certificate as per contract or work order. Maintenance revenue is recognised over period of maintenance contract.

Interest income is recognised on a time proportion basis taking into account the terms, amount outstanding and the applicable rate.

Dividend on investment is recognised when the right to receive dividend is established.

The Company is not claiming the benefits of export incentives - SEIS scrips.

D. TANGIBLE ASSETS AND CAPITAL WORK-IN-PROGRESS

Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until such assets are ready for use. Capital work-in-progress, if any, comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

E. INTANGIBLE ASSETS

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

Advances paid towards the acquisition/development of software outstanding at each balance sheet date is classified as capital advances under other non-financial assets and the cost of assets not put to use before such date are disclosed under 'Intangible assets under development'.



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F. DEPRECIATION AND AMORTISATION

Tangible Fixed Assets

Depreciation on fixed assets is provided using straight line method as per the useful life prescribed in Schedule II of the Companies Act, 2013.

Leasehold land is amortized over the primary period of lease.

In respect of fixed assets whose useful life has been revised, the unamortized depreciable amount is charged over the revised remaining useful life.

Intangible Fixed Assets

The intangible assets are amortized over a period of three years based on its estimated useful life and the amortized period is reviewed by technical experts at the end of each financial year.

G. IMPAIRMENT OF ASSETS

The carrying amount of assets, other than inventories is reviewed at each balance sheet date, to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of assets is estimated.

An impairment loss is recognised, whenever the carrying amount of assets or its cash generating units exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use which is determined based on the estimated future cash flow generated from the continuing use of an asset and from its disposal at the end of its useful life, discounted to their present value.

An impairment loss is reversed, if there has been a change in the estimates made to determine and recognize the recoverable amount in the earlier year.

H. INVESTMENT

Long term investments are carried at cost after providing for any diminution in value, if such diminution is of other than temporary in nature.

Current investments are carried at lower of cost and fair value determined on the basis of each category of investments.



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I. INVENTORIES

Closing stock (Traded) has been valued at lower of cost or net realizable value. Closing stock of Work-in-Progress has been valued at Cost plus appropriate overheads, as certified by the Management.

J. FOREIGN CURRENCY TRANSACTIONS

i) Transactions in foreign currency are recorded at exchange rates prevailing on the day of the transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the period end are translated at closing rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Statement of Profit and Loss. Net Investment in non-integral foreign operation are reported at the exchange rate at the date of transactions.

ii) In case of foreign subsidiary, the assets and liabilities have been translated into Indian Rupees at the closing exchange rate at the year end whereas revenues and expenses reflected in the Consolidated Statement of Profit and Loss have been translated into Indian Rupees at monthly average exchange rate for the reporting period. The resultant translation exchange differences are accumulated in "Foreign currency translation reserve" to be recognised as income or expense in the period in which net investment in concerned foreign subsidiary is disposed off.

K. FORWARD AND DERIVATIVE CONTRACTS

The Company and/or its Indian Subsidiary has entered foreign exchange forward and derivative contracts to hedge its exposures to movements in foreign exchange rates. The uses of these foreign exchange forward and derivative contracts reduces the risk or cost to the company and the Company does not use the foreign exchange forward contracts or options for trading or speculative purposes.

The premium/ discount arising at the inception of the contract is recognised over the tenor of the contract period. The exchange difference arising on actual payment/ realization of forward contract are adjusted in profit and loss account. The difference between the year end rate and the rate on the date of forward contract/ option, lying at the year end, are recognised at Mark to Market valuation basis and are adjusted in profit and loss account.



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L. INCOME TAX

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. Tax expenses relating to foreign subsidiaries are determined in accordance with tax laws applicable in countries where such subsidiaries are domiciled. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Group is able to and intends to settle the assets and liability on a net basis.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet where it is probable that future economic benefits associated with it will flow to the Group.

Deferred tax is recognised on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised only to the extent there is a reasonable certainty that assets can be realized in future. However, where there is unabsorbed depreciation or carry forward of losses and item related to capital losses, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence of realization of such assets. Deferred tax assets and deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities relating to income taxes levied by the same taxation authority.

M. RETIREMENT BENEFITS

Gratuity

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees as per the applicable laws of respective countries. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company.



A handwritten signature in blue ink, consisting of a stylized 'S' followed by a flourish.

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 Company fully contributes all ascertained liabilities to the JK Informatics Limited Employee Group Gratuity Trust. Trustees administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India, as permitted by law of India. The Company recognised the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with Accounting Standard (AS) 15, "Employee Benefits". Actuarial gains and losses arising from experience adjustments and changes in actuarial assumption are recognised in the Statement of Profit and Loss in the period in which they arise.

Provident fund

Eligible employees receive benefits from a provident fund, which is a defined benefit plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the employee's salary. The Company contributes a portion to the JK Companies Officers Provident Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund (RPFC, Delhi). The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government. The Company has an obligation to make good the shortfall, if any, between the return from investments of the trust and the notified interest rate. In one of the subsidiary (JKT Consulting Limited), the provident fund is directly contributed through Regional Provident Fund Commissioner. (RPFC, Noida, Uttar Pradesh).

Compensated absence

As per applicable laws of respective countries, the employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absence is determined by actuarial valuation using projected unit credit method on the additional amount expected to be paid/ availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expenses on non-accumulating compensated absences is recognised in the period in which the absence occurs.

N. LEASES

As per applicable laws of respective countries, Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are recognised as operating leases. Operating Lease payments are recognised as an expense in the statement of profit and loss on Straight Line Method.



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Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance lease. Such leases are capitalized at the inception of the lease and charged off in accordance with the applicable terms/ years of lease.

O. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and are adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes to accounts. A contingent asset is neither recognised nor disclosed in financial statements.

P. EARNING PER SHARE

As per applicable laws of respective countries, basic earning per share is computed by dividing the Net Profit after tax by the weighted average number of equity shares outstanding during the period.

Accordingly, diluted earnings per shares is computed by dividing the Net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity share that could have been issued upon conversion of all dilutive potential shares, if any.

Q. CASH AND CASH EQUIVALENT

Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and which are subject to insignificant risk of changes in value.



Two handwritten blue ink marks. The first is a cursive signature, and the second is a stylized set of initials.

R. CONSOLIDATED CASH FLOW STATEMENT

Consolidated Cash Flows are reported using indirect method, whereby the Net Profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expense associated with investing or financing cash flows. The Consolidated cash flows of the Group from operating, investing and financing activities are segregated.

S. Borrowing Cost

Borrowing cost attributable to the acquisition or construction of qualifying assets is capitalized as a part of those assets. Other Borrowing Costs are recognized as an expense in the period to which they relate.



S.S.
B

2) SHARE CAPITAL

	As at March 31, 2020	As at March 31, 2019
Authorised		
15,000,000 (March 31, 2019 15,000,000) Equity Shares of Rs. 10/- (Rs. 10/-)	15,000,000	15,000,000
a) Reconciliation of number of Shares		
Equity Shares (No.)		
At the Beginning of the year	15,000,000	15,000,000
Issued during the year	-	-
Outstanding at the end of year	15,000,000	15,000,000
Reconciliation of Share Capital (Amount)		
Equity Shares (Amount)		
At the Beginning of the year	150,000,000	150,000,000
Issued during the year	-	-
Outstanding at the end of year	150,000,000	150,000,000

Issued, Last year profit		
55,94,878 (March 31, 2019 55,94,878) Equity Shares of Rs. 10/- (Rs. 10/-)	55,948,780	55,948,780

a) Reconciliation of number of Shares		
Equity Shares (No.)		
At the Beginning of the year	5,594,878	5,594,878
Issued during the year	-	-
Outstanding at the end of year	5,594,878	5,594,878
Reconciliation of Share Capital (Amount)		
Equity Shares (Amount)		
At the Beginning of the year	55,948,780	55,948,780
Issued during the year	-	-
Outstanding at the end of year	55,948,780	55,948,780

b) Terms/ right attached to the Equity Shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees.

In the event of liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of Shareholding holding more than 5% shares in the company

Equity Share of Rs. 10 Each	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% held	No. of Shares	% held
Dwarikadhish Finance & Investment Co. Pvt Ltd	1,596,000	28.53%	1,596,000	28.53%
Manphul Trading & Finance Co. Ltd.	1,225,950	21.91%	1,225,950	21.91%
JK Infrastructure & Developers Pvt. Ltd.	730,000	13.05%	730,000	13.05%
Neelkhanth Mercantile Ltd.	658,500	11.77%	658,500	11.77%
Akshyaptra Finance & Investment Pvt. Ltd	497,500	8.89%	497,500	8.89%
JK Consultancy and Services Pvt. Ltd.	300,000	5.36%	300,000	5.36%

3) RESERVES AND SURPLUS

	As at March 31, 2020	As at March 31, 2019
Profit and Loss		
As per Last Balance Sheet	523,526,981	364,208,944
Add: Profit for the year before Minority Interest	108,177,994	159,390,487
Add: Elimination on account of subsidiary company becoming an associate	-	-
Add / (Less): Minority Interest in (Profit) / Loss	234,928	(72,450)
Add: Adjustment of prior period losses on account of change of subsidiary into associate	-	-
Add/(Less): Appropriations	-	-
Proposed Dividend on Equity Shares	-	-
Tax on Dividend	-	-
Capital reserve	244,000	244,000
	632,183,902	523,770,981
Foreign Currency Translation Reserve		
Opening balance	9,391,383	2,782,723
Add/(Less): Addition/(Deletion) during the year	19,842,850	6,608,660
Closing balance	29,234,233	9,391,383
TOTAL	661,418,135	533,162,364

4) Minority Interest

Opening balance	2,199,131	2,126,681
Add/ (Less): Addition/(Deletion) during the year	(234,928)	72,450
Closing balance	1,964,203	2,199,131



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5) LONG TERM BORROWINGS

	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Secured				
Term Loan From Bank				
Axis Bank Limited	2,129,176	3,890,760	2,684,874	3,334,668
Vehicle Loan from Bank				
HDFC Bank Limited	4,967,526	1,472,934	6,778,758	1,608,289
ICICI Bank Limited				
Kotak Mahindra Bank Ltd	307,326	487,900	795,226	442,666
Axis Bank Limited		71,109	71,109	138,533
	7,404,028	5,922,703	10,329,967	5,524,156
Less: Shown under other current Liabilities (Refer Note No. 9)		(5,922,703)		(5,524,156)
	7,404,028		10,329,967	11,048,312

Nature of security:

- i) Term Loan from Axis Bank Limited is Secured by first charge on the Land & Building situated at F3 Sector 3 Noida and current assets and other movable fixed assets of the company except specific vehicles charged to other banks/ institutions. The loan is further secured by Personal Guarantee of a Director and Corporate Guarantee of six related parties.
 - ii) Vehicle Loan from Banks/ institutions are secured against Hypothecation of Specific Vehicle.
 - iii) Unsecured loans from Bank and other entities are guaranteed by the directors.
- Interest Rate, Tenure and EMI of above loans are as per details below:

Secured:

Bank Name	Nature	Rate	Tenure	EMI	Date of commencement of Repayment
Axis Bank Limited	Term Loan	10.50%	48 Months	166,666	01-May-15
Axis Bank Limited	Term Loan	11.00%	36 Months	139,000	30-Sep-17
Axis Bank Limited	Vehicle Loan	10.51%	60 Months	12,835	01-Oct-15
Kotak Mahindra Bank Ltd	Vehicle Loan	9.77%	60 Months	45,344	05-Nov-16
HDFC Bank Limited	Vehicle Loan	9.50%	60 Months	25,624	07-Jun-16
HDFC Bank Limited	Vehicle Loan	9.00%	60 Months	166,067	07-Feb-19
Axis Bank Limited	Term Loan	9.60%	36 Months	138,889	14-Aug-18
Axis Bank Limited	Term Loan	9.60%	36 Months	138,889	30-Apr-19

6) LONG TERM PROVISIONS

	As at March 31, 2020	As at March 31, 2019
Provision for Lease Equilisation	2,450,037	1,613,286
Provision for employee benefits		
Gratuity (Refer Note 28.1)	58,516,479	45,498,166
Leave Encashment (Refer Note 28.2)	45,385,418	36,044,286
	106,351,934	83,155,738

7) SHORT TERM BORROWINGS

	As at March 31, 2020		As at March 31, 2019	
Secured				
Working Capital Loan from banks				
Axis Bank Limited	69,294,326	114,330,427		
Axis Bank Limited-OD	22,000,002	0		
	91,294,328	114,330,427		
Unsecured				
Other borrowings				
Williamson Financial Services Limited (Payable on demand, Interest rate 15% p.a.)	7,500,000	7,709,340		
	7,500,000	7,709,340		
Total	98,794,328	122,039,767		

Nature of security:

- i) Working Capital Loan from Axis Bank Limited taken by the company is Secured by first charge on the Land & Building situated at F3 Sector 3 Noida and current assets and other movable fixed assets of the company except specific vehicles charged to other banks/ institutions.
- ii) Working capital Loan from Axis Bank Limited taken by JK Technosoft and JKT Consulting is secured by present & future Assets of Parent and Subsidiary.
- iii) Unsecured loan from corporate bodies and related parties are repayable on demand.



