

D. P. KAPOOR & CO.

CHARTERED ACCOUNTANTS

G-15, ABW Rectangle -1, D-4 District Centre, Saket, New Delhi-110017, India
Phone: 011-46413744; E-mail: dpkca@yahoo.com

Independent Auditor's Report

To the Members of,
ARK Infosolutions Pvt. Ltd.,
New Delhi

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **ARK Infosolutions Pvt. Ltd.** ('the Company'), which comprise the balance sheet as at, **31 March 2022**, the **statement of profit and loss and the cash flow statement** for the year then ended, and 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 Standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2022**, and its **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 Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, for example, Board's Report including Annexures to Board's Report, Business Responsibility Report and Shareholder's Information, Key Highlights etc., but does not include the standalone financial statements and our auditors' report thereon.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors 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.

Auditors' 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of 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

- planning the scope of our audit work and in evaluating the results of our work; and
- 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, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1", a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the balance sheet, the statement of profit and loss and the **cash flow statement** dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) on the basis of the written representations received from the directors as on **31 March 2022** taken on record by the Board of Directors, none of the directors is disqualified as on **31 March 2022** from being appointed as a director in terms of Section 164 (2) of the Act;
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For D.P. KAPOOR & CO.
Chartered Accountants
(FRN: 002251N)


[Sanjay Kapoor]

Partner

M. No. 082492

UDIN:22082492AOUNQS7587

New Delhi

Dated: 10th Aug 2022

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Paragraph 1 under "Report on Other Legal & Regulatory Requirement" in our Independent Auditor's Report of even date, to the members of **ARK Infosolutions Pvt. Ltd. ('the Company')** on the standalone financial statements for the year ended **31st March, 2022**]

- 1) (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
(ii) The Company has maintained proper records showing full particulars of Intangible assets, as applicable.
(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of company and the nature of the assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the Information and explanations given to us, no material discrepancies were noticed on such verification.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, no Immovable properties are classified under the Note Property, plant and equipment. Accordingly, the provisions of para 3(i) (c) of the Companies (Auditor's Report) Order, 2020 is not applicable to the company..
(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.
- 2) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were, noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks/financial institutions on the basis of security of current assets namely Inventories & Receivables. The company has filed statements of Receivables & Inventory as on 30th June 2021, 30th Sep 2021, 31st Dec 2021 & 31st March 2021 with such Banks/Financial Institutions. The deviations have been dealt with by the management at Note no. 26.16 of additional notes on accounts.
- 3) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, the provisions of para 3(iii) of the Companies (Auditor's Report) Order, 2020 is not applicable to the company.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as and where applicable.
- 5) The Company has not accepted any deposits from the public. Accordingly, the provisions of para 3(v) of the Companies (Auditor's Report) Order, 2020 is not applicable to the company.
- 6) The company is not required to maintain any cost records as per section 148(1) of the Companies Act, 2013. Accordingly, the provisions of para 3(vi) of the Companies (Auditor's Report) Order, 2020 is not applicable to the company.



- 7) (a) According to the records of the company, the company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Customs duty, Cess & Statutory dues, wherever applicable. According to the information & explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at **31st March, 2022** for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes as on 31.03.2022 except the following:

Name of Statue	Nature of Dues	Demand Amount	Deposit Amount	Forum where Dispute is pending
Income Tax Act	Demand raised under Assessment of FY 2015-16	1,14,84,098	70,00,000	CIT (Appeals) 30
Income Tax Act	Demand raised under Assessment of FY 2018-19	5,54,69,070	1,11,00,000	CIT (Appeals) 30

- 8) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- 9) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not defaulted in repayments of loans or other borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or other lender.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has applied the term loan for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the fund raised on short term basis, in the nature of short-term borrowings, have not been utilised for long term purposes.
- (e) According to the information and representations given to us and on the basis of our examination of the records of the Company, the company has not taken any fund from any entity or person on account of or to meet the obligations of its subsidiary, Associate or Joint Venture.
- (f) According to the information and representations given to us and on the basis of our examination of the records of the Company, the company has not raised loan during the year on the pledge of security held in its subsidiary, Joint Venture or Associate Company.
- 10) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.




- 11) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company during the year has been noticed or reported during the course of the audit.
(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year by the company.
- 12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been duly disclosed in the financial statements as required by the applicable accounting standards.
- 14) (a) The company has an Internal audit system commensurate with the size and its nature of its business.
(b) The Internal Audit Report for the period under audit were considered by the Statutory Auditor.
- 15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- 16) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not conducted any non-banking financial or Housing Finance activity during the year. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
(c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC as part of the Group. Accordingly, clause 3(xvi)(d) of Order is not applicable.
- 17) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- 18) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable
- 19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



- 20) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the company has contributed the requisite amount as computed under section 135 of the Companies act 2013. Accordingly, clause 3(xx)(a) of the Order is not applicable.
(b) According to the information and explanations given to us and based on our examination of the records of the Company, the company does not have any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.
- 21) This being the audit report on the standalone accounts of the company, clause 3(xxi) of the Order is not applicable.

For D.P. KAPOOR & CO.
Chartered Accountants
(FRN: 002251N)


[Sanjay Kapoor]

Partner

M. No. 082492

UDIN: 22082492AOUNQS7587



New Delhi

Dated: 10th Aug 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph (2)f under "Report on Other Legal & Regulatory Requirements" in our Independent Auditor's Report of even date, to the members of the **ARK Infosolutions Pvt. Ltd. ('the Company')** on the standalone financial statements for the year ended **31st March, 2022**]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **ARK Infosolutions Pvt. Ltd. ('the Company')** as of 31 March 2022 in conjunction with our audit of financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **31 March 2022**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For D.P. KAPOOR & CO.
Chartered Accountants
(FRN: 002251N)



The signature is written in blue ink and is partially obscured by a red circular stamp. The stamp contains the text 'D.P. KAPOOR & CO.' at the top, 'New Delhi' in the center, and 'Chartered Accountants' at the bottom.

