

## Director's Report

Dear Members,

Your Directors are pleased to present the 33rd Annual report of the Company along with the Audited Standalone and Consolidated Financial Statements for the Financial Year ended 31<sup>st</sup> March 2021.

### Financial highlights

Key aspects of Financial Performance/Operating Performance of the Company for the year ended March 31, 2021 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	
	2020-21	2019-20	2020-21	2019-20
Revenue from operations	18133.44	18014.56	23621.49	24200.30
Other Income	229.24	365.70	296.19	342.10
<b>Total Revenue</b>	<b>18362.68</b>	<b>18380.26</b>	<b>23917.68</b>	<b>24542.40</b>
Operating expenses	15703.46	17505.98	20358.04	22593.79
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>2659.22</b>	<b>874.28</b>	<b>3559.64</b>	<b>1948.61</b>
Finance Costs	137.04	186.59	145.04	199.38
Depreciation and amortization	264.37	249.06	271.91	254.87
<b>Profit before Exceptional &amp; Extraordinary Items &amp; Tax</b>	<b>2257.81</b>	<b>438.63</b>	<b>3142.67</b>	<b>1494.36</b>
Exceptional Items	113.30	161.99	0.00	0.00
Extraordinary items	850.79	0.00	850.79	0.00
<b>Profit before Tax (PBT)</b>	<b>1293.71</b>	<b>276.64</b>	<b>2291.88</b>	<b>1494.36</b>
Taxes	402.43	73.20	637.73	412.58
<b>Profit for the year before minority interest</b>	<b>891.28</b>	<b>203.44</b>	<b>1654.15</b>	<b>1081.78</b>
Minority Interest	0.00	0.00	(0.78)	(2.34)
<b>Profit for the year</b>	<b>891.28</b>	<b>203.44</b>	<b>1654.93</b>	<b>1084.12</b>

## **Operations**

The year under review was a bit challenging year given the pandemic and the subsequent lockdowns. Your company has shown a steady growth during the year gone by with an increase in revenue, EBITDA and developing a healthy pipeline to set a base for coming year.

The Company has achieved turnover of Rs. 18,133.44/-Lacs during the financial year 2020-21 as compared to Rs. 18,014.56/-Lacs in the previous year. Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) for FY 21 was Rs. 2659.22/- Lacs against Rs. 874.28/- Lacs for FY 20. Net Profit after tax was Rs. 891.28/- Lacs for FY 21 against Rs. 203.44/- Lacs for FY 20.

On a Consolidated basis, revenue for the year was Rs. 23621.49/- Lacs against Rs. 24,200.30/- Lacs in previous Financial year. Profit before Tax was Rs. 2291.88/- Lacs for the year and Net profit for the year was Rs. 1654.93/- Lacs.

## **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 2020-21.

## **Reserves**

During the year an amount of Rs. 8,91,28,201/- was left as Profit After tax, which forms a part of Reserve & Surplus. The Reserve & Surplus of the Company as on 31st March' 2021 is Rs. 50,34,48,331/-

## **Share Capital**

The paid up share capital of the company as at 31<sup>st</sup> March, 2021 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 2020-21.

## **Committees of the Board**

As on March 31, 2021, 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. Abhishek Singhania (DIN: 00087844) and Mr. Narayan Prasad Agarwal (DIN: 00172930) will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

During the year under review, Mr. Babu Abraham (DIN: 00532197) ceased to be a director of the Company w.e.f. 10.03.2021.

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:

<b>Sr. No.</b>	<b>Name</b>	<b>DIN/Membership No.</b>	<b>Designation</b>	<b>Tenure</b>
1	Mr. Satish Chandra Gupta	01595040	Whole time Director	ongoing
2	Mr. Amir M. Saiyad	ACS 56996	Company Secretary	ongoing

### **Meeting of the Board of Directors**

During the year 2020-21, 4 (Four) 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:

**15<sup>th</sup> July '2020, 30<sup>th</sup> October'2020, 24<sup>th</sup> December'2020, & 12<sup>th</sup> March'2021.**

### **Subsidiary and Associate Companies**

The Company has 8 (Six) Subsidiaries as on 31<sup>st</sup> March 2021. 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 33<sup>rd</sup> 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**

Pursuant to the provisions of section 139(1) of the Companies Act, 2013, read with the Companies (Audit & Auditors) Rules, 2014, M/s SS Kothari Mehta & Co. Chartered Accountants (ICAI Firm Registration No. 000756N) was appointed as the Statutory Auditors of the Company, in the Annual General Meeting held on 31.12.2020, for a period of five years till the conclusion of 37th Annual General Meeting to be held in the year 2025.

**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 2021, 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 2020-21, 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**

Pursuant to the amendment to the Companies (Corporate Social Responsibility Policy) Rules 2014, notified on January 22, 2021, the Corporate Social Responsibility Policy of the Company was amended accordingly.

The details of the initiatives taken by the Company on CSR during the year as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 & the amendments thereof, has been annexed to this report as “**Annexure IV**”.

### **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. 1,14,61,15,394/- as compared to Rs. 1,14,88,33,529/- in previous year. The company has also spent Rs. 86,07,895/- on foreign Travelling and other Activities as Compared to Rs. 1,52,02,951/- in previous Financial year.

**Directors Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your directors state that;

1. In the preparation of the annual accounts for the financial year ended March 31,2021 , 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**

Sd/-  
Satish Chandra Gupta  
Director  
Add: B-47, Sector-36, Noida-201301  
Date: 02.09.2021  
Place: New Delhi

sd/-  
Narayan Prasad Agarwal (DIN00172930)  
Director  
Add: 701, Aspire 1, Supertech Emerald  
Court, Sector-93 A, Noida-201301

**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	JK Tech US Inc (Formerly known as Proserve Consulting Inc.,) United States	USD	73.2035	18,30,088	26,90,57,341	38,45,88,789	11,37,01,360	-	1,01,09,50,217	4,64,87,004	1,33,79,623	3,31,07,381	-	100%
2	JK Tech UK Ltd. (Formerly known as JK Technosoft (UK) Limited), United Kingdom	GBP	100.85	20,17,020	6,23,06,252	18,08,94,422	11,65,71,150	-	57,75,99,898	1,51,96,632	28,87,364	1,23,09,268	-	100%
3	JK Technosoft Gulf LLC, Sultanate of Oman	OMR	189.68	2,84,52,000	(2,21,25,982)	71,09,206	2,50,378	-	NIL	(2,21,926)	-	(2,21,926)	-	65%
4	Diensten Tech Ltd. (Formerly known as JKT Consulting Limited), India	INR	1	86,00,000	(1,97,72,684)	3,70,34,520	4,82,07,204	-	5,23,20,230	1,63,46,955	46,39,304	1,17,07,651	-	100%
5	JKT Bangladesh Private Limited, Dhaka Bangladesh	BDT	0.87	6,46,600	(43,31,462)	1,12,28,444	1,49,16,836	-	-	8,67,512	-	8,67,512	-	100%
6	JKT GCC WLL, Bahrain	BHD	194.16	9,51,384	(64,50,189)	(1,00,18,462)	(1,55,17,073)	-	31,78,982	2,33,186	NIL	2,33,186	-	98%
7	JKT Europe B.V., Netherlands	EURO	85.85	85.85	-	54,70,791	59,95,077	-	54,70,877	-	-	54,70,877	-	NIL
8	E Safe Solutions Pvt. Ltd. (Formerly known as JKT Learning Solutions)	INR	1	1,70,00,000	(4,46,62,684)	1,35,33,330	4,11,96,014	-	-	(42,742)	-	(42,742)	-	90%

**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, 2021.
- 2 The reporting period of all subsidiaries excluding JKT Bangladesh Private Limited JKT Europe B.V. & JKT GCC WLL is March 31, 2021.
- 3 Provisional figures have been taken for JKT Bangladesh Private Limited, JKT Europe B.V. JK Tech UK Ltd. & JKT GCC WLL.
- 4 All figures are in Rs. INR

Place: New Delhi  
Date: 02.09.2021

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

sd/-  
**Satish Chandra Gupta (Director)**  
1595040

sd/-  
**Narayan Prasad Agarwal (Director)**  
172930



**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, 2021, 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, 2021 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 Tech UK Limited (Formerly known as J.K. Technosoft (UK) Ltd.)	Subsidiary Company	Sale of Services/product	36,18,70,677	April 2020-March-2021	NA	N.A.
		Reimbursement of Expenses	12,31,908			
2. JK Tech US Inc. (Formerly Known as Proserve Consulting Inc.)	Subsidiary Company	Sale of Services/product	72,16,61,469			
		Reimbursement of Expenses	3,40,869			
3. Diensten Tech Limited (Formerly known as JKT Consulting Ltd.)	Subsidiary Company	Interest received	35,09,664			
		Received against Loans/Advance given	1,61,13,123			
		Loans / Advance Given/Repaid	2,21,29,878			
4. E Safe Solutions Pvt. Ltd. (Formerly know as JKT Learning Solutions Pvt. Ltd.)	Subsidiary Company	Loans / Advance Given/Repaid	1,00,900			
		Balance written off	4,08,62,239			
5. JKT Netherlands B.V.	Subsidiary Company	Sale of Services/product	50,32,688			
6. JKT GCC WLL	Subsidiary Company	Reimbursement of Expenses	97,185			
7. J.K. COTTON LTD.	NA	Sale of Fixed Assets	382499			

Sd/-

Satish Chandra Gupta (DIN: 01595040)

Director

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

Place: New Delhi

Date: 02/09/2021

Sd/-

Narayan Prasad Agarwal (00172930)

Director

Address: 701, Aspire1, Supertech Emerald Court, Sector-93 A, Noida-201301

**Annexure III**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**(As on financial year ended on 31.03.2021)**

**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	07-03-1988
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	JK Tech US Inc. (Formerly known as Proserve Consulting Inc.) 608, Fifth Avenue, Suite 401, New York, NY 10020, USA	NA	Subsidiary Company	100%	2(87) (ii)
2	JK Tech UK Ltd. (Formerly known as JK Technosoft (UK) Limited), UK Highfield House, 1562, Stratford Road, Hall Green, B28 9HA,	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	Diensten Tech Limited (Formerly known as 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, Kingdom of Bahrain	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	Subsidiary Company	90%	2(87)
8	JKT Europe B.V. World Trade Centre, The Hague Business centre, Prinses Margrietplantsoen 33, 2595, AM The Hague, Netherlands	NA	Subsidiary Company	0%	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, 2020)				No. of share held at the end of the year (March 31, 2021)				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	2,01,300	20,028	2,21,328	3.96%	2,25,800	10,004	2,35,804	4.21%	0.25%
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	51,12,950	51,12,950	91.38%	26,54,450	24,98,500	51,52,950	92.10%	0.72%
d) Bank/FI	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL: (A) (1)</b>	<b>2,01,300</b>	<b>51,32,978</b>	<b>53,34,278</b>	<b>95.34%</b>	<b>28,80,250</b>	<b>25,08,504</b>	<b>53,88,754</b>	<b>96.31%</b>	<b>0.97%</b>
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	2,01,300	51,32,978	53,34,278	95.34%	28,80,250	25,08,504	53,88,754	96.31%	0.97%
<b>B. PUBLIC SHAREHOLDING</b>									
(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)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(1):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
(2) Non Institutions									
a) Bodies corporates									
i) Indian		1,50,000	1,50,000	2.68%	-	1,10,000	1,10,000	1.96%	-0.72%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									

i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	1,10,600	1,10,600	1.98%	37,500	58,624	96,124	1.71%	-0.27%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-	-
c) Others	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(2):</b>		<b>2,60,600</b>	<b>2,60,600</b>	<b>4.66%</b>	<b>37,500</b>	<b>1,68,624</b>	<b>2,06,124</b>	<b>3.67%</b>	<b>-0.99%</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>		<b>2,60,600</b>	<b>2,60,600</b>	<b>4.66%</b>	<b>37,500</b>	<b>1,68,624</b>	<b>2,06,124</b>	<b>3.67%</b>	<b>-0.99%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs - NIL</b>									
<b>Grand Total (A+B+C)</b>	<b>2,01,300</b>	<b>53,93,578</b>	<b>55,94,878</b>	<b>100%</b>	<b>29,17,750</b>	<b>26,77,128</b>	<b>55,94,878</b>	<b>100%</b>	<b>0%</b>

## (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	No. of shares held at the beginning of the year (April 1, 2020)			No. of shares held at the end of the year (March 31, 2021)			% Change during
		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	4	0.00%	-	-	0.00%	-	0%
2	Y B Shankar	4	0.00%	-	-	0.00%	-	0%
3	L.Ravi Kumar	4	0.00%	-	-	0.00%	-	0%
4	Jagdamba Prasad trivedi	4	0.00%	-	-	0.00%	-	0%
5	Ravinder Arora	4	0.00%	-	-	0.00%	-	0%
6	D K Mathur	4	0.00%	-	-	0.00%	-	0%
7	Neelkhanth Mercantile Limited	6,58,500	11.77%	-	6,58,500	11.77%	-	0%
8	Akshyaptra Finance & Investment Pvt. Ltd.	4,97,500	8.89%	-	4,97,500	8.89%	-	0%
9	Manphul Trading & Finance Co. Ltd.	12,25,950	21.91%	-	12,65,950	22.63%	-	1%
10	Udbhav Finance & Investment Pvt. Ltd.	5,000	0.09%	-	5,000	0.09%	-	0%
11	JK Infrastructure & Developers Ltd.	7,30,000	13.05%	-	7,30,000	13.05%	-	0%
12	Abhishek Singhania	2,01,304	3.60%	-	2,15,804	3.86%	-	0.26%
13	Manorama Singhania	10,000	0.18%	-	10,000	0.18%	-	0%
14	Varsha Singhania	10,000	0.18%	-	10,000	0.18%	-	0%
15	PGA Securities Pvt. Ltd.	1,00,000	1.79%	-	1,00,000	1.79%	-	0%
16	JK Consultancy and Services Ltd.	3,00,000	5.36%	-	3,00,000	5.36%	-	0%
17	Dwarikadhish Finance & Investment Co Pvt Ltd	15,96,000	28.53%	-	15,96,000	28.53%	-	0%
	<b>Total</b>	<b>53,34,278</b>	<b>95.34%</b>	<b>-</b>	<b>53,88,754</b>	<b>96.32%</b>	<b>-</b>	<b>0.97%</b>

## (iii) Change in Promoter's Holding

Sl. No.	Shareholder's Name	No. of shares held at the beginning of the year (April 1, 2020)		Cumulative Shareholding during the year (April 1, 2020 to March 31, 2021)	
		No. of Shares	% of Total Share of the Company	No. of Shares	% of Total Share of the Company

<b>1</b>	<b>Abhishek Singhania</b>				
	At the beginning of the year	2,01,304	3.60%	2,01,304	3.60%
	<b>Increase/decrease during the year</b>				
	Transfer (by Purchase)	14,500	0.26%	14,500	0.26%
	<b>At the end of the year</b>	<b>2,15,804</b>	<b>3.86%</b>	<b>2,15,804</b>	<b>3.86%</b>

## (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, 2020)		No. of shares held at the end of the year (March 31, 2021)	
		No. of Shares	% of Total Share of the Company	No. of Shares	% of Total Share of the Company
<b>1</b>	<b>Ojas Suppliers Limited</b>				
	At the beginning of the year	1,10,000	1.97%	1,10,000	1.97%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	1,10,000	1.97%	1,10,000	1.97%
<b>2</b>	<b>Xenix Servis Private Limited</b>				
	At the beginning of the year	20,000	0.36%	NIL	0.00%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	20,000	0.36%	NIL	0.00%
<b>3</b>	<b>Rowdon Business Pvt Ltd.</b>				
	At the beginning of the year	20,000	0.36%	NIL	0.00%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	20,000	0.36%	NIL	0.00%
<b>4</b>	<b>Ramesh Sambamoorthy</b>				
	At the beginning of the year	12,000	0.21%	NIL	0.00%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	12,000	0.21%	NIL	0.00%
<b>5</b>	<b>Manoj Kumar</b>				
	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%
<b>6</b>	<b>Shyam Verma</b>				
	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%
<b>7</b>	<b>Praveen Bhatia</b>				
	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%
<b>8</b>	<b>R K Kamra</b>				
	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%
<b>9</b>	<b>Ravi Joshi</b>				
	At the beginning of the year	5,000	0.09%	NIL	0.00%
	Increase/decrease during the year	-	-	-	-
	At the end of the year	5,000	0.09%	NIL	0.00%
<b>10</b>	<b>Anusuya Rao</b>				
	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, 2020)		No. of share held at the end of the year (March 31, 2021)	
		No. of Shares	% of Total Share of the Company	No. of Shares	% of Total Share of the Company
<b>1</b>	<b>Abhishek Singhania</b>				
	At the beginning of the year	2,01,304	3.60%	2,01,304	3.60%
	<b>Increase/decrease during the year</b>				
	Transfer (By Purchase)	14,500	0.26%	14,500	0.26%
	At the end of the year	2,15,804	3.86%	2,15,804	3.86%
<b>2</b>	<b>Satish Chandra Gupta</b>				
	At the beginning of the year	10,000	0.18%	10,000	0.18%
	Increase/decrease during the year (By Purchase)	5,000	0.08%	5,000	0.08%
	At the end of the year	15,000	0.26%	15,000	0.26%
<b>3</b>	<b>Babu Abraham</b>				
	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%
<b>4</b>	<b>Narayan Prasad Agarwal</b>				
	At the beginning of the year	-	-	-	-
	Increase/decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>5</b>	<b>Partho Pratim Kar</b>				
	At the beginning of the year	NIL	-	NIL	-
	Increase/decrease during the year (By Purchase)	2,500	0.04%	2,500	0.04%
	At the end of the year	2,500	0.04%	2,500	0.04%
<b>6</b>	<b>Maneesh Mansingka</b>				
	At the beginning of the year	-	-	-	-
	Increase/decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>7</b>	<b>Vinay Kumar Singhal</b>				
	At the beginning of the year	-	-	-	-
	Increase/decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>8</b>	<b>Vipul Prakash</b>				
	At the beginning of the year	-	-	-	-
	Increase/decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>9</b>	<b>Saiyad M. Amir</b>				
	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
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	9,99,74,762	-	-	9,99,74,762
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	45,216	-	-	45,216
<b>Total (i+ii+iii)</b>	<b>10,00,19,978</b>	<b>-</b>	<b>-</b>	<b>10,00,19,978</b>