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8) TRADE PAYABLES

	As at March 31, 2020	As at March 31, 2019
Salary Payable	88,896,308	80,242,417
Payable to Employees & Directors	10,867,503	11,092,249
Others Trade Payable other than MSME	50,271,321	68,851,489
Others Trade Payable MSME	1,649,762	1,042,005
TOTAL	151,684,894	161,228,160

Description	As at March 31, 2020	As at March 31, 2019
1. Principal amount remaining unpaid to any supplier as at the end of the accounting year.	1,649,762	1,042,005.00
2. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
3. The amount of interest paid by the company in terms of section 16, of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year.	-	-
4. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
5. The amount of interest accrued and remaining unpaid at the end of the accounting year.	9,464	-
6. The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED Act, 2006.	-	-

9) OTHER CURRENT LIABILITIES

	As at March 31, 2020	As at March 31, 2019
Current maturities on long term debt (Refer Note No. 5)	5,922,703	5,524,156
Interest accrued and due on borrowings	1,253,836	1,253,836
Interest Accrued but not due on borrowings	45,216	61,546
Advance from Customers	9,600	-
Statutory Dues Payable	78,569,094	32,864,689
Other payables	21,025,663	6,063,129
TOTAL	106,826,112	45,757,356

10) SHORT TERM PROVISIONS

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Gratuity (Refer note 28.1)	13,566,720	11,284,143
Leave Encashment (Refer note 28.2)	18,143,059	15,306,350
	31,709,779	26,590,493

Provision for Gratuity is shown as Net of Plan Assets and Present Value of Defined Benefit Obligation as fully detailed in Note No. 30

11) Property Plant and Equipment

	As at March 31, 2020	As at March 31, 2019
Tangible Assets	92,307,487	84,145,921
Intangible Assets	4,394,877	6,318,807
Intangible assets under Development	100,000	-
Total	96,802,364	90,464,728

12) NON CURRENT INVESTMENT

	As at March 31, 2020	As at March 31, 2019
In Mutual Fund - Quoted fully paid up		
JM Basic Fund- Growth Option(246)		
17996.708 units of Rs. 13.7903/- Each	248,180	248,180
	248,180	248,180
In Equity Shares - Quoted fully paid up		
Reliance Industries Limited		
400 (PY 200) Shares of Rs. 10/- (PY Rs. 10/-)	264,468	264,468
JK Synthetics Limited		
12,538 (PY 12,538) Shares of Rs. 1/- (PY Rs. 1/-)	12,538	12,538
Total Non - Trade Investments (B)	525,186	525,186
Total Non - Current Investment (A + B)	525,186	525,186
Aggregate amount of Quoted Investment	525,186	525,186
Market Value of Quoted Investment	865,773	1,203,232
Aggregate amount of Non - Quoted Investment	NIL	NIL
Aggregate provision for Diminution in the value of Investment	NIL	NIL

Breakup of investments in associate is as under:

Name of the Company	Goodwill included in cost of acquisition	Share in profits/(losses) of associates post acquisition	Cost of Acquisition	Provision for diminution in the value of Investments	Carrying cost of Investments
E-Safe Solution Private Limited (Formerly Known as JKT Learning Solution Pvt. Ltd)	600,000	(5,400,000)	5,400,000	-	-



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J K Technosoft Limited
 Note 11- Notes forming part of Consolidated Financial Statement
 Property Plant & Equipment

NAME OF THE ASSETS	Gross Block as at 01.04.2019	Addition	Deletion due to cessation of subsidiary	Sales	Disposal	Gross Block as at 31.03.2020	Accumulated Dep as on 01.04.2019	Dep. For the year	Deletion due to cessation of subsidiary	Less Dep. For Sales	Adjustment	Total Dep. as on 31.03.2020	Net Block as on 31.03.2020
Land	1,795,541	-	-	-	-	1,795,541	428,427	21,700	-	-	-	450,127	1,345,414
Building	31,190,044	-	-	-	-	31,190,044	5,805,323	495,256	-	-	-	6,301,578	24,888,466
Computer Systems - Hardware	75,709,015	25,020,618	-	3,979,546	20,638,273	76,111,814	51,405,916	13,883,372	-	3,126,357	21,356,610	40,806,321	35,305,493
Computer Server & Networking	12,712,939	952,174	-	-	-	13,665,113	8,995,127	1,097,143	-	-	-	10,092,270	3,572,843
Fire Fighting Systems	790,875	-	-	-	-	790,875	668,893	42,606	-	-	-	711,499	79,376
Electrical Fittings & Equipment	2,490,843	-	-	-	-	2,490,843	1,780,821	84,366	-	-	-	1,865,188	625,655
Furniture & Fixture	27,371,032	760,550	-	168,742	-	27,962,840	21,010,334	1,248,493	-	145,238	-	22,113,588	5,849,251
Plant and Machinery:	-	-	-	-	-	-	-	-	-	-	-	-	-
Air Conditioners	5,050,061	371,434	-	88,600	-	5,332,895	2,621,589	448,698	-	41,367	-	3,028,920	2,303,975
UPS & Batteries	4,226,062	555,500	-	371,321	-	4,410,741	3,145,849	273,931	-	357,044	-	3,062,736	1,347,505
DG Set	2,285,497	-	-	-	-	2,285,497	2,171,222	-	-	-	-	2,171,222	114,275
Office and Telephone Equipment	9,796,835	1,614,844	-	156,990	-	11,254,689	5,336,386	1,325,113	-	121,306	42,662,06	6,497,532	4,757,157
Motor Car	21,585,110	-	-	-	-	21,585,110	7,487,044	1,979,590	-	-	-	9,467,034	12,118,076
TOTAL	195,003,853	29,275,120	-	4,765,199	20,638,273	198,875,501	110,857,930	20,900,669	-	3,791,312	21,399,272	106,568,014	92,307,487

Intangible Assets

NAME OF THE ASSETS	Gross Block as at 01.04.2019	Addition	Deletion due to cessation of subsidiary	Sales	Adjustment	Gross Block as at 31.03.2019	Accumulated Dep as on 01.04.2018	Dep. For the year	Deletion due to cessation of subsidiary	Less Dep. For Sales	Adjustment	Total Dep. as on 31.03.2019	Net Block as on 31.03.2019
Computer Software	36,623,668	2,771,402	-	109,000	-	39,286,070	30,304,861	4,586,332	-	-	-	34,891,193	4,394,877
TOTAL	36,623,668	2,771,402	-	109,000	-	39,286,070	30,304,861	4,586,332	-	-	-	34,891,193	4,394,877
Grand Total	231,627,522	32,046,522	-	4,874,199	20,638,273	238,161,571	141,162,791	25,487,001	-	3,791,312	21,399,272	141,459,207	96,702,364
Intangible assets under Development	-	100,000	-	-	-	100,000	-	-	-	-	-	-	100,000
TOTAL	-	100,000	-	-	100,000	100,000	-	-	-	-	-	-	100,000
Grand total	231,627,522	32,146,522	-	4,874,199	20,738,273	238,161,571	141,162,791	25,487,001	-	3,791,312	21,399,272	141,459,207	96,802,364
Previous Year	416,631,375	61,321,641	-	9,639,397	41,276,546	437,037,073	252,020,721	46,387,669	-	7,582,624	42,798,545	248,027,221	189,009,851



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	As at March 31, 2020	As at March 31, 2019
12.1) CURRENT INVESTMENTS		
Investment in Equity shares (Quoted)		
1553 (PY : 1553) shares of Rs. 2 each of Balaji Amines	388,638	769,822
5650 (PY : 5650) shares of Rs. 2 each of JK Tyre and Industries	228,543	518,953
5690 (PY : 5690) shares of Rs. 1 each of Jindal Steel and Power	505,557	1,022,493
121000 (PY : 121000) shares of Rs. 10 each of Andhra Cements	205,700	623,150
200000 (PY : 200000) shares of Rs. 10 each of Alok Industries	217,900	895,570
TOTAL	1,545,938	3,629,988
13) DEFERRED TAX ASSETS (NET)		
Deferred Tax Liabilities		
Depreciation and Amortisation	(3,254,689)	(2,364,122)
Profit on Forward cover M2M	(1,567,705)	(588,067)
Deferred Tax Assets		
Employees Benefits	39,414,466	32,522,487
Provision for expenses	13,083,741	-
Unabsorbed Loss/ Depreciation	2,194,489	5,578,681
Lease Equalization reserve	713,451	-
Deferred Tax Assets (Net)	50,533,753	35,148,979
14) LONG TERM LOAN AND ADVANCES		
(Unsecured and Considered Good)		
Security Deposit	26,430,749	27,868,818
MAT Credit Receivable	7,800,329	5,261,233
TOTAL	34,231,078	33,130,051
15) OTHER NON CURRENT ASSETS		
Fixed Deposits with Banks :		
Deposits with original maturity of more than 12 months	15,854,096	6,418,148
Payment of taxes under protest/appeal	28,855,571	-
TOTAL	44,709,667	6,418,148
16) TRADE RECEIVABLES		
Unsecured & Considered Good		
Outstanding for a period exceeding six months from the date they are due for payment :		
Considered Good	39,274,124	16,024,481
Others Receivables		
Considered Good	522,751,147	454,045,308
Considered Doubtful	753,859	-
Less: Provision for Doubtful Receivables	(4,832,424)	-
TOTAL	557,946,706	470,069,789
17) CASH AND BANK BALANCE		
Cash and Cash Equivalents		
Balance with Banks	131,957,852	108,201,855
Cash in hand	110,178	58,180
Fixed Deposit with Bank	132,068,030	108,760,035
Deposit with original maturity less than 12 months	928,628	2,274,143
Deposit with original maturity more than 12 months	28,292,009	1,024,955
Deposit pledged against Margin Money/Security	34,915,738	30,929,565
TOTAL	196,204,405	142,488,698



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18) SHORT TERM LOANS AND ADVANCES

	As at March 31, 2020	As at March 31, 2019
Unsecured and Considered Good		
Loan to Corporate -Ananta Landmarks Pvt. Ltd.	50,000,000	-
Loans and Advances to Related Parties		
E-Safe Solution Pvt. Ltd. (Associate)	40,967,451	42,715,284
Less: Provision for Bad Debt	(40,862,239)	-
Advance to Vendors/ Suppliers/ Others	1,548,008	1,889,417
Security Deposits	2,155,638	-
Loan and Advances to Staff (incl. FFS recovery)	5,083,426	4,824,135
Advance Income Tax	60,628,977	72,939,736
TOTAL	119,521,261	122,368,572

19) OTHER CURRENT ASSETS

	As at March 31, 2020	As at March 31, 2019
Unsecured and Considered Good		
Accrued Income/ Unbilled Income	70,541,449	91,579,201
Prepaid Expenses	12,882,846	13,428,506
Receivable against Forward Contract	6,907,734	3,341,853
GST Receivable	1,102,155	35,458
Payment of taxes under protest/appeal	-	729,991
Duties & Taxes recoverable	27,183,194	302,230
Export Incentive Receivable	-	26,263,914
Interest receivable	1,411,475	-
Preliminary Expenses	9,732	-
TDS Receivable from Kotak Mahindra	43,250	286,463
TOTAL	120,081,835	135,967,616

20) REVENUE FROM OPERATIONS

	Year Ended March 31, 2020	Year Ended March 31, 2019
Income from Services		
Information Services and Consulting Services		
Domestic	586,269,662	606,436,024
Export	1,710,283,728	1,340,350,041
Deemed Export (SEZ)	70,835,220	50,245,064
	2,367,388,610	1,997,031,129.00
Commercial Coaching and Training Services		
Domestic	40,553,372	29,707,175
Export	390,000	1,633,837
Deemed Export (SEZ)	9,432,685	8,508,383
	50,376,057	39,849,395.00
Sale of Hardware and Software		
Domestic	-	6,199,642
	-	6,199,642.00
Reimbursement of Expenses	1,576,762	5,778,438.00
Reimbursement of Expenses-Export	534,625	-
Reimbursement of Expenses-SEZ	154,446	-
TOTAL	2,420,030,500	2,048,858,604

21) OTHER INCOME

	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest	14,750,009	2,383,393
Notice Period Recovery	2,783,358	2,105,530
Diff. in Exchange Profit including Profit on Forward Contracts	14,965,842	700,851
Dividend	19,461	14,913
Excess Provision Written Off	48,403	-
Misc. Recovery	1,057,791	1,233,217
Profit on Sale of Investment	5,723	-
Export Incentive	-	51,434,968
Interest on Income Tax Refund	579,747	1,079,760
TOTAL	34,210,334	58,952,632

22) PURCHASE

	Year Ended March 31, 2020	Year Ended March 31, 2019
Purchase of Hardware and Software	9,791,994	10,583,541
TOTAL	9,791,994	10,583,541

23) CHANGE IN INVENTORIES

	Year Ended March 31, 2020	Year Ended March 31, 2019
Traded Goods-At beginning of the year: Computer Hardware and software	-	10,626,118
TOTAL	-	10,626,118

24) EMPLOYEE BENEFITS EXPENSES

	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries and Wages	1,534,846,978	1,137,091,406
Contribution to Provident and other Funds	87,869,879	64,962,774
Staff Welfare Expenses	53,098,063	20,991,858
TOTAL	1,675,814,920	1,223,046,038



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25) OTHER EXPENSES

	Year Ended March 31, 2020	Year Ended March 31, 2019
Rent	59,102,904	46,975,443
Professional Fee	247,444,890	207,463,962
Electric, Power, Fuel and Water	15,100,580	12,215,476
Travelling Expenses-Domestic	38,534,743	35,295,373
Travelling Expenses- Foreign	17,515,652	50,048,467
Conveyance & Taxi Hire Charges	5,364,331	3,762,372
Internet and Networking Expenses	12,177,149	7,136,080
Insurance Premium	1,888,066	-
Telephone Expenses	4,173,339	3,903,120
Maintenance Expenses - Office	18,524,291	16,958,134
Maintenance Expenses - Computers	14,612,072	22,531,768
Exchange Losses including Loss on Forward Contracts	27,880	-
Business Promotion	278,431	1,765,758
Advertisement	12,952,518	22,499,663
Audit Fee	1,395,950	1,067,027
Bad Debts	22,698,013	7,339,269
Loss on Sale of Fixed Assets	166,118	993,957
Loss on assets Written off	1,031,914	-
Loss on sale/Valuation of investments	1,912,279	1,177,162
Repairs to Plants	1,094,757	1,033,280
Insurance Expenses	3,590,595	1,281,229
Miscellaneous Expenses	35,082,134	28,351,651
Rates and taxes, excluding, taxes on income.	2,871,842	815,377
CSR Expenditure	1,593,301	2,000,000
Management Charges	-	126,072,363
Recruitment & training	13,776,151	8,080,406
Provision for bad debt	40,862,239	-
TOTAL	573,772,139	608,767,337

25.1) CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of Companies Act, 2013, the following is the details of Corporate Social Responsibility Expenses incurred by the Company:

(a) Gross amount required to be spent by the Company during the year ended March 31, 2020 is Rs 15,93,301 (PY Rs 10,34,845)

(b) Amount spent during the year ended March 31, 2020 is Rs 15,93,301 (PY 20,00,000)

26) FINANCE COST

	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest Expenses	17,959,128	14,800,097
Other Borrowing Costs	512,500	900,000
Bank Charges	1,467,286	2,113,761
	19,938,914	17,813,858

27) DEPRECIATION AND AMORTISATION EXPENSES

	Year Ended March 31, 2020	Year Ended March 31, 2019
Depreciation on Tangible Assets	20,869,412	10,882,215
Amortisation of Intangible Assets	4,617,589	4,160,032
	25,487,001	15,042,247

28) EMPLOYEE DEFINED BENEFIT PLAN

28.1 PROVISION FOR GRATUITY

	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
I Assumptions:		
JK Technosoft LTD		
Discount Rate	5.45%	6.75%
Rate of Increase in Compensation Levels	10.00%	12.00%
Rate of Return on Plan Assets	5.45%	7.50%
JKT Consulting LTD		
Discount Rate	5.50%	6.80%
Rate of Increase in Compensation Levels	10.00%	14.00%
II Changes in Present Value of Obligations During the Period		
Present Value of Obligation as at the beginning of the period	58,041,920	42,948,892
Interest Cost	3,928,089	3,082,302
Past Service Cost	-	-
Current Service Cost	12,669,257	8,886,062
Benefit Paid	(3,942,069)	(3,887,220)
Actuarial (gain)/ loss on obligations	2,686,687	7,011,884
Present Value of Obligation as at the end of the period	73,383,884	58,041,920
III Changes in the Fair value of Plan Assets during the Period		
Fair Value of Plan Assets at the beginning of the period	1,259,611	1,720,654
Expected Return on Plan Assets	94,671	137,554
Contributions	3,890,570	3,837,230
Benefits Paid	(3,324,962)	(3,832,698)
Actuarial Gain/ (Loss) on Plan Assets	(619,205)	(603,129)
Fair Value of Plan Assets at the end of the period	1,300,685	1,259,611



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Plan Asset	31st March, 2016	31st March, 2017	31st March, 2018	31st March, 2019	31st March, 2020
(Gain)/Loss on Plan Liabilities	2,140,179	107,534	1,078,210	1,182,512	(1,497,079)
% of Opening Plan Liabilities	14.90%	0.34%	3.05%	2.75%	-2.58%
Gain / (Loss) on Plan Assets	3,713	(377,937)	(470,333)	(603,129)	(619,205)
% of Opening Plan Assets	0.30%	-39.29%	-44.55%	-35.10%	-49.16%

	As at March 31, 2020	As at March 31, 2019
Current Liability(Short term)	13,566,720	11,284,143
Non-Current Liability(Long term)	58,516,479	45,496,166
Present Value of Obligation as at the end	72,083,199	56,782,309

In respect of funded defined benefit scheme of provident fund (Based on actuarial valuation)
The following table sets out the status of Provident Fund as per the actuarial valuation as per the information available to us.