[Sanjay Kapoor]

Partner

M. No. 082492

UDIN:

22082492AOUNQ.S.7587

New Delhi

Dated: 10th Aug 2022

Balance Sheet as at 31st March, 2022

ARK INFOSOLUTIONS PVT. LTD.

CIN: U72900DL2012PTC238615

Particulars	Note No	As at 31st March, 2022 Rs. in lacs	As at 31st March, 2021 Rs. in lacs
EQUITY AND LIABILITIES			
SHAREHOLDER'S FUNDS			
Share Capital	1	10.00	10.00
Reserves and Surplus	2	4,826.56	3,772.27
		4,836.56	3,782.27
NON-CURRENT LIABILITIES			
Long-Term Borrowings	3	858.68	586.38
Other Long Term Liabilities	4	37.35	27.13
		896.03	613.51
CURRENT LIABILITIES			
Short Term Borrowings	5	12.57	-
Trade Payables	6	8,050.86	4,728.74
Other Current Liabilities	7	1,490.51	627.27
Short Term Provisions	8	470.92	232.16
		10,024.87	5,588.18
		15,757.45	9,983.96
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipments	9		
Tangible Assets		457.35	221.79
Intangible Assets		53.52	44.05
		510.87	265.84
Non Current Investments	10	970.66	794.80
Deferred Tax Assets (Net)	11	143.79	122.83
Other Non Current Assets	12	40.00	26.60
		1,665.32	1,210.07
CURRENT ASSETS			
Current Investments		-	-
Inventories	13	2,277.22	1,341.45
Trade Receivables	14	8,194.30	5,656.37
Cash and Cash Equivalents	15	2,002.76	787.75
Short Term Loans and Advances	16	172.95	44.71
Other Current Assets	17	1,444.90	943.61
		14,092.13	8,773.89
		15,757.45	9,983.96
Additional Notes on Accounts			
Significant Accounting Policies			
The Notes referred to above form an integral part of Balance Sheet			

As per our report of even date attached

For D. P. KAPOOR & CO.
Firm Registration Number 002251N
Chartered Accountants

Sanjay Kapoor
Partner
Membership No. 082492



For and on behalf of the Board of Directors

Rishi Khemka
Director
DIN 00514590

Hari Shanker Khemka
Director
DIN 00514501

Place : New Delhi
Date : 10 AUG 2022

Profit & Loss Account for the period ended 31st March, 2022

ARK INFOSOLUTIONS PVT. LTD.

CIN: U72900DL2012PTC238615

Particulars	Note No	Period ended 31st March, 2022 Rs. in lacs	Period ended 31st March, 2021 Rs. in lacs
INCOME			
Revenue from Operations	18	33,636.96	22,262.26
Other Income	19	163.31	56.37
TOTAL INCOME		33,800.27	22,318.63
EXPENSES			
Purchase of Stock-in-Trade and Services	20	27,293.20	16,385.37
Changes in Inventories of Stock-in-Trade	21	(580.19)	732.76
Employee Benefit Expense	22	3,402.09	2,825.75
Financial Costs	23	16.85	98.15
Depreciation and Amortization Expense	24	142.33	142.72
Other expenses	25	2,110.47	1,455.04
TOTAL EXPENSES		32,384.75	21,639.79
Profit before exceptional items and extraordinary items and tax		1,415.52	678.84
Exceptional Items		-	-
Profit / (Loss) before extraordinary items and tax		1,415.52	678.84
Extraordinary Items		-	-
Profit before tax		1,415.52	678.84
Tax expense:			
Current Tax		392.00	193.76
Deferred Tax Liability / (Assets)		(20.96)	(29.08)
Tax in respect of earlier years		(9.81)	23.34
Profit / (Loss) for the year		1,054.29	490.82
Earning per equity share of Rs. 10/- each			
Weighted average number of equity shares outstanding during the year		1,00,000	1,00,000
Earning per share			
(1) Basic		1,054	491
(2) Diluted		1,054	491
Additional Notes on Accounts	26		
Significant Accounting Policies	27		

The Notes referred to above form an integral part of statement of Profit & Loss

As per our report of even date attached

For D. P. KAPOOR & CO.
Firm Registration Number 002251N
Chartered Accountants

Sanjay Kapoor
Partner
Membership No. 082492



For and on behalf of Board of Directors

Rishi Khemka
Director
DIN 00514590

Hari Shanker Khemka
Director
DIN 00514501

Place : New Delhi
Date 10 AUG 2022

Cash Flow Statement for the period ended 31st March, 2022

ARK INFOSOLUTIONS PVT. LTD.