Change in Indebtedness during the financial year				
Additions		-	-	-
Reduction	9,10,56,968	-	-	9,10,56,968
<b>Net Change</b>	<b>9,10,56,968</b>	<b>-</b>	<b>-</b>	<b>- 9,10,56,968</b>
Indebtedness at the end of the financial year				
i) Principal Amount	89,17,794	-	-	89,17,794
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	33,009	-	-	33,009
<b>Total (i+ii+iii)</b>	<b>89,50,803</b>	<b>-</b>	<b>-</b>	<b>89,50,803</b>

## 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
	<b>Satish Chandra Gupta</b>	WTD		
1	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.		36,07,320	36,07,320
	(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 (Ex Gratia)			
	Total (A)	-	36,07,320	<b>36,07,320</b>
	Ceiling as per the Act			

## B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of the Directors		Total Amount
1	Independent Directors-	Mr. Maneesh Mansingka		
	(a) Fee for attending board committee meetings	-		<b>1,08,110</b>
	(b) Commission	-		-
	(c) Others, please specify	-		-
		Mr. Vinay Kumar Singhal		
	(a) Fee for attending board committee meetings			<b>1,08,110</b>
	(b) Commission			
	(c) Others, please specify			
	<b>Total (1)</b>	-		-
2	Other Non Executive Directors			
	(a) Fee for attending board committee meetings	-		
	(b) Commission	-		
	(c) Others, - Professional Charges			9,00,000
	<b>Total (2)</b>	-		9,00,000
	<b>Total (B)=(1+2)</b>	-		<b>11,16,220</b>
	<b>Total Managerial Remuneration</b>			<b>51,08,446</b>
	<b>Overall Ceiling as per the Act.</b>			84,00,000

## 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		6,88,320		6,88,320
	(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				
	(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				
	<b>Total</b>			<b>6,88,320</b>	<b>6,88,320</b>

## 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/NC LT/Court)	Appeal made if any (give details)
<b>A.</b>	<b>COMPANY</b>					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
<b>B.</b>	<b>DIRECTORS</b>					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
<b>C.</b>	<b>OTHER OFFICERS IN DEFAULT</b>					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-

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

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

Sd/-  
Narayan Prasad Agarwal (DIN: 00172930)  
Director  
Address: 701, Aspire 1, Supertech Emerald Court  
Sector-93 A, Noida-201301

Place: New Delhi  
Date: 02.09.2021



## Annexure IV

### Annual Report on Corporate Social Responsibility (CSR) Activities

#### 1. Brief outline on CSR policy of the Company:

The Company is committed to serve the community in need and also encourage its employees to do so and to give back to the society through various developmental activities.

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:

Sr. No.	Name of Director	Designation/Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1	Mr. Satish Chandra Gupta	Director	1	1
2	Mr. Vipul Prakash	Director	1	1
3	Mr. Babu Abraham	Director	1	1

3. The web link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company: <https://jktech.com/we-give-back/>

4. The details of impact assessment of CSR projects carried out in pursuance to sub rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy), Rules 2014, If applicable : N.A.

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

6. Average net profit of the Company as per Section 135 (5): Rs. 4,64,19,565/-

7. (a) Two percent of average net profit of the Company as per Section 135 (5): Rs. 9,28,391/-

(b) Surplus arising out of the CSR projects programmes or activities of the previous financial years: NIL

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

(d) Total CSR obligation for the financial year (7a+7b+7c): Rs. 9,28,391/-

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

Total amount spent for the financial year (in Rs. INR)	Amount Unspent (in Rs. INR)				
	Total amount transferred to unspent CSR Account as per section 135 (6)		Amount transferred to any fund specified under schedule VII as per second proviso to section 135 (5)		
	Amount	Date of transfer	Name of the fund	amount	Date of transfer
Rs. 9,28,391	NIL	NA	NA	NIL	NA

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl No	Name of the project	Item from the list of activities in schedule VII to the act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (In Rs.)	Amount spent in the current financial year (In Rs.)	Amount transferred to unspent CSR Account for the project as per section 135 (6) (In Rs.)	Mode of implementation-Direct (Yes/No)	Mode of implementation through implementing agency	
				State	District						Name	CSR Registration no.
<i>NOT APPLICABLE</i>												
<b>TOTAL</b>												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl No	Name of the project	Item from the list of activities in schedule VII to the act	Local area (Yes/No)	Location of the project		Amount spent in the current financial year (In Rs.)	Mode of implementation-Direct (Yes/No)	Mode of implementation-through implementing agency	
				State	District			Name	CSR Registration no.
1	Grant of financial assistance to Sir Padampat Singhania Sports Academy for promoting rural sports, national sports etc.	training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.	No	Uttar Pradesh	Kanpur	Rs. 9,28,391/-	Yes	NA	NA
<b>Total</b>						<b>9,28,391/-</b>			

(d) Amount spent in Administrative overheads: NIL

(e) Amount spent in impact assessment, if applicable: NIL

(f) Total amount spent for the financial year (8b+8c+8d+8e): Rs. 9,28,391/-

(g) Excess amount spent for set off, if any: NIL

Sr. No.	Particular	Amount (In Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of unspent CSR amount for the preceding three financial years: NIL

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
<b>Total</b>							

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

(s): NIL

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl.No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing
<b>TOTAL</b>								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

(Asset wise details):

(a) Date of creation or acquisition of the capital asset(s): N.A.

(b) Amount of CSR spent for creation or acquisition of capital asset: N.A.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: N.A.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N.A.

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

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

**J K Technosoft Limited**

Sd/-

**Satish Chandra Gupta (DIN: 01595040)**

Director

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

**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") and Its subsidiaries ("the Holding Company and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance sheet as at 31st March 2021, 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 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 as at March 31, 2021, 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 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 the note 41 of the accompanying consolidated financial statement which, describes the holding company investment and working capital loan in subsidiary company having negative net worth as on 31st March 2021. Considering the significant improvement in the financial results for the year 2020-21 and period 2021-22, 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 info 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. We have nothing to report in this regard.

**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 in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 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 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 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 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 statement reflect total assets Rs.370.15 Lakhs as at March 31,2021 total revenue of Rs. 525.08 lakhs and total net profit/(loss) after tax of Rs. 117.63 lakhs for the year ended March 31, 2021 as considered in the consolidated financial statements. This financial statement 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 statement of one subsidiary company incorporated in India, whose financial statements reflected total assets of Rs. 135.34 lakhs as at March 31, 2021, total revenue of Rs NIL, total net profit/(Loss) after tax of Rs (0.42) lakhs for the year ended on that date, as considered in the consolidated Financial Statements. This financial statement is 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.
- c) We did not audit the financial statements of three subsidiary companies incorporated outside india,whose financial statement reflect total assets Rs.5896.04 Lakhs as at March 31,2021 total revenue of Rs. 15,880.85 lakhs and total net profit/(loss) after tax of Rs. 433.97 lakhs for the year ended March 31, 2021 as considered in the consolidated financial statements. These financial statements have been audited by other auditors, 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.
- d) We did not audit the financial statement of two subsidiary company incorporated outside India, whose financial statements reflected total assets of Rs. 197.23 lakhs as at March 31, 2021, total revenue of 46.83 lakhs, total net profit/(Loss) after tax of Rs 9.77 lakhs for the year ended on that date, as considered in the consolidated Financial Statements. This financial statement is 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.





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, 2021 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, none of the directors of group are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls 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, 2021 on its financial position of the Group. Refer Note No. 38 to the financial statements.
- ii. The Group 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 were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company 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 : 21094380AAAAGR2906

Place: New Delhi

Date: 2<sup>nd</sup> Sept. 2021



**“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, 2021, we have audited the internal financial controls with reference to financial statements of Holding Company, its subsidiaries, 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 with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 and its subsidiaries which are incorporated in India.



**Meaning of Internal Financial Controls with reference to financial statements**

A Holding company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Companies in the group has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements criteria established by the Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements issued by the Institute of Chartered Accountants of India.

For **S S Kothari Mehta & Company**

Chartered Accountants

Firm Registration Number: 000786N

  
**Naveen Aggarwal**

Partner

Membership Number: 094380

UDIN : 21094380AAAAGR2906




Place: New Delhi

Date: 2<sup>nd</sup> Sept. 2021

Consolidated Balance Sheet as at March 31, 2021


	Note	As at 31-Mar-21	As at 31-Mar-20
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
(a) Share Capital	2	5,59,48,780	5,59,48,780
(b) Reserves and Surplus	3	82,35,92,737	66,14,18,135
<b>Minority Interest</b>	4	18,85,775	19,64,203
<b>Non- Current Liabilities</b>			
(a) Long term borrowings	5	63,42,679	74,04,028
(b) Long term Provisions	6	13,05,03,198	10,63,51,934
<b>Current Liabilities</b>			
(a) Short term borrowings	7	-	9,87,94,328
(b) Trade Payables	8		
(i) Total outstanding dues of micro enterprises and small enterprise, and		74,55,056	16,49,762
(ii) Total outstanding dues of creditors other than micro enterprises		4,92,03,896	6,11,38,824
(c) Other current liabilities	9	28,04,52,793	16,81,86,732
(d) Short term provisions	10	5,27,20,818	5,92,45,467
<b>TOTAL</b>		<b>1,40,81,05,732</b>	<b>1,22,21,02,193</b>
<b>II ASSETS</b>			
<b>Non Current Assets</b>			
(a) Property Plant and Equipment	11		
(i) Tangible assets		7,60,69,413	9,23,07,487
(ii) Intangible assets		34,23,832	43,94,877
(iii) Intangible assets under Development		68,10,297	1,00,000
(b) Non current investments	12	5,25,186	5,25,186
(c) Deferred tax assets (net)	13	8,65,53,197	5,05,33,753
(d) Long term loans and advances	14	3,72,58,261	3,42,31,078
(e) Other Non Current assets	15	7,03,20,731	4,47,09,667
<b>Current Assets</b>			
(a) Current investments	12.1	33,49,322	15,45,938
(b) Trade receivables	16	38,87,31,471	55,79,46,706
(c) Cash and Cash equivalents	17	45,36,52,242	19,62,04,405
(d) Short term loans and advances	18	9,75,29,151	11,95,21,261
(e) Other Current assets	19	18,38,82,629	12,00,81,835
<b>TOTAL</b>		<b>1,40,81,05,732</b>	<b>1,22,21,02,193</b>
Significant Accounting Policies	1		
And Notes to accounts form an integral part of Consolidated Financial Statements	2 to 43		


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 : 02.09.2021  
UDIN:-




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

  
Satish Chandra Gupta  
Director  
DIN:01595040

  
M. Natarajan  
Senior V.P. Finance


  
N.P. Agarwal  
Director  
DIN:00172930

  
Saiyad Amir  
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2021

	Note	YEAR ENDED 31-Mar-21	YEAR ENDED 31-Mar-20
I Revenue from Operations	20	2,36,21,49,345	2,42,00,30,500
II Other Income	21	7,25,38,910	3,42,10,335
<b>A. TOTAL REVENUE ( I+II )</b>		<b>2,43,46,88,255</b>	<b>2,45,42,40,835</b>
III Expenses:			
(a) Cost of Materials Consumed	22	45,60,469	97,91,994
(b) Employee Benefit Expenses	23	1,61,73,20,929	1,67,58,14,920
(c) Other Expenses	24	45,40,81,019	57,37,72,139
(d) Finance Costs	26	1,45,04,190	1,99,38,914
(e) Depreciation and Amortisation Expenses	27	2,71,91,824	2,54,87,001
<b>B. TOTAL EXPENSES</b>		<b>2,11,76,58,431</b>	<b>2,30,48,04,968</b>
IV Profit before Extraordinary Items & Tax (A-B)		31,70,29,824	14,94,35,867
V Extraordinary Items	28	8,50,79,582	-
VI Profit before Tax (IV-V)		<b>23,19,50,242</b>	<b>14,94,35,867</b>
VII Tax Expenses			
(a) Current Tax		9,22,66,505	5,86,91,496
(b) Deferred Tax		(2,78,96,149)	(1,54,13,662)
(c) Income Tax Adjustment		8,87,573	2,54,460
(d) Mat Credit Reversal/(Entitlement)		(14,84,467)	(22,74,421)
VIII Profit for the year before Minority Interest (VI - VII)		<b>16,81,76,780</b>	<b>10,81,77,994</b>
IX Less: Share of profit/(loss) of Minority		(78,428)	(2,34,927)
X Profit for the year (VIII-IX)		<b>16,82,55,208</b>	<b>10,84,12,921</b>
XI Earnings per Equity Share:	33		
(a) Basic		30.07	19.38
(b) Diluted		30.07	19.38


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 : 02.09.2021  
UDIN:-




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

  
Satish Chandra Gupta  
Director  
DIN:01595040

  
N.P. Aggrwal  
Director  
DIN:00172930


  
M. Natarajan  
Senior V.P. Finance

  
Saiyad Amir  
Company Secretary

## Consolidated Cash Flow Statement for the period ended March 31, 2021

PARTICULARS	YEAR ENDED	
	31-Mar-21	31-Mar-20
<b>A. Cash Flow from Operating Activities</b>		
Profit Before Tax	23,19,50,242	14,94,35,867
Adjustments for:		
Depreciation and amortisation	2,71,91,824	2,54,87,001
Foreign currency fluctuation reserve	(33,18,613)	1,98,42,850
Dividend income	(1,95,425)	(19,461)
Foreign exchange gain unearned	(5,32,842)	(68,78,847)
Loss on sale of assets	14,10,864	1,66,118
Loss on assets written off	28,20,080	10,31,914
Bad debts written off	24,51,042	2,26,98,013
Provision of doubtful debts	2,49,66,712	4,08,62,239
Interest expense	1,32,54,511	1,79,59,128
Interest income	(1,46,77,387)	(1,47,50,009)
Losses on acquisition of subsidiary (minority share)	(27,61,994)	-
<b>Operating Profit Before Working Capital Changes</b>	<b>28,25,67,614</b>	<b>25,58,34,813</b>
<b>Change in Working Capital</b>		
Adjustments for (increase)/decrease in Operating Assets/ Liabilities:		
Changes in other Current Assets	(6,32,67,952)	2,42,04,990
Changes in long term provisions	2,41,51,264	2,31,96,196
Changes in Short term provisions	(65,24,649)	51,19,286
Changes in Trade Receivable	14,17,97,881	(15,14,57,169)
Changes in other current Liabilities	11,56,13,649	6,10,68,756
Changes in Short term Loan and advances	65,92,913	(94,63,448)
Changes in Non Other Current Assets	(2,56,11,064)	-
Changes in long term loans and advances	(30,27,183)	-
Changes in Trade and Other Payables	(61,29,637)	(95,43,266)
<b>Cash Generated from operations</b>	<b>46,61,62,836</b>	<b>19,89,80,158</b>
Less: Direct Tax Paid	(8,43,93,709)	(4,43,60,776)
<b>Net Cash flow from Operating Activities (A)</b>	<b>38,17,69,127</b>	<b>15,46,19,382</b>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of fixed assets	(1,90,38,551)	(3,31,78,438)
Proceeds from sale of fixed assets	57,15,902	1,55,769
Intangible assets under Development	(67,10,297)	-
Dividend Income	1,95,425	19,461
Loan to Associates	-	(11,01,027)
Interest Income	1,46,77,387	1,33,38,534
Fixed Deposits/ Margin Money	(1,78,84,306)	(6,81,99,231)
Purchase of Current Investments	(18,03,378)	-
Proceeds from sale of Current Investments	-	22,84,050
<b>Net Cash flow from Investing Activity (B)</b>	<b>(2,57,47,818)</b>	<b>(8,66,80,882)</b>
<b>C. Cash flow from Financing Activities</b>		
Repayment of short term borrowings	(9,87,94,329)	-
Repayment of long term borrowings	(44,08,938)	(29,25,939)
Repayment of short term borrowings	-	(2,32,45,439)
Interest Paid	(1,32,54,511)	(1,79,59,128)
<b>Net Cash flow from Financing Activity (C)</b>	<b>(11,64,57,778)</b>	<b>(4,41,30,506)</b>
<b>Net increase in cash and cash equivalent during the year (A+B+C)</b>	<b>23,95,63,531</b>	<b>2,38,07,994</b>
<b>Cash &amp; Cash Equivalent at the beginning of the year</b>	<b>19,62,04,405</b>	<b>10,82,60,036</b>
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>43,57,67,936</b>	<b>13,20,68,030</b>
Balance as per Balance Sheet	45,36,52,242	19,62,04,405
Less: deposits pledged against Margin Money and fixed deposits with bank	(1,78,84,306)	(6,41,36,275)
<b>Balance as per Cash flow statement</b>	<b>43,57,67,936</b>	<b>13,20,68,030</b>

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

  
(Naveen Aggarwal)  
Partner  
M.No. 94380  
Place : New Delhi  
Date : 02.09.2021  
UDIN:-



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

  
Satish Chandra Gupta  
Director  
DIN:01595040

  
N.P. Agarwal  
Director  
DIN:00172930

  
M. Natarajan  
Senior V.P. Finance

  
Saiyad Amir  
Company Secretary

**Notes forming part of consolidated 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 Tech UK Limited formerly known as JK Technosoft (UK) Limited - 100%), US (JK Tech US Inc. formerly known as Proserve Consulting Inc. - 100%), Muscat, Sultanate of Oman (JK Technosoft Gulf LLC - 65%), Bangladesh, (JKT Bangladesh Private Limited- 100%) Bahrain (JKT GCC WLL-98%), Netharlands (JKT Netherlands B.V.- step down subsidiary of the Company and subsidiary of JKT Europe B.V ) and in India (Diensten Tech Limited formerly known as JKT Consulting Limited - 100%) and (E Safe Solutions Pvt Ltd Formerly Known as JKT Learning Solutions Pvt Ltd- 90%). 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". 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.
- 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.