	2019-2020	2018-2019
I Assumptions:		
Discount Rate	5.45%	6.75%
Interest rate guarantee	8.50%	8.65%
Average Historic yield on the Investment	8.31%	8.34%
II Summary of Membership Status		
Number of employees	3715	3,330
Average age(years)	32.05	31.57
Expected average future working life time(years)	3.27	3.28
III Summary of Funds Status		
Accumulated Account value of Employee's Fund	392,437,255	310,804,833
Value of Plan Assets	402,892,207	327,712,399
Average remaining tenure of the investment(years)	7.39	7.25
IV Employer's Contribution during the previous year	48,140,826	20,145,647

Assets and Liability(Balance Sheet Position):

Particulars	For the period Ending 31st March, 2020	For the period Ending 31st March, 2019
Accumulated Account Value of Employee's Fund	392,437,255	310,804,833
Interest Rate Guarantee Liability	4,744,886	3,330,479
Present Value of Obligation(Total)	397,182,141	314,135,312
Value of Plan Assets	402,892,207	327,712,399
Surplus/(Deficit)	5,710,066	13,577,087
Net Liability to be recognised in balance Sheet of the Company	-	-

28.2 PROVISION FOR LEAVE ENCASHMENT

	2019-2020	2018-2019
I Assumptions:		
JK Technosoft LTD		
Discount Rate	5.45%	6.75%
Rate of Increase in Compensation Levels	10.00%	12.00%
JKT Consulting LTD		
Discount Rate	6.80%	6.80%
Rate of Increase in Compensation Levels	10.00%	14.00%
II Changes in Present Value of Obligations During the Period (Amount in Rs.)		
Present Value of Obligation as at the beginning of the period	51,350,636	38,405,354
Interest Cost	3,475,444	2,755,755
Current Service Cost	17,546,718	13,553,006
Benefit Paid	(8,649,225)	(6,450,530)
Actuarial (gain)/ loss on obligations	(195,096)	3,087,051
Present Value of Obligation as at the end of the period	63,528,477	51,350,636
III Expenses recognised in the Profit and Loss Account		
Current Service Cost	17,546,718	13,553,006
Past Service Cost	-	-
Interest Cost	3,475,444	2,755,755
Expected Return on Plan Assets	-	-
Net actuarial (gain)/ loss recognised in the period	(195,096)	3,087,051
Expenses recognised in the Statement of Profit and Loss	20,827,066	19,395,812



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Experience adjustments on Present Value of Benefit Obligation and Plan Asset	For the period Ending				
	31st March, 2016	31st March, 2017	31st March, 2018	31st March, 2019	31st March, 2020
(Gain)/Loss on Plan Liabilities	(449,624)	(1,058,491)	(172,781)	(259,501)	(2,114,615)
% of Opening Plan Liabilities	-14.70%	3.34%	-0.49%	-0.68%	-4.12%
Gain / (Loss) on Plan Assets	-	-	-	-	-
% of Opening Plan Assets	-	-	-	-	-

VIII Bifurcation of Present value of Obligation at the end of the year as per Schedule III of the Companies Act, 2013

	As at March 31, 2020	As at March 31, 2019
Current Liability(Short term)	18,143,059	15,306,350
Non-Current Liability(Long term)	45,385,418	36,044,286
Present Value of Obligation as at the end	63,528,477	51,350,636

29) SEGMENT REPORTING

The company has identified geographic segments as its primary segments.

Geographic segment of the Company are United Kingdom, United State of America, India and others.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses incurred in India on behalf of other segments and not directly identifiable to each reportable segment have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

Assets and liabilities that are directly attributable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable. Fixed assets have not been allocated to primary and secondary segments as these are used interchangeably between segments.

Year Ended March 31, 2020

Particulars	UK	USA	India	Other	Total	(Rs.)
Revenue & Other Income	581,149,803	1,051,515,347	708,822,147	78,543,204	2,420,030,500	
Identified Operating Expenses	349,278,332	594,886,230	694,559,798	46,882,553	1,685,606,913	
Allocable Expenses	128,214,829	107,613,576	63,357,905	42,686,425	341,872,735	
Unallocable expenses[net of income]					237,926,084	
Segment Results	103,656,642	349,015,540	(49,095,556)	(11,025,774)	154,624,769	
Add: Interest Income					14,750,009	
Less: finance cost					19,938,914	
Less: Unallocable Expenses(Tax)					41,257,875	
Profit after Tax					108,177,988	

Year Ended March 31, 2019

Particulars	UK	USA	India	Other	Total	(Rs.)
Revenue & Other Income	408,936,840	863,021,700	699,405,960	134,063,343	2,106,427,843	
Identified Operating Expenses	190,089,145	(207,500,260)	632,651,361	61,979,450	677,219,695	
Allocable Expenses	164,089,168	835,614,710	134,639,479	56,502,275	1,190,845,582	
Segment Results	54,758,527	294,907,250	(67,884,880)	15,581,668	237,362,565	
Add: Interest Income					2,383,393	
Less: finance cost					17,813,858	
Less: Exceptional Item					-	
Less: Unallocable Expenses(Tax)					62,541,612	
Profit after Tax					159,390,487	

As at March 31, 2020

Particular	UK	USA	India	Other	Total	(Rs.)
Segment Assets	181,306,138	341,455,233	200,149,419	44,553,922	767,464,711	
Unallocable Assets					454,637,482	
Total Assets	181,306,138	341,455,233	200,149,419	44,553,922	1,222,102,193	

As at March 31, 2019

Particular	UK	USA	India	Other	Total	(Rs.)
Segment Assets	127,495,707	228,655,171	327,502,689	78,710,810	762,364,377	
Unallocable Assets					278,047,379	
Total Assets	127,495,707	228,655,171	327,502,689	78,710,810	1,040,411,756	

As at March 31, 2020

Particular	UK	USA	India	Other	Total	(Rs.)
Segment Liabilities	44,553,595	25,742,695	24,860,168	1,339,859	96,496,317	
Unallocable Liabilities					408,238,962	
Shareholders Fund					717,366,915	
Total Liabilities	44,553,595	25,742,695	24,860,168	1,339,859	1,222,102,194	

As at March 31, 2020

Particular	UK	USA	India	Other	Total	(Rs.)
Depreciation and Amortization	3,477,414	8,374,727	6,961,901	867,644	19,681,686	
Unallocable Depreciation					5,805,315	
Total	3,477,414	8,374,727	6,961,901	867,644	25,487,001	

As at March 31, 2019

Particular	UK	USA	India	Other	Total	(Rs.)
Segment Liabilities	45,199,838	25,774,449	50,670,759	6,318,353	127,963,400	
Unallocable Liabilities					321138081	
Shareholders Fund					591310275	
Total Liabilities	45,199,838	25,774,449	50,670,759	6,318,353	1,040,411,756	

As at March 31, 2019

Particular	UK	USA	India	Other	Total	(Rs.)
Depreciation and Amortization	1,775,455	5,969,711	1,209,384	6,087,695	15,042,245	

The Company has a single business segment as per Accounting Standard 17 dealing with "Segment Reporting" issued by the Institute of Chartered Accountants of India.



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30) RELATED PARTY DISCLOSURE

a. Name of Related Parties and description of relationship:

Subsidiary Companies
 Proserve Consulting Inc., USA
 JK Technosoft (UK) Limited, UK
 JKT Consulting Limited, India
 JK Technosoft Gulf LLC, Sultanate of Oman
 JK Technosoft Bangladesh Pvt.Ltd, Bangladesh
 JK Technosoft GCC WLL, Bahrain

Key Management Personnel
 Satish Chandra Gupta (Whole Time Director)
 Saiyad Amir(Company Secretary)
 Abhishek Singhania (Director)
 Babu Abraham (Director)
 N P Agarwal (Director)
 Maneesh Mansingka (Director)
 Partho Pratim Kar (Director)
 Vinay Kumar Singhal (Director)
 Vipul Prakash (Director)

Directors in associates
 Jagdamba Prasad Trivedi
 Mohd.I. Siddiqui

Associate Company
 E-Safe Solution Pvt. Ltd., India

Enterprises over which directors have significant influence
 Dwarikashish Finance & Investment Co. Pvt.Ltd.
 Manphul Trading & Finance Co. Pvt Ltd.

Relative to Key Management Personnel
 Varsha Singhania
 Manorama Singhania
 Preeti Gupta

b. Transactions with related parties during the year
 As disclosed in Consolidated Balance Sheet and Profit and Loss Account

Associated Companies/ Enterprises	Associated Companies/ Enterprises	Key Management Personnel	Relatives to Key Management Personnel
Remuneration Paid		5,807,433	1,996,800
Sitting Fees		166,655	
Professional Charge Paid		900,000	3,600,000
Received against Loans/ Advance			
E-Safe Solution Pvt. Ltd. (Formally Known as JKT Learning Solutions Pvt Ltd), India	2,274,625	-	-
	2,274,625		
Loans & Advances Given/Repaid			
E-Safe Solution Pvt. Ltd. (Formally Known as JKT Learning Solutions Pvt Ltd), India	421,580	-	-
	421,580		
Balance with related parties as on 31st March, 2020			
Loan and Advance Receivable			
E-Safe Solution Pvt. Ltd. (Formally Known as JKT Learning Solutions Pvt Ltd)	40,862,239	-	-
	40,862,239		

Transactions with related parties during FY 2018-19
 As disclosed in Consolidated Balance Sheet and Profit and Loss Account

Associated Companies/ Enterprises	Associated Companies/ Enterprises	Key Management Personnel	Relatives to Key Management Personnel
Remuneration Paid		4,762,592	1,820,373
Sitting Fees		222,220	
Professional Charge Paid		800,000	3,600,000
Received against Loans/ Advance			
E-Safe Solution Pvt. Ltd. (Formally Known as JKT Learning Solutions Pvt Ltd), India	3,020,511	-	-
	3,020,511		
Loans & Advances Given/Repaid			
E-Safe Solution Pvt. Ltd. (Formally Known as JKT Learning Solutions Pvt Ltd), India	3,996,855	-	-
	3,996,855		
Balance with related parties as on 31st March, 2019			
Loan and Advance Receivable			
E-Safe Solution Pvt. Ltd. (Formally Known as JKT Learning Solutions Pvt Ltd)	42,715,284	-	-
	42,715,284		

M/s Akshyaptara Finance and Investment Co (Pvt) Ltd, M/s Neelkhanth Mercantile Ltd., M/s JK Infrastructure Developers Private Limited, M/s J.K. Consultancy and Services Pvt Ltd and M/s Dwarikadish Finance & Investment Company Pvt. Ltd. have provided corporate guarantee for the loan availed by the company from Axis Bank Ltd.



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31) PARTICULARS OF SUBSIDIARIES

Name of Company	Country of Incorporation	Relationship	% of Holding and voting power as at	
			31.03.2020	31.03.2019
JK Technosoft UK Limited	United Kingdom	Subsidiary	100%	100%
Proserve Consulting Inc.	USA	Subsidiary	100%	100%
JKT Consulting Limited	India	Subsidiary	100%	100%
JK Technosoft Gulf LLC	Muscat, Sultanate of Oman	Subsidiary	65%	65%
JK Technosoft GCC WLL	Bahrain	Subsidiary	98%	98%
JK Technosoft Bangladesh Pvt. Ltd.	Bangladesh	Subsidiary	100%	100%
ASSOCIATE:				
E-Safe Solution Pvt. Ltd.	India	Associate	31.76%	31.76%

Additional Information as required under Schedule III to the companies Act, 2013, of enterprises consolidated as subsidiary /Associates /Joint Ventures

Net Assets, i.e. total assets minus total liabilities				
Name of the entity	As % of Consolidated Net Assets	Amount (in Rs.)	As % of Consolidated Profit or (Loss)	Amount (in Rs.)
Parent Company				
JK Technosoft Limited	67.34%	483,098,903	76.42%	450,198,199
Indian Subsidiaries				
JKT Consulting Limited	-3.16%	(22,636,335)	-5.51%	(32,445,833)
Foreign Subsidiaries				
Proserve Consulting Inc.	34.13%	244,868,836	28.02%	165,054,089
JK Technosoft UK Limited	6.75%	48,412,963	5.68%	33,464,168
JK Technosoft Gulf LLC	1.25%	8,982,574	0.23%	1,366,080
JK Technosoft Bangladesh	-0.21%	(1,534,536)	0.19%	1,113,209
JK Technosoft GCC WLL	-0.82%	(5,899,125)	0.15%	904,930
Associate				
E-Safe Solution Pvt. Ltd.	0.00%	-	0.00%	-
Minority Interest				
	-0.27%	(1,964,203)	-0.37%	(2,199,131)
Elimination				
	-5.01%	(35,962,163)	-4.81%	(28,344,564)
Total	100.00%	717,366,315	100.00%	589,111,145

32) EARNING PER SHARE

	2019-20	2018-19
Profit for the year	108177994	159390487
Amount available for Equity Shares	108412921	159318037
Weighted Average number of Shares	5,594,878	5,594,878
Earning per share		
Basic	19.38	28.48
Diluted	19.38	28.48
Face Value per share		10

33) AUDITOR'S REMUNERATION

	2019-20	2018-19
Statutory Audit Fee including Tax Audit	1,295,950	847027
Any other capacity	100,000	220000
Goods and Services Tax	144,000	126288
	<u>1,539,950</u>	<u>1,193,315</u>

- 34) In the opinion of the management, current assets and loans & advances have value in realization in ordinary course of business at least equal to the amount at which they are stated.
- 35) Details of loan and advances given and investment made as required to be disclosed as per provisions of Section 186 (4) of the Companies Act, 2013 have been disclosed under the respective head. The company has not given any guarantee in respect of loan taken by others.
- 36) Some of the balance grouped under Trade Receivables, Trade Payables, Loan and Advances recoverable in cash or in kind are subject to confirmation from respective parties. Differences, if any, arising on reconciliation of these balances, in the opinion of the management, will not be material and will be accounted for as and when such reconciliations are completed.