CIN: U72900DL2012PTC238615

Particulars	As at 31st March, 2022 Rs. in lacs	As at 31st March, 2021 Rs. in lacs
A. Cash Flow From Operating Activities		
Net Profit Before Tax And Extraordinary Items	1,415.52	678.84
Adjusted For :		
Depreciation	142.33	142.73
Profit on Sale of Assets	0.06	(1.58)
Interest received	(15.15)	(5.63)
Interest Paid	8.82	81.16
Operating Profit Before Working Capital Changes	1,551.58	895.53
Adjusted For :		
Sundry Creditors & Other Liabilities	3,711.26	(1,420.78)
Inventory	(935.77)	732.76
Sundry Debtors & Other Current Assets	(2,376.21)	945.38
Cash Generated From Operations	1,950.87	1,152.88
Direct Taxes Paid	(476.33)	(254.33)
Net Cash From Operating Activities	1,474.54	898.55
B. Cash Flow From Investing Activities		
Purchase Of Fixed Assets	(387.54)	(25.76)
Sale Of Fixed Assets	0.12	10.11
Investment in subsidiaries	-	(5.53)
Investment for purchase of property	(175.86)	(350.39)
Interest Received	15.15	5.63
Net Cash used in Investing Activities	(548.13)	(365.94)
C. Cash Flow From Financing Activities		
Proceeds from Long Term Bank Borrowings	284.87	343.72
Repayment of other loans	12.57	(1,328.27)
Interest Paid	(8.82)	(81.16)
Net Cash Used In/From Financing Activities	288.62	(1,065.71)
Net Changes In Cash & Bank Balances (A+B+C)	1,215.02	(533.11)
Opening Cash & Bank Balances	787.74	1,320.85
Closing Cash & Bank Balances	2,002.76	787.74
Change In Cash & Bank Balances	1,215.02	(533.11)

As per our report of even date attached

For D. P. Kapoor & Co.
Firm Registration Number 002251N
Chartered Accountants

Sanjay Kapoor
Partner

Membership No. 082492



For and on behalf of Board of Directors

Rishi Khemka
Director
DIN 00514590

Hari Shanker Khemka
Director
DIN 00514501

Place : New Delhi

Date : 10 AUG 2022

	As at 31st March, 2022 Rs. in lacs	As at 31st March, 2021 Rs. in lacs
Note 1 - Share Capital [Refer Note No. 26(15)]		
Authorized		
20,00,000 (Previous Year 20,00,000) equity shares of Rs. 10/- each	200.00	200.00
	200.00	200.00
Issued, Subscribed & Paid up		
1,00,000 (Previous year 1,00,000) equity shares of Rs. 10/- each fully paid up	10.00	10.00
	10.00	10.00

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

Particulars	31st March, 2022		31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	1,00,000	10,00,000	1,00,000	10,00,000
Shares outstanding at the end of the year	1,00,000	10,00,000	1,00,000	10,00,000

(b) Details of shareholders holding more than 5% shares in the company

Name of the Shareholder	31st March, 2022		31st March, 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Hari Shanker Khemka	40,000	40.00%	40,000	40.00%
Aditya Khemka	30,000	30.00%	30,000	30.00%
Rishi Khemka	30,000	30.00%	30,000	30.00%

(c) Details of shareholding of promoters

As at March 31st, 2022:

Name of the Shareholder	31st March, 2022		31st March, 2021		% Change
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Hari Shanker Khemka	40,000	40.00%	40,000	40.00%	0.00%
Aditya Khemka	30,000	30.00%	30,000	30.00%	0.00%
Rishi Khemka	30,000	30.00%	30,000	30.00%	0.00%

As at March 31st, 2021:

Name of the Shareholder	31st March, 2021		31st March, 2020		% Change
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Hari Shanker Khemka	40,000	40.00%	40,000	40.00%	0.00%
Aditya Khemka	30,000	30.00%	29,990	29.99%	0.03%
Rishi Khemka	30,000	30.00%	30,000	30.00%	0.00%
Rama Shankar Khemka	-	0.00%	10	0.01%	-100.00%

As per records of the company including register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Note 2 - Reserve & Surplus

	As at 31st March, 2022 Rs. in lacs	As at 31st March, 2021 Rs. in lacs
Surplus in the Statement of Profit & Loss		
Balance at the beginning of the year	3,772.27	3,281.45
Add: Net Profit for the year	1,054.29	490.82
Balance at the end of the year	4,826.56	3,772.27

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Notes to the Accounts As at 31st March, 2022

Particulars	As at 31st March, 2022 Rs. in lacs	As at 31st March, 2021 Rs. in lacs
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Note 3 - Long Term Borrowings**Secured Loans**

Term Loan from Banks - Property Loan	762.25	586.38
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Term Loan is secured by exclusive charge on property created out of Term Loan. Total term loan of Rs 7,62,24,350 (Previous Year: 5,86,38,081) includes Long term Rs. 7,62,24,350 (Previous Year: Rs.5,86,38,081) & Current Maturity Rs. NIL (Previous Year: Rs.NIL) [Refer Note: 26(12)]

Term Loan from Banks - Vehicle Loan	96.43	-
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Term loan is secured by exclusive charge on vehicle created out of Term Loan Total term loan of Rs 1,09,00,000 (Previous Year: Nil) includes Long term Rs. 96,43,131 (Previous Year: Rs.NIL) & Current Maturity Rs. 12,56,869 (Previous Year: Rs.NIL)

858.68	586.38
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Note 4 - Other Long Term Liabilities

Net obligation towards Advance Subscription [Refer Note 26(5)]	37.35	27.13
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37.35	27.13
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Note 5- Short Term Borrowings**Secured**

Cash Credit from Banks	-	-
------------------------	---	---

With Yes Bank Secured against, Exclusive Charge on Current Assets (both Present & Future of the Company), Exclusive Charge on Movable Fixed Assets (both Present & Future of the Company) & Personal Guarantee of Mr. Hari Khemka, Mr. Aditya Khemka & Mr. Rishi Khemka. Current Maturities of Long Term Debts

12.57	-
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12.57	-
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Note 6 - Trade Payables