**The subsidiary companies considered in the consolidated financial statements:**

Name of Company	Country of Incorporation	Relationship	% of Holding and voting power as at	
			31.03.2021	31.03.2020
JK Tech UK Limited (formerly known as JK Technosoft UK Limited)	United Kingdom	Subsidiary	100%	100%
JK Tech US Inc. (formerly known as Proserve Consulting Inc.)	USA	Subsidiary	100%	100%
Diensten Tech Limited (Formerly known as 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%
E Safe Solutions Pvt Ltd (w.e.f 23rd July, 2020) (Formerly Known as JKT Learning Solutions Pvt Ltd)	India	Subsidiary	90%	-
JKT Netherland B.V (step down subsidiary of the Company and subsidiary of JKT Europe B.V)	Netherlands	Subsidiary	-	-

**1.3) 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. 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.

**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'.

### 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.

**I. 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.

**J. 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.

**K. 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.

**L. 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.

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.

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**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 Diensten Tech Limited (Formally known as JKT Consulting Limited), the provident fund is directly contributed through Regional Provident Fund Commissioner. (RPFC, Noida, Uttar Pradesh).

**Compensated absence**

The employees 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.

**M. 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.

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.

**N. 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.

**O. EARNING PER SHARE**

As per applicable laws of respective companies, basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.



Accordingly, diluted earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential shares, if any.

#### **P. 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.

#### **Q. CONSOLIDATED CASH FLOW STATEMENT**

Consolidated Cash Flows are reported using indirect method, whereby the 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.

#### **R. 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. IMPAIRMENT OF GOODWILL**

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than its carrying amount. For the impairment test, goodwill is allocated to the CGU or groups of CGUs which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes. The recoverable amount of CGUs is determined based on higher of value-in-use and fair value less cost to sell.



## 2) SHARE CAPITAL

	As at March 31, 2021	As at March 31, 2020
<b>Authorised</b>		
15,000,000 (March 31, 2020 : 15,000,000) Equity Shares of Rs. 10/- (Rs. 10/-)	1,50,00,000	1,50,00,000
<b>a) Reconciliation of number of Shares</b>		
<b>Equity Shares (No.)</b>		
At the Beginning of the year	1,50,00,000	1,50,00,000
Increase during the year	-	-
Outstanding at the end of year	1,50,00,000	1,50,00,000
<b>Reconciliation of Share Capital (Amount)</b>		
Equity Shares (Amount)		
At the Beginning of the year	15,00,00,000	15,00,00,000
Increase during the year	-	-
Outstanding at the end of year	15,00,00,000	15,00,00,000
<b>Issued, subscribed and fully paid-up</b>		
55,94,878 (March 31, 2020 : 55,94,878) Equity Shares of Rs. 10/- (Rs. 10/-)	5,59,48,780	5,59,48,780
<b>b) Reconciliation of number of Shares</b>		
<b>Equity Shares (No.)</b>		
At the Beginning of the year	55,94,878	55,94,878
Issued during the year	-	-
Outstanding at the end of year	55,94,878	55,94,878
<b>Reconciliation of Share Capital (Amount)</b>		
Equity Shares (Amount)		
At the Beginning of the year	5,59,48,780	5,59,48,780
Issued during the year	-	-
Outstanding at the end of year	5,59,48,780	5,59,48,780

## c) 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.

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

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	% held	No. of Shares	% held
<b>Equity Share of Rs. 10 Each</b>				
Dwarikadish Finance & Investment Co. Pvt Ltd	15,96,000	28.52%	15,96,000	28.52%
Manphul Trading & Finance Co. Pvt. Ltd.	12,65,950	22.63%	12,25,950	21.91%
JK Infrastructure & Developers Pvt. Ltd.	7,30,000	13.05%	7,30,000	13.05%
Neelkhanth Mercantile Pvt. Ltd.	6,58,500	11.77%	6,58,500	11.77%
Akshyapatra Finance & Investment Pvt. Ltd	4,97,500	8.89%	4,97,500	8.89%
JK Consultancy and Services Pvt. Ltd.	3,00,000	5.36%	3,00,000	5.36%

## 3) RESERVES AND SURPLUS

	As at March 31, 2021	As at March 31, 2020
<b>Profit and Loss</b>		
As per Last Balance Sheet	63,21,83,902	52,35,26,981
Add: Profit for the year before Minority Interest	16,81,76,780	10,81,77,994
Add: Minority Interest in Loss	78,428	2,34,927
Add: Minority share in accumulated losses of subsidiary acquired (refer note 4)	(27,61,994)	-
Capital reserve	-	2,44,000
	<b>79,76,77,116</b>	<b>63,21,83,902</b>
<b>Foreign Currency Translation Reserve</b>		
Opening balance	2,92,34,233	93,91,383
Add/(Less): Addition/(Deletion) during the year	(33,18,613)	1,98,42,850
Closing balance	<b>2,59,15,620</b>	<b>2,92,34,233</b>
<b>TOTAL</b>	<b>82,35,92,737</b>	<b>66,14,18,135</b>

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## 4) Minority Interest

	As at March 31, 2021	As at March 31, 2020
Opening balance	19,64,203	21,99,131
Add/ (Less): Addition/(Deletion) during the year*	(27,61,994)	-
Less: Share of Minority in loss	(78,428)	(2,34,928)
Share of minority debited to reserve and surplus (refer note 39)	27,61,994	-
Closing balance	18,85,775	19,64,203

\* the share of minority in the accumulated losses of the subsidiary company ((E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)) on account of acquisition of the subsidiary is transferred to reserves and surplus of the Company.

## 5) LONG TERM BORROWINGS

	As at March 31, 2021		As at March 31, 2020	
	Non Current	Current	Non Current	Current
<b>Secured</b>				
<b>Term Loan From Bank</b>				
Axis Bank Limited	-	-	21,29,176	38,90,760
<b>Vehicle Loan from Bank</b>				
HDFC Bank Limited-Mercedes CAR	33,56,420	16,11,109	49,67,526	14,72,934
Kotak Mahindra Bank Ltd	-	3,07,326	3,07,326	4,87,900
Axis Bank Limited	29,86,259	-	-	71,109
ICICI Bank Limited-CAMARY CAR	-	6,56,680	-	-
	<b>63,42,679</b>	<b>25,75,115</b>	<b>74,04,028</b>	<b>59,22,703</b>
Less: Shown under other current Liabilities (Refer Note 9)	-	(25,75,115)	-	(59,22,703)
<b>TOTAL</b>	<b>63,42,679</b>	<b>-</b>	<b>74,04,028</b>	<b>-</b>

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	Rate	Tenure	EMI	Date of commencement of Repayment	Date of Closure
Axis Bank Limited (Term Loan)	10.50%	48 Months	1,66,666	01-05-2015	30-04-2019
Axis Bank Limited (Term Loan)	11.00%	36 Months	1,39,000	30-09-2017	31-07-2020
Axis Bank Limited (Term Loan)	10.51%	60 Months	12,835	01-10-2015	01-09-2020
Kotak Mahindra Bank Ltd (Vehicle Loan)	9.77%	60 Months	45,344	05-11-2016	
HDFC Bank Limited (Vehicle Loan)	9.50%	60 Months	25,624	07-02-2019	07-03-2021
HDFC Bank Limited (Vehicle Loan)	9.00%	60 Months	1,66,067	07-02-2019	
ICICI Bank Limited (Vehicle Loan)	8.00%	60 Months	77,031	01-01-2021	
Axis Bank Limited (Term Loan)	9.60%	36 Months	1,38,889	14-08-2018	10-08-2020
Axis Bank Limited (Term Loan)	9.60%	36 Months	1,38,889	30-04-2019	10-08-2020

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

## 6) LONG TERM PROVISIONS

	As at March 31, 2021	As at March 31, 2020
Provision for Lease Equalization	69,34,216	24,50,037
<b>Provision for employee benefits</b>		
Gratuity (Refer Note 29.1)	6,39,46,919	5,85,16,479
Leave encashment (Refer Note 29.3)	5,96,22,063	4,53,85,418
<b>TOTAL</b>	<b>13,05,03,198</b>	<b>10,63,51,934</b>

## 7) SHORT TERM BORROWINGS

	As at March 31, 2021	As at March 31, 2020
<b>Secured</b>		
Working Capital Loan from banks		
Cash Credit	-	6,92,94,326
Overdraft	-	2,20,00,002
	-	<b>9,12,94,328</b>
<b>Unsecured</b>		
<b>Other borrowings</b>		
Williamson Financial Services Limited (Payable on demand, interest rate 15% p.a.)	-	75,00,000
	-	<b>75,00,000</b>
<b>TOTAL</b>	<b>-</b>	<b>9,87,94,328</b>

Nature of security:

Working capital loan from Axis Bank Limited is secured by first charge on the land and 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.

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## 8) TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
Payable to employees	1,43,96,837	1,08,67,503
Trade Payable other than Micro and Small Enterprises	3,48,07,059	5,02,71,321
Due to Micro and Small enterprises (Refer details given in table Below)	74,55,056	16,49,762
<b>TOTAL</b>	<b>5,66,58,952</b>	<b>6,27,88,586</b>

Description	As at March 31, 2021	As at March 31, 2020
1. Principal amount remaining unpaid to any supplier as at the end of the accounting year.	74,55,056	16,49,762
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.	10,717	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, 2021	As at March 31, 2020
Current maturities on long term debt (Refer Note 5)	25,75,115	59,22,703
Interest accrued and due on borrowings	-	12,53,836
Interest accrued but not due on borrowings	33,009	45,216
Salary payable	9,18,70,985	8,88,96,308
Advance from customers	3,02,358	9,600
Statutory dues payable	5,50,80,088	5,10,33,406
Other payables	13,05,91,238	2,10,25,663
<b>TOTAL</b>	<b>28,04,52,793</b>	<b>16,81,86,732</b>

## 10) SHORT TERM PROVISIONS

	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
Gratuity (Refer note 29.1)*	61,74,308	1,35,66,720
Leave encashment(Refer note 29.3)	1,30,75,056	1,81,43,059
Provision for income tax (Less: advance tax and TDS)	3,34,71,454	2,75,35,688
<b>TOTAL</b>	<b>5,27,20,818</b>	<b>5,92,45,467</b>

\* Provision for gratuity is shown as net of plan assets and present value of defined benefit obligation as fully detailed in note 29.

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

NAME OF THE ASSETS	Gross Block as at 01.04.2020	Addition	Sales	Adjustment	Gross Block as at 31.03.2021	Accumulated Dep as on 01.04.2020	Dep. For the year	Less Dep. For Sales	Adjustment	Total Dep. as on 31.03.2021	Net Block as on 31.03.2021
Land	17,95,541	-	-	-	17,95,541	4,50,127	21,700	-	-	4,71,827	13,23,714
Building	3,11,90,044	-	-	-	3,11,90,044	63,01,578	4,95,256	-	-	67,96,834	2,44,93,210
Computer Systems - Hardware	7,61,11,814	1,24,37,715	2,45,17,718	78,03,913	5,62,27,898	4,08,06,321	1,76,11,221	2,04,01,141	60,11,302	3,20,07,099	2,42,20,799
Computer Server & Networking	1,36,65,113	1,32,415	-	70,23,000	67,74,528	1,00,92,270	7,89,573	-	-	42,87,494	24,87,034
Fire Fighting Systems	7,90,875	-	1,21,613	3,86,412	2,82,850	7,11,499	22,761	98,461	3,67,091	2,68,708	14,142
Electrical Fittings & Equipment	24,90,843	-	2,67,267	7,22,763	15,00,813	18,65,188	74,154	2,53,904	2,94,006	13,91,432	1,09,381
Furniture & Fixture	2,79,62,840	-	30,19,277	78,52,695	1,50,90,868	2,21,13,588	13,26,617	43,83,401	81,25,765	1,09,31,039	41,59,829
<b>Plant and Machinery:</b>											
Computer Software-WIP	-	-	-	-	-	-	-	-	-	-	-
Air Conditioners	53,32,895	-	29,36,381	-	23,96,514	30,28,020	3,80,398	16,92,089	-	17,16,629	6,79,885
UPS & Batteries	44,10,240	-	6,20,511	5,56,056	32,33,673	30,62,733	2,03,014	4,98,622	5,19,477	22,47,650	9,86,023
DG Set	22,85,497	-	-	6,89,097	15,96,400	-	-	-	6,54,642	15,16,580	79,820
Office and Telephone Equipment	1,12,54,689	7,62,132	5,22,011	40,24,233	74,70,577	64,97,532	14,94,569	4,69,063	38,30,092	36,92,946	37,77,631
Motor Car	2,15,85,110	46,79,201	36,53,274	-	2,26,11,037	94,67,034	20,31,063	27,25,005	-	87,73,092	1,38,37,945
<b>TOTAL</b>	<b>19,88,75,501</b>	<b>1,80,11,463</b>	<b>3,76,58,052</b>	<b>2,90,58,169</b>	<b>15,01,70,742</b>	<b>10,65,68,014</b>	<b>2,44,52,336</b>	<b>3,05,22,286</b>	<b>2,63,96,724</b>	<b>7,41,01,328</b>	<b>7,60,69,413</b>

**Intangible Assets**

NAME OF THE ASSETS	Gross Block as at 01.04.2020	Addition	Sales	Written off/Impairment (adjustment)	Gross Block as at 31.03.2021	Accumulated Dep as on 01.04.2020	Dep. For the year	Less Dep. For Sales	Adjustment	Total Dep. as on 31.03.2021	Net Block as on 31.03.2021
Computer Software	3,92,86,070	20,41,461	-	3,16,61,727	96,65,804	3,48,91,193	27,39,498	-	3,13,88,719	62,41,972	34,23,832
<b>TOTAL</b>	<b>3,92,86,070</b>	<b>20,41,461</b>	<b>-</b>	<b>3,16,61,727</b>	<b>96,65,804</b>	<b>3,48,91,193</b>	<b>27,39,498</b>	<b>-</b>	<b>3,13,88,719</b>	<b>62,41,972</b>	<b>34,23,832</b>
<b>Grand Total</b>	<b>23,81,61,571</b>	<b>2,00,52,924</b>	<b>3,76,58,052</b>	<b>6,07,19,896</b>	<b>15,98,36,547</b>	<b>14,14,59,207</b>	<b>2,71,91,824</b>	<b>3,05,22,286</b>	<b>5,77,85,443</b>	<b>8,03,43,300</b>	<b>7,94,93,245</b>
Intangible assets under Development	-	68,10,297	-	-	68,10,297	-	-	-	-	-	68,10,297
<b>TOTAL</b>	<b>-</b>	<b>68,10,297</b>	<b>-</b>	<b>-</b>	<b>68,10,297</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>68,10,297</b>
<b>Grand total</b>	<b>23,81,61,571</b>	<b>2,68,63,221</b>	<b>3,76,58,052</b>	<b>6,07,19,896</b>	<b>16,66,46,844</b>	<b>14,14,59,207</b>	<b>2,71,91,824</b>	<b>3,05,22,286</b>	<b>5,77,85,443</b>	<b>8,03,43,300</b>	<b>8,63,03,542</b>
<b>Previous Year (FY 2019-20)</b>	<b>23,16,27,522</b>	<b>3,21,46,522</b>	<b>48,74,199</b>	<b>2,07,38,273</b>	<b>23,81,61,571</b>	<b>14,11,62,791</b>	<b>2,54,87,001</b>	<b>37,91,312</b>	<b>2,13,99,272</b>	<b>14,14,59,207</b>	<b>9,68,02,364</b>

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## 12) NON CURRENT INVESTMENT

	As at March 31, 2021	As at March 31, 2020
<b>In Mutual Fund - Quoted fully paid up</b>		
JM Basic Fund- Growth Option(246) 17996,708 units of Rs. 13.7903/- Each	2,48,180	2,48,180
<b>In Equity Shares - Quoted fully paid up</b>		
Reliance Industries Limited 400 (PY 200) Shares of Rs 10/- (PY Rs 10/-)	2,64,468	2,64,468
JAY KAY Enterprises Limited (Earlier JK Synthetics Limited) 12,538 (PY 12,538) Shares of Rs 1/- (PY Rs 1/-)	12,538	12,538
<b>TOTAL</b>	<b>5,25,186</b>	<b>5,25,186</b>
Aggregate amount of Quoted Investment	5,25,186	5,25,186
Market Value of Quoted Investment	20,46,176	8,65,773
Aggregate amount of Non - Quoted Investment	Nil	Nil
Aggregate provision for diminution in the value of Investment	Nil	Nil

## 12.1) CURRENT INVESTMENTS

	As at March 31, 2021	As at March 31, 2020
<b>Investment in Equity shares (Quoted)</b>		
Balaji Amines Nil (PY : 1553) shares of Rs. 2 each of	-	3,88,638
JK Tyre and Industries 5650 (PY : 5650) shares of Rs. 2 each of	2,28,542	2,28,543
Jindal Steel and Power Nil (PY : 5690) shares of Rs. 1 each of	-	5,05,557
Andhra Cements Nil (PY : 121000) shares of Rs. 10 each of	-	2,05,700
Alok Industries Nil (PY : 200000) shares of Rs. 10 each of	-	2,17,500
Coal India Limited 15500 (PY : Nil) shares of Rs.10 each	17,55,780	-
Vodafone Idea Limited 250000 (PY : Nil) shares of Rs.10 each of	13,65,000	-
<b>TOTAL</b>	<b>33,49,322</b>	<b>15,45,938</b>