Conveyance expenses

37) CONTINGENT LIABILITIES

Particulars	As at 31st March 2020	As at 31st March 2019
Contingent Liabilities:		
Claims against the company not acknowledged as debts	NIL	NIL
Other Contingent Liabilities:		
In respect of Service Tax Demand	NIL	NIL
In respect of Income Tax (AY-2009-10) where the department prefers to appeal	18,739,040	18,739,040
In respect of UP Trade Tax Demand FY 13-14	606,076	606,076
Commitments:		
Estimated amount of contracts remaining to be Capital Account not provided for	NIL	NIL
Uncalled liabilities on shares and other investments partly paid	NIL	NIL
Other Commitments	NIL	NIL
Guarantee given by bank	36,219,969	45,124,945



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- i)-The Company has provided Counter Guarantees against the Bank Guarantee amounting to Rs.3,62,19,969/- (Previous Year Rs. 4,51,24,945/-) for successful performance of services to various clients and authorities for operational purpose.
- ii)-The company has given FDR of Rs. 25,000/- to UP Trade Tax Department and provide Bank Guarantee for Rs.69,856/- to the customer for various operational purpose.
- iii)-UP Trade Tax Department has raised demand of Rs.606,076/- for FY-2013-2014. The Company has appealed against this demand to higher authority of Up Tax Department.

37.1 CAPITAL COMMITMENTS:

Particulars	As at 31st March 2020	As at 31st March 2019
a. Capital Commitment		
Estimated Amount of Contract in capital account remaining to be executed and not provided for	100,000	-
Total	100,000	-

- 38) The company has made Investments in Equity Shares aggregating to Rs. 54 lakhs in its Indian Associate Company and also has given working capital loan aggregating of Rs. 408.62 lakhs as on 31st March, 2020 to the company. The company accumulating loss as at 31st March, 2020 exceed its net worth. The management has also waived off interest on working capital loan provided. The financial results of FY 19-20 and for the Period 20-21 has shown the significant improvement in profitability and management projections are showing positive results which is indicating the turn around in near future. Therefore, the management has considered diminishing in the value of investment as temporary and loans are considered good and recoverable.
- 39) The Company's significant leasing arrangements are in respect of operating leases for premises. These leasing arrangements which are not non-cancellable, range between 11 months and 3 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss.
 Lease rental payable:

	2019-2020	2018-2019
Not later than 1year	48,839,451	40,329,790
Later than 1 year and not later than 5 years	52,252,202	63,508,808
Later than 5 years	4,056,097	8,277,111
Lease rent paid during the year:	48,390,600	33,406,979
- 40) The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company expects the carrying amount of these assets will be recovered and does not anticipate any impairment. Given the uncertainty because of COVID-19, the final impact on the Company's assets in future may differ from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions.
- 41) Figures pertaining to subsidiary companies have been reclassified wherever necessary to bring them in line with the Group financial statements.
- 42) Previous year's figures have been regrouped wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED HERewith
 For S S Kothari Mehta & Company
 Chartered Accountants
 FRN 100756N

 Navin Agarwal
 Partner
 M.No. 094380
 Place : New Delhi
 Dated: 24.12.2020
 UDIN:- 21094380AAAABK7460



For and on behalf of Board of Directors of
 JK Technosoft Limited



Satish Chandra Gupta
 Director
 DIN:01595040

Babu Abraham
 Director
 DIN:00532197


 Salyad Amir
 Company Secretary

INDEPENDENT AUDITOR'S REPORT

To The Members of JK Technosoft Limited,

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **JK technosoft Limited** ("the Company"), which comprise the Balance sheet as at 31st March 2020, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and the profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 42 of the accompanying standalone financial statements which, describes the company's assessment of impact on the financial statements and uncertainties arising from the COVID 19 pandemic. Such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.

We draw attention to the note 37 of the accompanying standalone financial statement which, describes the company investment and working capital loan in associate company having negative net worth as on 31st March 2020. Considering the significant improvement in the financial results for the year 2019-20 and period 2020-21, diminution in value of Investments is considered as temporary in nature and loans are considered as good and recoverable.



Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. Other information comprises the information included in the director's report, does not include the financial statements and our auditor's report thereon. The Director's Report is expected to be made available to us after signing of this Auditor's Report.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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. Those Board of Directors are also responsible for overseeing the company's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, .
2. As required by Section 143(3) of the Act, 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".



- g) The provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
- 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 19.1 to the financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SS Kothari Mehta & Company**
Chartered Accountants
Firm's Registration No. 000756N

Naveen



Naveen Aggarwal

Partner

Membership No. 094380

UDIN 21094380AAAAAF8449

Place : New Delhi

Date : December 24, 2020

Annexure A" to the Independent Auditors' Report

The Annexure as referred in paragraph (1) 'Report on Other Legal and Regulatory Requirements of our independent Auditors' Report to the members of JK TECHNO SOFT LIMITED on the financial statements for the year ended March 31, 2020, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details other than situation of Property Plant and Equipment and particulars related to identification numbers affixed on the property plant and equipment.

(b) Management has designed a phase program for physical verification of Property Plant and Equipment. However, management has carried out the physical verification for entire block of Property, Plant and Equipment during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.

(c) Immovable properties are held in the name of the company.
- ii. The Company does not hold any inventory. Accordingly, provision of clause (3)(ii) of the Order is not applicable.
- iii. According to the information and explanations given to us and based on our examination of the records of the Company, The Company has granted loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. In the absence of agreement for the loan granted to the JKT Consulting Limited, Subsidiary of the Company, we cannot comment on the terms and condition of granting of such loan. Further, the covenants related to repayment of principal and payment of interest has not been as provided to us, therefore we cannot comment on the overdue amount.
- iv. The Company has complied with the provisions section 186 of the Companies Act 2013 in relation to grant of such loan and no loan has been given to any Director so requirement of Section 185 of the Companies Act 2013 is not applicable.
- v. According to the information and explanations given to us, during the year the Company has not accepted any deposits from the public. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, the requirement of maintenance of cost records pursuant to Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government in terms of sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the company.



vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, GST have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases and further, there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March 2020.

(b) According to the records and information and explanations given to us, there are no dues in respect of income tax, GST, duty of custom which have not been deposited on account of any dispute except as given below:

Nature of Statute	Nature of dues	Amount	Period to which it relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	1,87,39,040	AY 2009-2010	ITAT

- (viii) In our opinion, based on audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of any loans from debenture holders, financial institution and government, as applicable during the year.
- (ix) According to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. The Company is having term loans outstanding during the year and were applied for the purpose for which those are raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the record of the company, transactions with the related parties are in



compliance with section 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the Order is not applicable.
- (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 non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of ia Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable.

For **S S Kothari Mehta & Company**
Chartered Accountants
Firm's Registration No. **000756N**



Naveen Aggarwal
Partner

Membership No. 094380
UDIN 21094380AAAAAF8449



Place : New Delhi
Date : December 24, 2020

"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of JK TECHNOSOFT LIMITED.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements'

We have audited the internal financial controls over financial reporting of JK TECHNOSOFT LIMITED ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2020.

- a. Review of process of identification and updation of documentation of Micro Small & Medium Enterprises as per MSMED Act 2006 and Information Technology General Controls.
- b. Risk and control matrix are lacking comprehensiveness covering of all process;



A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2020, 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 and except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2020

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 financial statements of the Company, and these material weaknesses do not affect our opinion on the financial statements of the Company.

For **SS Kothari Mehta & Company**
Chartered Accountants
Firm's Registration No. **000756N**

Naveen

Naveen Aggarwal
Partner

Membership No. 094380
UDIN 21094380AAAAAF8449



Place : New Delhi
Date : December 24, 2020

Balance Sheet as at March 31, 2020

(All amounts are in Rupees, unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
I EQUITY AND LIABILITIES			
Shareholder's Funds			
(a) Share Capital	2	55,948,780	55,948,780
(b) Reserves and Surplus	3	414,320,129	393,975,953
Non- Current Liabilities			
(a) Long term borrowings	4	7,404,028	10,329,967
(b) Long term Provisions	5	101,993,293	77,218,699
Current Liabilities			
(a) Short term borrowings	6	86,648,031	106,439,235
(b) Trade Payables	7		
(A) Total outstanding dues of micro enterprises and small enterprises, and		1,649,762	1,042,005
(B) Total outstanding dues of creditors other than micro enterprises		127,536,160	116,540,227
(c) Other current liabilities	8	50,794,558	38,299,438
(d) Short term provisions	9	30,248,928	24,798,099
TOTAL		876,543,669	824,592,343
II ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	10		
(i) Tangible assets		89,085,117	82,398,341
(ii) Intangible assets		4,394,877	6,318,807
(iii) Intangible assets under Development		100,000	-
(b) Non current investments	11	17,826,259	34,025,750
(c) Deferred tax assets (net)	12	49,125,916	26,031,875
(d) Long term loans and advances	13	26,097,818	17,485,887
(e) Other Non Current assets	14	44,709,667	6,418,148
Current Assets			
(a) Current investments	11.1	1,545,937	3,829,988
(b) Trade receivables	15	326,780,950	304,753,648
(c) Cash and Cash equivalents	16	83,532,216	52,381,511
(d) Short term loans and advances	17	138,342,328	147,701,454
(e) Other Current assets	18	95,002,564	133,246,934
TOTAL		876,543,669	824,592,343

Significant Accounting Policies
And Notes to accounts form an integral
part of Financial Statements

1
2 to 42

AS PER OUR REPORT OF EVEN DATE ATTACHED HEREWITH
For SS Kothari Mehta & Company
Chartered Accountants
FRN 000756N

NA
(Navneet Aggarwal)
Partner
M.No. 94380
Place: New Delhi
Date: 24.12.2020



For and on behalf of Board of Directors of
JK Technosoft Limited

Satish Chandra Gupta
Satish Chandra Gupta
Director
DIN:01595040

Babu Abraham
Babu Abraham
Director
DIN:00532197

Salyad Amir
Salyad Amir
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2020

(All amounts are in Rupees, unless otherwise stated)

	Notes	2019-2020	2018-2019
I Revenue from Operations	20	1,801,456,534	1,502,721,891
II Other Income	21	36,570,055	63,598,938
TOTAL REVENUE		1,838,026,589	1,566,320,829
III Expenses:			7,327,650
(a) Change in Inventory	22		4,679,120
(b) Purchase Computer Hardware/Software	23	9,791,994	
(c) Employee Benefit Expenses	24	1,392,190,169	1,068,381,375
(d) Depreciation And amortisation Expenses	27	24,506,240	14,458,512
(e) Other Expenses	25	348,615,778	326,969,813
(f) Finance Costs	26	18,659,236	15,105,234
TOTAL EXPENSES		1,794,163,417	1,436,921,724
IV Profit before Exceptional Items & Tax		43,863,172	129,399,106
V Exceptional Items	28	16,199,491	
VI Profit before Tax		27,663,681	129,399,106
VII Tax Expenses		30,262,503	43,400,000
(a) Current Tax		(23,094,041)	(3,722,564)
(b) Deferred Tax		151,043	608,973
(c) Income Tax Adjustment			
VIII Profit after Tax for the Year		20,344,177	89,112,696
IX Earnings per Equity Share:	32		
(a) Basic		3.64	15.93
(b) Diluted		3.64	15.93

Significant Accounting Policies
And Notes to accounts form an integral
part of Financial Statements

1
2 to 42

AS PER OUR REPORT OF EVEN DATE ATTACHED HEREWITH
For S S Kothari Mehta & Company
Chartered Accountants
FRN 000756N

(Naveen Aggarwal)
Partner
M.No. 94380
Place : New Delhi
Date : 24.12.2020



For and on behalf of Board of Directors of
JK Technosoft Limited

Satish Chandra Gupta
Director
DIN:01595040

Babu Abraham
Director
DIN:00532197

Saiyad Amir
Company Secretary

Cash Flow Statement for the year ended March 31, 2020

	2019-20	2018-19
A. Cash Flow from Operating Activities		
Net Profit Before Tax and Exceptional Items	27,663,681	129,399,306
Adjustments for:		
Depreciation and Amortisation	24,906,240	14,458,512
Foreign Exchange Gain - Unearned	4,907,734	(3,341,853)
(Profit)/Loss on Sale of Assets	166,118	993,557
Bad Debts written off	22,457,302	1,190,694
(Profit)/Loss on sale/valuation of current investment	1,912,279	1,177,362
Interest Expenses	17,071,124	12,591,345
Dividend received	(19,464)	(14,913)
Interest Income	(18,407,241)	(8,132,259)
Provision for diminution in value of investment	16,199,491	-
Provision for doubtful debts	40,862,239	-
Loss on assets Written off	1,031,914	-
Operating Profit Before Working Capital Changes	126,935,952	148,961,751
Change in Working Capital		
Adjustments for (increase)/decrease in Operating Assets/ Liabilities:		
Changes in other Current Assets	44,311,964	-
Changes in long term provisions	24,774,504	-
Changes in Short term provisions	5,450,899	-
Changes in Trade Receivable	(85,346,242)	119,773,243
Changes in other current Liabilities	22,112,903	-
Changes in Trade Payables	11,603,690	56,793,856
Changes in Short term Loan and advances	(1,021,450)	-
Change in Inventory	-	7,327,850
Cash Generated from operations	138,821,697	92,410,215
Less: Direct Tax Paid	(20,032,969)	(7,512,262)
Net Cash flow from Operating Activities	118,788,728	84,897,953
B. Cash Flow from Investing Activities		
Purchase of fixed assets	(31,081,955)	(43,958,649)
Proceeds from sale of fixed assets	114,842	1,567,469
Investment in subsidiaries & JV	-	(904,930)
Purchase of Current Investments	371,771	(499,753)
Loan to subsidiaries & Related Parties	1,384,069	35,044,950
Interest Income	19,247,261	6,212,088
Dividend received	15,401	14,913
Fixed Deposits/ Margin money	(38,251,515)	(30,918,603)
Net Cash flow from Investing Activity	(48,231,974)	(33,468,445)
C. Cash flow from Financing Activities		
Repayment of long term borrowings	(2,527,392)	(6,022,631)
Proceeds of long term borrowings	-	13,000,000
Proceeds (Repayment) of short term borrowings	(19,751,203)	18,054,131
Interest Paid	(12,087,454)	(12,349,842)
Net Cash flow from Financing Activity	(34,406,049)	12,681,658
Net increase/(decrease) in cash and cash equivalent during the year(A-B+C)	31,150,705	14,318,930
Cash & Cash Equivalent at the beginning of the year	52,381,531	3,596,532
Cash & Cash Equivalent at the end of the year	83,532,236	17,915,462
Balance as per Balance Sheet	83,532,236	52,381,531
Less: Deposit pledged against Margin Money and fixed deposit with banks	(42,790,851)	(32,665,969)
Balance as per Cash Flow Statement	40,741,385	19,715,562

(i) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the accounting standard (Ind AS) 7 Statement of Cash Flow.