Sundry Creditors	7,497.88	4,382.64
Net obligation towards Advance Subscription [Refer Note 26(5)]	282.43	196.14
Creditors for Expenses	270.55	149.96
8,050.86	4,728.74	

Ageing of Trade Payable (31st March 2022)

Trade Payable	0-1 Year	1-2 Year	2-3 year	More than 3 Year	Total
Payable to MSME	85.50	-	-	-	85.50
Dues of creditors other than MSME	7,856.09	106.82	1.73	0.73	7,965.37
Total	7,941.58	106.82	1.73	0.73	8,050.86

Ageing of Trade Payable (31st March 2021)

Trade Payable	0-1 Year	1-2 Year	2-3 year	More than 3 Year	Total
Payable to MSME	18.62	4.05	-	-	22.67
Dues of creditors other than MSME	4,488.54	216.22	1.31	-	4,706.07
Total	4,507.16	220.27	1.31	-	4,728.74

Note 7 - Other Current Liabilities

Employee Benefits Payable	105.28	64.69
Statutory Dues	957.87	446.03
Advance received from Customers	403.92	85.41
Others Payable	23.44	31.15
1,490.51	627.27	

Note 8 - Short Term Provisions

Provision for employees benefits		
Bonus Payable	12.23	16.21
Leave Encashment Payable	28.41	21.87
Net Obligation towards Gratuity Fund [Refer Note 26(6)]	38.28	0.32
Provision for Taxation	392.00	193.76
470.92	232.16	

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31st March, 2022

ARK INFOSOLUTIONS PVT. LTD.

Note 9 - Property, Plant and Equipments

Rs. in lacs

Particulars	GROSS BLOCK (At Cost)				DEPRECIATION			NET BLOCK	
	As at 01-Apr-21	Additions during the year	Deduction during the year	As at 31-Mar-22	As at 01-Apr-21	for the year	Adjustment during the year	As at 31-Mar-22	As at 31-Mar-21
Tangible Assets									
Office Equipment	143.67	111.82	-	255.49	120.12	30.07	-	150.19	23.55
Computers & Peripherals	273.74	112.31	3.21	382.84	228.36	55.61	3.03	280.94	45.38
Furniture, Fixture & Fittings	299.80	0.35	-	300.15	174.72	32.48	-	207.20	125.08
Plant & Machinery	0.64	-	-	0.64	0.48	0.03	-	0.51	0.16
Vehicle	233.79	138.06	-	371.85	210.00	7.58	-	217.58	154.27
Creative Lab	55.48	-	-	55.48	51.65	1.03	-	52.68	23.79
Total	1,007.13	362.54	3.21	1,366.45	785.33	126.80	3.03	909.10	221.79
Intangible Assets									
Computer Software	198.90	25.00	-	223.90	154.85	15.53	-	170.38	44.05
Total	198.90	25.00	-	223.90	154.85	15.53	-	170.38	44.05
Grand Total	1,206.03	387.54	3.21	1,590.35	940.19	142.33	3.03	1,079.48	265.84
Previous Year	1,233.96	25.76	53.69	1,206.03	842.62	142.73	45.16	940.19	391.34

Note: The Life of Creative Lab has been estimated at 5 Years & Depreciated accordingly.

Note: The Life of Computer Software has been estimated at 6 Years considering its utility and annual renewal subscriptions incurred to support the software. Depreciation has been provided accordingly.



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Particulars	As at 31st March, 2022 Rs. in lacs	As at 31st March, 2021 Rs. in lacs				
Note 10 - Non Current Investment						
Investment in Equity Shares (Unquoted)	-	-				
Investment in Shares of Subsidiary Company	-	-				
- ARK Infosolutions Asia Pte Ltd (100 equity shares of SGD 100 each)	5.53	5.53				
Investment for Purchase of Property under construction [Refer Note 26(12)]	965.13	789.27				
	970.66	794.80				
Note 11 - Deferred Tax Assets (Net)						
Deferred Tax Assets [Refer Note 26(4)]	143.79	122.83				
	143.79	122.83				
Note 12- Other Non Current Assets						
- Unsecured, considered good						
- Security Deposits	40.00	26.60				
	40.00	26.60				
Note 13 - Inventories						
(As taken, valued & certified by management) [Refer Note No. 27]						
Trading Goods						
Goods at Port/Transit [Refer Note No. 26(13)]	1,881.87	1,318.05				
Goods on High seas [Refer Note No. 26(14)]	39.77	23.40				
	355.58	-				
	2,277.22	1,341.45				
Note 14 - Trade Receivables						
Trade Receivables (As at 31.03.2022)	0-6 Months	6M - 1 Year	1-2 Years	2-3 Years	More than 3 Year	Total
Undisputed Considered Good	7,492.45	14.19	76.26	31.00	0.05	7,613.96
Undisputed Considered Doubtful	4.04	-	22.64	566.72	3.15	596.55
Disputed Considered Good	15.93	2.36	59.89	78.97	1.92	159.07
Disputed Considered Doubtful	0.09	29.10	8.05	31.63	21.57	90.44
Total	7,512.51	45.65	166.84	708.32	26.69	8,460.01
Less: Provision for doubtful debts						265.71
Net						8,194.30
Trade Receivables (As at 31.03.2021)	0-6 Months	6M - 1 Year	1-2 Years	2-3 Years	More than 3 Year	Total
Undisputed Considered Good	4,816.78	15.76	249.36	10.06	5.71	5,097.68
Undisputed Considered Doubtful	-	3.68	489.09	105.81	-	598.58
Disputed Considered Good	5.86	40.09	61.52	-	2.87	110.34
Disputed Considered Doubtful	-	-	61.44	2.33	6.58	70.36
Total	4,822.64	59.54	861.41	118.21	15.16	5,876.96
Less: Provision for doubtful debts						220.59
Net						5,656.37
Note 15- Cash and Bank Balances						
Balance with Banks						
Current Accounts		698.36	652.08			
Fixed Deposits > 12 months maturity - Pledged		13.05	10.07			
Fixed Deposits > 12 months maturity - Unpledged		14.92	9.28			
Other Fixed Deposits - Pledged		123.75	66.34			
Other Fixed Deposits - Unpledged		1,138.95	36.03			
Cash in hand		13.73	13.95			
		2,002.76	787.75			
Note 16- Short Term Loans & Advances						
- Unsecured, considered good						
Staff Advance		58.58	16.47			
Advance to Suppliers		114.37	28.24			
		172.95	44.71			
Note 17 - Other Current Assets						
Due from Revenue Authorities		1,286.68	840.24			
Interest Receivable on FDR		15.05	6.79			
Prepaid Expenses		101.28	70.18			
Security Deposit		41.50	24.90			
Others		0.39	1.50			
		1,444.90	943.61			
Note 18 - Revenue From Operation						
Domestic Sales of Products		30,484.49	19,599.55			
Export Sales of Products		213.05	124.46			
Domestic Sale of Subscription and Services		2,857.84	2,357.59			
Export Sale of Subscription and Services		81.58	180.66			
		33,636.96	22,262.26			

