Date: 30th August, 2022

To,

National Stock Exchange of India Limited “Exchange Plaza”, C-1, Block – G Bandra – Kurla Complex Bandra (East), Mumbai – 400051 Symbol: SOFTTECH	BSE Limited Floor 25, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400001 Scrip Code: 543470

Dear Sir/ Madam,

Subject: Intimation regarding Notice of 26th Annual General Meeting (“AGM”) and Annual Report 2021-22

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), please find enclosed the Annual Report of the Company for the financial year 2021-22 along with the Notice of 26th Annual General Meeting (“AGM”) to be held on Thursday, 22nd September, 2022 at 3:30 P.M. (IST) through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"). The same is also being sent through electronic mode to all those members whose e-mail addresses are registered with the Company / Depositories / Registrar & Share Transfer Agent.

The Annual Report including the Notice of AGM for the Financial Year 2021-22 is available and can be downloaded from the Company's website at www.softtech-engr.com.

You are requested to take the same on record.

Thanking You,

Yours faithfully

FOR SOFTTECH ENGINEERS LIMITED

Patwardhan

SoftTech Engineers Limited Pune India

AISHWARYA PATWARDHAN
COMPANY SECRETARY

NOTICE OF 26TH ANNUAL GENERAL MEETING

NOTICE is hereby given that Twenty Sixth Annual General Meeting of the Members of SoftTech Engineers Limited will be held on Thursday, 22nd September, 2022**,** at 3:30 P.M through video conferencing ('VC') / other audio visual means ('OAVM') to transact the following business:

A. **Ordinary Business:**

1. To receive, consider and adopt the Standalone and Consolidated Audited financial statements as on 31st March, 2022 and the Reports of the Board of Directors and the Auditors thereon.

2. To appoint a director in place of Mrs. Priti Gupta (DIN: 01735673), who retires by rotation and, being eligible, offers herself for re-appointment.

B. Special Business:

3. To appoint Dr. Rakesh Kumar Singh (DIN: 02294988) as an Independent Director of the Company and in this regard, pass the following resolution as **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule IV to the Act, and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("Listing Regulations")** (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to recommendation by Nomination and Remuneration Committee and the Board of Directors of the Company, Dr. Rakesh Kumar Singh (DIN: 02294988), who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) and other applicable provision of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160 (1) of the Act from a Member signifying his intention to propose candidature of Dr. Rakesh Kumar Singh (DIN: 02294988) for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 (Five) years with effect from 12th August, 2022 to 11th August, 2027 subject to necessary approvals.

RESOLVED FURTHER THAT the Director so appointed to the Board of Directors of the Company ("Board") shall be entitled for such amount of sitting fees, commission, etc. as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time subject to the applicable provisions of the Act and the Rules made thereunder.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respect including but not limited to filing of appropriate forms, returns or documents with the Registrar of Companies, Pune."

4. To re-appoint Mr. Rahul Gupta (DIN: 00024732) as an Independent Director of the Company and in this regard, pass the following resolution as **Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule IV to the Act, and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("Listing Regulations")** (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to recommendation by Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Rahul Gupta (DIN:

00024732), who holds office of Independent Director upto 2nd March, 2023 and who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) and other applicable provision of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160 (1) of the Act from a Member signifying his intention to propose candidature of Mr. Rahul Gupta (DIN: 00024732) for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 (Five) years with effect from 3rd March, 2023 to 2nd March, 2028 subject to necessary approvals.

RESOLVED FURTHER THAT the Director so appointed to the Board of Directors of the Company ("Board") shall be entitled for such amount of sitting fees, commission, etc. as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time subject to the applicable provisions of the Act and the Rules made thereunder.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respect including but not limited to filing of appropriate forms, returns or documents with the Registrar of Companies, Pune."

5. To re-appoint Mr. Sridhar Pillalamarri (DIN: 00026018) as an Independent Director of the Company and in this regard, pass the following resolution as **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any,of the Companies Act, 2013 (the Act) read with Schedule IV to the Act, and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **("Listing Regulations")** (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to recommendation by Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Sridhar Pillalamarri (DIN: 00026018), who holds office of Independent Director upto 2nd March, 2023 and who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) and other applicable provision of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160 (1) of the Act from a Member signifying his intention to propose candidature of Mr. Sridhar Pillalamarri (DIN: 00026018) for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 (Five) years with effect from 3rd March, 2023 to 2nd March, 2028 subject to necessary approvals.

RESOLVED FURTHER THAT the Director so appointed to the Board of Directors of the Company ("Board") shall be entitled for such amount of sitting fees, commission, etc. as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time subject to the applicable provisions of the Act and the Rules made thereunder.

RESOLVED FURTHER THAT The Board of Directors of the Company be and are hereby authorized to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate to give effect to this resolution in all respect including but not limited to filing of appropriate forms, returns or documents with the Registrar of Companies, Pune."

6. To consider and approve payment and revision in remuneration to Mr. Vijay Gupta (DIN: 01653314), Managing Director of the Company and in this regard, pass the following resolution as **Special Resolution:**

RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder read with the limits under Schedule V; including any statutory modification or re-enactment thereof, and Regulation 17 of SEBI (Listing Obligation and disclosure Requirements)

(Amendment) Regulation, 2018 (SEBI LODR Regulation) and other applicable provisions, if any, or any other law and as recommended by Nomination and Remuneration Committee and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard, the consent of the members of the Company be and is hereby accorded for increase in remuneration payable to Mr. Vijay Gupta (DIN: 01653314), Managing Director of the Company , which is/may be in excess of threshold limit prescribed under the SEBI LODR Regulation and the Companies Act, 2013, with effect from 1st April, 2022 for his remaining tenure on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Human Resources, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the remuneration.

RESOLVED FURTHER THAT the extent and scope and salary and perquisites of Mr. Vijay Gupta be altered, enhanced, widened or varied by the Board of Directors in accordance with the provisions of the Companies Act, LODR Regulation and other applicable regulations as may be required and the Board is authorised to do all such acts, deeds, matters and things including delegation of authority as may be deemed necessary for the purpose of giving effect to this resolution."

7. For considering payment of remuneration to Mrs. Priti Gupta (DIN: 01735673), Whole time Director according to Regulation 17(e)(ii) of SEBI LODR Regulation and in this regard, pass the following resolution as **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Regulation 17(e)(ii) of SEBI (Listing Obligation and disclosure Requirements) (Amendment) Regulation, 2018 (SEBI LODR Regulation) and other applicable provisions, if any, approval of the members of the Company be and is hereby accorded for the continuation of payment of remuneration, which is/may be in excess of threshold limit prescribed under the SEBI LODR Regulation, to Mrs. Priti Gupta (DIN: 01735673), Whole time Director as per the terms and conditions approved by the members in the 24th Annual General meeting held on 28th September, 2020 until the expiry of her current term.

   RESOLVED FURTHER THAT the extent and scope and salary and perquisites of Mrs. Priti Gupta be altered, enhanced, widened or varied by the Board of Directors in accordance with the provisions of the Companies Act and LODR Regulation and the Board is authorised to do all such acts, deeds, matters and things including delegation of authority as may be deemed necessary for the purpose of giving effect to this resolution."

8. To provide loan to subsidiary(ies) or person(s) in which Director is interested under section 185 of the Companies Act, 2013 and in this regard, pass the following resolution as **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 185 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force) and subject to such other consents, permissions, approvals, as may be required in that behalf, the approval of the members of the Company, be and is hereby accorded to authorise the Board (hereinafter referred to as the "Board", which term shall be deemed to include, unless the context otherwise required, any Committee of the Board or any Director(s) or Officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) for giving loan(s) in one or more tranches including loan represented by way of book debt (the "Loan") to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by, any entity which is a Subsidiary of the Company or any other person in which any of the Director of the Company is deemed to be interested (collectively referred to as the "Entities"), up to a sum not exceeding Rs.100.00 Crores (Rupees Hundred Crores Only) at any point in time, in its absolute discretion deem beneficial and in the best interest of the Company.

   RESOLVED FURTHER THAT the powers be delegated to the Board of the Company and the Board is hereby authorised to negotiate, finalise agree the terms and conditions of the aforesaid loan/guarantee/security and to do all such acts, deeds and things as may be necessary and incidental including signing and/or execution of any deeds/documents/undertakings/agreements/papers/writings for giving effect to this Resolution."

9. To consider increase in Authorised Share Capital by alteration of Memorandum of Association of the Company and in this regard, pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and rules framed thereunder, consent of the members of the Company be and is hereby accorded for increase in the Authorised Share Capital of the Company from existing Rs. 11,00,00,000/- (Rupees Eleven Crore Only) divided into 1,10,00,000 (One Crore Ten Lakhs) Equity Share Capital of Rs. 10/- (Rupees Ten Only) each to Rs. 15,00,00,000/- (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Share Capital of Rs. 10/- (Rupees Ten Only) each ranking pari passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.

   RESOLVED FURTHER THAT consequent to the above, Clause V of the Memorandum of Association of the Company be altered as follows:

   "V The Authorised Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crore Fifty Lakhs) equity shares of Rs. 10/- (Rupees Ten Only) each.

   RESOLVED FURTHER THAT in respect of the aforesaid alteration of Memorandum of Association of the Company, the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, matters and things that may be deemed necessary, proper and expedient for the purpose of giving effect to this resolution."