AS PER OUR REPORT OF EVEN DATE ATTACHED HERewith
 For S S Kothari Mehta & Company
 Chartered Accountants
 (Firm No. 7569)
 (Naveen Aggarwal)
 Partner
 M.No. 54380
 Place : New Delhi
 Date : 26.12.2020



For and on behalf of Board of Directors of
 J K Technosoft Limited

Sachin Chandra Gupta
 Director
 DIN:01595380

Babu Abraham
 Director
 DIN:00532197
 Company Secretary

Notes Forming part of Financial Statements

CORPORATE INFORMATION

JK Technosoft Limited (CIN - U64202DL1988PLC030870) is public limited company having its registered office at A-2, Local Shopping Complex, Masjid Moth, Greater Kailash - II, New Delhi - 110048 and its corporate office at F-3, Sector 3, Noida 201301. The company has its subsidiary in UK (JK Technosoft (UK) Limited - 100%), US (Proserve Consulting Inc. 100%), Muscat, Sultanate of Oman (JK Technosoft Gulf LLC - 65%), Bangladesh, (JKT Bangladesh Private Limited- 100%), Bahrain, (JKT GCC WLL- 98%) and in India (JKT Consulting Limited - 100%). The company is into IT Services (Application Development, Integration & Support, IT Consulting, Mobility, Progress, Staff Augmentation, Portal Services), Enterprise Solutions (ERP & CRM), Education and Training (IT/ Non IT, eLearning, SAP, Industry Induction and Mobile Solutions).

1) SIGNIFICANT ACCOUNTING POLICIES

A Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts), Rule, 2014 and the relevant provision of the Companies Act, 2013/Companies Act, 1956, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention.

B Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities, including the disclosure of contingent liabilities as of the date of the financial statements and the reported income and expenses during the reporting period like provision for employee benefits, provision for doubtful debts, useful lives of fixed assets, calculation of work in progress and provision for taxation etc. The Management believe that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates between the actual results and the estimates are recognised in the periods in which the results are known/ materialize.

C Revenue Recognition

The company derives its revenues primarily from software services. Revenue from software development on time and material basis is recognised as the related services are rendered. Revenue from fixed price contracts is recognised using the milestone completion certificate as per contract or work order. Maintenance revenue is recognised over period of maintenance contract.

Interest income is recognised on a time proportion basis taking into account the terms, amount outstanding and the applicable rate.

Dividend on investment is recognised when the right to receive dividend is established.

The Company is not claiming the benefits of export incentives - SEIS scrips.

D Tangible Assets and Capital work-in-progress

Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until such assets are ready for use. Capital work-in-progress, if any, comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

E Intangible Assets

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

Advances paid towards the acquisition/development of software outstanding at each balance sheet date is classified as capital advances under other non financial assets and the cost of assets not put to use before such date are disclosed under 'Intangible assets under development'.

F Depreciation and Amortization

Tangible fixed Assets

Depreciation on fixed assets is provided using straight line method as per the useful life prescribed in Schedule II of the Companies Act, 2013. Leasehold land are amortized over the primary period of lease.

In respect of fixed assets whose useful life has been revised, the unamortized depreciable amount is charged over the revised remaining useful

Intangible Fixed Assets

The intangible assets are amortized over a period of three years based on its estimated useful life and the amortized period are reviewed by technical experts at the end of each financial year.

G Impairment of Assets

The carrying amount of assets, other than inventories is reviewed at each balance sheet date, to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of assets is estimated.

An impairment loss is recognised, whenever the carrying amount of assets or its cash generating units exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use which is determined based on the estimated future cash flow generated from the continuing use of an asset and from its disposal at the end of its useful life, discounted to their present value.

An impairment loss is reversed, if there has been a change in the estimates made to determine and recognize the recoverable amount in the



Annual Report 2019-20

Notes Forming part of Financial Statements**H Investment**

Long term investments are carried at cost after providing for any diminution in value, if such diminution is of other than temporary in nature. Current investments are carried at lower of cost and fair value determined on the basis of each category of investments.

I Inventories

Closing stock (Traded) has been valued at lower of cost or net realizable value. Closing stock of Work-in-Progress has been valued at Cost plus appropriate overheads, as certified by the Management.

J Foreign Currency Transactions

Income and expenses in foreign currencies are converted at exchange rates prevailing on the date of transactions. Foreign currency assets and liabilities other than net investments in non-integral foreign operations are translated at exchange rate prevailing on the balance sheet date and the exchange gain or loss are recognised in statement of profit and loss account. Net Investment in non-integral foreign operation are reported at the exchange rate at the date of transactions.

K Forward and Derivative Contracts

The company has entered foreign exchange forward and derivative contracts to hedge its exposures to movements in foreign exchange rates. The uses of these foreign exchange forward and derivative contracts reduces the risk or cost to the company and the Company does not use the foreign exchange forward contracts or options for trading or speculative purposes.

The premium/ discount arising at the inception of the contract is recognised over the tenor of the contract period. The exchange difference arising on actual payment/ realisation of forward contract are adjusted in profit and loss account. The difference between the year end rate and the rate on the date of forward contract/ option, lying at the year end, are recognised at Mark to Market valuation basis and are adjusted in profit and loss account.

L Income Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an assets in the Balance Sheet where it is probable that future economic benefits associated with it will flow to the Company.

Deferred tax is recognised on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantially enacted as on the balance sheet date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised only to the extent there is a reasonable certainty that assets can be realised in future. However, where there is unabsorbed depreciation or carry forward of losses and item related to capital losses, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence of realization of such assets. Deferred tax assets and deferred tax liabilities have

M Retirement Benefits**Gratuity**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the company.

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 Company fully contributes all ascertained liabilities to the JKT Informatics Limited Employee Group Gratuity Trust. Trustees administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India, as permitted by law of India. The Company recognised the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with Accounting Standard (AS) 15, "Employee Benefits". Actuarial gains and losses arising from experience adjustments and changes in actuarial assumption are recognised in the Statement of Profit and Loss in the period in which they arise.

Provident fund

Eligible employees receive benefits from a provident fund, which is a defined benefit plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the employee's salary. The Company contributes a portion to the JKT Companies Officers Provident Trust. The trust invests in specific designated instruments as permitted by Indian law. The remaining portion is contributed to the government administered pension fund (RPF, Delhi). The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government. The Company has an obligation to make good the shortfall, if any, between the return from investments of the trust and the notified interest rate.

Compensated absence

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absence is determined by actuarial valuation using projected unit credit method on the additional amount expected to be paid/ availed as a results of the unused entitlement that has accumulated at the Balance Sheet date. Expenses on non-accumulating compensated absences is recognised in the period in which the absence occurs.



Handwritten signatures and initials, including a large 'B' and 'S' and a signature 'CH'.

Notes Forming part of Financial Statements

- N Leases**
Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are recognised as operating leases. Operating Lease payments are recognised as an expenses in the statement of profit and loss on Straight Line Method.

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance lease. Such leases are capitalized at the inception of the lease and charged off in accordance with the applicable term/ years of lease.
- O Provisions, Contingent Liabilities and Contingent Assets**
A provision is recognised when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and are adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes to accounts. A contingent asset is neither recognised nor disclosed in financial statements.
- P Earning Per Share**
Basic earning per share is computed by dividing the Net Profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the Net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity share that could have been issued upon conversion of all dilutive potential shares, if any.
- Q Cash and Cash Equivalent**
Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and which are subject to insignificant risk of changes in value.
- R Cash Flow Statement**
Cash Flows are reported using indirect method, whereby the Net Profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.
- S Borrowing Cost**
Borrowing cost attributable to the acquisition or construction of qualifying assets is capitalized as a part of those assets. Other Borrowing Costs are recognised as an expense in the period to which they relate.

2) SHARE CAPITAL

	As at 31-Mar-20	As at 31-Mar-19
Authorised 15,000,000 (March 31, 2019- 15,000,000) Equity Shares of Rs. 10/-	150,000,000	150,000,000
a) Reconciliation of number of Shares *		
Equity Shares (No.)		
At the Beginning of the year	15,000,000	15,000,000
Increase during the year	-	-
Outstanding at the end of year	15,000,000	15,000,000
Reconciliation of Share Capital (Amount)		
Equity Shares (Amount)		
At the Beginning of the year	150,000,000	150,000,000
Increase during the year	-	-
Outstanding at the end of year	150,000,000	150,000,000
Issued, subscribed and fully paid-up 55,94,878 (March 31, 2019- 55,94,878) Equity Shares of Rs. 10/-	55,948,780	55,948,780
a) Reconciliation of number of Shares		
Equity Shares (No.)		
At the Beginning of the year	5,594,878	5,594,878
Issued during the year	-	-
Outstanding at the end of year	5,594,878	5,594,878

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Notes Forming part of Financial Statements

Reconciliation of Share Capital (Amount)

Equity Shares (Amount)		
At the Beginning of the year	55,948,780	55,948,780
Issued during the year	-	-
Outstanding at the end of year	55,948,780	55,948,780

b) Terms/ right attached to the Equity Shares

The company has only one class of equity shares having a par value of Rs.10 per share. Holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees.

In the event of liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of Shareholders holding more than 5% shares in the company

Equity Share of Rs.10 Each	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% held	No. of Shares	% held
Dwarkanadh Finance & Investment Co. Pvt Ltd	1,596,000	28.53%	1,596,000	28.53%
Manphul Trading & Finance Co. Ltd.	1,225,950	21.91%	1,225,950	21.91%
JK Infrastructure & Developers Pvt. Ltd.	730,000	13.05%	730,000	13.05%
Neelkhanth Mercantile Ltd.	658,500	11.77%	658,500	11.77%
Akshyapalra Finance & Investment Pvt. Ltd	497,500	8.89%	497,500	8.89%
JK Consultancy and Services Pvt. Ltd.	300,000	5.36%	300,000	5.36%

3) RESERVES AND SURPLUS

	As at March 31, 2020	As at March 31, 2019
Profit and Loss	393,975,951	304,861,157
As per Last Balance Sheet	20,344,177	89,112,896
Add: Profit for the year	414,320,129	393,975,953

4) LONG TERM BORROWINGS

	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Secured Loan				
Term Loan from Bank				
Axis Bank Limited	2,129,176	3,890,760	2,684,874	3,134,668
Vehicle Loan from Bank				
HDFC Bank Limited	4,967,526	1,472,034	6,778,758	1,608,289
Kotak Mahindra Bank Ltd	307,316	487,500	795,226	442,666
Axis Bank Limited	-	71,109	71,109	138,533
	7,404,018	5,922,793	10,325,967	5,324,156
Less Shown under other current liabilities under note No 8	-	5,922,793	-	5,324,156
	7,404,018	-	10,325,967	-

Term Loan from Axis Bank Limited is Secured by first charge on the Land & Building situated at F3 Sector 3 Noida and current assets and other movable fixed assets of the company except specific vehicles charged to other banks/ institutions. The loan is further secured by Personal Guarantee of a Director and Corporate Guarantee of five related parties.

Vehicle Loan from Banks/ institutions are secured against Hypothecation of Specific Vehicle.

Interest Rate, Tenure and EMI of above loans are as per details below:

Bank Name	Nature	Rate	Tenure	EMI	Date of commencement of Repayment
Axis Bank	Term Loan	10.50%	48 Months	156,666	5/1/2015
Axis Bank	Term Loan	11.00%	36 Months	139,000	9/30/2017
Axis Bank Limited	Vehicle Loan	10.51%	60 Months	12,835	10/1/2013
Kotak Mahindra Bank Ltd	Vehicle Loan	9.77%	60 Months	45,344	11/5/2016
HDFC Bank Limited	Vehicle Loan	9.50%	60 Months	25,624	2/7/2019
HDFC Bank Limited	Vehicle Loan	9.00%	60 Months	166,067	2/7/2019
Axis Bank	Term Loan	9.60%	36 Months	138,889	8/14/2018
Axis Bank	Term Loan	9.60%	36 Months	138,889	4/30/2019

There is no default in repayment of principal loan or interest thereon.

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Notes Forming part of Financial Statements

5) LONG TERM PROVISIONS

	As at March 31, 2020	As at March 31, 2019
Provision for Lease Equalization	2,450,037	1,613,286
Provision for employee benefits		
Gratuity (Refer Note 29.1)	55,920,836	42,405,825
Leave Encashment (Refer Note 29.3)	43,622,420	31,199,588
	<u>101,993,293</u>	<u>77,218,699</u>

6) SHORT TERM BORROWINGS

	As at March 31, 2020	As at March 31, 2019
Secured		
Working Capital Loan From Banks	64,648,029	106,439,235
Cash Credit	22,000,002	-
Overdraft	86,648,031	106,439,235

Working Capital Loan from Axis Bank Limited is Secured by first charge on the Land & Building situated at F-3, Sector- 3, Noida and current assets and other movable fixed assets of the company except specific vehicles charged to other banks/ institutions. The loan is further secured by Personal guarantee of a Director and Corporate guarantees of five Related parties.