## 13) DEFERRED TAX ASSETS (NET)

	As at March 31, 2021	As at March 31, 2020
<b>Deferred tax liabilities</b>		
Depreciation and amortisation	43,22,923	(32,54,689)
Profit on forward cover M2M	(1,30,360)	(15,67,705)
<b>Deferred tax assets</b>		
Employees benefits	3,99,70,082	3,94,14,466
Provision for expenses	4,03,71,308	1,30,33,741
Unabsorbed loss/ depreciation	-	21,94,489
Lease equalization reserve	20,19,244	7,13,451
<b>Deferred tax assets (net)</b>	<b>8,65,53,197</b>	<b>5,05,33,753</b>

## 14) LONG TERM LOAN AND ADVANCES

	As at March 31, 2021	As at March 31, 2020
Security Deposit	2,40,98,490	2,64,30,749
Less: Provision for doubtful security deposits	(5,54,000)	-
	2,35,44,490	2,64,30,749
Minimum alternate tax (MAT) credit receivable	92,84,796	78,00,329
Other taxes recoverable	44,28,975	-
<b>TOTAL</b>	<b>3,72,58,261</b>	<b>3,42,31,078</b>

## 15) OTHER NON CURRENT ASSETS

	As at March 31, 2021	As at March 31, 2020
<b>Fixed Deposits with Banks :</b>		
Deposits with original maturity of more than 12 months	5,85,72,263	1,58,54,096
Deposits pledged against margin money/security	67,48,468	2,88,55,571
Capital advances	50,00,000	-
<b>TOTAL</b>	<b>7,03,20,731</b>	<b>4,47,09,667</b>



## 16) TRADE RECEIVABLES

	As at March 31, 2021	As at March 31, 2020
<b>Unsecured and Considered Good, unless stated otherwise</b>		
<b>Outstanding for a period exceeding six months :</b>		
Considered good	97,27,689	3,92,74,124
Considered doubtful	2,19,91,996	-
Less: Provision doubtful debts	(2,19,11,495)	-
<b>Others receivables</b>		
Considered good	37,89,23,281	52,27,51,147
Considered doubtful	8,12,862	7,53,859
Less: Provision doubtful debts	(8,12,862)	(48,32,424)
<b>TOTAL</b>	<b>38,87,31,471</b>	<b>55,79,46,706</b>

## 17) CASH AND BANK BALANCE

	As at March 31, 2021	As at March 31, 2020
<b>Cash and Cash Equivalents</b>		
Balance with Banks	43,58,74,602	13,19,57,852
Less: Provision for Bank Balance*	(1,45,901)	-
Cash in hand	39,235	1,10,178
<b>Other Bank Balances</b>	<b>43,57,67,936</b>	<b>13,20,68,030</b>
Fixed Deposit with Bank		
Deposit with original maturity less than 12 months	85,92,512	9,28,628
Deposit with original maturity more than 12 months	-	2,82,92,009
Deposits pledged against margin money/security(short term deposits)	92,91,794	3,49,15,738
<b>TOTAL</b>	<b>45,36,52,242</b>	<b>19,62,04,405</b>

\*Being the amount transfers to "DEAF" by the concerned bank because of non-operation of bank account, matter is being followed up with the authority.

## 18) SHORT TERM LOANS AND ADVANCES

	As at March 31, 2021	As at March 31, 2020
<b>Unsecured and Considered Good</b>		
Loan to a Body Corporate	5,00,00,000	5,00,00,000
<b>Loans and advances to Related Parties (refer note 31)</b>		
E-Safe Solutions Pvt Ltd. (formerly JKT Learning Solutions Pvt Ltd) (Associate till 22nd July, 2020)	-	4,09,67,451
Less: Provision for bad debt	-	(4,08,62,239)
Advance to Vendors/ Suppliers/ Others	6,93,491	15,48,008
Less: Provision for Advances	(96,461)	-
Security Deposits	11,46,257	21,55,638
Loan and advances to staff (incl. FFS recovery)	25,76,029	50,83,426
Less: Provision for advance to staff	(20,19,945)	-
Balance with income tax authorities	4,52,29,780	6,06,28,977
<b>TOTAL</b>	<b>9,75,29,151</b>	<b>11,95,21,261</b>

## 19) OTHER CURRENT ASSETS

	As at March 31, 2021	As at March 31, 2020
<b>Unsecured and Considered Good</b>		
Unbilled revenue	13,58,33,595	7,05,41,449
Prepaid expenses	1,65,15,848	1,28,82,846
Receivable against forward contract	5,32,842	69,07,734
Balance with revenue authorities	24,23,685	11,02,155
Duties and taxes recoverable	2,44,15,828	2,72,26,444
Interest receivable	38,70,847	14,11,475
Preliminary expenses	53,358	9,732
Other receivable	2,36,626	-
<b>TOTAL</b>	<b>18,38,82,629</b>	<b>12,00,81,835</b>



## 20) REVENUE FROM OPERATIONS

	Year Ended March 31, 2021	Year Ended March 31, 2020
Income from Services		
Information Services and Consulting Services		
Domestic	60,21,02,542	58,62,69,662
Export	1,64,26,00,047	1,71,02,83,728
Deemed Export (SEZ)	7,53,21,523	7,08,35,220
	<b>2,32,00,24,112</b>	<b>2,36,73,88,610</b>
Commercial Coaching and Training Services		
Domestic	3,15,05,102	4,05,53,372
Export	-	3,90,000
Deemed Export (SEZ)	55,19,065	94,32,685
	<b>3,70,24,167</b>	<b>5,03,76,057</b>
Sale of Hardware and Software		
Domestic	32,56,561	-
	<b>32,56,561</b>	<b>-</b>
Reimbursement of Expenses	14,65,940	15,76,762
Reimbursement of Expenses-Export	-	5,34,625
Reimbursement of Expenses-SEZ	3,79,465	1,54,446
<b>TOTAL</b>	<b>2,36,21,49,345</b>	<b>2,42,00,30,500</b>

## 21) OTHER INCOME

	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest income	1,46,77,387	1,47,50,009
Notice period recovery	6,83,777	27,83,358
Exchange Gain(Net)	4,01,056	1,49,65,842
Dividend	1,95,425	19,461
Excess provision written back	14,83,688	48,404
Miscellaneous recovery	2,44,401	10,57,791
Impact on acquisition of subsidiary (refer note 39)	4,63,77,238	-
Profit on sale of investment	22,68,848	5,723
Interest income on income tax refund	99,728	5,79,747
Balance written back	12,40,997	-
Grant income	48,66,365	-
<b>TOTAL</b>	<b>7,25,38,910</b>	<b>3,42,10,335</b>

## 22) Cost of Materials Consumed

	Year Ended March 31, 2021	Year Ended March 31, 2020
Computer hardware and softwares	45,60,469	97,91,994
<b>TOTAL</b>	<b>45,60,469</b>	<b>97,91,994</b>

## 23) EMPLOYEE BENEFITS EXPENSES

	Year Ended March 31, 2021	Year Ended March 31, 2020
Salaries and wages	1,49,85,67,026	1,53,48,46,978
Contribution to provident and other funds (refer note 29)	7,43,90,856	8,78,69,879
Staff welfare expenses	4,43,63,047	5,30,98,063
<b>TOTAL</b>	<b>1,61,73,20,929</b>	<b>1,67,58,14,920</b>

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## 24) OTHER EXPENSES

	As at March 31, 2021	Year Ended March 31, 2020
Rent	6,04,94,679	5,91,02,904
Professional fee	20,47,46,090	24,74,44,890
Electric, Power, Fuel and Water	76,23,104	1,51,00,580
Travelling Expenses-Domestic	59,44,244	3,85,34,743
Travelling Expenses- Foreign	32,60,423	1,75,15,652
Conveyance & Taxi Hire Charges	4,62,448	53,64,331
Internet and Networking Expenses	1,04,21,688	1,21,77,149
Insurance Premium	34,64,146	54,78,661
Telephone Expenses	26,62,205	41,73,339
Maintenance Expenses - Office	1,27,74,013	1,85,24,291
Maintenance Expenses - Computers	2,14,30,730	1,46,12,072
Exchange Losses including Loss on Forward Contracts	-	27,880
Business Promotion	76,824	2,78,431
Advertisement	33,16,771	1,29,52,518
Auc (refer note 34)	18,76,520	13,95,950
Bad Debts	24,51,042	2,26,98,013
Loss on Sale of Fixed Assets	14,19,864	1,66,118
Loss on assets Written off	28,20,080	10,31,914
Loss on sale/valuation of current investments	3,70,965	19,12,279
Repairs & Maintenance- Plant & Machinery	8,34,811	10,94,757
Miscellaneous Expenses	1,81,58,087	3,50,82,134
Rates and taxes, excluding, taxes on income,	53,28,784	28,71,842
CSR Expenditure (refer note 25)	9,28,391	15,93,301
Recruitment Expenses	40,90,725	1,37,76,151
Provision for Doubtful Debts	2,49,66,312	4,08,62,239
Bank Guarantee Invoked written off*	93,05,125	-
Cost to Complete Project	43,70,000	-
Donation & Charity	3,25,000	-
Impairment of Goodwill (refer note 39)	4,01,57,948	-
<b>TOTAL</b>	<b>45,40,81,019</b>	<b>57,37,72,139</b>

\* During the year one of the contracts entered with the customer EIT services India P. Ltd, in which end customer is Government of Kerala of health and family welfare has encashed the Performance Bank Guarantee. Based on the Technical assessment, company has decided to write off such recovery.

## 25) 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, 2021 is Rs. 9,28,391 (PY Rs. 15,93,301)

(b) Amount spent during the year ended March 31, 2021 is Rs. 9,28,391 ( PY Rs. 15,93,301)

## 26) FINANCE COST

	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest Expenses	1,32,54,511	1,79,59,128
Other Borrowing Costs	-	5,12,500
Bank Charges	12,49,679	14,67,286
<b>TOTAL</b>	<b>1,45,04,190</b>	<b>1,99,38,914</b>

## 27) DEPRECIATION AND AMORTISATION EXPENSES

	Year Ended March 31, 2021	Year Ended March 31, 2020
Depreciation on Tangible Assets	2,44,52,326	2,08,69,412
Amortisation of Intangible Assets	27,39,498	46,17,589
<b>TOTAL</b>	<b>2,71,91,824</b>	<b>2,54,87,001</b>

## 28) Extraordinary Items

	Year Ended March 31, 2021	Year Ended March 31, 2020
Payment to DGFT Refund	6,18,60,622	-
Interest on Payment to DGFT Refund	2,32,18,960	-
<b>TOTAL</b>	<b>8,50,79,582</b>	<b>-</b>

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## 29) EMPLOYEE DEFINED BENEFIT PLAN

	For the Year Ended March 31,2021	For the Year Ended March 31,2020
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## 29.1 PROVISION FOR GRATUITY

## I Assumptions:

## JK Technosoft Ltd

Discount Rate

6.57%

5.45%

Rate of Increase in Compensation Levels

14.00% first year;

7.50% thereafter

10.00%

Rate of Return on Plan Assets

6.84%

5.45%

## Diensten Tech Limited (Formally known as JKT Consulting Limited)

Discount Rate

6.54%

5.50%

Rate of Increase in Compensation Levels

14.00% first year;

7.50% thereafter

10.00%

## II Changes in Present Value of Obligations During the Period

Present Value of Obligation as at the beginning of the period

7,33,83,884

5,80,41,920

Interest Cost

38,07,107

39,28,089

Past Service Cost

-

-

Current Service Cost

1,34,48,642

1,26,69,257

Benefit Paid

(71,12,661)

(39,42,069)

Actuarial (gain)/ loss on obligations

(1,20,95,422)

26,86,687

Present Value of Obligation as at the end of the period

7,14,31,550

7,33,83,884

## III Changes in the Fair value of Plan Assets during the Period

Fair Value of Plan Assets at the beginning of the period

13,00,685

12,59,611

Expected Return on Plan Assets

94,608

94,671

Contributions

72,31,151

38,90,570

Benefits Paid

(63,60,662)

(33,24,962)

Actuarial Gain/ (Loss) on Plan Assets

(9,55,459)

(6,19,205)

Fair Value of Plan Assets at the end of the period

13,10,323

13,00,685

## IV Fair Value of Plan Assets

Fair Value of Plan Assets at the beginning of the period

13,00,685

12,59,611

Actual Return on Plan Assets

(8,60,851)

(5,24,534)

Contributions

72,31,151

38,90,570

Benefits Paid

(63,60,662)

(33,24,962)

Fair value of plan assets at the end of period

13,10,323

13,00,685

## V Expenses recognised in the Profit and Loss Account

Current Service Cost

1,34,48,642

1,26,69,257

Interest Cost

38,07,107

39,28,089

Expected Return on Plan Assets

(94,608)

(94,671)

Net actuarial (gain)/ loss recognised in the period

(1,11,39,964)

33,05,892

Expenses recognised in the Statement of Profit and Loss

60,21,177

1,98,08,567

## VI 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, 2021	As at March 31, 2020
Current Liability (Short term)	61,74,308	1,35,66,720
Non-Current Liability (Long term)	6,39,46,919	5,85,16,479
Present Value of Obligation as at the end	7,01,21,227	7,20,83,199

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In respect of funded defined benefit scheme of provident fund (Based on actuarial valuation)	2020-2021	2019-2020
The following table sets out the status of Provident Fund as per the actuarial valuation as per the information available to us.		
<b>I Assumptions:</b>		
Discount Rate	6.75%	5.45%
Interest rate guarantee	8.50%	8.50%
Average Historic yield on the Investment	8.14%	8.31%
<b>II Summary of Membership Status</b>		
Number of employees	1,308	3715
Average age(years)	32.59	32.05
Expected average future working life time(years)	7.38	3.27
<b>III Summary of Funds Status</b>		
Accumulated Account value of Employee's Fund	47,20,54,870	39,24,37,255
Value of Plan Assets	48,48,54,716	40,28,92,207
<b>IV Employer's Contribution during the previous year</b>		
	4,68,74,853	4,81,40,826

**Assets and Liability(Balance Sheet Position):**

Particulars	For the period	For the period
	Ending 31st March, 2021	Ending 31st March, 2020
Accumulated Account Value of Employee's Fund	47,20,54,870	39,24,37,255
Interest Rate Guarantee Liability	1,17,09,652	47,44,886
<b>Present Value of Obligation(Total)</b>	<b>48,37,64,522</b>	<b>39,71,82,141</b>
Value of Plan Assets	48,48,54,716	40,28,92,207
Surplus/(Deficit)	10,90,194	57,10,066
<b>Net Liability to be recognised in balance Sheet of the Company</b>	<b>-</b>	<b>-</b>

**DEFINED CONTRIBUTION PLANS**

	2020-2021	2019-2020
29.2 Employer's contribution to Employee State Insurance and Provident Fund	4,83,25,770	5,00,45,603

**29.3 PROVISION FOR LEAVE ENCASHMENT**

<b>I Assumptions:</b>		
<b>JK Technosoft Limited</b>		
Discount Rate	6.54%	5.45%
Rate of Increase in Compensation Levels	14.00% first year; 7.50% thereafter	10.00%
<b>Diensten Tech Limited (Formally known as JKT Consulting Limited)</b>		
Discount Rate	6.54%	6.80%
Rate of Increase in Compensation Levels	14.00% first year; 7.50% thereafter	10.00%
<b>II Changes in Present Value of Obligations During the Period (Amount in Rs)</b>		
Present Value of Obligation as at the beginning of the period	6,35,28,477	5,13,50,636
Interest Cost	31,21,328	34,75,444
Current Service Cost	2,05,86,941	1,75,46,718
Benefit Paid	(1,25,52,923)	(86,49,225)
Actuarial (gain)/ loss on obligations	(19,86,704)	(1,95,096)
Present Value of Obligation as at the end of the period	7,26,97,119	6,35,28,477
<b>III Expenses recognised in the Profit and Loss Account</b>		
Current Service Cost	2,05,86,941	1,75,46,718
Interest Cost	31,21,328	34,75,444
Net actuarial (gain)/ loss recognised in the period	(19,86,704)	(1,95,096)
Expenses recognised in the Statement of Profit and Loss	2,17,21,565	2,08,27,066

**VII 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, 2021	As at March 31, 2020
Current Liability (Short term)	1,30,75,055	1,81,43,059
Non-Current Liability (Long term)	5,96,22,063	4,53,85,418
<b>Present Value of Obligation as at the end</b>	<b>7,26,97,118</b>	<b>6,35,28,477</b>

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## 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.