10. To consider issue of Convertible Warrants by the Company and in this regard, pass the following resolution as a Special Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 23, 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendments, statutory modifications and/or re-enactment thereof for the time being in force) ('the Act'), and the enabling provisions of the Memorandum and Articles of Association of the Company and, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022 ["SEBI (ICDR) Regulations"], the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR), Regulations"] and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ["SEBI (Takeover) Code"] (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines thereon issued from time to time by the Government of India ("GOI"), the Registrar of Companies (the "ROC"), Ministry of Corporate Affairs ("MCA"), Securities and Exchange Board of India ("SEBI") and the Stock Exchanges where the shares of the Company are listed ("Stock Exchanges") and/or any other competent authorities (hereinafter referred to as 'Applicable Regulatory Authorities') to the extent applicable, the Listing Agreements entered into by the Company with the Stock Exchanges and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the statutory, regulatory, appropriate authorities, institutions or bodies as may be required, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the above authorities while granting any such approvals, consents, permissions and/or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter called 'the Board' which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution or any person authorised by the Board or its committee for such purpose and subject to any other alterations, modifications, corrections, changes and variations that may be decided by the Board in its absolute discretion, the Consent of the Shareholders be and is hereby accorded to create, offer, issue and allot from time to time, in one or more tranches up to 20,00,000 (Twenty Lakhs) Fully Convertible Warrants ("Warrants/ Convertible Warrants") for cash at an issue price of Rs.125/- (Rupees One Hundred and Twenty Five Only) per warrant with a right to the warrant holders to apply for and be allotted 1 (One) Equity Share of face value of Rs.10/- each of the Company ("Equity Shares") at a premium of Rs. 115/- (Rupees One Hundred and Fifteen Only) per share for each warrant within a period of 18 (Eighteen) months from the date of allotment of the Warrants, aggregating to Rs.25,00,00,000/- (Rupees Twenty Five Crores Only) to the below mentioned proposed allottee(s) by way of preferential issue in such manner and on such terms and conditions as are stipulated in the explanatory statement attached hereto and as may be determined by the Board in its absolute discretion in accordance with the SEBI (ICDR) Regulations and other applicable laws:

Sr No	Name of the proposed allottee (Warrant holder(s))	Category	No of Warrants to be issued	Consideration Amount (Rs.)
1.	Florintree Technologies LLP	Non-Promoter	20,00,000	25,00,00,000
TOTAL			**20,00,000**	**25,00,00,000**

RESOLVED FURTHER THAT the Relevant Date, as per the provisions of Chapter V of the SEBI (ICDR) Regulations for determination of the issue price of Warrants shall be 23rd August, 2022 i.e. the date 30 (Thirty) days prior to the date on which meeting of the Shareholders is to be held for considering the proposed preferential issue.

RESOLVED FURTHER THAT the monies received by the Company from the Proposed Allottee for application of the Warrants pursuant to this private placement shall be kept by the Company in a separate bank account to be opened by the Company with any schedule commercial bank and shall be utilized by the Company in accordance with Section 42 of the Companies Act, 2013.

RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, the issue of the Warrants and Equity Shares to be allotted on exercise of the Warrants under the Preferential Allotment shall be subject to the following terms and conditions apart from others as prescribed under the applicable laws:

a) Each Warrant held by the Proposed Allottee shall entitle each of them to apply for and obtain allotment of 1 (One) Equity Share of the face value of Rs. 10/- (Rupees Ten Only) at any time after the date of allotment but on or before the expiry of 18 (Eighteen) months from the date of allotment of warrants (the "Warrant Exercise Period");

b) The Warrant holders shall, subject to the SEBI (ICDR) Regulations and other applicable rules, regulations and laws, be entitled to exercise the right of conversion of Warrants in one or more tranches within a period of 18 (Eighteen) months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised. The Company shall accordingly issue and allot the corresponding number of Equity Shares of face value of Rs. 10/- (Rupees Ten Only) each to the Warrant holders;

c) An amount equivalent to 25% of the Warrant Issue Price shall be payable at the time of allotment and the balance 75% shall be payable by the Warrant holder(s) on the exercise of right of conversion of Warrant(s) into equity shares;

d) The Warrants, being allotted to the Proposed Allottees and the Equity Shares proposed to be allotted pursuant to the conversion of these Warrants shall be under lock in for such period as may be prescribed under the SEBI ICDR Regulations 2018;

e) The Warrants shall be allotted in dematerialized form within a period of 15 (Fifteen) days from the date of passing of the shareholders resolution, provided that where the allotment of warrants is subject to receipt of any approval(s) or permission(s) from any regulatory authority or Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approval or permission;

f) The price determined above and the number of Equity Shares to be allotted on conversion of the Warrants shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time;

g) The Warrants and the equity shares be allotted on exercise of the warrants under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations except to the extent and in the manner permitted there under;

h) The right attached to Warrants may be exercised by the Warrant holder, in one or more tranches, at any time on or before the expiry of 18 months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be converted along with the aggregate amount payable thereon. The Company shall accordingly, without any further approval from the Members, allot the corresponding number of Equity Shares in dematerialized form as per SEBI ICDR Regulations;

i) The Equity Shares to be allotted on exercise of the Warrants shall be fully paid up and rank pari passu with the existing Equity Shares of the Company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, and be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

j) In the event the Warrant holder does not exercise the Warrants within 18 months from the date of allotment, the Warrants shall lapse and the amount paid to the Company at the time of subscription of the Warrants shall stand forfeited.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make an offer to the proposed allottees through private placement offer cum application letter (In the format of 'Form PAS-4') immediately after passing of the Special resolution with a stipulation that allotment would be made only upon receipt of in-principle approval from the stock exchanges i.e. BSE and NSE.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents and to authorize such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the warrants and the Equity Shares on conversion of warrants and application for in principle approval, listing approval thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the Preferential Issue, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any other Director(s) or the Company Secretary or any other officer(s) of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary to give effect to the aforesaid resolution."

11. To consider issue of Unsecured Compulsorily Convertible Debentures by the Company and in this regard, pass the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 23, 42, 62, 71 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendments, statutory modifications and/or re-enactment thereof for the time being in force) ('the Act'), and the enabling provisions of the Memorandum and Articles of Association of the Company and, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022 ["SEBI (ICDR) Regulations"], the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR), Regulations"] and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ["SEBI (Takeover) Code"] (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines thereon issued from time to time by the Government of India ("GOI"), the Registrar of Companies (the "ROC"), Ministry of Corporate Affairs ("MCA"), Securities and Exchange Board of India ("SEBI") and the Stock Exchanges where the shares of the Company are listed ("Stock Exchanges") and/or any other competent authorities (hereinafter referred to as 'Applicable Regulatory Authorities') to the extent applicable, the Listing Agreements entered into by the Company with the Stock Exchanges and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the statutory, regulatory, appropriate authorities, institutions or bodies as may be required, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the above authorities while granting any such approvals, consents, permissions and/or sanctions, Consent of the Shareholders be and is hereby accorded to create, offer, issue and allot, by way of preferential allotment on private placement basis, 6,63,120 (Six Lakhs Sixty Three Thousand One Hundred and Twenty) Unsecured Compulsorily Convertible Debentures ("CCDs"), of the Company ("CCDs") having a face value of Rs 125/- (Rupees One Hundred and Twenty Five only) for an aggregate amount of consideration not exceeding Rs. 8,28,90,000 (Rupees Eight Crores Twenty Eight Lakhs Ninety Thousand only) ("CCDs Amount") being convertible into Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each of the Company ("Conversion Shares") at a conversion price of Rs. 125/- (Rupees One Hundred and Twenty Five Only) per equity share (including a premium of Rs. 115/- (Rupees One Hundred and Fifteen Only) per equity share to the following Investor:

Sr No	Name of the proposed allottee	No of CCDs to be issued	Category	Consideration Amount (Rs.)
1.	East India Udyog Limited	663120	Non-Promoter	8,28,90,000
	TOTAL	**663120**		**8,28,90,000**

RESOLVED FURTHER THAT the Board be and is hereby authorised to offer, issue and allot requisite number of equity shares as stated above, for total consideration of an amount not exceeding Rs 8,28,90,000 (Rupees Eight Crores Twenty Eight Lakhs Ninety Thousand only) to the holders of CCDs upon conversion of the CCDs.

RESOLVED FURTHER THAT the Relevant Date, as per the provisions of Chapter V of the SEBI (ICDR) Regulations for determination of the issue price of Warrants shall be 23rd August, 2022 i.e. the date 30 (Thirty) days prior to the date on which meeting of the Shareholders is to be held for considering the proposed preferential issue.

RESOLVED FURTHER THAT subject to receipt of entire consideration on application, the said CCDs shall be issued and allotted by the Company to the Investor within a period of 15 (fifteen) days from the date of passing of this resolution, provided that where the allotment of the said CCDs is pending on account of pendency of any approval(s) for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (fifteen) days from the date of last such approval.