7) TRADE PAYABLES

	As at March 31, 2020	As at March 31, 2019
Salary Payable	87,113,721	77,865,075
Payable to Employees	10,799,374	9,424,850
Others Trade Payable other than Micro and Small Enterprises	29,623,065	29,250,302
Due to Micro and Small enterprises (Refer Details given in table below)	1,649,762	1,042,005
	<u>129,185,922</u>	<u>117,582,232</u>

S. No.	Description	As at March 31, 2020	As at March 31, 2019
1	Principal amount remaining unpaid to any supplier as at the end of the accounting year.	1,649,762	1,042,005
2	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
3	The amount of interest paid by the company in terms of section 16, of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year.	-	-
4	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
5	The amount of interest accrued and remaining unpaid at the end of the accounting year.	9,464	-
6	The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED Act, 2006.	-	-

8) OTHER CURRENT LIABILITIES

	As at March 31, 2020	As at March 31, 2019
Current maturities on long term debt (Refer Note No. 4)	5,922,703	5,324,156
Advance from Customers	9,600	-
Interest Accrued but not due on borrowings	45,214	61,546
Statutory Dues Payable	33,854,147	27,485,562
Other payables	10,962,892	5,728,174
	<u>50,794,556</u>	<u>38,599,438</u>

9) SHORT TERM PROVISIONS

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Gratuity (Refer Note 29.1)	12,774,921	10,486,937
Leave Encashment (Refer Note 29.3)	17,474,007	14,321,102
	<u>30,248,928</u>	<u>24,798,039</u>



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NAME OF THE ASSETS	Gross Block at Beg.	Addition	Salv.	Deprec.	Gross Block at End	Opening Depn.	Dep. for the year	Deprec. at the end	Net Dep. for the year	Net Dep. for the year	Less Dep. for Salv.	Deprec.	Total Dep.	Net Block
Fixed Assets														
Land	1,275,241	-	-	-	1,275,241	428,427	21,700	450,127	21,700	450,127	-	-	450,127	1,345,014
Building	11,392,044	-	-	-	11,392,044	5,806,324	495,296	6,291,620	495,296	6,291,620	-	-	6,291,620	14,683,664
Computer System - Hardware	62,345,414	14,965,595	2,290,896	20,838,473	65,462,546	42,442,212	13,417,455	55,859,667	13,417,455	55,859,667	3,828,158	39,031,509	12,447,458	13,613,807
Computer System & Networking	12,712,514	952,124	-	-	13,664,638	8,983,127	1,097,143	10,080,270	1,097,143	10,080,270	-	-	10,080,270	3,572,243
Fire Fighting System	723,151	-	-	-	723,151	602,655	42,896	645,551	42,896	645,551	-	-	645,551	73,800
Transport Vehicle & Equipment	3,122,234	-	-	-	3,122,234	1,484,225	72,192	3,194,427	72,192	3,194,427	-	-	3,194,427	405,885
Furniture & Fixture	13,532,549	160,595	158,161	-	13,534,983	17,441,218	1,293,190	14,741,793	1,293,190	14,741,793	145,218	14,596,575	18,535,272	5,008,987
Plant and Machinery:														
Ac Conditioner	4,642,867	171,414	84,600	-	4,729,681	2,373,575	438,347	5,168,028	438,347	5,168,028	41,967	4,726,061	2,367,555	2,283,316
Lifts & Elevators	3,548,961	155,390	10,000	-	3,714,351	4,134,443	2,153,348	6,297,701	2,153,348	6,297,701	-	6,297,701	2,795,958	3,497,595
Do's	2,205,487	-	-	-	2,205,487	3,171,222	1,174,532	4,376,719	1,174,532	4,376,719	-	-	4,376,719	11,64,272
Motor Car	9,282,124	1,614,344	318,990	-	10,577,478	7,482,644	1,073,900	11,651,378	1,073,900	11,651,378	-	-	11,651,378	4,510,713
Office and Telephone Equipment	21,505,110	28,319,517	4,715,223	20,038,368	29,771,036	96,784,908	24,214,949	1,24,985,985	24,214,949	1,24,985,985	1,434,263	123,551,722	9,447,094	12,118,016
TOTAL	179,179,248	138,544,944.81	(8,275,348.41)	(1)	179,448,844.40	1,79,179,214.19	1,79,179,214.19	1,79,179,214.19	1,79,179,214.19	1,79,179,214.19	(6,463,514.41)	1,72,715,699.78	1,86,642,713.59	19,085,117
Prepaid Year	(149,857,447.31)													
Intangible Assets														
Computer Software	15,418,664	2,771,492	109,000	-	17,189,156	28,140,863	4,617,560	21,571,716	4,617,560	21,571,716	-	-	13,778,703	4,354,672
TOTAL	15,418,664	2,771,492	109,000	(1)	18,378,148	28,140,863	4,617,560	21,571,716	4,617,560	21,571,716	(1)	(1)	20,349,669.31	6,318,857.31
Intangible assets under Development														
TOTAL	(1)	(1)	(1)	(1)	100,000	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	100,000
Goodwill	214,647,316	21,190,319	5,834,223	20,638,238	241,309,895	131,716,179	24,337,497	265,647,392	24,337,497	265,647,392	(1)	(1)	227,798,394	13,579,395
TOTAL	(129,914,111.61)	(81,964,640.01)	(8,275,348.41)	(1)	(218,154,100.03)	(131,135,774.31)	(14,408,313.91)	(232,592,888.22)	(14,408,313.91)	(232,592,888.22)	(1)	(1)	(218,154,100.03)	(13,579,395)

Figures in bracket represents Prepaid year figures.



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Notes Forming part of Financial Statements

11) NON CURRENT INVESTMENT

	As at March 31, 2020	As at March 31, 2019
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Long Term Investments - carried at cost

Trade Investment

Investment in Equity Instruments

In Equity Shares of Subsidiary Companies and Associate Company

Unquoted, fully paid up

Proserve Consulting Inc.

310,000 Shares of 50,001 each issued at Par;

Balance as Additional paid-in Capital

100% Subsidiary

1,080,030

1,080,030

JK Technosoft (UK) Limited

200000 Shares of £ 0.10 each issued at Par

100% Subsidiary

1,352,314

1,352,314

JKT Consulting Limited

750000 Shares of Rs. 10 Each

49,000 Shares of Rs. 10 Each

61,000 Shares of Rs. 10 Each purchased at Rs. 6 per share

100% Subsidiary

8,356,000

8,356,000

JK Technosoft Gulf LLC

97,500 Shares of QMR 1.00 each issued at Par

65% Subsidiary

15,882,523

15,882,523

JKT Bangladesh Pvt Ltd

64660 Shares of BDT 10 each issued at Par

100% Subsidiary

524,867

524,867

JKT GCC WLL

98 shares of BHD 50 each issued at Par

98% subsidiary

904,930

904,930

In Equity Shares of Associates Company

Unquoted, fully paid up

E Safe Solutions Pvt Ltd

540,000 Shares (PY 540000) of Rs. 10 Each

31.76% holds in Associate

5,400,000

5,400,000

Less: Provision for diminution in value of investment

Provision made for E Safe Solutions Private Limited and for JK Technosoft Gulf LLC

(16,199,491)

-

Total Trade Investments (A)

17,301,073

33,500,564

11) NON CURRENT INVESTMENT (CONT.)

In Mutual Fund - Quoted fully paid up

JM Basic Fund- Growth Option(246)

17996.708 units of Rs. 13.7903/- Each

248,180

248,180

In Equity Shares - Quoted fully paid up

Reliance Industries Limited

400 Shares of Rs. 10/-

JAY KAY Enterprises Limited (Earlier JK Synthetics Limited)

12,538 Shares of Rs. 1/-

264,468

264,468

12,538

12,538

Total Non - Trade Investments (B)

525,186

525,186

Total Non - Current Investment

17,826,259

34,025,750

Aggregate amount of Quoted Investment

525,186

525,186

Market Value of Quoted Investments

865,773

1,203,232

Aggregate amount of Non - Quoted Investment

17,301,073

33,500,564

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Notes Forming part of Financial Statements

	As at March 31, 2020	As at March 31, 2019
11.1) CURRENT INVESTMENTS		
Investment in Equity shares (Queerfi)		
1551 (PY : 1553) shares of Rs.2 each of Balaji Amines	388,638	719,812
5650 (PY : 5650) shares of Rs. 2 each of JK Tyre and Industries	228,542	518,953
5690 (PY : 5690) shares of Rs. 1each of Jindal Steel and Power	505,557	1,012,493
121000 (PY : 121000) shares of Rs. 10 each of Andhra Cements	205,700	623,150
50000 (PY : 200000) shares of Rs. 10 each of Alok Industries	217,500	895,570
	1,545,937	3,829,988
12) DEFERRED TAX ASSETS (NET)		
	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities		
Depreciation and Amortization	(3,083,892)	(2,617,543)
Profit on Forward Cover M2M	(1,567,705)	(588,067)
Deferred Tax Assets		
Employees Benefits	37,795,484	29,237,485
Least Equalization reserve	713,451	-
Provisions	15,268,578	-
Deferred Tax Assets (Net)	49,125,918	26,031,875
13) LONG TERM LOAN AND ADVANCES		
	As at March 31, 2020	As at March 31, 2019
(Unsecured and Considered Good)		
Security Deposit	26,097,818	27,485,887
	26,097,818	27,485,887
14) OTHER NON CURRENT ASSETS		
Fixed Deposit with Bank:		
Deposits with original maturity more than 12 months	15,854,096	6,418,148
Deposits Pledged against Margin Money/Security	28,855,571	-
	44,709,667	6,418,148
CURRENT ASSETS		
15) TRADE RECEIVABLES		
	As at March 31, 2020	As at March 31, 2019
Unsecured & Considered Good		
Outstanding for a Period Exceeding Six Months from the date they are due for payment	33,564,987	33,248,117
Considered Good	-	-
Other Receivables		
Considered Good	291,215,963	291,505,531
	324,780,950	304,753,648
Receivable includes	159,360,705	114,055,685
Note: Disclosure of Subsidiaries & Associates (Refer Note 31)		
Proserve Consulting Inc.	54,032,450	57,449,979
JK Technosoft (UK) Limited	80,947,862	49,362,750
JK Technosoft Gu/LLC	273,467	-
JK Bangladesh Pvt Ltd	11,640,531	7,242,956
JK GCC WLL	17,466,395	-
	159,360,705	114,055,685



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Notes Forming part of Financial Statements

16) CASH AND BANK BALANCES

	As at March 31, 2020	As at March 31, 2019
Cash and Cash Equivalents		
Balance with Banks	20,644,715	19,664,794
Cash in hand	<u>96,646</u>	<u>50,748</u>
	20,741,361	19,715,542
Other Bank Balances		
Fixed Deposit with Bank:		
Deposits with original maturity less than 12 months	29,220,637	2,274,143
Deposits Pledged against Margin Money/Security(long term deposits)	-	4,713,622
Deposits with original maturity more than 12 months	-	1,024,955
Deposits Pledged against Margin Money/Security(short term deposits)	<u>33,570,218</u>	<u>20,651,249</u>
	<u>83,532,216</u>	<u>52,381,511</u>

17) SHORT TERM LOANS AND ADVANCES

	As at March 31, 2020	As at March 31, 2019
Unsecured and Considered Good		
Loan to a Body Corporate	50,000,000	
Loans and Advances to Related Parties (Refer Note 11)		
JKT Consulting Limited	28,395,036	34,733,237
Considered Doubtful		
E Safe Solutions Pvt. Ltd	40,862,239	43,735,284
Less: Provision for Doubtful Advance	<u>(40,862,239)</u>	<u>-</u>
Advance to Vendors/ Suppliers/ Others	1,538,008	1,889,417
Loan and Advances to Staff (incl. PFSS recovery)	3,468,252	4,100,737
Security deposit	1,064,829	
Advance Income Tax (Net of Provision)	<u>53,876,203</u>	<u>64,256,780</u>
	<u>138,342,328</u>	<u>147,701,454</u>

18) OTHER CURRENT ASSETS

	As at March 31, 2020	As at March 31, 2019
Unsecured and Considered Good		
Unbilled Revenue	70,084,804	89,858,075
Prepaid Expenses	11,805,046	6,825,936
Receivable against Forward Contract	6,907,734	3,341,853
Balance with Revenue Authorities	1,061,168	729,991
Interest receivable	4,798,352	5,638,472
Duties & Taxes recoverable	302,230	302,230
TDS Recoverable	43,250	286,463
Export Incentive Receivable	-	26,263,914
	<u>95,002,584</u>	<u>133,246,914</u>

19) 19.1 CONTINGENT LIABILITIES & COMMITMENTS:

Particulars	As At 31st March 2020	As At 31st March 2019
Contingent Liabilities:		
Claims against the company not acknowledged as debts	NIL	NIL
Other Contingent Liabilities:		
In respect of Income Tax (AY-2009-10) where the department prefers to appeal	18,739,040	18,739,040
Commitments:		
Guarantee given by bank	36,150,113	45,324,945

19.2 CAPITAL COMMITMENTS:

Particulars	As At 31st March 2020	As At 31st March 2019
a. Capital Commitment		
Estimated Amount of Contract in capital account remaining to be executed and not provided for	100,000	-
Total	<u>100,000</u>	<u>-</u>



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Notes Forming part of Financial Statements

20) REVENUE FROM OPERATIONS	2019-2020	2018-2019
Income from Services & sale of Computer & Software / hardware		
Information Services and Consulting Services		
Domestic	533,242,705	540,299,730
Export	1,120,377,487	870,291,000
Deemed Export (SEZ)	70,895,220	90,245,064
Commercial Coaching and Training Services		
Domestic	37,810,422	22,939,409
Export	390,000	1,633,837
Deemed Export (SEZ)	9,003,450	6,141,150
Reimbursement of Expenses:		
Reimbursement of Expenses	1,576,762	5,532,790
Reimbursement of Expenses-Export	28,066,043	5,465,015
Reimbursement of Expenses-SEZ	154,446	171,896
	1,601,456,534	1,502,721,891
11) OTHER INCOME	2019-2020	2018-2019
Interest Income	18,407,345	8,132,259
Notice Period Recovery	2,783,358	1,085,530
Exchange Gain(Net)	14,565,842	700,851
Dividend	19,461	14,913
Excess Provision Written Off	47,596	-
Misc. Recovery	146,157	1,230,417
Export Incentive	-	51,434,968
	36,570,055	61,598,938
22) CHANGE IN INVENTORIES	2019-2020	2018-2019
Computer Hardware and Software- At the Beginning of the Year:	-	7,327,650
Computer Hardware and Software- At the End of the Year:	-	-
	-	7,327,650
23) PURCHASE	2019-2020	2018-2019
Purchase Computer Hardware & Software	9,791,994	4,679,120
Software Purchased	-	-
	9,791,994	4,679,120
24) EMPLOYEE BENEFITS EXPENSES	2019-2020	2018-2019
Salaries and Wages	1,295,774,344	991,307,971
Contribution to provident and other funds (Refer note 29.1 & 29.2)	70,709,240	57,250,248
Staff Welfare Expenses	25,706,585	19,776,136
	1,392,190,169	1,068,387,375
25) OTHER EXPENSES	2019-2020	2018-2019
Rent	46,746,228	34,897,166
Professional Fee	98,124,028	109,754,345
Electric, Power, Fuel and Water	16,063,187	11,745,430
Traveling Expenses-Domestic	17,225,856	25,841,647
Traveling Expenses- Foreign	17,515,652	55,481,292
Conveyance & Taxi Hire Charges	9,649,757	5,696,183
Internet and Networking Expenses	12,152,837	7,116,009
Insurance Premium	1,226,891	624,796
Telephone Expenses	2,694,912	2,790,687
Maintenance Expenses - Office	16,281,075	12,954,586
Maintenance Expenses - Computers	14,232,389	12,454,964
Business Promotion	277,292	1,718,120
Audit Fee (Refer Note 33)	800,000	600,000
Bad Debts	22,457,302	1,130,664
Loss on sale of Fixed Assets	166,118	993,957
Loss on assets Written off	1,031,914	-
Repairs & Maintenance- Plant & Machinery	1,094,757	1,012,380

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Notes Forming part of Financial Statements

Rates and taxes, excluding, taxes on income.	2,786,526	813,300
Miscellaneous Expenses	18,010,385	22,064,089
Loss on sale/valuation of current investments	1,912,279	1,177,162
CSR Expenditure (Refer Note 25.1)	1,593,901	2,000,000
Recruitment & training	12,710,855	8,080,406
Provision for Doubtful Debts	40,862,239	-
	348,615,778	326,969,812

25.1) CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of Companies Act, 2013, the following is the details of Corporate Social Responsibility Expenses incurred by the Company:
 (a) Gross amount required to be spent by the Company during the year ended March 31, 2020 is Rs 15,93,301 (PY Rs 10,34,845)
 (b) Amount spent during the year ended March 31, 2020 is Rs 15,93,301 (PY 20,00,000)