Year Ended March 31, 2021					(Rs.)
Particulars	UK	USA	India	Other	Total
Revenue & Other Income	55,92,15,783	1,02,65,27,954	71,95,49,296	5,68,56,312	2,36,21,49,345
Identified Operating Expenses	32,82,02,871	58,32,79,721	68,14,79,741	2,43,58,596	1,61,73,20,929
Purchase	-	-	45,60,469	-	45,60,469
Allocable Expenses	6,54,68,420	7,74,56,532	2,20,72,497	69,98,694	17,19,96,143
Unallocable expenses (net of income)					23,67,37,791
Segment Results	16,55,44,492	36,57,91,701	1,14,36,589	2,54,99,022	33,15,34,013
Less: finance cost					1,45,04,190
Less:Unallocable Expenses					
Taxes					6,37,73,461
Extraordinary items					8,50,79,582
Profit after Tax					16,81,76,780
Year Ended March 31, 2020					(Rs.)
Particulars	UK	USA	India	Other	Total
Revenue & Other Income	58,11,49,803	1,05,15,15,346	70,88,22,147	7,85,43,204	2,42,00,30,500
Identified Operating Expenses	34,92,78,332	59,48,86,230	69,45,59,798	4,68,82,553	1,68,56,06,913
Allocable Expenses	12,82,14,829	10,76,13,576	6,33,57,905	4,26,86,425	34,18,72,735
Unallocable expenses( net of income)					23,79,26,084
Segment Results	10,36,56,642	34,90,15,540	(4,90,95,556)	(1,10,25,774)	15,46,24,768
Add: Interest Income					1,47,50,009
Less: finance cost					1,99,38,914
Less:Unallocable Expenses(Tax)					4,12,57,869
Profit after Tax					10,81,77,994
As at March 31, 2021					(Rs.)
Particular	UK	USA	India	Other	Total
Segment Assets	20,99,38,456	41,89,77,722	18,69,63,983	4,16,35,365	85,75,15,526
Unallocable Assets					55,05,90,206
Total Assets					1,40,81,05,732
As at March 31, 2020					(Rs.)
Particular	UK	USA	India	Other	Total
Segment Assets	18,13,06,138	34,14,55,233	20,01,49,419	4,45,53,921	76,74,64,711
Unallocable Assets					45,46,37,482
Total Assets	18,13,06,138	34,14,55,233	20,01,49,419	4,45,53,921	1,22,21,02,193
As at March 31, 2021					(Rs.)
Particular	UK	USA	India	Other	Total
Segment Liabilities	4,95,70,793	2,13,23,718	8,94,03,216	22,62,568	16,25,60,295
Unallocable Liabilities	-	-	-	-	36,41,18,145
Shareholders Fund					87,95,41,517
Minority interest					18,85,775
Total Liabilities					1,40,81,05,732
As at March 31, 2020					(Rs.)
Particular	UK	USA	India	Other	Total
Segment Liabilities	4,45,53,595	2,57,42,695	2,48,60,168	13,39,859	9,64,96,317
Unallocable Liabilities	-	-	-	-	40,62,74,758
Shareholders Fund					71,73,66,915
Minority interest					19,64,203
Total Liabilities	4,45,53,595	2,57,42,695	2,48,60,168	13,39,859	1,22,21,02,193

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. Other than receivables, all other assets are not assigned to any Geographies and so shown under Unallocable Assets. Similarly all liabilities are not assigned to any Geographies.


## 31) RELATED PARTY DISCLOSURE

## a. Name of Related Parties and description of relationship:

**Subsidiary Companies**

JK Tech US Inc. (formally known as Proserve Consulting Inc.), USA  
 JK Teeh UK Limited (formally known as JK Technosoft (UK) Limited), UK  
 Diensten Tech Limited (Formerly known as JKT Consulting Limited)  
 JK Technosoft Gulf LLC, Sultanate of Oman  
 JK Technosoft Bangladeshi Pvt.Ltd, Bangladesh  
 JK Technosoft GCC WLL, Bahrain  
 E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd), India (w.e.f July 23rd, 2020)  
 JKT Netherland B.V (step down subsidiary of the Company and subsidiary of JKT Europe B.V)

**Directors**

Abhishek Singhania (Director)  
 Babu Abraham (Director), Resigned W.e.f. 12th March, 2021  
 N P Agarwal (Director)  
 Maneesh Maosingka (Director)  
 Partho Pratim Kar (Director)  
 Vinay Kumar Singhal (Director), Resigned W.e.f. 18th April, 2021  
 Vipul Prakash (Director)  
 Satish Chandra Gupta( Whole Time Director)  
 Arvind Thakur (Director), W.e.f. 1st June, 2021

**Associate Company**

E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd), India, till July 22nd, 2020

**Enterprises over which directors have significant influence**

Dwarikashish Finance & Investment Co. Pvt.Ltd.  
 Manphul Trading & Finance Co. Pvt Ltd.  
 J. K. Cotton Limited

**Relative to Key Management Personnel**

Varsha Singhania  
 Manorama Singhania  
 Vedang Hari Singhania  
 Preeti Gupta

## b. Transactions with related parties during FY 2020-21

As disclosed in Consolidated Balance Sheet and Profit and Loss Account

Description	Associated Companies/ Enterprises	Key Management Personnel	Relatives to Key Management Personnel
Remuneration Paid		42,95,640	22,46,315
Sitting Fees		2,16,220	
Professional Charge Paid		9,00,000	37,53,226
Reimbursement of Expenses			
J. K. Cotton Limited	30,699		
Sale of Fixed Assets			
J. K. Cotton Limited	3,51,800		
Balances with related parties as at March 31, 2021			
Receivables			
J. K. Cotton Limited	4,65,349		



Transactions with related parties during FY 2019-20  
As disclosed in Consolidated Balance Sheet and Profit and Loss Account

Description	Associated Companies/Enterprises	Key Management Personnel	Relatives to Key Management Personnel
Remuneration Paid	-	58,07,433	19,96,800
Sitting Fees	-	1,66,665	
Professional Charge Paid	-	9,00,000	36,00,000
Received against Loans/ Advance			
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)	22,74,625	-	-
Loans & Advances Given/Repaid			
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)	4,21,580	-	-
Balance with related parties as on 31st March, 2020			
Loan and Advance Receivable			
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)	4,08,62,239	-	-

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 Dwarikadhish Finance & Investment Company Pvt. Ltd. have provided corporate guarantee for the loan availed by the company from Axis Bank Ltd.

## 32) PARTICULARS OF SUBSIDIARIES

Name of Company	Country of Incorporation	Relationship	% of Holding and voting power as at	
			31.03.2021	31.03.2020
JK Tech UK Limited (formally known as JK Technosoft (UK) Limited), UK	United Kingdom	Subsidiary	100%	100%
JK Tech US Inc. (formally known as Proserve Consulting Inc.), USA	USA	Subsidiary	100%	100%
Diensten Tech Limited (Formerly known as 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%
E Safe Solutions Pvt Ltd (w.e.f 23rd July, 2020) (Formerly Known as JKT Learning Solutions Pvt Ltd)	India	Subsidiary	90%	-
JKT Netherland B.V (step down subsidiary of the Company and subsidiary of JKT Europe B.V)*	Netherlands	Subsidiary	-	-
<b>ASSOCIATE:</b>				
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd) (till 22nd July, 2020)	India	Associate	-	31.76%

JKT Europe B.V, subsidiary company incorporated in Netherlands on September 5, 2019. The Company controls the subsidiary company by virtue of controlling the board of subsidiary company.

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

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.)
<b>Parent Company</b>				
JK Technosoft Limited	60.87%	53,54,12,194	67%	11,33,04,570
<b>Indian Subsidiaries</b>				
Diensten Tech Limited (Formally known as JKT Consulting Limited)	-0.90%	(79,32,504)	7%	1,17,01,389
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)	-3.15%	(2,76,62,120)	0%	42,178
<b>Foreign Subsidiaries</b>				
JK Tech US Inc. (formally known as Proserve Consulting Inc.)	33.36%	29,33,80,037	20%	3,35,67,336
JK Tech UK Limited (formally known as JK Technosoft (UK) Limited)	10.19%	8,96,65,365	7%	1,18,32,937
JK Technosoft Gulf LLC	0.75%	65,99,319	0%	2,24,078
JK Technosoft Bangladesh	-0.36%	(31,30,855)	-1%	16,68,958
JK Technosoft GCC WLL	-0.62%	(54,32,427)	0%	2,34,041
JKT Netherland B.V (step down subsidiary of the Company and subsidiary of JKT Europe B.V)	0.06%	5,28,281	0%	5,28,281
<b>Minority Interest</b>				
	-0.21%	(18,85,775)	0%	78,428
<b>Total</b>	<b>100.00%</b>	<b>87,95,41,515</b>	<b>100.00%</b>	<b>16,82,55,206</b>

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## 33) EARNING PER SHARE

	2020-21	2019-20
Profit for the year	16,81,76,780	10,81,77,994
Amount available for Equity Shares	16,82,55,208	10,84,12,921
Weighted Average number of Shares	55,94,878	55,94,878
Earning per share		
Basic	30.07	19.38
Diluted	30.07	19.38
Face Value per share	10.00	10.00

## 34) AUDITOR'S REMUNERATION\*

	2020-21	2019-20
Statutory Audit Fee including Tax Audit	17,59,020	12,95,950
Any other capacity	1,17,500	1,00,000
Goods and Services Tax	-	1,44,000
	18,76,520	15,39,950

\* includes payment to auditors of subsidiaries.

- 35) 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
- 36) 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.
- 37) 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

## 38) CONTINGENT LIABILITIES:

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Contingent Liabilities:</b>		
In respect of Income Tax (AY-2009-10) where the department prefers to appeal	1,87,39,040	1,87,39,040
In respect of UP Trade Tax Demand FY 13-14	-	6,06,076
<b>Commitments:</b>		
Guarantee given by bank	2,85,72,715	3,62,19,969

## 38.1 CAPITAL COMMITMENTS:

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Capital Commitment</b>		
Estimated Amount of Contract in capital account remaining to be executed and not provided for	1,50,00,000	1,00,000
<b>Total</b>	<b>1,50,00,000</b>	<b>1,00,000</b>

- 39) In previous years, the Company held 540000 equity shares equivalent to 31.76% stake in E-Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd) and considered it as Associate Company. During the year, the Company further acquired 990000 equity shares of E-Safe Solutions Pvt Ltd from their existing shareholders resulting in cumulative acquisition of 90% in the issued share capital of E-Safe Solutions Pvt Ltd, accordingly the Company has considered E-Safe Solutions Pvt Ltd as its subsidiary company and consolidated it on line by line basis in these consolidated financial statements. All the assets and liabilities of the subsidiary are carried at book value and the purchase consideration has been allocated to the net assets, the resultant Goodwill of Rs. 4,01,57,948 has been impaired in these financial statements. Further, the Company has absorbed the share of Rs. 27,61,994 accumulated losses of minority shareholders arising out of acquisition of aforesaid subsidiary. The impact of opening balances adjustment on consolidation of the subsidiary of Rs. 4,63,77,238 are considered in these consolidated financial statements.
- 40) 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 :

	2020-2021	2019-2020
Not later than 1 year	4,32,20,194	4,88,39,451
Later than 1 year and not later than 5 years	6,16,66,492	5,22,52,202
Later than 5 years	-	40,56,097
<b>Lease rent paid during the year</b>	<b>4,78,31,256</b>	<b>4,83,90,600</b>



- 41) The company has made Investments in Equity Shares aggregating to Rs. 83 lakhs in its Indian Subsidiary Company and also has given working capital loan aggregating of Rs. 376.58 lakhs as on 31st March, 2021 . The company accumulating loss as at 31st March, 2021 exceed its net worth. The financial results of FY 20-21 and for the Period 21-22 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.
- 42) Figures pertaining to subsidiary companies have been reclassified wherever necessary to bring them in line with the Group financial statements.
- 43) Previous year's figures have been regrouped wherever necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED HEREWITH

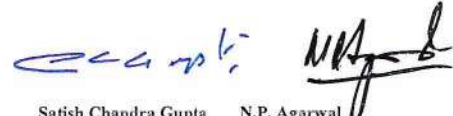
For S S Kothari Mehta & Company  
Chartered Accountants  
FRN. 000756N



Naveen Aggarwal  
Partner  
M.No. 094380  
Place : New Delhi  
Date : 02.09.2021  
UDIN:-



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




Satish Chandra Gupta  
Director  
DIN:01595040

N.P. Agarwal  
Director  
DIN:00172930



M. Natarajan  
Senior V.P. Finance



Saiyad Amir  
Company Secretary

**INDEPENDENT AUDITOR'S REPORT**

**To The Members of JK TECHNOLOGICAL LIMITED,**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying Standalone financial statements of **JK TECHNOLOGICAL LIMITED** ("the Company"), which comprise the Balance sheet as at 31st March 2021, 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, 2021, 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 the note 37 of the accompanying standalone financial statement which, describes the company investment and working capital loan in subsidiary company having negative net worth as on 31<sup>st</sup> March 2021. Considering the significant improvement in the financial results of the subsidiary company 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 Independent Auditors Report of JK Technosoft Limited FY 2020-21



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.

Independent Auditors Report of JK Technosoft Limited FY 2020-21





- 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 **S S Kothari Mehta & Company**  
Chartered Accountants  
Firm's Registration No. 000756N



*Naveen*  
**Naveen Aggarwal**

Partner  
Membership No. 094380  
UDIN 21094380AAAAGQ5825

Place : New Delhi  
Date : 2<sup>nd</sup> Sept. 2021

**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 TECHNOSOFT LIMITED** on the financial statements for the year ended March 31, 2021, 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 of the Company has designed a phased program for the Physical verification of the Fixed Assets. Pursuant to that the company has carried out a comprehensive physical verification last year, however due to the strategic decisions taken by the company in the current year significant value of fixed assets was scrapped 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, it has granted unsecured interest bearing loan to a company covered in the Register maintained under section 189 of the Companies Act 2013. As per the terms and conditions specified in the loan agreement, this loan is repayable on demand. Demand raised by the company during the year were repaid on timely basis. Further the interest is regularly received by the company as per the terms and conditions of the company.
- 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 been regularly deposited with the appropriate authorities 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 2021.

(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 financial institution, and the company has not raised any loans from the debenture holders and government 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 vehicle 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.

**S S KOTHARI MEHTA  
& COMPANY**  
CHARTERED ACCOUNTANTS

- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India 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 21094380AAAAGQ5825

Place : New Delhi  
Date : 2<sup>nd</sup> Sept. 2021

**“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 with reference to the financial statements of **JK TECHNOSOFT LIMITED** (“the Company”) as of March 31, 2021 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 with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

**Meaning of Internal Financial Controls with reference to financial statements**

A company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and Independent Auditors Report of JK Technosoft Limited FY 2020-21



the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements 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 with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements issued by the Institute of Chartered Accountants of India.

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



*Naveen Aggarwal*

**Naveen Aggarwal**  
Partner

Membership No. 094380  
UDIN 21094380AAAAGQ5825

Place : New Delhi  
Date : 2<sup>nd</sup> Sept. 2021



J K Technosoft Limited  
Balance Sheet as at March 31, 2021

(All amounts are in Rupees, unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
(a) Share Capital	2	5,59,48,780	5,59,48,780
(b) Reserves and Surplus	3	50,34,48,331	41,43,20,130
<b>Non- Current Liabilities</b>			
(a) Long term borrowings	4	63,42,679	74,04,028
(b) Long term Provisions	5	12,56,42,626	10,19,93,293
<b>Current Liabilities</b>			
(a) Short term borrowings	6	-	8,66,48,031
(b) Trade Paybles	7	-	-
(A) Total outstanding dues of micro enterprises and small enterprises, and		74,55,056	16,49,762
(B) Total outstanding dues of creditors other than micro enterprises		3,02,15,784	4,04,22,439
(c) Other current liabilities	8	23,65,76,869	13,79,08,279
(d) Short term provisions	9	3,66,11,715	3,02,48,928
<b>TOTAL</b>		<b>1,00,22,41,840</b>	<b>87,65,43,670</b>
<b>II ASSETS</b>			
<b>Non Current Assets</b>			
(a) Property, Plant and Equipment	10	-	-
(i) Tangible assets		7,35,61,002	8,90,85,118
(ii) Intangible assets		34,23,832	43,94,877
(iii) Intangible assets under Development		-	1,00,000
(b) Non current investments	11	1,63,96,462	1,78,26,259
(c) Deferred tax assets (net)	12	8,31,69,656	4,91,25,916
(d) Long term loans and advances	13	2,32,11,559	2,60,97,818
(e) Other Non Current assets	14	7,03,20,731	4,47,09,667
<b>Current Assets</b>			
(a) Current investments	11.1	33,49,322	15,45,937
(b) Trade receivables	15	19,33,94,342	32,67,80,950
(c) Cash and Cash equivalents	16	15,55,19,151	8,35,32,216
(d) Short term loans and advances	17	12,61,85,806	13,83,42,328
(e) Other Current assets	18	25,37,09,977	9,50,02,584
<b>TOTAL</b>		<b>1,00,22,41,840</b>	<b>87,65,43,670</b>

Significant Accounting Policies 1  
And Notes to accounts form an integral 2 to 42  
part of Financial Statemnets

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 : 27/02/21



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

  
(Satish Chandra Gupta)  
Director  
DIN:01595040

  
(M. Natarajan)  
Senior V.P. Finance

  
(N.P. Agarwal)  
Director  
DIN:00172930

  
(Saiyad Amir)  
Company Secretary

**J K Technosoft Limited**  
**Statement of Profit and Loss for the year ended March 31, 2021**

(All amounts are in Rupees, unless otherwise stated)

	Notes	2020-2021	2019-2020
I Revenue from Operations	20	1,81,33,44,462	1,80,14,56,534
II Other Income	21	2,29,24,272	3,65,70,055
III <b>TOTAL REVENUE</b>		<b>1,83,62,68,734</b>	<b>1,83,80,26,589</b>
IV Expenses:			
(a) Cost of Materials Consumed	22	45,60,469	97,91,994
(b) Employee Benefit Expenses	23	1,30,03,24,932	1,39,21,90,169
(c) Depreciation And amortisation Expenses	27	2,64,37,107	2,49,06,240
(d) Other Expenses	24	26,54,61,449	34,86,15,778
(e) Finance Costs	26	1,37,03,937	1,86,59,236
<b>TOTAL EXPENSES</b>		<b>1,61,04,87,894</b>	<b>1,79,41,63,417</b>
<b>Profit before Exceptional and Extraordinary Items &amp; Tax (III-IV)</b>		<b>22,57,80,840</b>	<b>4,38,63,172</b>
VI Exceptional Items	28	1,13,29,797	1,61,99,491
<b>Profit before Extraordinary Items &amp; Tax (V-VI)</b>		<b>21,44,51,043</b>	<b>2,76,63,681</b>
VIII Extraordinary Items	29	8,50,79,582	-
<b>Profit before Tax (VII-VIII)</b>		<b>12,93,71,461</b>	<b>2,76,63,681</b>
X Tax Expenses			
(a) Current Tax		7,34,49,889	3,02,62,503
(b) Deferred Tax		(3,40,43,739)	(2,30,94,042)
(c) Income Tax Adjustment		8,37,110	1,51,043
<b>Profit after Tax for the Year (IX-X)</b>		<b>8,91,28,201</b>	<b>2,03,44,177</b>
XII Earnings per Equity Share:	33		
(a) Basic		15.93	3.64
(b) Diluted		15.93	3.64