RESOLVED FURTHER THAT the CCDs being offered, issued and allotted to the Investor by way of a preferential allotment shall inter alia carry the following terms:

a) The CCDs and the equity shares issued upon conversion of the CCDs, shall be in dematerialised form and shall be subject to the provisions of the memorandum and articles of association of the Company.

b) The CCDs and equity shares issued upon conversion of the CCDs, shall be subject to lock-in as provided under the provisions of the ICDR Regulations. Subject to the aforesaid lock-in requirements, the CCDs and equity shares issued upon conversion of the CCDs shall be freely transferable.

c) The CCDs shall be unsecured.

d) The CCDs shall not carry any coupon rate.

e) The CCDs shall be converted into equity shares at any time on or before the expiry of 18 months from the date of allotment of the CCDs in one or more tranches.

f) The CCDs (i.e. the face value of the CCDs) shall be convertible into equity shares at a conversion price of Rs. 125/- (Rupees One Hundred and Twenty Five only) per equity share with the aggregate amount i.e. the face value of Rs. 10/- per equity share and premium of Rs. 115/- per equity share, appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger or any such capital or corporate restructuring.

g) The equity shares to be issued to the Investor shall rank pari passu with the existing equity shares of the Company in all respects, including as to dividend and in the event of liquidation, as may be permissible under the applicable laws.

h) The CCDs shall rank pari passu with other series of compulsorily convertible debentures (if any) in respect of payment of coupon and in the event of liquidation, as may be permissible under the applicable laws.

RESOLVED FURTHER THAT the equity shares proposed to be allotted to the Proposed Allottee upon conversion of the CCDs, be listed on BSE and NSE, and that the Board be and is hereby authorised to make the necessary applications and to take all other steps as may be necessary for and in connection with the listing of the equity shares proposed to be allotted to the Proposed Allottee upon conversion of the CCDs and for the admission of such equity shares issued pursuant to the conversion of CCDs with the depositories, viz. National Securities Depository Limited ("NSDL") and Central Depository Services Limited ("CDSL"), and for the credit of the CCDs and the equity shares allotted upon conversion of the CCDs to the demat account of the Proposed Allottee.

RESOLVED FURTHER THAT the monies received by the Company from the Proposed Allottee for application of the CCDs pursuant to this private placement shall be kept by the Company in a separate bank account to be opened by the Company with any schedule commercial bank and shall be utilized by the Company in accordance with Section 42 of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolutions, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable for such purpose, including but not limited to execution of various deeds, documents, writings, agreements, and also to modify, accept and give effect to any modifications therein and the terms and conditions of the issue, as may be required by the statutory, regulatory and other appropriate authorities and to settle all queries or doubts that may arise in the proposed issue, without being required to seek any further consent or approval of the shareholders.

RESOLVED FURTHER THAT subject to applicable laws, the Board be and is hereby also authorized to delegate, all or any of the powers herein conferred, to any Director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed it by the Board, to give effect to the aforesaid resolutions.

RESOLVED FURTHER THAT all actions taken by the Board or committee(s) duly constituted for this purpose in connection with any matter(s) referred to or contemplated in the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Business to be transacted at the meeting, is annexed hereto.

2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 22/2020 dated June 15, 2020, Circular No. 33/2020 dated September 28, 2020, Circular No. 39/2020 dated December 31, 2020, Circular No. 02/2021 dated January 13, 2021 and Circular No. 02/2022 dated May 5, 2022 (collectively "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/ HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 on May 13, 2022 (collectively "SEBI Circulars"), have permitted companies to conduct annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM). In compliance with the aforesaid MCA and SEBI Circulars, applicable provisions of the Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") the 26th AGM of the Company is being convened and conducted through VC. The registered office of the Company shall be deemed to be the venue for the AGM.

3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

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

6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.softtech-engr.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, MCA Circular No. 2/2021 dated January 13, 2021 and MCA Circular No. 02/2022 dated May 5, 2022.

9. Details as required in sub-regulation (3) of Regulation 36 of the Listing Regulations in respect of the Directors seeking appointment/ re-appointment under Item no. 2, 3, 4 & Item No. 5 at the Annual General Meeting, forms integral part of the notice. Requisite declarations have been received from the Directors for appointment/ reappointment.

10. The Register of Directors and Key Managerial Personnel and their shareholding, under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested under Section 189 of Companies Act, 2013 and all documents referred to in this Notice and accompanying Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, will be available for inspection of the Members from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect, can send an e-mail to Secretarial Department of the Company at **investors@softtech-engr.com**.

11. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agents, Link Intime India Private Limited (Link Intime) to provide efficient and better services.

12. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 and Rules thereunder, including amendments thereof, any money transferred to the unpaid dividend account, which remains unpaid or unclaimed for a period of 7 years from the date of such transfer is required to be transferred to the 'Investor Education and Protection Fund (IEPF)'. Pursuant to the provisions of IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 and its amendments thereon, all shares in respect of which the dividend has not been paid or claimed for 7 consecutive years or more, are required to be transferred to IEPF.

    Members are requested to send their claims to the Company addressing to Secretarial Department at registered Office address / Link Intime India Private Limited, R & T Agent of the Company having its office at 'Akshay' Complex, Block No. 202, 2nd Floor, Off Dhole Patil Road, Near Ganesh Temple, Pune – 411 001. (Ph. No. 020-26161629), before the amount becomes due for transfer to the above Fund. Members are requested to encash the dividend warrants immediately on their receipt by them.

13. To prevent the fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

14. To support Green Initiative, Members are requested to register their e-mail addresses with concerned DPs in case of shares held in dematerialised form. In order to receive the correspondence / dividend, if any from the Company in a timely manner, Members are requested to register their e-mail addresses / Bank Account details with R & T Agent /Depository Participant (DP).

15. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May 2020, Notice of the AGM along with the Annual Report 2021-22, is being sent only through electronic mode to those Members whose email addresses are registered with the R&T Agent /Company / Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.softtech-engr.com, on the websites of Stock Exchanges i.e. National Stock Exchange of India Limited www.nseindia.com & and BSE Limited at www.bseindia.com respectively, and on the website of NSDL https://www.evoting.nsdl.com.

16. Regulation 12 and Schedule I of SEBI Listing Regulation, 2015, including amendments thereunder requires all companies to use the facilities of electronic clearing services for payment of dividend. Members who hold shares in dematerialized form and want to provide/change/correct the bank account details should send the same to their concerned Depository Participant and not to the R & T Agent of the Company or the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company

will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of dividend, the Registrar and Share Transfer Agent is obliged to use only the data provided by the Depositories, in case of such dematerialized shares.

As per SEBI vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018, unpaid unclaimed dividend will be processed through electronic mode only.

17. Since the AGM will be held through VC / OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

18. In case of any queries regarding the Annual Report, the Members may write to investors@softtech-engr.com to receive an email response.

19. Mr. Devesh Tudekar and/or Ms. Amruta Jana, Partners of DTSM & Associates are appointed as the Scrutinizers to scrutinize the evoting process in a fair and transparent manner. The Voting results declared along with the Scrutinizer's Report will be placed on the Company's website: http://softtech-engr.com/ and on the website of Stock Exchanges i.e. National Stock Exchange of India Limited www.nseindia.com & and BSE Limited at www.bseindia.com immediately after their declaration.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

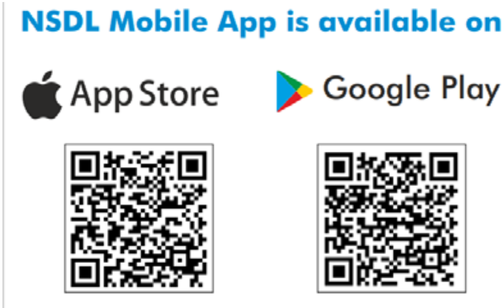
The remote e-voting period begins on Monday, 19th September, 2022 at (09.00 a.m. IST) and ends on Wednesday 21st September, 2022 at (05.00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 16th September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 16th September, 2022.

How do I vote electronically using NSDL e-Voting system?
The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system
A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode
In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **“Register Online for IDeAS Portal”** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience. 
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	**Helpdesk details**
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

<u>How to Log-in to NSDL e-Voting website?</u>

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to tudekar@gmail.com or amruta@dtsmindia.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User

Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Abhijeet Gunjal at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@softtech-engr.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investors@softtech-engr.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGHVC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at **investors@softtech-engr.com**. The same will be replied by the company suitably.

6. Members, who would like to ask questions during the AGM with regard to the financial statements or any other matter to be placed at the Twenty Sixth AGM, need to register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID No./Folio No. and Mobile No. to reach the Company's email address **investors@softtech-engr.com** at least 48 hours in advance before the start of the meeting i.e. 20th September, 2022 by 3.30 p.m. IST. Those Members who have registered themselves as a speaker shall be allowed to ask questions during the AGM, depending upon the availability of time.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.: 3

Based on the recommendations of Nomination and Remuneration Committee and the Board of Directors of the Company at its meeting held on 12th August, 2022, appointed Dr. Rakesh Kumar Singh (DIN: 02294988) as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (Five) years i.e. from 12th August, 2022 upto 11th August, 2027 subject to the approval of the members.

Dr. Rakesh Kumar Singh has given the consent for his appointment as an Independent Director. Further, the Company has received declarations from Dr. Rakesh Kumar Singh that he meets the criteria of Independence prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Rules framed thereunder, read with Schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) and other applicable provision of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended. Also, as per confirmation received from him, he is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013. Dr. Rakesh Kumar Singh has confirmed that he has registered himself in the database of Independent Directors. In the opinion of the Nomination and Remuneration Committee and the Board, Dr. Rakesh Kumar Singh satisfies all the conditions to be appointed as an independent of the Company.