25) FINANCE COST

	2019-2020	2018-2019
Interest Expenses	17,071,124	12,391,345
Other Borrowing Costs	512,500	900,000
Bank Charges	1,075,612	1,813,909
	18,659,236	15,105,254

27) DEPRECIATION AND AMORTISATION EXPENSES

	2019-2020	2018-2019
Depreciation on Tangible Assets	20,288,656	10,298,480
Amortisation of Intangible Assets	4,617,589	4,160,031
	24,906,245	14,458,511

28) EXCEPTIONAL ITEMS

	2019-2020	2018-2019
Provision for Diminution in the value of Long Term Investments	16,199,491	-
	16,199,491	-

29) EMPLOYEE DERIVED BENEFIT PLAN

29.1 PROVISION FOR GRATUITY

	2019-2020	2018-2019
I Assumptions:		
Discount Rate	5.45%	6.75%
Rate of Increase in Compensation Levels	10.00%	12.00%
Rate of Return on Plan Assets	5.45%	7.50%
II Changes in Present Value of Obligations During the Period (Amount in Rs.)		
Present Value of Obligation as at the beginning of the period	54,152,373	40,338,183
Interest Cost	3,663,039	2,902,291
Past Service Cost	-	-
Current Service Cost	12,170,853	8,355,406
Benefits Paid	(3,324,962)	(5,832,698)
Actuarial (gain)/ loss on obligations	3,135,139	6,389,191
Present Value of Obligation as at the end of the period	69,596,442	54,152,373
III Changes in the Fair value of Plan Assets during the Period		
Fair Value of Plan Assets at the beginning of the period	1,259,611	1,720,654
Expected Return on Plan Assets	94,671	137,554
Contributions	3,890,570	3,817,230
Benefits Paid	(3,324,962)	(3,812,698)
Actuarial Gain/ (Loss) on Plan Assets	(619,205)	(603,129)
Fair Value of Plan Assets at the end of the period	1,300,685	1,259,611
IV Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the period	1,259,611	1,720,654
Actual Return on Plan Assets	(524,534)	(665,575)
Contributions	3,890,570	3,817,230
Benefits Paid	(3,324,962)	(3,832,698)
Fair value of plan assets at the end of period	1,300,685	1,259,611



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Notes Forming part of Financial Statements

V	Expenses recognised in the Profit and Loss Account	12,170,853	8,355,406
	Current Service Cost	-	-
	Past Service Cost	3,663,030	2,902,291
	Interest Cost	(94,671)	(137,554)
	Expected Return on Plan Assets	3,954,344	6,992,320
	Net actuarial (gain)/ loss recognised in the period	19,693,505	18,112,403
	Expenses recognised in the Statement of Profit and Loss		

Experience adjustments on Present Value of Benefit Obligation and Plan Asset	For the period Ending				
	31st March, 2016	31st March, 2017	31st March, 2018	31st March, 2019	31st March, 2020
(Gain)/Loss on Plan Liabilities	2,147,534	(270,366)	747,049	1,010,743	(1,457,019)
% of Opening Plan Liabilities	8.10%	-0.90%	2.25%	2.50%	-7.80%
Gain / (Loss) on Plan Assets	3,713	(377,937)	(470,333)	(603,129)	(619,205)
% of Opening Plan Assets	0.30%	-39.30%	-44.50%	-35.10%	-49.20%

VI	Bifurcation of Present value of Obligation at the end of the year as per Schedule III of the Companies Act, 2013	12,774,921	10,486,937
	Current Liability (Short term)	55,920,838	42,405,819
	Non-Current Liability (Long term)	68,695,757	62,893,763
	Present Value of Obligation as at the end		

In respect of funded defined benefit scheme of provident fund (Based on actuarial valuation) 2019-2020 2018-2019

The following table sets out the status of Provident Fund as per the actuarial valuation as per the information available to us.

I	Assumptions:		
	Discount Rate	5.45%	6.75%
	Interest rate guarantee	8.50%	8.65%
	Average historic yield on the investment	8.31%	8.14%
II	Summary of Membership Status		
	Number of employees	3,715	3,330
	Average age (years)	32.05	31.57
	Expected average future working life time (years)	3.27	3.28
III	Summary of Funds Status		
	Accumulated Account value of Employee's Fund	392,637,355	310,804,833
	Value of Plan Assets	402,892,207	327,712,398
	Average remaining tenure of the investment (years)	7.38	7.25
IV	Employer's Contribution during the previous year	48,140,826	20,145,647

Assets and Liability (Balance Sheet Position):

Particulars	For the period Ending	For the period Ending
	31st March, 2019	31st March, 2020
Accumulated Account Value of Employee's Fund	310,804,833	392,637,355
Interest Rate Guarantee Liability	1,330,479	4,744,886
Present Value of Obligation (Total)	312,135,312	397,382,241
Value of Plan Assets	327,712,398	402,892,207
Surplus/(Deficit)	15,577,087	6,710,066
Net Liability to be recognised in balance Sheet of the		

DEFINED CONTRIBUTION PLANS

29.2	Employer's contribution to Employee State Insurance and Provident Fund	2019-2020 48,955,773	2018-2019 36,401,707
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Notes Forming part of Financial Statements

	2019-2020	2018-2019			
21.3 PROVISION FOR LEAVE ENCASHMENT					
I Assumptions:					
Discount Rate	5.45%	6.75%			
Rate of Increase in Compensation Levels	10.00%	12.00%			
	2019-2020	2018-2019			
II Changes in Present Value of Obligations During the Period (Amount in Rs.)					
Present Value of Obligation as at the beginning of the period	47,510,690	35,913,541			
Interest Cost	3,213,774	2,583,942			
Current Service Cost	17,236,817	12,887,053			
Benefit Paid	(7,921,169)	(6,323,827)			
Actuarial (gain)/ loss on obligations	1,036,309	2,449,981			
Present Value of Obligation as at the end of the period	61,096,427	47,510,690			
III Expenses recognised in the Profit and Loss Account					
Current Service Cost	17,236,817	12,887,053			
Past Service Cost	-	-			
Interest Cost	3,213,774	2,583,942			
Expected Return on Plan Assets	-	-			
Net actuarial (gain)/ loss recognised in the period	1,036,309	2,449,981			
Expenses recognised in the Statement of Profit and Loss	21,506,900	17,920,976			
	For the period Ending				
Experience adjustments on Present Value of Benefit Obligation and Plan Asset	31st March, 2016	31st March, 2017	31st March, 2018	31st March, 2019	31st March, 2020
(Gain)/Loss on Plan Liabilities	(70,147)	(865,120)	(276,716)	(250,044)	(2,114,615)
% of Opening Plan Liabilities	-0.30%	-3.50%	-1.00%	0.70%	-4.50%
Gain / (Loss) on Plan Assets	-	-	-	-	-
% of Opening Plan Assets	-	-	-	-	-
IV Bifurcation of Present value of Obligation at the end of the year as per Schedule III of the Companies Act, 2013					
Current Liability(Short term)	2019-2020	2018-2019			
Non-Current Liability(Long term)	17,474,007	14,311,102			
Present Value of Obligation as at the end	43,622,420	33,199,588			
	61,096,427	47,510,690			

30) SEGMENT REPORTING

The company has identified geographic segments as its primary segments.

Geographic segment of the Company are United Kingdom, United State of America, India and others.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses incurred in India on behalf of other segments and not directly identifiable to each reportable segment have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses.

Assets and liabilities that are directly attributable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as un-allocable. Fixed assets have not been allocated to primary and secondary segments as these are used interchangeably between segments.

Year Ended March 31, 2020	UK	USA	India	Others	(Rs.) Total
Particulars					
Revenue & Other Income	327,963,672	743,899,648	652,623,005	74,970,109	1,801,456,534
Identified Operating Expenses	232,078,101	458,263,163	664,121,373	37,510,525	1,401,982,163
Allocable Expenses	6,880,352	13,528,131	54,660,474	38,046,657	116,135,614
Unallocable expenses (Net of income)	-	-	-	-	231,015,839
Segment Results	87,005,219	264,108,354	(66,178,842)	(1,595,973)	46,327,9-9
Less: Finance cost					18,656,736
Provision for Tax					7,319,505
Profit after Tax					<u>20,344,177</u>



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Notes Forming part of Financial Statements

Year Ended March 31, 2019	UK	USA	India	Others	Total (Rs.)
Particulars					
Revenue & Other Income	195,901,208	407,755,829	626,726,827	127,804,709	1,558,188,573
Identified Operating Expenses	106,838,137	327,352,053	588,932,713	57,265,242	1,080,388,145
Allocable Expenses	44,909,720	113,562,641	111,732,279	55,803,725	326,008,365
Unallocable expenses (net of income)					7,187,702
Segment Results	44,153,350	166,841,135	(73,938,165)	14,735,740	144,504,154
Less: Finance cost					15,105,154
Provision for Tax					40,286,409
Profit after Tax					89,112,695
As at March 31, 2020					(Rs.)
Particulars	UK	USA	India	Others	Total
Segment Assets	89,691,794	71,923,752	174,743,671	50,895,577	386,754,774
Unallocable Assets					489,788,895
Total Assets					876,543,669
As at March 31, 2019					(Rs.)
Particulars	UK	USA	India	Others	Total
Segment Assets	54,794,188	71,185,225	352,941,690	69,230,838	548,151,941
Unallocable Assets					276,440,402
Total Assets					824,592,343
As at March 31, 2020					(Rs.)
Particulars	UK	USA	India	Others	Total
Segment Liabilities and equity					876,543,669
Unallocable Liabilities and shareholder's fund					876,543,669
Total Liabilities					
Depreciation and Amortization	3,477,414	7,906,810	6,919,793	794,913	15,100,930
Unallocable Depreciation					5,805,310
					24,906,240
Non cash items					38,654,793
Capital Expenditure					166,118
As at March 31, 2019					(Rs.)
Particulars	UK	USA	India	Others	Total
Segment Liabilities and equity	10,040,345	30,765,618	54,217,864	5,381,625	100,405,452
Unallocable Liabilities and shareholder's fund					724,188,891
Total Liabilities					824,592,343
Depreciation and Amortization	1,151,711	3,573,020	3,902,917	751,369	9,379,017
Unallocable Depreciation					5,079,495
					14,458,512
Non cash items					1,130,694
Capital Expenditure					993,957

The Company has a single business segment as per Accounting Standard 17 dealing with "Segment Reporting" issued by the Institute of Chartered Accountants of India.

31) RELATED PARTY DISCLOSURE

a. Name of Related Parties and description of relationship:

Subsidiary Companies

Preserve Consulting Inc., USA
JK Technosoft (UK) Limited, UK
JKT Consulting Limited, India
JK Technosoft Gulf LLC, Sultanate of Oman
JK Technosoft Bangladesh Pvt.Ltd, Bangladesh
JK Technosoft GCC WLL, Bahrain



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Notes Forming part of Financial Statements

Associates Companies
/ Enterprises

E Safe Solutions Private Limited, India

Enterprises having significant influence
over the companyDwarikathish Finance & Investment Co. Pvt.Ltd.
Marphul Trading & Finance Co. Pvt.Ltd.

Key Management Personnel

Satish Chandra Gupta (Whole Time Director)
Saiyad Amir(Company Secretary)

Directors

Ajithkeshi Singhania (Director)
Babu Abraham (Director)
N P Agarwal (Director)
Maneesh Mansingka (Director)
Partha Pratim Kar (Director)
Vinay Kumar Singhal (Director)
Vijul Prakash (Director)
Satish Chandra Gupta(Whole Time Director)Relative to Key Management
PersonnelVanha Singhania
Manorama Singhania
Preeti Gupta

b. Transactions with related parties during the current year

(Rs.)

Description	Subsidiaries	Associated Companies/ Enterprises	Key Management Personnel	Relatives to Key Management Personnel
Sale of Services/ Product	1,050,066,842	-	-	-
Proserve Consulting Inc., USA	721,103,110	-	-	-
JKTechsoft (UK) Limited, UK	327,963,672	-	-	-
JKT Bangladesh Limited	-	-	-	-
Interest Received	3,763,197	-	-	-
E Safe Solutions Private Limited, India	-	-	-	-
JKT Consulting Limited, India	3,763,197	-	-	-
Reimbursement of expenses	37,601,868	-	-	-
Proserve Consulting Inc., USA	24,151,850	-	-	-
JKTechsoft (UK) Limited, UK	8,315,078	-	-	-
JKT Bangladesh Limited	5,134,939	-	-	-
Remuneration Paid	-	-	5,807,433	1,996,800
Stamp Fees Paid	-	-	166,665	-
Professional Charge Paid	-	-	900,000	3,600,000
JKT Computing Limited	-	-	-	-
Purchase of Fixed Assets	10,000	-	-	-
JKT Consulting Limited	10,000	-	-	-
Balance Written off	-	-	-	-
JKTechsoft Gulf LLC	-	-	-	-
Received against Loans/ Advance	54,462,208	2,174,625	-	-
E Safe Solutions Private Limited, India	-	2,174,625	-	-
JKT Consulting Limited, India	54,462,208	-	-	-
Loans & Advances Given/Repaid	42,485,527	421,180	-	-
E Safe Solutions Private Limited, India	-	421,180	-	-
JKT Consulting Limited, India	42,485,527	-	-	-

Transactions with related parties during FY 2018-2019

Description	Subsidiaries	Associated Companies/ Enterprises	Key Management Personnel	Relatives to Key Management Personnel
Sale of Services/ Product	758,517,434	-	-	-
Proserve Consulting Inc., USA	567,036,000	-	-	-
JKTechsoft (UK) Limited, UK	184,529,010	-	-	-
JKT Bangladesh Limited	6,952,400	-	-	-
Interest Received	6,264,969	-	-	-
E Safe Solutions Private Limited, India	-	-	-	-
JKT Consulting Limited, India	6,264,969	-	-	-

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Notes Forming part of Financial Statements

Reimbursement of Expenses	11,185,921	-	-	-
Proserve Consulting Inc., USA	6,420,254	-	-	-
JK Technosoft (UK) Limited, UK	4,478,574	-	-	-
JKT Bangladesh Limited	290,554	-	-	-
Remuneration Paid	-	-	4,762,592	1,820,373
Sitting Fees Paid	-	-	222,220	-
Professional Charge Paid	9,940,350	-	850,000	3,600,000
E Safe Solutions Private Limited, India	9,940,350	-	-	-
JKT Consulting Limited	-	-	-	-
Balance Written off	273,467	-	-	-
JK Technosoft Gulf LLC	273,467	-	-	-
Received against Loans/ Advance	92,026,208	3,010,511	-	-
E Safe Solutions Private Limited, India	-	3,010,511	-	-
JKT Consulting Limited, India	92,026,208	-	-	-
Loans & Advances Given/Repaid	63,002,192	3,996,855	-	-
E Safe Solutions Private Limited, India	-	3,996,855	-	-
JKT Consulting Limited, India	63,002,192	-	-	-
Investment in Subsidiary	904,920	-	-	-
JKT GCC WLL	904,920	-	-	-

C Balance with related parties as on 31st March, 2020

(Rs.)