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 : 21/9/2021



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



(Satish Chandra Gupta)  
 Director  
 DIN:01595040

  
 (M. Natarajan)  
 Senior V.P. Finance



(N.P. Aggarwal)  
 Director  
 DIN:00172930

  
 (Saiyad Amir)  
 Company Secretary



	2020-21	2019-20
<b>A. Cash Flow from Operating Activities</b>		
Net Profit Before Tax	12,93,71,461	2,76,63,681
<b>Adjustments for:</b>		
Depreciation and Amortisation	2,64,37,107	2,49,06,240
Foreign Exchange Gain- Unearned	-	(69,07,734)
(Profit)/Loss on Sale of Assets	14,19,864	1,66,118
Bad Debts written off	8,20,469	2,24,57,302
(Profit)/Loss on sale/valuation of current Investment	(18,97,883)	19,12,279
Interest Expenses	1,29,18,736	1,70,71,124
Dividend received	(1,95,425)	(19,461)
Interest Income	(1,79,71,548)	(1,84,07,241)
Provision for diminution in value of investment	1,13,29,797	1,61,99,491
Provision for doubtful debts	3,43,16,312	4,08,62,239
Loss on assets Written off	28,70,080	10,31,914
<b>Operating Profit Before Working Capital Changes</b>	<b>19,93,68,970</b>	<b>12,69,35,952</b>
<b>Change in Working Capital</b>		
Adjustments for (increase)/decrease in Operating Assets/ Liabilities:		
Changes In other Current Assets	(15,82,26,429)	4,43,11,964
Changes In long term provisions	2,36,49,333	2,47,74,594
Changes In Short term provisions	(1,16,97,441)	54,50,889
Changes In Trade Receivable	10,04,43,826	(8,53,46,843)
Changes in other current Liabilities	9,86,80,797	1,21,12,903
Changes In Trade Payables	(44,01,360)	1,16,03,690
Changes In Short term Loan and advances	6,38,38,726	(10,21,450)
<b>Cash Generated from operations</b>	<b>31,16,56,422</b>	<b>13,88,21,697</b>
Less: Direct Tax Paid	(11,01,02,975)	(2,00,32,969)
<b>Net Cash flow from Operating Activities</b>	<b>20,15,53,447</b>	<b>11,87,88,728</b>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of fixed assets	(2,44,99,805)	(3,10,81,959)
Proceeds from sale of fixed assets	54,17,911	1,14,842
Investment in subsidiaries & JV	(99,00,000)	-
Purchase of Current Investments	94,498	3,71,772
Loan to subsidiaries & Related Parties	28,86,259	13,88,069
Interest Income	1,74,90,584	1,92,47,361
Dividend received	1,95,425	19,461
Fixed Deposits/ Margin money	(2,06,11,064)	(3,82,91,519)
<b>Net Cash flow from Investing Activity</b>	<b>(2,89,26,192)</b>	<b>(4,82,31,973)</b>
<b>C. Cash flow from Financing Activities</b>		
Repayment of long term borrowings	(10,61,349)	(25,27,392)
Proceeds of long term borrowings	-	-
Proceeds (Repayment) of short term borrowings	(8,66,48,031)	(1,97,91,203)
Interest Paid	(1,29,30,943)	(1,70,87,454)
<b>Net Cash flow from Financing Activity</b>	<b>(10,06,40,323)</b>	<b>(3,94,06,049)</b>
<b>Net increase/(decrease) in cash and cash equivalent during the year(A+B+C)</b>	<b>7,19,86,932</b>	<b>3,11,50,706</b>
<b>Cash &amp; Cash Equivalent at the beginning of the year</b>	<b>8,35,32,216</b>	<b>5,23,81,511</b>
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>15,55,19,149</b>	<b>8,35,32,216</b>
Balance as per Balance Sheet	15,55,19,151	8,35,32,216
Less: Deposit pledged against Margin Money and fixed deposit with banks	(1,63,44,297)	(6,27,90,855)
Balance as per Cash Flow Statement	13,91,74,854	2,07,41,361

(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  
FRN.000756N

  
(Naveen Aggarwal)  
Partner  
M.No. 94380  
Place : New Delhi  
Date : 24/9/2021



  
(Satish Chandra Gupta)  
Director  
DIN:01595040

  
(M. Natarajan)  
Senior V.P. Finance

  
(N.P. Agarwal)  
Director  
DIN:00172930

  
(Saiyad Amir)  
Company Secretary

**J K Technosoft Limited**  
**Notes Forming part of Financial Statements**

**CORPORATE INFORMATION**

J K Technosoft Limited (CIN - U64202DL1988PLC030870) is a 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 subsidiaries in UK (JK TECH UK LIMITED - 100%), US (JK TECH US INC. 100%), Muscat, Sultanate of Oman (JKT Gulf LLC - 65%), Bangladesh, (JKT Bangladesh Private Limited- 100%), Bahrain (JKT GCC WLL 98%) and in India (Diensten Tech Limited - 100%) and (E Safe Solutions Pvt Ltd-90%). 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

**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.

**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 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 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 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 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.

**J 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/ 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.

**K 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 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 company has a legally enforceable right to set off current tax assets against current tax

**L 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 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.

**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.

**M 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 terms/ years of lease.

**Provisions, Contingent Liabilities and Contingent Assets****N**

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.



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**O 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 period. 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.

**P 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.

**Q 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.

**R 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.



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	As at 31-Mar-21	As at 31-Mar-20
<b>Authorised</b>		
15,000,000 (March 31, 2020- 15,000,000) Equity Shares of Rs. 10/-	15,00,00,000	15,00,00,000
<b>a) Reconciliation of number of Shares</b>		
Equity Shares (No.)		
At the Beginning of the year	1,50,00,000	1,50,00,000
Increase during the year	-	-
Outstanding at the end of year	1,50,00,000	1,50,00,000
<b>Reconciliation of Share Capital (Amount)</b>		
Equity Shares (Amount)		
At the Beginning of the year	15,00,00,000	15,00,00,000
Increase during the year	-	-
Outstanding at the end of year	15,00,00,000	15,00,00,000
<b>Issued, subscribed and fully paid-up</b>		
55,94,878 (March 31, 2020- 55,94,878) Equity Shares of Rs. 10/-	5,59,48,780	5,59,48,780
<b>a) Reconciliation of number of Shares</b>		
Equity Shares (No.)		
At the Beginning of the year	55,94,878	55,94,878
Issued during the year	-	-
Outstanding at the end of year	55,94,878	55,94,878
<b>Reconciliation of Share Capital (Amount)</b>		
Equity Shares (Amount)		
At the Beginning of the year	5,59,48,780	5,59,48,780
Issued during the year	-	-
Outstanding at the end of year	5,59,48,780	5,59,48,780

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, 2021		As at March 31, 2020	
	No. of Shares	% held	No. of Shares	% held
Dwarikadhish Finance & Investment Co. Pvt Ltd	15,96,000	28.53%	15,96,000	28.53%
Manphul Trading & Finance Co.Pvt. Ltd.	12,65,950	22.63%	12,25,950	21.91%
JK Infrastructure & Developers Pvt. Ltd.	7,30,000	13.05%	7,30,000	13.05%
Neelkhanth Mercantile Pvt. Ltd.	6,58,500	11.77%	6,58,500	11.77%
Akshyapatra Finance & Investment Pvt. Ltd.	4,97,500	8.89%	4,97,500	8.89%
JK Consultancy and Services Pvt. Ltd.	3,00,000	5.36%	3,00,000	5.36%

3) **RESERVES AND SURPLUS**

	As at March 31, 2021	As at March 31, 2020
Balance in Statement of Profit and Loss		
As per Last Balance Sheet	41,43,20,130	39,39,75,993
Add: Profit for the year	8,91,28,201	2,03,44,177
	<u>50,34,48,331</u>	<u>41,43,20,130</u>

4) **LONG TERM BORROWINGS**

Secured Loan	As at March 31, 2021		As at March 31, 2020	
	Non Current	Current	Non Current	Current
<b>Term Loan From Bank</b>				
Axis Bank Limited	-	-	21,29,176	38,90,760
<b>Vehicle Loan from Banks</b>				
HDFC Bank Limited-Mercedes CAR	33,56,420	16,11,109	49,67,526	14,72,934
Kotak Mahindra Bank Ltd	-	3,07,326	3,07,326	4,87,900
Axis Bank Limited	-	-	-	71,109
ICICI Bank Limited-CAMARY CAR	29,86,259	6,56,680	-	-
	<u>63,42,679</u>	<u>25,75,115</u>	<u>74,04,028</u>	<u>59,22,703</u>
Less :- Shown under other current Liabilities (note No 8)	-	25,75,115	-	59,22,703
	<u>63,42,679</u>	-	<u>74,04,028</u>	-

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	Date of Closure
Axis Bank Limited	Term Loan	10.50%	48 Months	1,66,666	01-05-2015	30-04-2019
Axis Bank Limited	Term Loan	11.00%	36 Months	1,39,000	30-09-2017	31-07-2020
Axis Bank Limited	Vehicle Loan	10.51%	60 Months	12,835	01-10-2015	01-09-2020
Kotak Mahindra Bank Ltd	Vehicle Loan	9.77%	60 Months	45,344	05-11-2016	-
HDFC Bank Limited	Vehicle Loan	9.50%	60 Months	25,624	07-02-2019	07-03-2021
HDFC Bank Limited	Vehicle Loan	9.00%	60 Months	1,66,067	07-02-2019	-
ICICI Bank Limited	Vehicle Loan	8.00%	60 Months	77,031	01-01-2021	-
Axis Bank Limited	Term Loan	9.60%	36 Months	1,38,889	14-08-2018	10-08-2020
Axis Bank Limited	Term Loan	9.60%	36 Months	1,38,889	30-04-2019	10-08-2020

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



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5) LONG TERM PROVISIONS

	As at March 31, 2021	As at March 31, 2020
Provision for Lease Equilisation	69,34,216	24,50,037
Provision for employee benefits		
Gratuity (Refer Note 30.1)	6,15,21,944	5,59,20,836
Leave Encashment (Refer Note 30.3)	5,71,86,466	4,36,22,420
	<u>12,56,42,626</u>	<u>10,19,93,293</u>

6) SHORT TERM BORROWINGS

	As at March 31, 2021	As at March 31, 2020
Secured		
Working Capital Loan From Banks		
Cash Credit	-	6,46,48,029
Overdraft	-	2,20,00,002
	-	<u>8,66,48,031</u>

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.

7) TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
Payable to Employees	1,37,90,181	1,07,99,374
Others Trade Payable other than Micro and Small Enterprises	1,64,25,603	2,96,23,065
Due to Micro and Small enterprises (Refer Details given in table Below )	74,55,056	16,49,762
	<u>3,76,70,840</u>	<u>4,20,72,201</u>

S. No.	Description	As at March 31, 2021	As at March 31, 2020
1	Principal amount remaining unpaid to any supplier as at the end of the accounting year.	74,55,056	16,49,762
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 Micro, Small and Medium Enterprises Development 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.	10,717	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, 2021	As at March 31, 2020
Current maturities on long term debt (Refer Note No. 4)	25,75,115	59,22,703
Advance from Customers	3,02,358	9,600
Interest Accrued but not due on borrowings	33,009	45,216
Statutory Dues Payable	3,05,18,087	3,38,54,147
Salary Payable	8,60,67,475	8,71,13,721
Other payables	11,70,80,825	1,09,62,892
	<u>23,65,76,869</u>	<u>13,79,08,279</u>

9) SHORT TERM PROVISIONS

	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
Gratuity (Refer Note 30.1)*	59,07,774	1,27,74,921
Leave Encashment (Refer Note 30.3)	1,26,43,713	1,74,74,007
Others		
Provision for income tax	7,34,49,889	-
Less: Advance Tax & TDS	(5,53,89,661)	-
	<u>1,80,60,228</u>	<u>3,02,48,928</u>

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



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Note No: 10  
**Plant Property and Equipment**

Tangible Assets	Gross Block					Depreciation			Net Block			
	As at April 1, 2020	Additions	Sales during the year	Adjustments / (Deletions) during the Year	Written off/impairment	As at March 31, 2021	As at April 1, 2020	For the year	Sales during the year	Adjustments / (Deletions) during the Year	As at March 31, 2021	As at March 31, 2020
Leasehold Land	17,95,541	-	-	-	-	17,95,541	4,50,127	21,700	-	-	13,23,714	13,45,414
Buildings	3,11,90,044	-	-	-	-	3,11,90,044	63,01,580	4,95,286	-	-	2,43,93,208	2,48,88,464
Office Equipments	1,36,33,353	7,62,132	4,91,190	-	54,37,736	84,40,943	14,40,005	10,36,448	4,30,042	45,56,541	35,72,295	51,92,510
Furniture and Fixtures	2,41,44,157	-	12,46,890	-	97,04,529	1,33,92,738	1,85,35,170	10,36,448	8,48,684	85,38,318	30,08,121	56,08,987
Plant & Equipment	1,16,50,631	-	34,54,688	-	12,45,152	69,50,791	79,25,715	5,74,594	21,21,129	11,74,119	17,45,731	37,24,916
Vehicles	2,15,85,110	46,79,200	36,53,274	-	-	2,26,11,036	94,67,035	20,31,063	27,25,005	-	1,38,37,943	1,21,18,075
Computers	6,94,91,370	4,19,84,599	2,46,17,718	-	-	5,29,48,251	3,28,47,463	1,73,08,970.00	2,04,01,141	-	2,31,92,959	3,26,33,907
Server	1,36,65,113	1,32,415	-	-	70,23,000	67,74,528	1,00,92,270	7,89,573	-	65,94,349	24,87,494	35,72,843
<b>Total (I)</b>	<b>18,31,45,319</b>	<b>1,76,58,346</b>	<b>3,33,63,761</b>	<b>-</b>	<b>2,34,10,417</b>	<b>14,39,29,487</b>	<b>9,40,60,202</b>	<b>2,36,97,610</b>	<b>2,65,26,002</b>	<b>2,03,63,328</b>	<b>7,03,68,482</b>	<b>8,90,85,117</b>

Intangible Assets	Gross Block					Depreciation			Net Block			
	As at April 1, 2020	Additions	Sales during the year	Adjustments / (Deletions) during the Year	Written off/impairment	As at March 31, 2021	As at April 1, 2020	For the year	Sales during the year	Adjustments / (Deletions) during the Year #	As at March 31, 2021	As at March 31, 2020
Software	3,82,31,070	20,41,462	-	1,00,000	3,16,61,727	85,10,805	3,37,96,193	27,39,498	-	3,13,88,719	34,23,833	44,94,877
<b>Total (II)</b>	<b>3,82,31,070</b>	<b>20,41,462</b>	<b>-</b>	<b>1,00,000</b>	<b>3,16,61,727</b>	<b>85,10,805</b>	<b>3,37,96,193</b>	<b>27,39,498</b>	<b>-</b>	<b>3,13,88,719</b>	<b>34,23,833</b>	<b>44,94,877</b>
<b>Grand Total (I) + (II)</b>	<b>22,13,76,389</b>	<b>1,96,99,808</b>	<b>3,33,63,761</b>	<b>1,00,000</b>	<b>5,50,72,144</b>	<b>15,24,40,293</b>	<b>12,77,96,396</b>	<b>2,64,37,108</b>	<b>2,65,26,002</b>	<b>5,22,52,047</b>	<b>7,54,55,455</b>	<b>9,35,79,994</b>

Previous Year (including Capital Work-in-Progress) 1,00,000

# Adjustment comprises assets identified as non usable/obsolete (except Capital Work-in-Progress & Intangible Assets under development) during the course of physical verification and written off during the year.