Mr. J. K. Kapoor



Notes to the Accounts As at 31st March, 2022

Particulars	As at 31st March, 2022 Rs. in lacs	As at 31st March, 2021 Rs. in lacs
Note 19 - Other Income		
Interest Income	23.22	25.32
Rental Income	26.25	26.25
Gain/(Loss) on Sale of Assets	(0.06)	1.57
Balances Written back	113.90	3.23
	163.31	56.37
Note 20 - Purchase of Stock In Trade and Services		
Purchase of Stock In Trade	25,299.85	14,973.98
Purchase of Subscription and Cost of Services	2,016.22	1,558.71
Foreign Exchange Currency Fluctuation	(22.87)	(147.32)
	27,293.20	16,385.37
Note 21 - Change in Inventories of Finished goods		
Closing Stock		
-Trading Goods	1,921.64	1,341.45
Less: Opening Stock		
-Trading Goods	1,341.45	2,074.21
Increase/(Decrease) in Stock	580.19	(732.76)
Note 22 - Employees Benefits Expenses		
Salaries, Wages & Other Benefits	3,277.92	2,738.33
Contribution to provident and Other funds	66.42	60.53
Gratuity	42.95	16.32
Staff Welfare expenses	14.80	10.57
	3,402.09	2,825.75
Note 23 - Financial Cost		
Interest on Unsecured Loan	8.39	28.22
Interest on Others	0.43	52.94
Bank Charges	8.03	16.99
	16.85	98.15
Note 24 - Depreciation and Amortization Expense		
Depreciation for the year (Refer Note No. 9)	142.33	142.72
	142.33	142.72
Note 25 - Other Expenses		
Antipiracy and Lead Generation	359.32	327.75
Balances Written Off	46.75	27.66
Charity & Donation	17.38	34.09
Commission	395.50	198.75
Computer & Software Subscription	159.60	103.10
Electricity & Water	16.64	16.34
Insurance	6.11	3.25
Legal & Professional	195.59	109.33
Marketing, Selling and Freight Outward	261.71	209.47
Office Maintenance	3.64	1.56
Payment to Auditor		
Audit Fees	6.00	6.00
Other Services	11.15	9.40
Postage & Courier	14.69	4.93
Printing & Stationery	13.10	5.12
Provision For Doubtful Debts	45.12	32.98
Rates & Taxes	1.66	4.34
Recruitment	2.87	2.73
Rent	135.73	130.30
Repair & Maintenance	30.28	17.78
Running & Maintenance	13.19	7.51
Telephone & Fax	41.89	30.02
Training	35.38	23.05
Travelling & Conveyance	242.91	78.63
Others	54.26	70.95
	2,110.47	1,455.04



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Note 26 : Additional Notes on Accounts

	Current Period 31st March, 2022 Rs. in lacs	Previous Period 31st March, 2021 Rs. in lacs
1 Expenditure in Foreign Currency		
Professional and Consultancy Fees	53.63	31.70
Others	23.11	46.32
	76.74	78.02
2 Earnings in Foreign Currency		
Export of Goods	213.05	124.46
Export of Services	81.58	180.66
	294.63	305.12
3 Value of Import calculated on CIF basis		
Trading Goods and Services	13,712.81	8,031.89
	13,712.81	8,031.89

4 Deferred Taxes

Income tax expense is accrued in accordance with Ind AS-12 accounting for taxes on income which includes current taxes and deferred taxes. Deferred income taxes reflect the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing difference of earlier years. Deferred assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available.