Description	Subsidiaries	Associated	Key Management	Relatives to Key
Loan and Advance Receivable				
JKT Consulting Limited	31,781,913	-	-	-
E Safe Solutions Pvt. Ltd.	-	40,862,239	-	-
Receivables				
JK Technosoft UK Limited	80,047,862	-	-	-
Proserve Consulting Inc.	54,032,450	-	-	-
JK Technosoft Gulf LLC	273,467	-	-	-
JKT Bangladesh private limited	11,640,591	-	-	-
JKT GCC WLL	12,466,593	-	-	-
Investment in Subsidiaries				
Proserve Consulting Inc., USA	1,080,030	-	-	-
JK Technosoft (UK) Limited, UK	1,352,214	-	-	-
JKT Consulting Limited, India	8,356,000	-	-	-
JK Technosoft Gulf LLC, Sultanate of Oman	15,882,523	-	-	-
JK Technosoft Bangladesh Pvt. Ltd., Bangladesh	524,867	-	-	-
JK Technosoft GCC WLL	904,920	-	-	-
Investment in Associates		5,400,000		
E Safe Solutions Pvt. Ltd.		5,400,000		

* During the year the company has considered the impairment amounting to Rs 1,07,59,690 /- which is included in above mentioned balance
 ** During the year the company has considered the impairment amounting to Rs. 54,00,000/- which is included in above mentioned balance

Balance with related parties as on 31st March, 2019

(Rs.)

Description	Subsidiaries	Associated Companies/ Enterprises	Key Management Personnel	Relatives to Key Management Personnel
Loan and Advance Receivable				
JKT Consulting Limited	40,371,709	-	-	-
E Safe Solutions Pvt. Ltd.	-	42,715,284	-	-
Debtors Receivable				
JK Technosoft UK Limited	49,362,750	-	-	-
Proserve Consulting Inc.	57,448,879	-	-	-
JK Technosoft Gulf LLC	-	-	-	-
JKT Bangladesh private limited	7,242,956	-	-	-
Investment in Subsidiaries				
Proserve Consulting Inc., USA	1,080,030	-	-	-
JK Technosoft (UK) Limited, UK	1,352,214	-	-	-
JKT Consulting Limited, India	8,356,000	-	-	-
JK Technosoft Gulf LLC, Sultanate of Oman	15,882,523	-	-	-
JK Technosoft Bangladesh Pvt. Ltd., Bangladesh	524,867	-	-	-
JK Technosoft GCC WLL	904,920	-	-	-
Investment in Associates		5,400,000		
E Safe Solutions Pvt. Ltd.		5,400,000		

M/s Akshyaptara Finance and Investment Co (Pvt) Ltd, M/s Neelkharth Mercantile Ltd, M/s JK Infrastructure Developers Private Limited, M/s J.K. Consultancy and Services Pvt Ltd and M/s Dwanikathish Finance & Investment Company Pvt. Ltd. have provided corporate guarantee for the loan availed by the company from Axis Bank Ltd.



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Notes Forming part of Financial Statements

	2019-2020	2018-2019
32) EARNING PER SHARE		
Profit for the year	20,344,177	89,112,696
Amount available for Equity Shares	20,344,177	89,112,696
Weighted Average number of Shares	5,594,878	5,594,878
Earning per share		
Basic	3.64	15.93
Diluted	3.64	15.93
Face Value per share	10.00	10.00
33) PAYMENT TO STATUTORY AUDITOR		
Statutory Audit Fee Including Tax Audit	700,000	400,000
Audit fees for consolidation of accounts	100,000	300,000
Goods & Service Tax	144,000	108,000
	<u>944,000</u>	<u>708,000</u>
34) INCOME IN FOREIGN CURRENCY		
Consultancy Services	1,148,833,529	872,811,990
	<u>1,148,833,529</u>	<u>872,811,990</u>
35) EXPENDITURE IN FOREIGN CURRENCY		
Foreign Travelling	5,663,926	43,091,536
Internet Charges	4,821,578	1,073,547
Professional Charges	2,830,733	10,331,318
Legal & Professional Charges	1,886,714	-
Subscription of Software	-	-
	<u>15,202,951</u>	<u>54,498,401</u>

36) DERIVATIVE FINANCIAL INSTRUMENTS

The Company, in accordance with its risk management policies and procedures, enters into foreign exchange forward contract to manage its exposure in foreign exchange rates. The counter party is a bank. These contracts are for a period up to one year. The aggregate amount of forward contracts entered into by the company and remaining outstanding at year end are as below:

CURRENCY EXCHANGE	2019-2020	2018-2019
US Dollar/ INR (Sale Contracts)	4,500,000	600,000
GBP/ INR (Sale Contracts)	1,700,000	1,100,000

b) The foreign currency exposures net hedged in respect of receivables (net) as at the year end are as under:

	USD	EUR	JPY	GBP
Unhedged Exposure in Currency	-	149,491	2,800,000	-

37) The company has made investments in Equity Shares aggregating to Rs. 54 lakhs in its Indian Associate Company and also has given working capital loan aggregating to Rs. 408.62 lakhs as on 31st March, 2020 to the company. The company accumulating loss as at 31st March, 2020 exceed its net worth. The management has also waived off interest on working capital loan provided. The financial results of FY 19-20 and for the Period 20-21 has shown the significant improvement in profitability and management projections are showing positive results which is indicating the turn around in near future. Therefore, the management has considered diminishing in the value of investment as temporary and loans are considered good and recoverable.

38) The Company's significant leasing arrangements are in respect of operating leases for premises. These leasing arrangements which are not cancellable, range between 11 months and 3 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss.

Lease rental payable:	2019-2020	2018-2019
Not later than 1 year	47,195,091	37,018,846
Later than 1 year and not later than 5 years	50,744,872	38,551,632
Later than 5 years	4,086,097	8,277,111
Lease rent paid during the year:	<u>46,746,228</u>	<u>34,897,168</u>

39) In the opinion of the management, current assets and loans & advances have value in realization in ordinary course of business at least equal to the amount at which they are stated.



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Notes Forming part of Financial Statements

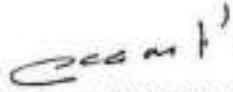
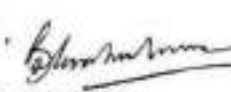
- 40) Details of loan and advances given and investment made as required to be disclosed as per provisions of Section 186 (4) of the Companies Act, 2013 have been disclosed under the respective head. The company has not given any guarantee in respect of loan taken by others.
- 41) Previous year's figures have been recasted/ restated.
- 42) The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company expects the carrying amount of these assets will be recovered and does not anticipate any impairment. Given the uncertainty because of COVID-19, the final impact on the Company's assets in future may differ from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions.

AS PER OUR REPORT OF EVEN DATE ATTACHED HERewith
 For S S Kothari Mehta & Company
 Chartered Accountants
 VRN 000756N


 (Naveen Aggarwal)
 Partner
 M.No. 54380
 Place : New Delhi
 Date : 24.12.2020



For and on behalf of Board of Directors of
 JX Technosoft Limited

Satish Chandra Gupta
 Director
 DIN 01595040

Babu Abraham
 Director
 DIN:06582197


 Salyed Amir
 Company Secretary

J K Technosoft Limited

Appendix to Form 3CD for Assessment year 2020-21

1. General:

The particulars given in Form No. 3CD thereto are furnished by the Company's Management. Our audit is carried out in accordance with the Standards on Auditing and Guidance Note on Tax Audit under Section 44 AB of the Income Tax Act, 1961, issued by the Institute of Chartered Accountants of India, on a test basis to obtain reasonable assurance that the particulars as disclosed in Form No. 3CD are free of material misstatement.

2. Clause 4:

For purpose of reporting under this clause, we have placed reliance on company's representation for applicability of indirect tax laws. Further the Information stated in clause includes all indirect tax registration which are still active with J K Technosoft Limited. Service Tax, VAT No., CST No. continued to be shown due to non-surrender of these number & ongoing assessments.

3. Clause 11(b):

The Company has kept books of accounts at a centralised location which is F-3 sector 3 Noida Uttar Pradesh 201301.

Books of account maintained including those generated by computer systems are as per the list provided by the assessee as maintained under the Companies Act 2013 and server locations is F-3 sector 3 Noida Uttar Pradesh 201301 as reported based on the communication/representation obtained from the assessee.

However registered office of the Company is as A-2, LSC, Masjid Moth, Greater Kailash , New Delhi 110048.

4. Clause 11(c):

Books of account maintained, including those generated electronically, as produced and examined by us in accordance with the Standards on Auditing (including test checks and the concept of materiality) and Guidance Note on Tax Audit under Section 44AB of the Income Tax Act, 1961 issued by the Institute of Chartered Accountants of India, include those listed in clause 11(b). The Company confirms that print outs of all the books of account maintained in a computer system can be made available whenever necessary.

5. Clause 13 (d) to (f)

The company has made a detailed assessment of applicable ICDS and disclosed the relevant impact under the clauses 13(e) along with applicable disclosures under clause 13(f) and we have placed reliance on company's assessment.

6. Clause 16:

The figures have been verified by the auditors with the books of account and other records produced before them in the normal course of audit.



7. **Clause 18**
Opening written down value of each block of assets and classification of each asset is on the basis of Income Tax Return filed for assessment year 2020-2021 and has been relied upon by the auditors Date of put to use as certified by the management. Input tax credit availed under GST law is not disclosed separately as the particulars required under this clause have not specified GST specifically
8. **Clause 20(b)**
The contribution received from employees is reported under this clause included voluntary contribution, if any. For the purpose of calculation of due date notification no. N-12/13/012016-P&D dated 3rd July 2017 issued to amend the regulation 31 of Employee State (General) Regulation, 1950 has been considered.
9. **Clause 21(a):**
The auditors have considered accepted accounting principles in forming an opinion on the data furnished by assessee for disclosure under clause 21(a).
Payments made under contractual obligations or in accordance with generally accepted business practices have not been considered as expenditure of personal nature for the purpose of reporting under clause 21(a).The auditors have broadly reviewed relevant and material revenue expenses and also relied on representation of the assessee for reporting expenditure by way of penalty or fine and expenditure incurred at club under clause 21(a).
10. **Clause 21(b), (c), (e), (f), (g) and (i):**
Items as indicated in this clause, if any, have been debited to the statement of Profit and Loss as revealed during the course of examination carried out as mentioned against clause 11(c) above which were also confirmed by the Management.
11. **Clause 21(d):**
As per the company's policy, majority of payments are made through NEFT/ RTGS; however in cases where payments are made by cheque, it is not possible for us to verify whether all such payments in excess of Rs.10000/- (Rs.35000/- in case payment made for plying, hiring or leasing goods carriages) have been made otherwise than by account payee cheque or account payee draft. Hence in accordance with the generally accepted auditing standards in India, we have done test checks and found that no such payments were made otherwise by way of account payee cheque or account payee draft.
12. **Clause 21(h):**
The company has not offered any exempt income in the Assessment Year 2020-21, the management has assessed that no disallowance of 14A is required.
13. **Clause 22:**
For certain information specified in this clause, we have placed reliance on the company's representation. Further, based on the information available with the company for disclosures required to be made under Micro, Small and Medium Enterprises Development Act, 2006, (refer note no. 7 of the financial statements for the year ended March 31, 2020)



14. Clause 23

For certain information specified in the clause, we have placed reliance on the company's representation. The Management has represented that no payments have been made to persons specified under section 40A(2)(b) of the Income Tax Act, 1961 other than those mentioned against this clause.

15. Clause 25

The company has sundry balances written back amounting Rs 47,996 under section Sec 41(4) during the previous year on gross basis which has already been included as income in Statement of Profit and Loss and same is not included in clause 25.

16. Clause 26

Opening balance given in this clause for each item is on the basis of tax audit report filed for assessment year 2020-21 and has been relied upon by the auditors. Information given under clause 26(B) is only upto the date 30th November 2020 and does not include any payment which the assessee may make subsequently before the due date of filing of the return under section 139(1).

17. Clause 27(a):

Amount of central value added tax credits/input tax credits (ITC) availed or utilized during the previous year and its treatments in the Statement of Profit and Loss is shown as per books of accounts.

18. Clause 29B

A representation is obtained from the assessee regarding the non-receipts of any receipts as specified in clause (x) of sub section (2) of section 56 of Income Tax Act 1961, during the year. The same has been relied upon by us.

19. Clause 30C

As per Circular No 10/2020 dated 24th April 2020 this clause has been kept in abeyance till 31st March 2021.

20. Clause 31(a)(v):

As per company's policy, deposits are received through Account payee cheque/ Account payee draft. It is not possible for us to verify whether all such deposits in excess of Rs.20000/- have been received otherwise than by account payee cheque or account payee draft, as the necessary evidence like original or scanned copy of the account payee cheques or account payee drafts are not in the possession of the assessee. Accordingly, for reporting under this clause, reliance is placed on the company's representation.

21. Clause 31(ba):

As per company's policy, the company is not receiving any amount exceeding the limits specified in section 269ST otherwise than by a cheque or bank draft or use of electronic clearing system through a bank account. It is not possible for us to verify whether all such deposits in excess of Rs.200000/- have been received otherwise than by account payee



cheque or account payee draft, as the necessary evidence like original or scanned copy of the account payee cheques or account payee drafts are not in the possession of the assessee. Accordingly, for reporting under this clause, reliance is placed on the company's representation.

22. Clause 31(c)(iv)

As per company's policy, deposits are repaid through Account payee cheque/ Account payee draft. It is not possible for us to verify whether all such deposits in excess of Rs.20000/- have been received otherwise than by account payee cheque or account payee draft, as the necessary evidence like original or scanned copy of the account payee cheques or account payee drafts are not in the possession of the assessee. Accordingly, for reporting under this clause, reliance is placed on the company's representation.

23. Clause 34(c):

The requirement under the clause 34(c) is verified in the context of the information given under clause 34(a). We have also relied upon the representation & explanations given by the assessee on the demands reflected under the TRACES.

Further in relation to the cases where the either the parties are not identified or the amount is uncertain or the provisions made in the previous year but reversed before the signing of the Tax Audit Report or full and final payment was made without deduction of TDS, interest has not been considered under the reporting requirement of this clause.

24. Clause 41:

We have relied on the management representation regarding applicability of tax law other than Income tax Act, 1961 and Wealth tax Act, 1957 for agreeing with the details of demand raised, refund issued and proceedings.

25. Clause 42

As per company's policy, the company does not transact with any party not having the permanent account number for an amount exceeding the limits specified in Rule 114B. For the purpose of reporting under this requirement, we have applied appropriate test checks procedures.

26. Clause 44: As per Circular No 10/2020 dated 24th April, 2020 this clause has been kept in abeyance till 31st March 2021.