In terms of Regulation 25(8) of Listing Regulations, Dr. Rakesh Kumar Singh has confirmed that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

In terms of circular no. LIST/COMP/14/2018-19 dated 28th June 2018 issued by BSE Limited Dr. Rakesh Kumar Singh is not debarred from holding the office of a director by virtue of any order by SEBI or any other authority.

The Company has also received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member proposing the candidature of Dr. Rakesh Kumar Singh for his appointment to the office of Independent Director.

Professional Background:
Mr. Singh has completed his Post Graduation in Physics from Pune University and Computer science and engineering from IIT Mumbai. During his career of more than three decades, he has expertise in Bigdata Analytics, Parallel and Distributed Processing, Kubernetes, Video & Image Processing, Machine Vision, and Graphics. He has worked on various level of management and has significant contributions in the areas of innovations and technology. Further he has several awards and publications to his credit. He has been appointed on the Board of the Company as an Independent Director with effect from 12th August, 2022 subject to approval of shareholders.

Justification for Choosing as an Independent Director: Dr. Rakesh Kumar Singh is qualified to be appointed as Independent Director as he fulfils all the requirements of the Section 149(6) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Company will benefit with his experience & expertise.

The additional details of Dr. Rakesh Kumar Singh as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India are set out in the Annexure I forming part of this Notice. He does not hold any shares in the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives, except Dr. Rakesh Kumar Singh, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

The Board considers that Dr. Rakesh Kumar Singh's association would immensely benefit the Company and accordingly, recommends the resolution set forth in Item No. 3 for the approval of Members as a Special Resolution.

ITEM NO.: 4

In terms of the provisions of Section 149 of the Companies Act, 2013 and Rules framed thereunder, the Shareholders of the Company, at their Extraordinary General Meeting held on 7th March, 2018, appointed Mr. Rahul Gupta (DIN: 00024732) as an Independent Director of the Company, for a consecutive period of 5 (Five) years with effect from 3rd March, 2018 till 3rd March, 2018 ("First Term"), not liable to retire by rotation.

The Board of Directors and Nomination and Remuneration Committee, considering the expertise, experience and contribution made by Mr. Rahul Gupta (DIN: 00024732) during the first term and based on his performance evaluation, approved his re-appointment as Independent Director for Second Term of 5 (five) years effective 3rd March, 2018 to 3rd March, 2018, subject to the approval of Shareholders at this Annual General Meeting.

Mr. Rahul Gupta has given the consent for his re-appointment as an Independent Director. Further, the Company has received declarations from Mr. Rahul Gupta that he continues to meet the criteria of Independence prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Rules framed thereunder, read with Schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) and other applicable provision of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended. Also, as per confirmation received from him, he is not disqualified from being re-appointed as Director in terms of Section 164 of the Companies Act, 2013. Mr. Rahul Gupta has confirmed that he has registered himself in the database of Independent Directors. In the opinion of the Nomination and Remuneration Committee and the Board, Mr. Rahul

Gupta satisfies all the conditions to be appointed as an independent of the Company.

In terms of Regulation 25(8) of Listing Regulations, Mr. Rahul Gupta has confirmed that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

In terms of circular no. LIST/COMP/14/2018-19 dated 28th June 2018 issued by BSE Limited Mr. Rahul Gupta is not debarred from holding the office of a director by virtue of any order by SEBI or any other authority.

Mr. Rahul Gupta is Chairman of the Audit Committee and Stakeholders Relationship Committee of the Company and member of the Nomination and Remuneration Committee and CSR committee.

The Company has also received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member proposing the candidature of Mr. Rahul Gupta for his re-appointment to the office of Independent Director.

Professional Background:
Mr. Rahul Gupta, aged 55 years, is a Non-Executive Independent Director of our Company. He is a technologist, venture capitalist, serial entrepreneur and an inspirational leader. He has over 30 years of varied experience. He started his journey as head of Technology Investments for one of the first early stage VC firms in the country. His expertise lies in strategy formulation, long and mid-range planning, culture and business process development, creating "winning teams", facilitating and creating global sales organization and affecting successful business model disruptions. He serves on the Board of several technology start-ups as well. He is involved with mentoring and coaching several start-ups and is associated with entrepreneurs and partners in technology, services, manufacturing, hospitality, e-commerce and sustainability spaces across the globe He was appointed as a Non-Executive Independent Director of our Company with effect from 3rd March, 2018.

He holds a bachelor's degree in mechanical engineering from Punjab University and a master's degree in business administration (MBA) from Kurukshetra University.

The additional details of Mr. Rahul Gupta as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India are set out in the Annexure I forming part of this Notice. He does not hold any shares in the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives, except Mr. Rahul Gupta, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

The Board considers that Mr. Rahul Gupta continued association would immensely benefit the Company and accordingly, recommends the resolution set forth in Item No. 4 for the approval of Members as a Special Resolution.

ITEM NO.: 5

In terms of the provisions of Section 149 of the Companies Act, 2013 and Rules framed thereunder, the Shareholders of the Company, at their Extraordinary General Meeting held on 7th March, 2018, appointed Mr. Sridhar Pillalamarri (DIN: 00026018) as an Independent Director of the Company, for a consecutive period of 5 (Five) years with effect from 3rd March, 2018 till 2nd March, 2023 ("First Term"), not liable to retire by rotation.

The Board of Directors and Nomination and Remuneration Committee, considering the expertise, experience and contribution made by Mr. Sridhar Pillalamarri (DIN: 00026018) during the first term and based on his performance evaluation, approved his re-appointment as Independent Director for Second Term of 5 (five) years effective 3rd March, 2018 till 2nd March, 2023, subject to the approval of Shareholders at this Annual General Meeting.

Mr. Sridhar Pillalamarri has given the consent for his re-appointment as an Independent Director. Further, the

Company has received declarations from Mr. Sridhar Pillalamarri that he continues to meet the criteria of Independence prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Rules framed thereunder, read with Schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) and other applicable provision of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended. Also, as per confirmation received from him, he is not disqualified from being re-appointed as Director in terms of Section 164 of the Companies Act, 2013. Mr. Sridhar Pillalamarri has confirmed that he has registered himself in the database of Independent Directors. In the opinion of the Nomination and Remuneration Committee and the Board, Mr. Sridhar Pillalamarri satisfies all the conditions to be appointed as an independent of the Company.

In terms of Regulation 25(8) of Listing Regulations, Mr. Sridhar Pillalamarri has confirmed that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

In terms of circular no. LIST/COMP/14/2018-19 dated 28th June 2018 issued by BSE Limited Mr. Sridhar Pillalamarri is not debarred from holding the office of a director by virtue of any order by SEBI or any other authority.

Mr. Sridhar Pillalamarri is the member of the Audit Committee and Stakeholders relationship Committee and Chairman of the Nomination and Remuneration Committee of the Company.

The Company has also received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member proposing the candidature of Mr. Sridhar Pillalamarri for his re-appointment to the office of Independent Director.

Professional Background:

- 30+ Years of Experience at various levels of management
- 20+ Years of successful experience as Top level Executive in several Companies
- Direct involvement in establishing the company setting up the processes and growing the team with direct involvement in Engineering Management
- Excellent interpersonal and cross-functional skills, team player and ability to work well with all level of an organization
- Result oriented professional with Senior Management, Operations, Business development and technical experience.

He holds Master's in M. Tech, Control & Instrumentation from Indian Institute of Technology, Powai, Mumbai.

The additional details of Mr. Sridhar Pillalamarri as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India are set out in the Annexure I forming part of this Notice. He does not hold any shares in the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives, except Mr. Sridhar Pillalamarri, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

The Board considers that Mr. Sridhar Pillalamarri continued association would immensely benefit the Company and accordingly, recommends the resolution set forth in Item No. 5 for the approval of Members as a Special Resolution.

ITEM NO.: 6

The Shareholders at the Annual General Meeting **("AGM")** held on 30th September, 2019 re-appointed Mr. Vijay Gupta (DIN: 01653314) by passing Special Resolution as Managing Director of the Company for a further period of 5 years w.e.f. 24th February, 2020 on fresh terms and conditions with remuneration of Rs. 60,00,000/- (Sixty Lakh Only) per annum payable within an overall limit provided in Sections 197, 198, 203 and all other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and the Articles of Association of the Company. Since then there has been no revision in remuneration payable to Mr. Vijay Gupta. Mr. Vijay Gupta holds position of Chairman, CEO & Managing Director in the Company.

Further, based on the recommendations of the Nomination and Remuneration Committee and having considered the contribution of Mr. Vijay Gupta in terms of leadership capabilities, strategy formulation and execution, maintaining relations both with the board and external entities, expansion of Business overseas, initiatives to improve the profitability of the Company, the Board in its meeting held on 12th August, 2022 approved revised remuneration subject to the approval of the members.

Shareholding in the Company: Mr. Vijay Gupta is holding 36,81,234 shares as on date of the notice.