The DTA appearing in the Balance sheet is arrived at as under

	Current Period 31st March, 2022	Previous Period 31st March, 2021
DTA Towards Depreciation	57.05	57.65
DTA Towards Expenses	86.74	65.18
Net (DTL) / DTA	143.79	122.83

5 Advance Revenue Recognition

Current Revenue Recognition	Current Period 31st March, 2022		
	Income	Expenditure	NET
Total Current Year Subscription	1,510.61	1,008.17	502.44
Less: Advance Subscription			
Long Term	95.92	61.07	34.85
Short term	645.23	387.42	257.81
Current Subscription	769.46	559.69	209.78
Add: Advance Subscription Maturing in Current Year	559.07	362.93	196.14
Total Current Subscription	1,328.53	922.61	405.92
Net Obligations towards Advance Subscriptions		Long Term	Short Term
Net Advance Subscription of Current Year		34.85	257.81
Add: Net Advance Subscription of Previous Year		2.50	24.63
Total Net Obligations towards Advance Subscriptions		37.35	282.44

6 Employee Benefits

As per Ind AS - 19 "Employee Benefits", the required disclosures of Employee Benefits to the extent applicable to the company are given below:

(A) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expense for the year are under:

Particulars	Current Period 31st March, 2022	Previous Period 31st March, 2021
Employer's Contribution to Provident Fund	63.20	56.15
Employer's Contribution to Employees State Scheme	3.22	4.38

(B) Defined Benefit Plan

The Present value of obligation is determined based on actuarial valuation using the projected unit credit method as at the balance sheet date which recognise each period of service as giving rise to additional unit of employee benefit entitlement each unit separately to build up the final obligations.

(i) Changes in Present Value of obligation during the period

Particulars	Current Period 31st March, 2022	Previous Period 31st March, 2021
Present Value of the obligation at the beginning of the period	123.76	114.57
Current Service Cost	32.35	25.52
Past Service Cost		
Interest Cost	8.43	7.88
Actuarial Gain/Loss on obligations	10.30	(10.47)
Benefit Paid	(8.26)	(13.74)
Present Value of the obligation at the end of period	166.57	123.76

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Note 26 : Additional Notes on Accounts

(ii) Changes in Fair Value of the Plan Assets during the period		
Particulars	Current Period 31st March, 2022	Previous Period 31st March, 2021
Fair Value of the Plan Assets at the beginning of the period	123.43	112.85
Expected return on Plan Assets	8.46	7.34
Actuarial Gain/Loss on Plan Assets	(0.33)	(0.72)
Employer Contribution	5.00	17.72
Benefit Paid	(8.26)	(13.74)
Fair Value of the Plan Assets at the end of the period	128.29	123.43
(iii) The amount to be recognized in Balance Sheet		
Particulars	Current Period 31st March, 2022	Previous Period 31st March, 2021
Fair Value of the Plan Assets at the end of the period	128.29	123.43
Present Value of the obligation at the end of period	166.57	123.76
Net Assets / (Liability) Recognized in the Balance Sheet	(38.28)	(0.32)
(iv) Actuarial Gain/Loss recognized for the period		
Particulars	Current Period 31st March, 2022	Previous Period 31st March, 2021
Actuarial gain/(loss) for the period – Obligation	(10.30)	10.47
Actuarial (gain)/loss for the period - Plan Assets	0.33	0.72
Total (gain) / loss for the period	10.63	(9.74)
Actuarial (gain) / loss recognized in the period	10.63	(9.74)
Unrecognized actuarial (gains) / losses at the end of period	-	-
(v) Expense Recognized in the Statement of Profit & Loss during the year (under the head "Employee benefit Expense" in Note 20)		
Particulars	Current Period 31st March, 2022	Previous Period 31st March, 2021
Current Service Cost	32.35	25.52
Past Service Cost	-	-
Interest Cost	8.43	7.88
Expected Return on Plan Assets	(8.46)	(7.34)
Actuarial Gain or Loss	10.63	(9.74)
Expense Recognized in the statement of Profit and Loss	42.95	16.32
(vi) Amount to be recognised in Balance Sheet		
Particulars	Current Period 31st March, 2022	Previous Period 31st March, 2021
Present Value of the obligation at the end of period	166.57	123.76
Plan Assets	128.29	123.43
Surplus (Deficit) (B-A)	(38.28)	(0.32)
Experience adjustment on plan liabilities Gain/Loss	-	-
Experience adjustment on plan Assets Gain/Loss	(38.28)	(0.32)
(vii) Actuarial Assumptions		
Particulars	Current Period 31st March, 2022	Previous Period 31st March, 2021
Mortality Table (LIC)	2006-2008	2006-2008
Discount Rate (Per Annum)	6.81%	6.81%
Expected rate of return on Plan Assets (Per Annum)	6.50%	6.50%
Rate of escalation in salary (Per Annum)	7.00%	7.00%
The estimates of rate of escalation in salary as considered in actuarial valuations take into account inflation, seniority, promotion and other relevant factors including supply and demand in employment market. The above information is certified by the actuary.		
(viii) Reconciliation Statement of Expenses in the statement of Profit & Loss		
Particulars	Current Period 31st March, 2022	Previous Period 31st March, 2021
Present Value of the obligation at the end of period	166.57	123.76
Present Value of the obligation at the beginning of the period	(123.76)	(114.57)
Benefits Paid	-	-
i) Directly Paid by the Enterprise	8.26	13.74
ii) Payment made out of fund	-	-
Actual Return on Plan Assets	(8.12)	(6.61)
Expenses Recognized in the statement of Profit & Loss	42.95	16.32
(ix) Summary of Gratuity Fund Value		
Particulars	Current Period 31st March, 2022	Previous Period 31st March, 2021
Present Value of the obligation at the end of period	166.57	123.76
Amount charged to Profit & Loss statement	42.95	16.32
Fair Value of the Plan Assets at the end of the period	128.29	123.43



Note 26 : Additional Notes on Accounts

- 7 Based on the responses received from certain suppliers, the Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT). The disclosure pursuant to the said MSMED Act are as follows:

Particulars	Current Period	Previous Period
	31st March, 2022	31st March, 2021
Principal amount due to suppliers registered under the MSMED Act, and remaining unpaid as at year end	0.76	0.32
Interest due to suppliers registered under the MSMED Act, and remaining unpaid as at year end (Only Micro and Small)	1.24	0.83
Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	134.04	19.33
Interest paid, other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act beyond the appointed day during the year	NIL	NIL
Interest paid, under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	3.20	NIL
Interest due and payable towards suppliers, registered under MSMED Act, for payments already made	1.23	0.80
Further interest remaining due and payable for earlier years	-	2.38

8 **Contingent Liabilities Not Provided for in respect of**

Particulars	Current Period	Previous Period
	31st March, 2022	31st March, 2021
Guarantees issued by the Company's banker's on behalf of the Company	328.29	28.26
First Loss Default Guarantee	47.50	47.50
	375.79	75.76

In the opinion of the management, current assets and loan and advances have a value on realization in ordinary course of business at least equal to the amount at which they are stated.