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## 11) NON CURRENT INVESTMENT

	As at March 31, 2021	As at March 31, 2020
<b>Long Term Investments - carried at cost</b>		
Trade Investment		
Investment in Equity Instruments		
In Equity Shares of Subsidiary Companies and Associate Company		
Unquoted, fully paid up		
JK Tech US Inc. (Formerly known as Proserve Consulting Inc.) 310,000 Shares of \$0.001 each issued at Par; Balance as Additional paid-in Capital 100% Subsidiary	10,80,030	10,80,030
JK Tech UK Limited (Formerly known as JK Technosoft (UK) Limited) 200000 Shares of £ 0.10 each issued at Par 100% Subsidiary	13,52,214	13,52,214
Diensten Tech Limited (Formerly known as 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	83,56,000	83,56,000
JKT Gulf LLC 97,500 Shares of OMR 1.00 each issued at Par 65% Subsidiary	1,58,82,523	1,58,82,523
JKT Bangladesh Pvt Ltd 64660 Shares of BDT 10 each issued at Par 100% Subsidiary	5,24,867	5,24,867
JKT GCC WLL 98 shares of BHD 50 each issued at Par 98% Subsidiary	9,04,930	9,04,930
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd) 15,30,000 Shares(PY 5,40,000) of Rs. 10 Each 90 % Subsidiary	1,53,00,000	54,00,000
Less: Provision for diminution in value of investment Provision made for E Safe Solutions Private Limited, JKT Gulf LLC, JKT Bangladesh Pvt Ltd and JKT GCC WLL	(2,75,29,288)	(1,61,99,491)
<b>Total Trade Investments (A)</b>	<b>1,58,71,276</b>	<b>1,73,01,073</b>

## 11) NON CURRENT INVESTMENT (CONT.)

	As at March 31, 2021	As at March 31, 2020
In Mutual Fund - Quoted fully paid up		
JM Basic Fund- Growth Option(246) 17996.708 units of Rs. 13.7903/- Each	2,48,180	2,48,180
In Equity Shares - Quoted fully paid up		
Reliance Industries Limited 400 Shares of Rs. 10/-	2,64,468	2,64,468
JAY KAY Enterprises Limited (Earlier JK Synthetics Limited) 12,538 Shares of Rs. 1/-	12,538	12,538
<b>Total Non - Trade Investments (B)</b>	<b>5,25,186</b>	<b>5,25,186</b>
<b>Total Non - Current Investment</b>	<b>1,63,96,462</b>	<b>1,78,26,259</b>
Aggregate amount of Quoted Investment	5,25,186	5,25,186
Market Value of Quoted Investment	20,46,176	8,65,773
Aggregate amount of Non - Quoted Investment	1,58,71,276	1,73,01,073

## 11.1) CURRENT INVESTMENTS

	As at March 31, 2021	As at March 31, 2020
<b>Investment in Equity shares (Quoted)</b>		
Balaji Amines 1553 (PY : 1553) shares of Rs.2 each of	-	3,88,638
JK Tyre and Industries 5650 (PY : 5650) shares of Rs. 2 each of	2,28,542	2,28,542
Jindal Steel and Power 5690 (PY : 5690) shares of Rs. 1each of	-	5,05,557
Andhra Cements 121000 (PY : 121000) shares of Rs. 10 each of	-	2,05,700
Alok Industries 50000 (PY : 200000) shares of Rs. 10 each of	-	2,17,500
COAL INDIA LIMITED 15500 shares of Rs.10 each of	17,55,780	-
VODAFONE IDEA LIMITED	-	-



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250000 shares of Rs.10 each of

13,65,000

33,49,322	15,45,937
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## 12) DEFERRED TAX ASSETS (NET)

## Deferred Tax Liabilities

Depreciation and Amortization  
Profit on Forward Cover M2M

## Deferred Tax Assets

Employees Benefits  
Depreciation and Amortization  
Lease Equalization reserve  
Provisions  
Deferred Tax Assets (Net)

	AS at March 31, 2021	AS at March 31, 2020
Depreciation and Amortization	(2,30,492)	(30,83,892)
Profit on Forward Cover M2M	(1,30,360)	(15,67,705)
Employees Benefits	3,99,70,082	3,77,95,484
Depreciation and Amortization	20,19,244	7,13,451
Lease Equalization reserve	4,15,41,183	1,52,68,578
Provisions	8,31,69,657	4,91,25,916
Deferred Tax Assets (Net)		

## 13) LONG TERM LOAN AND ADVANCES

## (Unsecured and Considered Good unless stated otherwise)

Security Deposit  
Considered Good  
Considered Doubtful  
Less: Provision for Doubtful security Deposits

	AS at March 31, 2021	AS at March 31, 2020
Security Deposit	2,32,11,559	2,60,97,818
Considered Good	5,54,000	-
Considered Doubtful	(5,54,000)	-
Less: Provision for Doubtful security Deposits		
	2,32,11,559	2,60,97,818

## 14) OTHER NON CURRENT ASSETS

## Fixed Deposit with Bank:

Deposits with original maturity more than 12 months  
Deposits Pledged against Margin Money/Security  
Capital Advance

	AS at March 31, 2021	AS at March 31, 2020
Deposits with original maturity more than 12 months	5,85,72,263	1,58,54,096
Deposits Pledged against Margin Money/Security	67,48,468	2,88,55,571
Capital Advance	50,00,000	-
	7,03,20,731	4,47,09,667

## CURRENT ASSETS

## 15) TRADE RECEIVABLES

## Unsecured and Considered Good, unless stated otherwise

## Outstanding for a Period Exceeding Six Months:

Considered Good  
Considered Doubtful  
Less: Provision Doubtful Debts

	AS at March 31, 2021	AS at March 31, 2020
Considered Good	22,95,135	3,35,64,987
Considered Doubtful	2,19,91,996	-
Less: Provision Doubtful Debts	(2,19,91,996)	-

## Outstanding for a Period less than Six Months:

Considered Good  
Considered Doubtful  
Less: Provision Doubtful Debts

Considered Good	19,10,99,207	29,32,15,963
Considered Doubtful	80,501	-
Less: Provision Doubtful Debts	(80,501)	-

19,33,94,342	32,67,80,950
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4,80,96,630	15,93,60,705
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Receivable includes

## Note: Disclosure of Subsidiaries &amp; Associates (Refer Note 32)

JK Tech US Inc. (Formerly known as Proserve Consulting Inc.)  
JK Tech UK Limited (Formerly known as JK Technosoft (UK) Limited)  
JKT Gulf LLC  
JKT Bangladesh Pvt Ltd  
JKT GCC WLL

JK Tech US Inc. (Formerly known as Proserve Consulting Inc.)	2,23,72,046	5,40,32,450
JK Tech UK Limited (Formerly known as JK Technosoft (UK) Limited)	2,54,51,117	8,09,47,862
JKT Gulf LLC	2,73,467	2,73,467
JKT Bangladesh Pvt Ltd	-	1,16,40,531
JKT GCC WLL	-	1,24,66,395
4,80,96,630	15,93,60,705	

## 16) CASH AND BANK BALANCES

## Cash and Cash Equivalents

Balance with Banks  
Less: Provision for Bank Balance \*  
Cash in hand

	AS at March 31, 2021	AS at March 31, 2020
Balance with Banks	13,92,94,262	2,06,44,715
Less: Provision for Bank Balance *	(1,45,901)	-
Cash in hand	26,493	96,646
	13,91,74,854	2,07,41,361

## Other Bank Balances

## Fixed Deposit with Bank:

Deposits with original maturity less than 12 months  
Deposits Pledged against Margin Money/Security (Short term deposits)

Deposits with original maturity less than 12 months	70,52,503	2,92,20,637
Deposits Pledged against Margin Money/Security (Short term deposits)	92,91,794	3,35,70,218

15,55,19,151	8,35,32,216
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\*Being the amount transfers to "DEAF" by the concerned bank because of non-operation of bank account, matter is being followed up with the authority.



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17) SHORT TERM LOANS AND ADVANCES

	As at March 31, 2021	As at March 31, 2020
Unsecured and Considered Good, unless stated otherwise		
Loan to a Body Corporate	5,00,00,000	5,00,00,000
Loans and Advances to Related Parties (Refer Note 32)		
Diensten Tech Limited (Formerly known as JKT Consulting Limited)	3,44,11,791	2,83,95,036
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)	1,00,900	4,08,62,239
Less: Provision for Doubtful Debts	(1,00,900)	(4,08,62,239)
Advance to Vendors/ Suppliers/ Others	6,91,516	15,38,008
Less: Provision for Advances	(96,461)	-
Loan and Advances to Staff (incl. FFS recovery)	25,52,432	34,68,252
Less: Provision for Advance to Staff.	(19,96,638)	-
Security deposit	-	10,64,929
Balance with Income Tax Authorities	4,06,23,166	5,38,76,203
Previous Year	4,06,23,166	5,38,76,203
	<b>12,61,85,806</b>	<b>13,83,42,328</b>

18) OTHER CURRENT ASSETS

	As at March 31, 2021	As at March 31, 2020
Unsecured and Considered Good		
Unbilled Revenue	23,81,35,373	7,00,84,804
Less: Provision for Doubtful Amount	(93,50,000)	-
Prepaid Expenses	1,63,43,199	1,18,05,046
Receivable against Forward Contract	5,32,842	69,07,734
Balance with Revenue Authorities	24,23,685	10,61,168
Interest receivable	52,79,316	47,98,352
Duties & Taxes recoverable	1,08,930	3,02,230
Other Receivable	2,36,632	43,250
	<b>25,37,09,977</b>	<b>9,50,02,584</b>

19) 19.1 CONTINGENT LIABILITIES & COMMITMENTS:

Particulars	As At 31st March 2021	As At 31st March 2020
Contingent Liabilities:		
In respect of income Tax (AY-2009-10) where the department is into appeal	1,87,39,040	1,87,39,040
Commitments:		
Guarantee given by bank	2,85,72,715	3,61,50,113

19.2. CAPITAL COMMITMENTS:

Particulars	As At 31st March 2021	As At 31st March 2020
a. Capital Commitment ( Net of advances)		
Estimated Amount of Contract in capital account remaining to be executed and not provided for	1,50,00,000	1,00,000
Total	1,50,00,000	1,00,000

20) REVENUE FROM OPERATIONS

	2020-2021	2019-2020
Income from Services		
Information Services and Consulting Services		
Domestic	55,36,90,512	52,42,65,069
Export	1,14,61,15,394	1,12,03,77,487
Deemed Export (SEZ)	7,53,21,523	7,08,35,220
Commercial Coaching and Training Services		
Domestic	2,75,96,902	3,78,10,422
Export	-	3,90,000
Deemed Export (SEZ)	55,19,065	90,03,450
Sale of Product: Computer Software	32,56,561	89,77,636
Reimbursement of Expenses:		
Reimbursement of Expenses	14,65,040	15,76,762
Reimbursement of Expenses-Export	-	2,80,66,042
Reimbursement of Expenses-SEZ	3,79,465	1,54,446
	<b>1,81,33,44,462</b>	<b>1,80,14,56,534</b>

21) OTHER INCOME

	2020-2021	2019-2020
Interest Income	1,79,71,548	1,84,07,241
Notice Period Recovery	6,83,777	27,83,358
Exchange Gain(Net)	4,01,056	1,49,65,842
Dividend	1,95,425	19,461
Excess Provision Written Off	-	47,996
Misc. Recovery	1,62,621	3,46,157
Profit on Sale of Investment	22,68,849	-
Balance Written Back	12,40,997	-
	<b>2,29,24,272</b>	<b>3,65,70,055</b>

22) Cost of Materials Consumed

	2020-2021	2019-2020
Computer Hardware & Software	45,60,469	97,91,994
	<b>45,60,469</b>	<b>97,91,994</b>

23) EMPLOYEE BENEFITS EXPENSES



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	2020-2021	2019-2020
Salaries and Wages	1,22,12,12,218	1,29,57,74,344
Contribution to provident and other funds (Refer note 30.1, 30.2 and 30.3)	5,41,85,318	7,07,09,240
Staff Welfare Expenses	2,49,27,396	2,57,06,585
	<u>1,30,03,24,932</u>	<u>1,39,21,90,169</u>

## 24) OTHER EXPENSES

	2020-2021	2019-2020
Rent (Refer Note 39)	4,63,23,915	4,67,46,228
Professional Fee	8,43,79,075	9,81,24,076
Electric, Power, Fuel and Water	76,23,104	1,50,63,187
Travelling Expenses-Domestic	26,98,278	1,72,25,856
Travelling Expenses- Foreign	8,81,046	1,75,15,652
Conveyance & Taxi Hire Charges	4,62,451	36,49,757
Internet and Networking Expenses	1,03,86,956	1,21,52,837
Insurance Premium	20,21,650	12,26,891
Telephone Expenses	12,97,317	26,94,912
Maintenance Expenses - Office	1,27,10,574	1,62,81,075
Maintenance Expenses - Computers	2,13,02,500	1,42,32,389
Business Promotion	76,824	2,77,292
Audit Fee (Refer Note 34)	11,00,000	8,00,000
Bad Debts	8,20,469	2,24,57,302
Loss on Sale of Fixed Assets	14,19,864	1,66,118
Loss on assets Written off	28,20,080	10,31,914
Repairs & Maintenance- Plant & Machinery	8,34,811	10,94,757
Rates and taxes, excluding, taxes on income.	52,46,049	27,86,526
Miscellaneous Expenses	93,49,967	2,07,98,465
Loss on sale/valuation of current investments	3,70,965	19,12,279
CSR Expenditure (Refer Note 25.1)	9,28,391	15,93,301
Recruitment Expenses	40,90,726	97,71,775
Provision for Doubtful Debts	3,43,16,312	4,08,62,239
Bank Gaurantee Invoked written off*	93,05,125	-
Cost to Complete Project	43,70,000	-
Donation & Charity	3,25,000	1,51,000
	<u>26,54,61,449</u>	<u>34,86,15,778</u>

\* During the year one of the contracts entered with the customer EIT services India P. Ltd, in which end customer is Government of Kerala of health and family welfare has encashed the Performance Bank Guarantee. Based on the Technical assessment, company has decided to write off such recovery.

## 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, 2021 is Rs. 9,28,391 (PY Rs 15,93,301)

(b) Amount spent during the year ended March 31, 2021 is Rs. 9,28,391 ( PY Rs.15,93,301)

## 26) FINANCE COST

	2020-2021	2019-2020
Interest Expenses	1,29,18,736	1,70,71,124
Other Borrowing Costs	-	5,12,500
Bank Charges	7,85,201	10,75,612
	<u>1,37,03,937</u>	<u>1,86,59,236</u>

## 27) DEPRECIATION AND AMORTISATION EXPENSES

	2020-2021	2019-2020
Depreciation on Tangible Assets	2,36,97,606	2,02,88,656
Amortization of Intangible Assets	27,39,498	46,17,589
	<u>2,64,37,104</u>	<u>2,49,06,245</u>

## 28) EXCEPTIONAL ITEMS

	2020-2021	2019-2020
Provision for Diminution in the value of Long Term Investments	1,13,29,797	1,61,99,491
	<u>1,13,29,797</u>	<u>1,61,99,491</u>

## 29) EXTRAORDINARY ITEMS \*

	2020-2021	2019-2020
Payment to DGFT Refund	6,18,60,622	-
Interest on Payment to DGFT Refund	2,32,18,960	-
	<u>8,50,79,582</u>	<u>-</u>

\* During the year, post demand from DGFT office, company has refunded the amount along with applicable interest with respect to SEIS script, incorrectly claimed & refunded to company by DGFT office in earlier years. This being the extraordinary item, hence disclosed separately in the Financials.



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## 30.1 PROVISION FOR GRATUITY

	2020-2021	2019-2020
<b>I Assumptions:</b>		
Discount Rate	6.57%	5.45%
Rate of Increase in Compensation Levels	14.00% first year;7.50% thereafter	10.00%
Rate of Return on Plan Assets	6.84%	5.45%
<b>II Changes in Present Value of Obligations During the Period (Amount in Rs.)</b>		
Present Value of Obligation as at the beginning of the period	6,99,96,442	5,41,52,373
Interest Cost	36,41,478	36,63,039
Past Service Cost	-	-
Current Service Cost	1,30,19,749	1,21,70,853
Benefit Paid	(63,60,662)	(33,24,962)
Actuarial (gain)/ loss on obligations	(1,15,56,966)	33,35,139
Present Value of Obligation as at the end of the period	6,87,40,041	6,99,96,442
<b>III Changes in the Fair value of Plan Assets during the Period</b>	<b>2020-2021</b>	<b>2019-2020</b>
Fair Value of Plan Assets at the beginning of the period	13,00,685	12,59,611
Expected Return on Plan Assets	94,608	94,671
Contributions	72,31,151	38,90,570
Benefits Paid	(63,60,662)	(33,24,962)
Actuarial Gain/ (Loss) on Plan Assets	(9,55,460)	(6,19,205)
Fair Value of Plan Assets at the end of the period	13,10,322	13,00,685
<b>IV Fair Value of Plan Assets</b>		
Fair Value of Plan Assets at the beginning of the period	13,00,685	12,59,611
Actual Return on Plan Assets	(8,60,851)	(5,24,534)
Contributions	72,31,151	38,90,570
Benefits Paid	(63,60,662)	(33,24,962)
Fair value of plan assets at the end of period	13,10,323	13,00,685
<b>V Expenses recognized in the Profit and Loss Account</b>		
Current Service Cost	1,30,19,749	1,21,70,853
Past Service Cost	-	-
Interest Cost	36,41,478	36,63,039
Expected Return on Plan Assets	(94,608)	(94,671)
Net actuarial (gain)/ loss recognized in the period	(1,06,01,507)	39,54,344
Expenses recognized in the Statement of Profit and Loss	59,65,112	1,96,93,565
<b>VI Bifurcation of Present value of Obligation at the end of the year as per Schedule III of the Companies Act, 2013</b>	<b>2020-2021</b>	<b>2019-2020</b>
Current Liability(Short term)	59,07,775	1,40,75,606
Non-Current Liability(Long term)	6,15,21,944	5,59,20,836
Present Value of Obligation as at the end	6,74,29,719	6,99,96,442

## In respect of funded defined benefit scheme of provident fund (Based on actuarial valuation)

	2020-2021	2019-2020
The following table sets out the status of Provident Fund as per the actuarial valuation as per the information available to us.		
<b>I Assumptions:</b>		
Discount Rate	6.75%	5.45%
Interest rate guarantee	8.50%	8.50%
Average Historic yield on the Investment	8.14%	8.31%
<b>II Summary of Membership Status</b>		
Number of employees	1,308	3,715
Average age(years)	32.59	32.05
Expected average future working life time(years)	7.38	3.27
<b>III Summary of Funds Status</b>		
Accumulated Account value of Employee's Fund	47,20,54,870	39,24,37,255
Value of Plan Assets	48,48,54,716	40,28,92,207
<b>IV Employer's Contribution during the previous year</b>	4,68,74,853	4,81,40,826

## Assets and Liability(Balance Sheet Position):

Particulars	For the period Ending	For the period Ending
	31st March, 2021	31st March, 2020
Accumulated Account Value of Employee's Fund	47,20,54,870	39,24,37,255
Interest Rate Guarantee Liability	1,17,09,652	47,44,886
<b>Present Value of Obligation(Total)</b>	<b>48,37,64,522</b>	<b>39,71,82,141</b>
Value of Plan Assets	48,48,54,716	40,28,92,207
Surplus/(Deficit)	10,90,194	57,10,066
Net Liability to be recognized in balance Sheet of the Company	-	-