Directorships of other Boards excluding foreign companies as on 31st March, 2022:
SoftTech Engineers Limited
Covisible Solutions (India) Private Limited
SoftTech Care Foundation
AmpliNxt Private Limited

Membership of Committees as on 31st March, 2022:
CSR Committee
Audit Committee
Stakeholders Relationship Committee

Relationship with other Directors / Key Managerial Personnel: Mrs. Priti Gupta, Whole-time Director is spouse of Mr. Vijay Gupta

Number of Meetings of the Board attended during the year: Mr. Vijay has attended All ie. Four (4) Board meetings during FY 2021-22.

Other terms of Appointment:
The terms and conditions of the appointment of the Managing Director may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Managing Director subject to such approvals as may be required.

1. **REMUNERATION:**

Salary and allowances:

The approval of the Members is being sought for revision in remuneration payable to Mr. Vijay Gupta from Rs. 500,000 per month to the grade of Rs. 600,000 to Rs.750,000 per month which shall include such components and structure including basic pay, allowances and components as may be decided in accordance with the policies of the Company during his current tenure as Managing Director on the Board of the Company.

The allowances and perquisites shall be evaluated, wherever applicable, as per the provisions of the Income Tax Act, 1961 or any rules there under or any statuary modifications(s).

The Managing Director will be entitled for Provident Fund and Gratuity as per the provisions of respective act and as per the rules of the Company. Further Managing Director may participate in other schemes that the company may bring from time to time. The Managing Director will be entitled for Bonus up to 20% of the Total Yearly compensation based on financial performance of the year and subjected to approval by the board.

The Managing Director shall be entitled to privilege annual leave on full salary for a period of 21 days. Provided further that leave not availed of may be encashed, in accordance with the policies of the Company.

Other Perquisites:

Group Personal Accident and Group Medical Insurance as per the Provisions of the Company. The actual hospital and medical expenses which have been incurred by the Managing Director for himself, his wife, dependent parents and his minor children, provided that such expenses during the financial years shall not exceed INR 5 lacs per annum.

The provision of one Chauffeur driven car, which shall be fuelled and maintained by the Company.

Leave Travel Concession/Assistance as per the rules of the Company

Membership fees with technical, professional bodies, social club membership fees, Key man insurance, professional liability insurance etc. for the full term of your appointment in accordance with the policies of the Company.

Other perks from time to time, as per your stature in the Company and approved by the Board of the Company.

2. **INFORMATION IN ACCORDANCE WITH SCHEDULE V OF COMPANIES ACT, 2013**

I. General Information:

1. Nature of Industry

The Company is engaged in software development and providing software support and maintenance services to the clients.

2. Date or expected date of commencement of commercial production:

The Company is already in commercial production.

3. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable as the Company is an existing Company.

4. Financial Performance based on given indicators:

(Amount in Lakhs)

Particulars	FY 2021-22
Revenue from Operations (Net)	5745.67
Other Income	197.20
Total Revenue	5942.87
Depreciation and Amortization	764.24
Total Expenses (including Depreciation and Amortization)	5169.26
Profit/ (Loss) Before Tax	773.61
Tax Expenses:	
1. Current Tax	193.77
2. Deferred Tax	2.27
Net Profit/ (Loss) After Tax	577.57
Profit for the year	577.57

5. Foreign investments or collaboration, if any:

The Company has invested in the equity and has given loan in the form of debentures to its subsidiaries outside India; details of which form part of Financial Statements.

II. INFORMATION ABOUT THE CHAIRMAN AND MANAGING DIRECTOR:

1. Background Details:

Mr. Vijay Gupta, aged 59 years, is the sole Promoter, Chairman and the Managing Director of the Company. He is an Indian national and first Director of the Company. He is a first generation entrepreneur and has an experience of over 30 years in development of complex BIM/CAD/CAE/Project Management enterprise software in Architecture-Engineering-Construction domain. He holds a Master's degree in Technology from the Indian Institute of Technology, Mumbai (IIT, Bombay). He has been associated with the Company since incorporation ie. 17^{th} June, 1996 and was reappointed as the Managing Director of our Company with effect from 24^{th} February, 2020 for a period of 5 years.

2. Past remuneration:

During the Financial Year ended 31^{st} March, 2022 Rs. 60,00,000/- was paid as remuneration to Mr. Vijay Gupta. There has been no change in his remuneration since his re-appointment w.e.f. 24^{th} February, 2020.

3. Recognition and awards:

Mr. Vijay Gupta, Founder, MD & CEO at SoftTech has been felicitated with a recognition trophy by Mr. Devusinh Chauhan (Minister of State for Communications of India) for being an esteemed panel speaker at India Infra Forum 2022 organized by Alvarez & Marsal and EPC World. During the 26 year's journey of SoftTech Engineers Limited, it has received number of recognitions and awards. Details of the same can be seen on the website of the Company at https://softtech-engr.com/awards/. Mr. Vijay Gupta is the driving force and source of inspiration behind all the achievements made by the Company.

4. Job profile Suitability:

Mr. Vijay Gupta is the Chairman and Managing Director of the Company. He plays a key role in the progress of the Company. Taking into account Mr. Vijay Gupta's qualifications, his extensive experience and the responsibilities shouldered by him, his association with the Company is in the best interest of the Company.

5. Remuneration:

Details as mentioned in point 1 remuneration above.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Vijay Gupta, the remuneration packages paid to him is comparatively less as compared to the similar counterparts in other similar sized companies.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel [or other director], if any.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Vijay Gupta and Mrs. Priti Gupta are, concerned or interested, financially or otherwise, in the Resolution set out.

III. Other information:

1. Reasons of loss or inadequate profits:

During 2021-22 the entire economy has started showing signs of recovery after suffering miserably due to COVID pandemic and our company was also in line with the trend. The Company's major business is from Governments which were focussed on managing pandemic spread hence the floating of tenders was almost on hold. However, the situation is improving now. As a result, the top line of the Company has started showing positive trend and is recovered by almost 38% to INR 57.46 Crores as compared to last year's figure of INR 41.57 Crores. We expect this to increase significantly in current and subsequent financial years to bring the growth back to normal. Moreover, during the Covid period demand for IT resources has increased manifold resulting in more than normal increase in the cost of human resources, which is major cost component in our company. As a result, the overall profitability of the company is reduced.

2. Steps taken or proposed to be taken for improvement

The Company has started utilizing available resources judiciously and done good progress in overall product development and introducing SaaS based offering, which will have a favourable impact on valuation and profitability of the Company in the coming years. The Company is moving towards SaaS based offering with a model where direct end users are charged the money rather than collecting from governments. This will significantly improve cash-flow and profits.
The Company has drawn a very aggressive plan to expand overseas. In next 2 years the Company plans to expand horizon in US, UK and Singapore. The Company has worked out the Go-To-Market strategy and has raised equity to expand the business. This will give a big boost to growth of the Company. Further in domestic market, the Company is exploring big ticket size opportunities associated to Smart City/Infra projects in association with partners. The results of these new initiatives are expected to start yielding results in next 2 years.

The Company has also started exploring inorganic growth path. The Company has invested into a Singapore based entity and will be exploring more for non-linear growth. Formation of AmpliNxt Private Limited as a subsidiary is also a step in this direction. We foresee a good growth from this strategy.

3. Expected increase in productivity and profits in measurable terms:

We are expecting approximately 50-60% growth in revenue of current financial year in comparison to previous financial year with EBITDA of about 30%.

The Board of Directors recommend the resolution set forth in Item No. 6 for the approval of Members as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested in the above proposed resolution set forth in Item No. 6, except himself and Mrs. Priti Gupta, wife of Mr. Vijay Gupta.

ITEM NO. 2 AND 7:

Re-appointment on the Board of the Company:
Mrs. Priti Gupta is liable to retire by rotation and being eligible, offers herself for re-appointment. Mrs. Priti Gupta (DIN: 01735673), aged 56 years, was appointed as director on Board since March 04, 2008. Pursuant to the sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the particulars of Directors who are proposed to be appointed/re-appointed are given below:

Mrs. Priti Gupta holds a Master's degree in Management studies from the Welingkar Institute, University of

Mumbai (Bombay), Mumbai, Maharashtra. She also holds a bachelor's degree in science in the stream of physics from Mumbai University and a diploma in Computer Applications from Maharashtra Technical Board. She joined SoftTech Engineers Limited in the year 2008 as a director and also the head of the human resource and administration department and during her stint with the Company has been instrumental in bringing the ISO processes to the Company. Mrs. Gupta has 20+ years of experience in business processes and management, training, human resource & administration operations. She was appointed as the Whole-time Director of our Company with effect from February 24, 2020 for a period of 5 years.

She is not on the Board of any listed Company except SoftTech Engineers Limited since past 3 years.
Directorships of other Boards excluding foreign companies as on 31st March, 2022: 2
As on 31st March, 2022 Mrs. Priti Gupta holds 33,090 equity shares of the Company.
Mrs. Priti Gupta is a member of CSR committee formed by the Board.
Mrs. Priti Gupta, Whole-time Director is spouse of Mr. Vijay Gupta.

The Board of Directors recommend the resolution set forth in Item No. 2 for the approval of Members as an Ordinary Resolution.