- 10 Balances of certain trade receivables, trade payables, other liabilities and other advances are in process of confirmation and/or reconciliation.

- 11 Foreign exchange derivatives and exposures outstanding at the year end:

Particular	Current Period (31st March, 2022)		Current Period (31st March, 2021)	
	\$ in Lacs	Rs. in lacs	\$ in Lacs	Rs. in lacs
Open Exposures				
Payables: Unhedged (Previous Year : Unhedged)	48.26	3,658.18	25.83	1,870.44
Payables: Hedged (Previous Year : Hedged)	-	-	10.00	724.70
Receivables: Unhedged (Previous Year: Unhedged)	1.06	80.26	0.66	48.10

- 12 The Company has made an investment in an apartment in Trump Towers, Gurgaon for a total consideration of Rs.11.99 Crs against which ICICI Bank has sanctioned a loan of Rs.9.11 Crs under the subvention scheme. The said investment is linked to construction and till 31st March 2022 an investment of Rs.9.65 Crs has been made of which Rs.7.62 Crs has been financed by ICICI Bank. As per the documentation executed for the loan facility with ICICI Bank the developer shall bear the cost of Interest till 31st March 2022, further the developer vide letter of comfort dated 10th Sep 2019 has committed that in the event of the unit being offered for possession after 31st March 2022 (i.e. the subvention period) the developer will seek extension of the subvention period and will bear the interest component for an extended subvention period as well, till the notice of possession for the said apartment / unit is received.

- 13 Goods at port represents consignments in respect of which bill of entry has been issued but these are yet to reach the company godowns. These consignments form part of purchases.

Goods on high seas represents consignments which have been invoiced by the vendor, but has not reached/cleared by the indian customs. These consignments are reported as goods on high seas and the vendor is credited but these do not form part of purchases. In the following year purchases are being recognised after bill of entry is issued by customs department.

- 15 The company by its resolution dated 21st March 2022 authorized 10% buyback of its own fully paid equity shares of face value of Rs 10/- each. On 12th April 2022, the company has bought back 10% of fully paid up equity shares of the company from the existing shareholders of the Company, on a proportionate basis, at the rate of Rs 3,943/- per equity share for an aggregate amount of 3,94,30,000/-

- 16 The company is regularly giving monthly statement to its banker which includes details of debtors and stock which are in agreement with books of accounts except as detailed below:

Particular	Type	As per books	As per DP Statement	Short Reported	Excess Reported	Remarks
30-Jun-21	Debtors*	4,688.21	3,990.10	698.11	-	Certain receivables considered doubtful of recovery were not reported to the bank
	Stock	1,664.18	1,664.18	-	-	
30-Sep-21	Debtors*	5,045.37	5,084.09	-	38.72	The difference is not material
	Stock	1,455.30	1,455.30	-	-	
31-Dec-21	Debtors*	6,823.02	6,414.91	408.11	-	Certain receivables considered doubtful of recovery were not reported to the bank
	Stock	1,747.33	1,749.77	-	2.44	
31-Mar-22	Debtors*	8,056.09	8,111.32	-	55.23	The difference is not material
	Stock	2,301.79	1,913.15	388.64	-	

* Debtors reported are net of advance received from customers

- 17 In pursuant to Section 135 of the Companies Act, 2013, the company was required to make CSR expenditure of Rs.16,92,839 and company has made a total of Rs. 17,00,000 for construction of building, School and Rehabilitation. We declare that there was no short fall in CSR expenditure neither in any of the previous year nor in current year.

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	Current Period 31st March, 2022 Rs. in lacs	Previous Period 31st March, 2021 Rs. in lacs
18 Details of transactions with related parties		
1) Associate Companies		
a) Aditya Infotech Ltd.		
Rental Income for Furniture & Fixture	21.00	21.00
Rent Paid	28.13	25.94
Electricity Reibursement paid	10.12	9.86
Outstanding at the year end:		
Trade Payables	-	2.33
b) Trendsetters Infoservices LLP		
Purchase of Services	320.46	313.37
Rental Income for Furniture & Fixture	5.25	5.25
Electricity Reibursement received	3.59	-
Outstanding at the year end:		
Trade Payables	28.84	26.94
2) Direct Subsidiary Companies:		
a) ARK Infosolutions Asia Pte Ltd		
Outstanding at Year end:		
Investments	5.53	5.53
3) Key Management Personnel:		
a) Hari Shanker Khemka		
Rent expense	3.15	3.15
b) Rishi Khemka		
Remuneration paid	240.86	224.35
Additional Remuneration	407.24	213.86
Medical reimbursement	0.17	0.06
Electricity Reimbursement	1.89	5.80
Rent expense	43.76	43.76
Security Exp	1.78	1.78
Vehicle	0.40	2.25
Internet	-	0.21
Interest Exp	8.32	23.00
Outstanding at the year end:		
Remuneration and others	17.50	7.03