30 PROVISION FOR LEAVE ENCASHMENT		2020-2021	2019-2020
I Assumptions:			
Discount Rate		6.54%	5.45%
Rate of Increase in Compensation Levels		14.00% first year; 7.50% thereafter	10.00%
II Changes in Present Value of Obligations During the Period (Amount in Rs.)			
Present Value of Obligation as at the beginning of the period			
Interest Cost		6,10,96,427	4,75,10,690
Current Service Cost		30,01,078	32,13,774
Benefit Paid		2,02,65,624	1,72,36,817
Actuarial (gain)/ loss on obligations		(1,20,61,564)	(79,21,163)
Present Value of Obligation as at the end of the period		(24,71,385)	10,56,309
		<b>6,98,30,180</b>	<b>6,10,96,427</b>
III Expenses recognized in the Profit and Loss Account			
Current Service Cost			
Past Service Cost		2,02,65,624	1,72,36,817
Interest Cost			
Expected Return on Plan Assets		30,01,078	32,13,774
Net actuarial (gain)/ loss recognized in the period		(24,71,385)	10,56,309
Expenses recognized in the Statement of Profit and Loss		<b>2,07,95,317</b>	<b>2,15,06,900</b>
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)		2020-2021	2019-2020
Non-Current Liability(Long term)		1,26,43,713	1,74,74,007
Present Value of Obligation as at the end		5,71,86,466	4,36,22,420
		<b>6,98,30,179</b>	<b>6,10,96,427</b>

**31) 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.

**Year Ended March 31, 2021**

Particulars	UK	USA	India	Others	(Rs.) Total
Revenue & Other Income	36,58,38,340	72,70,92,190	66,72,29,066	5,31,84,866	1,81,33,44,462
Identified Operating Expenses	21,64,55,379	40,18,65,905	66,75,42,850	2,40,21,267	1,30,48,85,401
Allocable Expenses	2,54,531	5,61,880	3,19,72,497	1,08,44,432	4,36,33,340
Unallocable expenses (Net of income)					32,17,50,323
<b>Segment Results</b>	<b>14,91,28,430</b>	<b>32,46,64,405</b>	<b>(2,72,86,281)</b>	<b>1,83,19,167</b>	<b>14,30,75,398</b>
Less: Finance cost					
Provision for Tax					1,37,03,937
Profit after Tax					<u>4,02,43,260</u>
					<b>8,91,28,201</b>

**As at March 31, 2021**

Particulars	UK	USA	India	Others	(Rs.) Total
Segment Assets	2,54,51,117	2,23,72,046	13,64,01,829	91,69,350	19,33,94,342
Unallocable Assets					80,88,47,498
<b>Total Assets</b>					<u>1,00,22,41,840</u>

**As at March 31, 2021**

Particulars	UK	USA	India	Others	(Rs.) Total
Segment Liabilities and equity					
Unallocable Liabilities and shareholder's fund					
<b>Total Liabilities</b>					<u>1,00,22,41,840</u>

**Depreciation and Amortization**

Unallocable Depreciation					
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**Non cash Items**

Capital Expenditure					1,21,50,266
					14,19,864

**Year Ended March 31, 2020**

Particulars	UK	USA	India	Others	(Rs.) Total
Revenue & Other income	32,79,63,672	74,58,99,648	65,26,23,005	7,49,70,209	1,80,14,56,534
Identified Operating Expenses	23,20,78,101	46,82,63,163	66,41,21,373	3,75,19,525	1,40,19,82,163
Allocable Expenses	88,80,352	1,35,28,131	5,46,80,474	3,90,46,657	11,61,35,614
Unallocable expenses (Net of income)					23,70,15,839
<b>Segment Results</b>	<b>8,70,05,219</b>	<b>26,41,08,354</b>	<b>(6,61,78,842)</b>	<b>(15,95,973)</b>	<b>4,63,22,918</b>
Less: Finance cost					
Provision for Tax					1,86,59,236
Profit after Tax					<u>73,19,505</u>
					<b>2,03,44,177</b>

**As at March 31, 2020**

Particulars	UK	USA	India	Others	(Rs.) Total
Segment Assets	8,09,47,862	5,40,32,450	4,21,93,053	14,96,07,585	32,67,80,950
Unallocable Assets					54,97,62,720
<b>Total Assets</b>					<u>87,65,43,670</u>

**As at March 31, 2020**

Particulars	UK	USA	India	Others	(Rs.) Total
Segment Liabilities and equity					
Unallocable Liabilities and shareholder's fund					
<b>Total Liabilities</b>					<u>87,65,43,670</u>

**Non cash Items**

Capital Expenditure					3,86,56,793
					1,66,118



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. Other than receivables, all other assets are not assigned to any Geographies and so shown under Unallocable Assets. Similarly all liabilities are not assigned to any Geographies

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## a. Name of Related Parties and description of relationship:

## Subsidiary Companies

JK Tech US Inc. (Formerly known as Proserve Consulting Inc.), USA  
 JK Tech UK Limited (formerly known as JK Technosoft (UK) Limited), UK  
 Diensten Tech Limited (Formerly known as JKT Consulting Limited)  
 JKT Gulf LLC, Sultanate of Oman  
 JKT Bangladesh Pvt Ltd, Bangladesh  
 JKT GCC WLL, Bahrain  
 E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd), India, w.e.f. 23rd July, 2020  
 JKT Netherlands B.V., Netherland

Enterprises over which directors have significant influence  
Associates Companies/ Enterprises

J. K. Cotton Limited  
 E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd), India, Up to 22nd July, 2020

## Enterprises having significant influence over the company

Dwarikashish Finance & Investment Co. Pvt Ltd.  
 Manphul Trading & Finance Co. Pvt Ltd.

## Key Management Personnel

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

## Directors

Abhishek Singhania (Director)  
 Babu Abraham (Director), Resigned W.e.f. 12th March, 2021  
 N P Agarwal (Director)  
 Maneesh Mansingka (Director)  
 Partho Pratim Kar (Director)  
 Vinay Kumar Singhal (Director), Resigned W.e.f. 18th April, 2021  
 Vipul Prakash (Director)  
 Satish Chandra Gupta (Whole Time Director)  
 Arvind Thakur (Director), W.e.f. 1st June, 2021

## Relative to Key Management Personnel

Varsha Singhania  
 Manorama Singhania  
 Vedang Hari Singhania  
 Preeti Gupta

## b. Transactions with related parties during the current year

Description	(Rs.)			
	Subsidiaries	Associated Companies/ Enterprises over which directors have significant influence	Key Management Personnel	Relatives to Key Management Personnel
<b>Sale of Services/ Product (Net of Credit Notes)</b>	<b>1,08,85,64,834</b>	-	-	-
JK Tech US Inc. (Formerly known as Proserve Consulting Inc.), USA	72,16,61,469	-	-	-
JK Tech UK Limited (Formerly known as JK Technosoft (UK) Limited), UK	36,18,70,677	-	-	-
JKT Netherlands	50,32,688	-	-	-
<b>Interest Receivable</b>	<b>35,09,664</b>	-	-	-
Diensten Tech Limited (Formerly known as JKT Consulting Limited), India	35,09,664	-	-	-
<b>Reimbursement of Expenses/Debit Note</b>	<b>16,69,962</b>	<b>30,699</b>	-	-
JK Tech US Inc. (Formerly known as Proserve Consulting Inc.), USA	3,40,869	-	-	-
JK Tech UK Limited (Formerly known as JK Technosoft (UK) Limited), UK	12,31,908	-	-	-
JKT GCC WLL, Bahrain	97,185	-	-	-
JKT Bangladesh Limited	-	-	-	-
J. K. Cotton Limited	-	30,699	-	-
<b>Remuneration Paid</b>	-	-	<b>42,95,640</b>	<b>22,46,315</b>
<b>Sitting Fees Paid</b>	-	-	<b>2,16,720</b>	-
<b>Professional Charge Paid</b>	-	-	<b>9,00,000</b>	<b>37,53,226</b>
<b>Purchase of Fixed Assets</b>	-	-	-	-
<b>Sale of Fixed Assets</b>	-	-	-	-
J. K. Cotton Limited	-	3,51,800	-	-
<b>Received against Loans/ Advance (Principal Amount)</b>	<b>1,61,13,123</b>	-	-	-
Diensten Tech Limited (Formerly known as JKT Consulting Limited), India	1,61,13,123	-	-	-
<b>Loans &amp; Advances Given</b>	<b>2,22,30,778</b>	-	-	-
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)*	1,00,900	-	-	-
Diensten Tech Limited (Formerly known as JKT Consulting Limited), India	2,21,29,878	-	-	-
<b>Balance Written off</b>	<b>4,08,62,239</b>	-	-	-
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)*	4,08,62,239	-	-	-

\* During the year the company has considered the Provision for Loan & Advance for E-safe Solution Pvt Limited Rs. 1,00,900/- (Previous Year Rs. 4,08,62,239/-) in the previous year which is included in above mentioned balance



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Description	Subsidiaries	Associated Companies/ Enterprises over which directors have significant influence	Key Management Personnel	Relatives to Key Management Personnel
<b>Sale of Services/ Product</b>	<b>1,05,00,66,842</b>	-	-	-
JK Tech US Inc. (Formerly known as Proserve Consulting Inc., USA)	72,21,03,170	-	-	-
JK Tech UK Limited (Formerly known as JK Technosoft (UK) Limited, UK)	32,79,63,672	-	-	-
JKT Bangladesh Limited	-	-	-	-
<b>Interest Receivable</b>	<b>37,63,197</b>	-	-	-
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)	-	-	-	-
Diensten Tech Limited (Formerly known as JKT Consulting Limited), India	37,63,197	-	-	-
<b>Reimbursement of Expenses</b>	<b>3,76,01,868</b>	-	-	-
JK Tech US Inc. (Formerly known as Proserve Consulting Inc., USA)	2,41,51,850	-	-	-
JK Tech UK Limited (Formerly known as JK Technosoft (UK) Limited, UK)	97,15,079	-	-	-
JKT Bangladesh Limited	37,34,939	-	-	-
<b>Remuneration Paid</b>	-	-	58,07,433	19,96,800
<b>Sitting Fees Paid</b>	-	-	1,66,665	-
<b>Professional Charge Paid</b>	-	-	9,00,000	36,00,000
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)	-	-	-	-
Diensten Tech Limited (Formerly known as JKT Consulting Limited), India	-	-	-	-
<b>Purchase of Fixed Assets</b>	<b>10,000</b>	-	-	-
Diensten Tech Limited (Formerly known as JKT Consulting Limited), India	10,000	-	-	-
<b>Balance Written off</b>	-	-	-	-
JKT Gulf LLC, Sultanate of Oman	-	-	-	-
<b>Received against Loans/ Advance (Principal Amount)</b>	<b>5,10,98,353</b>	-	-	-
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)	22,74,625	-	-	-
Diensten Tech Limited (Formerly known as JKT Consulting Limited), India	4,88,23,728	-	-	-
<b>Loans &amp; Advances Given</b>	<b>4,29,07,107</b>	-	-	-
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)	4,21,580	-	-	-
Diensten Tech Limited (Formerly known as JKT Consulting Limited), India	4,24,85,527	-	-	-
<b>Investment in Subsidiary</b>	-	-	-	-
JKT GCC WLL	9,04,930	-	-	-

## C Balance with related parties as on 31st March, 2021

(Rs.)

Description	Subsidiaries	Associated Companies/ Enterprises over which directors have significant influence	Key Management Personnel	Relatives to Key Management Personnel
<b>Loan and Advance Receivable (Principal Amount)</b>	-	-	-	-
Diensten Tech Limited (Formerly known as JKT Consulting Limited), India	3,76,58,230	-	-	-
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)	1,00,900	-	-	-
<b>Receivables</b>	-	-	-	-
JK Tech UK Limited (Formerly known as JK Technosoft UK Limited)	7,07,02,297	-	-	-
JK Tech US Inc. (Formerly known as Proserve Consulting Inc.)	10,42,73,967	-	-	-
JKT Gulf LLC, Sultanate of Oman	2,73,467	-	-	-
JKT Bangladesh private Limited	1,16,40,531	-	-	-
JKT GCC WLL	1,25,63,580	-	-	-
JKT-Netharland	-	-	-	-
J K Cotton Limited	-	4,65,349	-	-
<b>Investment in Subsidiaries</b>	-	-	-	-
JK Tech US Inc. (Formerly known as Proserve Consulting Inc.)	10,80,030	-	-	-
JK Tech UK Limited (Formerly known as JK Technosoft (UK) Limited)	13,52,214	-	-	-
Diensten Tech Limited (Formerly known as JKT Consulting Limited)	83,56,000	-	-	-
JKT Gulf LLC, Sultanate of Oman	1,58,82,523	-	-	-
JKT Bangladesh Pvt Ltd, Bangladesh	5,24,867	-	-	-
JKT GCC WLL	9,04,930	-	-	-
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)	1,53,00,000	-	-	-

During the year the company has considered the impairment amounting Rs 9,04,930/- for JKT GCC WLL which is included in above mentioned balance

During the year the company has considered the impairment amounting Rs 5,24,867/- for JKT Bangladesh Pvt Ltd, Bangladesh which is included in above mentioned balance

During the year the company has considered the impairment amounting Rs 99,00,000/- for E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd) and in the previous year the company had considered the impairment of Rs 54,00,000/- which is included in above mentioned balance

During the year the company has considered the Provision for JKT Bangladesh Rs. 37,50,000/- which is included in above mentioned balance

During the year the company has considered the Provision for JKT GCC WLL Rs. 56,00,000 which is included in above mentioned balance

During the year the company has considered the Provision for Loan & Advance for E-safe Solution Pvt Limited Rs 1,00,900/- which is included in above mentioned balance

In the previous year the company had considered the impairment amounting Rs 1,07,99,490/- in JKT Gulf LLC, Sultanate of Oman which is included in above mentioned balance

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

(Rs.)

Description	Subsidiaries	Associated Companies/ Enterprises over which directors have significant influence	Key Management Personnel	Relatives to Key Management Personnel
<b>Loan and Advance Receivable (Including Interest)</b>	-	-	-	-
Diensten Tech Limited (Formerly known as JKT Consulting Limited), India	3,17,81,913	-	-	-
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)	4,08,62,239	-	-	-
<b>Receivables</b>	-	-	-	-
JK Tech UK Limited (Formerly known as JK Technosoft (UK) Limited)	8,09,47,862	-	-	-
JK Tech US Inc. (Formerly known as Proserve Consulting Inc.)	5,40,32,450	-	-	-
JKT Gulf LLC	2,73,467	-	-	-
JKT Bangladesh private Limited	1,16,40,531	-	-	-
JKT GCC WLL	1,24,66,395	-	-	-
<b>Investment in Subsidiaries</b>	-	-	-	-
JK Tech US Inc. (Formerly known as Proserve Consulting Inc.)	10,80,030	-	-	-
JK Tech UK Limited (Formerly known as JK Technosoft (UK) Limited)	13,52,214	-	-	-
Diensten Tech Limited (Formerly known as JKT Consulting Limited), India	83,56,000	-	-	-
JKT Gulf LLC, Sultanate of Oman*	1,58,82,523	-	-	-
JKT Bangladesh Pvt Ltd, Bangladesh	5,24,867	-	-	-
JKT GCC WLL	9,04,930	-	-	-
<b>Investment in Associates</b>	-	-	-	-
E Safe Solutions Pvt Ltd (Formerly Known as JKT Learning Solutions Pvt Ltd)**	54,00,000	-	-	-

\* During the year the company has considered the impairment amounting Rs 1,07,99,490/- 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

## 33) EARNING PER SHARE

Profit for the year  
Amount available for Equity Shares  
Weighted Average number of Shares  
Earning per share

2022-2021

8,91,28,201  
8,91,28,201  
55,94,878

2019-2020

2,03,44,177  
2,03,44,177  
55,94,878

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Basic	15.93	3.64
Diluted	15.93	3.64
Face Value per share	10.00	10.00

34) PAYMENT TO STATUTORY AUDITOR

	2020-2021	2019-2020
Statutory Audit Fees	10,00,000	7,00,000
Tax Audit Fees	1,00,000	1,00,000
IFC Testing	1,00,000	-
Certification	17,500	-
	<b>12,17,500</b>	<b>8,00,000</b>

35) INCOME IN FOREIGN CURRENCY

	2020-2021	2019-2020
Consultancy Services	1,14,61,15,394	1,14,88,33,529
Others	-	-
	<b>1,14,61,15,394</b>	<b>1,14,88,33,529</b>

36) EXPENDITURE IN FOREIGN CURRENCY

	2020-2021	2019-2020
Foreign Travelling	-	56,67,876
Internet Charges	30,18,204	48,71,578
Professional Charges	50,09,117	28,30,733
Legal & Professional Charges	-	18,86,714
Purchase of Computer Software	25,80,574	-
	<b>86,07,895</b>	<b>1,52,02,951</b>

37) 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	2020-2021	2019-2020
US Dollar/ INR (Sale Contracts)	35,80,000	45,00,000
GBP/ INR (Sale Contracts)	21,60,000	17,00,000

b) The foreign currency exposures not hedged in respect of receivables (net) as at the year end are as under:

Unhedged Exposure in Currency	USD	EUR	JPY	GBP
	-	82,311	-	-

38) The company has made investments in Equity Shares aggregating to Rs. 83 lakhs in its Indian Subsidiary Company and also has given working capital loan aggregating of Rs. 375.58 lakhs as on 31st March, 2021. The company accumulating loss as at 31st March, 2021 eroded its net worth. The financial results of FY 20-21 and for the Period 21-22 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 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:

	2020-2021	2019-2020
Not later than 1 year	4,17,12,853	4,71,95,081
Later than 1 year and not later than 5 years	6,14,46,492	5,07,44,872
Later than 5 years	-	40,56,087
Lease rent paid during the year:	<b>4,18,35,771</b>	<b>4,67,46,778</b>

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

41) 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.

42) Previous year's figures have been recasted/ restated.

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

*(Signature)*  
(Naveen Aggarwal)  
Partner  
M.No. 94390  
Place: New Delhi  
Date: 29/1/2021



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

*(Signature)*

(Saish Chandra Gupta)  
Director  
DIN-01585040

*(Signature)*  
(M. Natarajan)  
Senior V.P. Finance

*(Signature)*

(N.P. Aggarwal)  
Director  
DIN-00172930

*(Signature)*  
(Saiyed Amir)  
Company Secretary