Approval as per Regulation 17(6)(e) of the SEBI LODR Regulation
The Company has migrated to the Main Board of Stock Exchanges with effect from 25th February, 2022, therefore compliance of Regulation 17(1)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is applicable to the Company which was earlier exempt as the Company was listed on SME Exchange.

As per the said Regulation, approval of the shareholders in a general meeting by way of a Special Resolution is required, in case
(i) the annual remuneration payable to such executive director exceeds rupees 5 crore or 2.5 per cent of the net profits of the listed entity, whichever is higher; or
(ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity.

In case of the Company, the remuneration paid to each executive director who is a promoter or belongs to promoter group does not exceed the criteria mentioned at point no (i) above, however total/aggregate remuneration paid to directors who are promoters or belong to promoter group exceeds the limits specified in point no (ii) above.

The Company has obtained requisite approval of the Shareholders in the 24th Annual General meeting held on 28th September, 2020 under the Companies Act 2013, however as per Regulation 17(6)(e) of the SEBI LODR Regulation, it is proposed to recommend the resolution for approval of the Shareholders by a special resolution in this Annual general Meeting, being the First Annual General meeting after migration of the Company to main Board. The Board of Directors recommend the resolution set forth in Item No. 7 for the approval of Members as a Special Resolution.

None of the Directors or Key managerial personnel or their relatives other than Mr. Vijay Gupta and Mrs. Priti Gupta are concerned or interested, financial or otherwise, in the resolution set out at an item No.2 and 7.

ITEM NO.: 8

The Company proposes to render support for the business requirements of its Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is interested/deemed to be interested (collectively referred to as the "Entities"), from time to time.

Pursuant to Section 185 of the Companies Act, 2013 (as amended by the Companies (Amendment) Act, 2017, a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (said entity(ies) covered under the category of 'a person in whom any of the director of the Company is interested' as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, after passing a special resolution in the general meeting.

Your consent is sought by way of a Special Resolution pursuant to Section 185 of the Act (as amended by the Companies (Amendment) Act, 2017) for providing loan(s) or providing financial assistance or providing guarantee or securities in connection with the loans taken or to be taken by the Entities in which any of the Directors of the Company is interested for following purposes:

1. For working capital requirements including purchase of fixed assets,
2. For expansion of Business operations directly or through subsidiary/ JV/ Associate entities
3. For development of products and platform
4. For capital expenditure
5. General Corporate purposes;
   As may be required from time to time for the expansion of its business activities and other matters connected and incidental thereon for their principal business activities.

The Members may note that Board of Directors would carefully evaluate proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, only for principal business activities of such Entities.

The Board of Directors recommend the resolution set forth in Item No. 8 for the approval of Members as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested in the above proposed resolution set forth in Item No. 8, except to their equity holdings and Directorships in the Company, if any.

ITEM NO.: 9

The present Authorised Share Capital of the Company is Rs. 11,00,00,000/- (Rupees Eleven Crore Only) divided into 1,10,00,000 (One Crore Ten Lakhs) Equity Share Capital of Rs. 10/- (Rupees Ten Only) each.

Considering the increased fund requirements of the Company to meet the working capital requirements as well as for expansion, the Board at its meeting held on 12th August, 2022, has accorded its approval for increasing the Authorised Share Capital from the existing Rs. 11,00,00,000/- (Rupees Eleven Crore Only) divided into 1,10,00,000 (One Crore Ten Lakhs) Equity Share Capital of Rs. 10/- (Rupees Ten Only) each to Rs. 15,00,00,000/- (Rupees Fifteen Crore Only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Share Capital of Rs. 10/- (Rupees Ten Only) each subject to shareholders' approval as the Company does not have sufficient gap in the Authorised Share Capital to incorporate further issue of shares.

Consequently, Clause V of the Memorandum of Association would also require alteration so as to reflect the changed Authorised Share Capital.

In order to facilitate the increase in Authorised Share Capital and amendment of Memorandum of Association of the Company approval of members is required.

A copy of the Memorandum of Association of the Company duly amended will be available for inspection in the manner provided in the notes to this Notice.

The Board of Directors recommend the resolution set forth in Item No. 9 for the approval of Members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested in the above proposed resolution set forth in Item No. 9, except to their equity holdings and Directorships in the Company, if any.

ITEM NO.: 10

The Company is in the business of providing Computers - Software & Consulting services. As the Company is on a growth trajectory, there is need to augment funds to enhance its long term resources and thereby strengthen the financial structure of the Company. The Company requires infusion of funds to support the expansion of business in Indian and Overseas Markets and for general corporate purposes. Hence, to ensure the smooth flow of the business of the Company, the Board of Directors of the Company in their meeting held on Friday, 12th August 2022 have considered and approved raising of funds by issue of upto 20,00,000 Fully Convertible Warrants ("Warrants/ Convertible Warrants") to the following persons by way of a preferential issue, who have agreed to subscribe to the proposed preferential issue and have confirmed their eligibility in terms of Regulation 159 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with SEBI (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022 ("SEBI (ICDR) Regulations"):

Sr No	Name of the proposed allottee (Warrant holder(s))	Category	No of Warrants to be issued	Consideration Amount (Rs.)
1.	Florintree Technologies LLP	Non-Promoter	20,00,000	25,00,00,000
TOTAL			**20,00,000**	**25,00,00,000**

In accordance with Sections 23, 42 and 62 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the SEBI (ICDR) Regulations and the SEBI (LODR) Regulations as amended from time to time, issue and allotment of upto 20,00,000 Fully Convertible Warrants on preferential basis to requires Shareholders Approval.

Hence, the Board of Directors of your Company recommends the resolution for approval of the shareholders in form of Special Resolution in the best interests of the Company.

The Company is otherwise eligible to make the Preferential Issue in terms of the provisions of Chapter V of the SEBI (ICDR) Regulations. There will be no change in the control or management of the Company pursuant to the proposed preferential issue. Consequent to the allotment of equity shares including equity shares to be issued and allotted upon exercise of right attached to the Warrants, the shareholding of the Promoters and Promoter Group may decrease as per details given in this statement.

Necessary information/details in relation to the Preferential Issue as required under the SEBI ICDR Regulations and the Companies Act, 2013 ("Act") read with the rules issued there- under, are set forth below:

1. **Objects of the preferential issue**: To support the expansion of business in Indian and Overseas Market and for general corporate purposes.

2. **The total/maximum number of securities to be issued/particulars of the offer/Kinds of securities offered and the price at which security is being offered:** The resolution set out in the accompanying notice authorizes the Board to create, offer, issue and allot from time to time, in one or more tranches up to 20,00,000 (Twenty Lakhs) Fully Convertible Warrants ("Warrants/ Convertible Warrants") for cash at an issue price of Rs.125/- (Rupees One Hundred and Twenty Five Only) per warrant with a right to the warrant holders to apply for and be allotted 1 (One) Equity Share of the face value of Rs.10/- each of the Company ("Equity Shares") at a premium of Rs. 115/- (Rupees One Hundred and Fifteen Only) per warrant aggregating to Rs.25,00,00,000/- (Rupees Twenty Five Crores Only) on preferential and private placement basis and resolution for the same has

been passed by the Board of Directors in their meeting held on 12th August, 2022 and resolution passed by circulation by Board of Directors on 26th August, 2022 .

3. **Issue Price, Relevant Date and the Basis or justification on which the price has been arrived at or offer/invitation is being made:** The Equity Shares of the Company are listed on Stock Exchanges viz, BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE', together with BSE referred to as 'Stock Exchanges'). There is infrequent trading of Company's shares on both the Stock exchanges. In terms of Regulation 165 of the SEBI (ICDR) Regulations, 2018, where the shares are not frequently traded, the price determined by the Issuer shall take into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies.

   The Company has obtained a Valuation report dated 23rd August, 2022 from Ms. Rashmi Shah (IBBI/RV/06/2018/10240), M/s R V Shah & Associates, Registered Valuer and the same has been updated on the website of the Company and website link is https://softtech-engr.com/investor-relations-in-softtech-engineers. Pursuant to the same the Issue price for Warrants is fixed at Rs 125/-(Rupees One Hundred and Twenty Five Only) per warrant.

   Since, there is no capitalization of profit, right issue, bonus issue, re-classification of shares or any other corporate action in the Company; accordingly, there is no adjustment in pricing is required in terms of Regulation 166 of the SEBI (ICDR) Regulations, 2018.

   The relevant date as per the SEBI (ICDR) Regulations for the determination of issue price for warrants pursuant to the preferential allotment is Tuesday, 23rd August, 2022 ("Relevant Date") i.e. 30 days prior to the date of Passing of the Special Resolution.

4. **Name and address of Valuer who performed valuation:** Ms. Rashmi Shah (IBBI/RV/06/2018/10240) from M/s R V Shah & Associates, Chartered Accountants (Registered Valuer), 702 Shah Trade Centre, Rani Sati Marg, Malad East, Mumbai 400097.

5. **Amount which the Company intends to raise by way of issue of Equity Shares and/or Warrants:** Upto Rs.25,00,00,000/- (Rupees Twenty Five Crores Only), assuming exercise of rights attached to all Warrants.