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19 Below are key Ratios:-

Particulars	Numerator	Denominator	Current Period		% Change during the period	Explanation for major changes in Ratios
			31st March, 2022	Previous Period 31st March, 2021		
Current Ratio	Total current assets	Total current liabilities	1.41	1.57	-10.5%	
Debt-Equity Ratio	Total Debt	Share holder's Equity	0.18	0.16	16.2%	
Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	72.00	7.44	867.9%	Earning has increased and Financial cost has decreased
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventories	14.76	10.02	47.3%	
Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivables	4.86	3.84	26.3%	
Trade Payable Turnover Ratio	Total Purchases	Average trade payables	4.27	3.13	36.4%	
Net Capital Turnover Ratio	Revenue from operations	Closing Working capital (i.e. Total current assets less Total current liabilities)	8.27	6.99	18.3%	
Return on equity Ratio	Net Profit after Tax for the year	Average Share holder's Equity	21.8%	13.0%	68.0%	
Net Profit Ratio	Net Profit after Tax for the year	Revenue from operations	3.1%	2.2%	42.2%	
Return on capital employed	Profit before tax and finance costs	Capital employed = Net worth + Total Debt + Deferred tax liabilities	25.7%	18.3%	40.7%	Due to higher net profits ratios have improved
Return on Investment	Net Profit after Tax for the year	Average Share holder's Equity	27.9%	14.9%	86.9%	



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Note 27 : Significant Accounting Policies and Practices**1 Basis of Preparation**

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, on accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rule, 2014, the provision of the Act (to the extent notified). The accounting policies, except stated otherwise, have been consistently applied by the company. The Financial statements are in Indian Rupees presented in lacs.

2 Recognition of Income and Expenditure:

- (i) Revenues / Incomes and Costs / Expenditure are generally accounted on accrual, as they are earned or incurred.
- (ii) Sale of goods is recognized on transfer of risk and rewards of ownership, which is generally on the dispatch of goods.
- (iii) Subscription revenue is recognized ratably over the term of the subscription. The term of our subscription is typically between one to three years.

3 Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles required estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

4 Property, Plant and Equipment:

Property, Plant and Equipments are recorded at cost of acquisition less accumulated depreciation and impairment losses, if any. Costs include cost of acquisition or constructions including incidental expenses thereto and other attributable costs of bringing to its working condition for its intended use.

Depreciation on fixed assets is provided on "Written down Value Method" in accordance with useful life prescribed in schedule II of the Companies Act, 2013. In case of assets acquired prior to 1st April 2014 carrying value of the assets (Net of residual value) is depreciated over the remaining useful life as determined effective 1st April 2014.

5 Value of Inventories:

Inventories are valued at cost or market value whichever is lower. The Cost formula applied for inventories is determined on weighted average basis.

6 Foreign currency transactions

Transaction denominated in foreign currency are recorded at exchange rate prevailing at the time of transaction. Monetary item denominated in foreign currency at the year end translated at exchange rates prevailing at Balance Sheet date. Premium in respect of forward contract is accounted over the period of contract. Exchange differences arising on settlement / translation of monetary items including forward contract are dealt in the statement of Profit & Loss account.

7 Employee Benefits**A: Defined Contribution Plan:-**

- (i) Provident Fund – Contribution to the Provident Fund as per provisions of Employees Provident Fund Act 1952 is remitted to the PF Commissioner. Employer's Contribution to the Provident Fund is charged to the Profit & Loss Account.
- (ii) ESI- Contribution to state plan viz. Employee's State Insurance Scheme is charged to the profit and loss account.

B: Defined Benefit Plan:-

The company's liability under payment of Gratuity Act is determined on the basis of actuarial valuation made at the end of the financial year using the projected unit credit method. Actuarial gain and losses are recognized immediately in the profit and loss account as Income / expenses. Obligation is measured at the present value of estimated cash flow using a discounted rate that is determined by reference to market yield at the balance sheet date on Government Bonds.

C: Short term Employee Benefits:-

Leave Encashment benefits are provided on the basis of calculation made by the Company based on the basic salary of the Employees and charged to the profit and loss account.



Note 27 : Significant Accounting Policies and Practices**8 Borrowing Costs**

Borrowing costs charged to the Profit and Loss Account include interest and bank charges on bank borrowings and short and long term borrowings.

9 Segment Reporting

The Company is engaged mainly in the business of marketing and distribution of Software, Hardware & Services. Since all the activities of the Company are related to the main activity and Geographical Segments are more or less uniform in terms of risk and economic considerations, there are no reportable segments as per Ind AS 108 on Segment Reporting.

10 Earnings Per Share

Earnings per Share (EPS) are computed on the basis of net profit after tax for the year. The number of shares used in computing basic EPS is weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, since there are no dilutive equity shares.

11 Provisions and Contingent Liability

The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and reliable estimate can be made of the amount of obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

12 Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature. The cash flows from operating, investing and financing activities of the Company are segregated.

13 Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on Internal / External factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the profit & loss account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting period is reversed if there has been change in the estimate of the recoverable amount.

14 Other income is recognized on accrual basis**15 Previous Year figures have been regrouped / rearranged, where ever necessary.**

As per our report of even date attached

For D. P. KAPOOR & CO.
Firm Registration Number 002251N
Chartered Accountants

Sanjay Kapoor
Partner
Membership No. 082492



For and on behalf of the Board of Directors


Rishi Khemka
Director
DIN 00514590


Hari Shanker Khemka
Director
DIN 00514501

Place : New Delhi
Date 10 AUG 2022