6. **Material terms of Issue of Warrants:** The issue of Warrants shall be subject to the following terms and conditions:

   a) Each Warrant held by the Proposed Allottee shall entitle each of them to apply for and obtain allotment of 1 (One) Equity Share of the face value of Rs. 10/- (Rupees Ten Only) at any time after the date of allotment but on or before the expiry of 18 (Eighteen) months from the date of allotment of warrants (the "Warrant Exercise Period");

   b) The Warrant holders shall, subject to the SEBI (ICDR) Regulations and other applicable rules, regulations and laws, be entitled to exercise the right of conversion of Warrants in one or more tranches within a period of 18 (Eighteen) months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be exercised. The Company shall accordingly issue and allot the corresponding number of Equity Shares of face value of Rs. 10/- (Rupees Ten Only) each to the Warrant holders;

   c) An amount equivalent to 25% of the Warrant Issue Price shall be payable at the time of allotment and the balance 75% shall be payable by the Warrant holder(s) on the exercise of right of conversion of Warrant(s) into equity shares;

d) The Warrants, being allotted to the Proposed Allottees and the Equity Shares proposed to be allotted pursuant to the conversion of these Warrants shall be under lock in for such period as may be prescribed under the SEBI ICDR Regulations;

e) The Warrants shall be allotted in dematerialized form within a period of 15 (Fifteen) days from the date of passing of the shareholders resolution, provided that where the allotment of warrants is subject to receipt of any approval(s) or permission(s) from any regulatory authority or Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approval or permission;

f) The price determined above and the number of Equity Shares to be allotted on conversion of the Warrants shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time;

g) The Warrants and the equity shares be allotted on exercise of the warrants under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations except to the extent and in the manner permitted there under;

h) The right attached to Warrants may be exercised by the Warrant holder, in one or more tranches, at any time on or before the expiry of 18 months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be converted along with the aggregate amount payable thereon. The Company shall accordingly, without any further approval from the Members, allot the corresponding number of Equity Shares in dematerialized form as per SEBI ICDR Regulations;

i) The Equity Shares to be allotted on exercise of the Warrants shall be fully paid up and rank pari passu with the existing Equity Shares of the Company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, and be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

j) In the event the Warrant holder does not exercise the Warrants within 18 months from the date of allotment, the Warrants shall lapse and the amount paid to the Company at the time of subscription of the Warrants shall stand forfeited.

7. **Principle terms of assets charged as securities**:
Not Applicable.

8. **Intention/Contribution of promoters/directors/key managerial personnel to subscribe to the offer:** None of the directors or key managerial personnel or promoters intends to subscribe to the proposed issue or furtherance of objects.

9. **<u>Shareholding Pattern of the Company before and after the preferential issue:</u>**

Sr. No.	Description	Pre-Issue shareholding		*Post issue shareholding	
		No. of shares	% of shares	No. of shares	% of shares
(A)	**Promoter and Promoter Group's Shareholding**				
1.	**Indian**				
a)	Individuals	3808724	37.51%	3808724	29.71%
b)	Body Corporates	299148	2.94%	299148	2.33%
2.	**Foreign**	0	0	0	0
Sub-Total (A)		**4107872**	**40.45%**	**4107872**	**32.05%**
(B)	**Public/Non-Promoter shareholding**				
1.	**Institutional Investor**				
a)	Foreign Portfolio Investor	9600	0.09%	9600	0.07%
2.	**Non Institutional Investor**				
a)	Individuals	2687978	26.47%	2687978	20.97%
b)	Trusts	174400	1.72%	174400	1.36%
c)	Hindu Undivided Family	208874	2.06%	208874	1.63%
d)	Non Resident Indians (Non Repat)	148642	1.46%	148642	1.16%
e)	Non Resident Indians (Repat)	236933	2.33%	236933	1.85%
f)	Body Corp-Ltd Liability Partnership	1827529	18.00%	3827529	29.86%
g)	Clearing Member	2824	0.03%	2824	0.02%
h)	Bodies Corporate	750102	7.39%	1413222	11.03%
Sub Total (B)		**6046882**	**59.55%**	**8710002**	**67.95%**
GRAND TOTAL (A) + (B)		**10154754**	**100.00%**	**12817874**	**100.00%**

Note:-

- *Details inserted in Post Issue equity shares assuming that the allotment of 20,00,000 Convertible warrants to Equity Shares and 663120 Equity Shares allotted upon exercise of Conversion of CCD's, if any. In the event, right for allotment of Share against all or any of the Warrant(s) are not exercised, the Shareholding Pattern shall change correspondingly.*

10. **<u>The proposed time within which the allotment shall be completed:</u>** As required under the SEBI ICDR Regulations, the Company shall complete the allotment of the Equity Shares on or before the expiry of 15 (fifteen) days from the date of passing of the special resolution by the Members for issue and allotment of the Equity Shares, provided that where the issue and allotment of the shares is pending on account of pendency of any approval or permission for such issue and allotment by any regulatory authority, the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals or permissions.

11. **<u>The names of the Proposed Allottee and the percentage of post preferential offer capital that may be held by them and identity of the natural persons who are the ultimate beneficial owners of the shares and/or who ultimately control the proposed allottee, the percentage of post preferential issue capital that may be held by them and change in control:</u>**

Sr No	Name of the Allottee	Category	Pre-Issue holding %	No of Shares to be allotted on account of Warrant Conversion	Post-Issue holding %	Ultimate Beneficial owners of Shares/Proposed Allottee
1.	Florintree Technologies LLP	Non-Promoter	0.00%	20,00,000	15.60%	The details of the Individual(s) who are ultimate beneficial owners of Florintree Technologies LLP are:- 1) Mathew Cyriac 2) Gautham Madhavan

12. **<u>The change in control, if any, in the Company that would occur consequent to the preferential offer</u>**: There shall be no change in the management or control of the Company pursuant to the aforesaid issue and allotment of the Equity Shares.

13. **<u>The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:</u>** During the financial year 2022-23, no preferential allotment of any securities has been made to any person.

14. **<u>Lock-in Period</u>**: Warrants allotted pursuant to this resolution and/or the resultant equity shares to be issued and allotted upon exercise of right attached to the Warrants as above shall be subject to a lock-in for such period as specified under applicable provisions of the SEBI (ICDR) Regulations.

15. **<u>The current and proposed status of the allottee post the preferential issues namely, promoter or non-promoter:</u>**

Sr No	Name of Allottee	Current Status	Proposed status post preferential Issue
1.	Florintree Technologies LLP	Non-Promoter	Non-Promoter

16. **<u>Practicing Company Secretary's Certificate:</u>** A certificate from Ms Dipika Biyani, Practicing Company Secretary, certifying that the issue of Equity Shares is being made in accordance with requirements of ICDR Regulations shall be placed before the General Meeting of the shareholders. The same is also available at the website of the Company website <u>https://softtech-engr.com/investor-relations-in-softtech-engineers/</u>

17. **<u>Undertaking:</u>** The Company hereby undertakes that:

- It would re-compute the price of the securities specified above, in terms of the provisions of the SEBI (ICDR) Regulations, if it is required to do so; and

- If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.

18. **<u>Disclosures specified in Schedule VI of the SEBI (ICDR) Regulations, if the issuer or any of its promoters or directors is a wilful defaulter or a fraudulent borrower:</u>** It is hereby confirmed that, neither the Company nor its promoters or directors is a wilful defaulter or a fraudulent borrower as per Regulation 163 (1)(i) of Chapter V read with schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Further, none of its Directors or Promoter is a fugitive economic offender as defined under the SEBI (ICDR) Regulations.

The approval of the Members is being sought for the resolution set forth in Item No. 10 to enable the Board to issue and allot the Warrants on a preferential basis, to the extent and in the manner as set out in the resolution and the explanatory statement.

None of the Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested in the above proposed resolution set forth in Item No. 10, except to their equity holdings and Directorships in the Company, if any.

ITEM NO.: 11

The Board of the Directors of the Company at its meeting held on Friday, 12th August, 2022 has given their consent subject to approval of Members by way of Special Resolution to issue Unsecured Compulsorily Convertible Debentures ("CCDs"), on Preferential Allotment basis to the following Investor:

Sr No	Name of the proposed allottee	No of CCDs to be issued	Category	Consideration Amount (Rs.)
1.	East India Udyog Limited	663120	Non-Promoter	8,28,90,000
	TOTAL	**663120**		**8,28,90,000**

The purpose of the proposed issue as mentioned above is funds required for expansion of business in Indian and Overseas Market and general corporate purpose. In terms of Section 62(1)(c) read with Sections 42 and 71 of the Companies Act, 2013 and rules made thereunder ("Act"), and in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") as amended, and on the terms and conditions and formalities as stipulated in the Act and the ICDR Regulations, the Preferential Issue requires approval of the shareholders of the Company by way of a special resolution.

Hence, the Board of Directors of your Company recommends the resolution for approval of the shareholders in form of Special Resolution in the best interests of the Company.

The Company is otherwise eligible to make the Preferential Issue in terms of the provisions of Chapter V of the SEBI (ICDR) Regulations. There will be no change in the control or management of the Company pursuant to the proposed preferential issue. Consequent to the allotment of equity shares including equity shares to be issued and allotted upon conversion of Unsecured Compulsorily Convertible Debentures ("CCDs"), the shareholding of the Promoters and Promoter Group may decrease as per details given in this statement.

Necessary information/details in relation to the Preferential Issue as required under the SEBI ICDR Regulations and the Companies Act, 2013 ("Act") read with the rules issued there- under, are set forth below:

1. **<u>Objects of the preferential issue</u>**: To support the expansion of business in Indian and Overseas Market and for general corporate purposes.

2. **<u>The total/maximum number of securities to be issued/particulars of the offer/Kinds of securities offered and the price at which security is being offered:</u>** The resolution set out in the accompanying notice authorizes the Board to create, offer, issue and allot, by way of preferential allotment on private placement basis 663,120 (Six Lakhs sixty Three Thousand One Hundred and Twenty) Unsecured Compulsorily Convertible Debentures ("CCDs"), of Rs. 125/- each (Rupees One Hundred and Twenty Five only) of the Company ("CCDs") for an

aggregate amount of consideration not exceeding Rs 8,28,90,000 (Rupees Eight Crores Twenty Eight Lakhs Ninety Thousand only) ("CCDs Amount") being convertible into Equity Shares at a conversion price of Rs 125/- (Rupees One Hundred and Twenty Five Only), face value of Rs. 10/- (Rupees Ten only) each and a premium of Rs. 115/- (Rupees One Hundred and Fifteen Only) vide Board Resolution dated Friday August 12, 2022 and resolution passed by circulation by Board of Directors on 26th August, 2022.

3. **Issue Price, Relevant Date and the Basis or justification on which the price has been arrived at or offer/invitation is being made:** The Equity Shares of the Company are listed on Stock Exchanges viz, BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE', together with BSE referred to as 'Stock Exchanges'). There is infrequent trading of Company's shares on both the Stock exchanges. In terms of Regulation 165 of the SEBI (ICDR) Regulations, 2018, where the shares are not frequently traded, the price determined by the Issuer shall take into account valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies.

   The Company has obtained a Valuation report dated 23rd August, 2022 from M/s R V Shah & Associates, Registered Valuer and the same has been updated on the website of the Company and website link is https://softtech-engr.com/investor-relations-in-softtech-engineers/. Pursuant to the same the Conversion price for CCDs is fixed at Rs 125/-(Rupees One Hundred and Twenty Five Only) per Equity Share.

   Since, there is no capitalization of profit, right issue, bonus issue, re-classification of shares or any other corporate action in the Company. Accordingly, there is no adjustment in pricing is required in terms of Regulation 166 of the SEBI (ICDR) Regulations, 2018.

   The relevant date as per the SEBI (ICDR) Regulations for the determination of issue price for warrants pursuant to the preferential allotment is Tuesday, August 23, 2022 ("Relevant Date") i.e. 30 days prior to the date of Passing of the Special Resolution.

4. **Name and address of Valuer who performed valuation:** Ms. Rashmi Shah (IBBI/RV/06/2018/10240) from M/s R V Shah & Associates, Chartered Accountants (Registered Valuer), 702 Shah Trade Centre, Rani Sati Marg, Malad East, Mumbai 400097.

5. **Material terms of Issue of CCDs:** The issue of CCDs shall be subject to the following terms and conditions:

   a) The CCDs and the equity shares issued upon conversion of the CCDs, shall be in dematerialised form and shall be subject to the provisions of the memorandum and articles of association of the Company.

   b) The CCDs and equity shares issued upon conversion of the CCDs, shall be subject to lock-in as provided under the provisions of the ICDR Regulations. Subject to the aforesaid lock-in requirements, the CCDs and equity shares issued upon conversion of the CCDs shall be freely transferable

   c) The CCDs shall be unsecured.

   d) The CCDs shall not carry any coupon rate.

   e) The CCDs shall be converted into equity shares at any time on or before the expiry of 18 months from the date of allotment of the CCDs in one or more tranches.

   f) The CCDs (i.e. the face value of the CCDs) shall be convertible into equity shares at a conversion price of Rs. 125/- (Rupees One Hundred and Twenty Five only) per equity share with the aggregate amount i.e. the face value of Rs. 10/- per equity share and premium of Rs. 115/- per equity share, appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger or any such capital or corporate restructuring.

g) The equity shares to be issued to the Investor shall rank pari passu with the existing equity shares of the Company in all respects, including as to dividend and in the event of liquidation, as may be permissible under the applicable laws.

h) The CCDs shall rank pari passu with other series of compulsorily convertible debentures (if any) in respect of payment of coupon and in the event of liquidation, as may be permissible under the applicable laws.

6. **Principle terms of assets charged as securities**: Not Applicable.

7. **Intention/Contribution of promoters/directors/key managerial personnel to subscribe to the offer:** None of the directors or key managerial personnel or promoters intends to subscribe to the proposed issue or furtherance of objects.

8. **Shareholding Pattern of the Company before and after the preferential issue:**

Sr. No.	Description	Pre-Issue shareholding		*Post issue shareholding	
		No. of shares	% of shares	No. of shares	% of shares
(A)	**Promoter and Promoter Group's Shareholding**				
3.	**Indian**				
a)	Individuals	3808724	37.51%	3808724	29.71%
b)	Body Corporates	299148	2.94%	299148	2.33%
4.	**Foreign**	0	0	0	0
	Sub-Total (A)	**4107872**	**40.45%**	**4107872**	**32.05%**
(B)	**Public/Non-Promoter shareholding**				
3.	**Institutional Investor**				
b)	Foreign Portfolio Investor	9600	0.09%	9600	0.07%
4.	**Non Institutional Investor**				
i)	Individuals	2687978	26.47%	2687978	20.97%
j)	Trusts	174400	1.72%	174400	1.36%
k)	Hindu Undivided Family	208874	2.06%	208874	1.63%
l)	Non Resident Indians (Non Repat)	148642	1.46%	148642	1.16%
m)	Non Resident Indians (Repat)	236933	2.33%	236933	1.85%
n)	Body Corp-Ltd Liability Partnership	1827529	18.00%	3827529	29.86%
o)	Clearing Member	2824	0.03%	2824	0.02%
p)	Bodies Corporate	750102	7.39%	1413222	11.03%
	Sub Total (B)	**6046882**	**59.55%**	**8710002**	**67.95%**
	GRAND TOTAL (A) + (B)	**10154754**	**100.00%**	**12817874**	**100.00%**

Note:-

- *Details inserted in Post Issue equity shares assuming that the allotment of 2000000 Convertible warrants to Equity Shares and 663120 Equity Shares allotted upon exercise of Conversion of CCD's, if any. In the event, right for allotment of Share against all or any of the CCD's are not exercised, the Shareholding Pattern shall change correspondingly.*

9. **The proposed time within which the allotment shall be completed**: Subject to receipt of entire consideration on application and as required under the SEBI (ICDR) Regulations 2018, the Company shall complete the allotment of CCDs within a period of 15 days from the date of passing of this special resolution by the shareholders in General Meeting, provided that where any approval or permission by any regulatory authority or the Central Government or the Stock Exchanges is pending, the allotment shall be completed within a period of 15 days from the date of such approval or permission.

10. **The names of the Proposed Allottee and the percentage of post preferential offer capital that may be held by them and identity of the natural persons who are the ultimate beneficial owners of the shares and/or who ultimately control the proposed allottee, the percentage of post preferential issue capital that may be held by them and change in control:**

Sr No	Name of the Allottee	Category	Pre-Issue holding %	No of Shares to be allotted on account of CCD's Conversion	Post-Issue holding %	Ultimate Beneficial owners of Shares/Proposed Allottee
1.	East India Udyog Limited	Non-Promoter	6.92%	663,120	10.65%	The details of the Individual who is ultimate beneficial owners of East India Udyog Limited is:- Harsh Gupta

1. **The change in control, if any, in the Company that would occur consequent to the preferential offer:** The proposed Preferential Allotment of CCD's will not result in any change in the management and control of the Company.

2. **The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:** During the financial year 2022-23, no preferential allotment of any securities has been made to any person.

3. **Lock-in Period:** The CCD's and Equity Shares to be allotted on conversion of CCD's shall be locked-in as per Regulation 167 of Chapter V of the SEBI (ICDR) Regulations, 2018, as amended.

   The entire pre-preferential allotment shareholding of the allottees, if any shall be locked-in from the relevant date up to a period of 90 Trading days from the date of allotment of such securities.

   The CCD's allotted on a preferential basis are restricted for transfer or sale for such period as specified under Regulation 168 of Chapter V of SEBI (ICDR) Regulations, 2018 relating to preferential issue.

4. **The current and proposed status of the allottee post the preferential issues namely, promoter or non-promoter:**

Sr No	Name of Allottee	Current Status	Proposed status post preferential Issue
1.	East India Udyog Limited	Non-Promoter	Non-Promoter

5. **Practicing Company Secretary's Certificate:** A certificate from Ms Dipika Biyani, Practicing Company Secretary, certifying that the issue of Equity Shares is being made in accordance with requirements of ICDR Regulations shall be placed before the General Meeting of the shareholders. The same is also available at the website of the Company website https://softtech-engr.com/investor-relations-in-softtech-engineers/.

6. **Undertaking:** The Company hereby undertakes that:

- It would re-compute the price of the securities specified above, in terms of the provisions of the SEBI (ICDR) Regulations, if it is required to do so; and

- If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.

7. **Disclosures specified in Schedule VI of the SEBI (ICDR) Regulations, if the issuer or any of its promoters or directors is a wilful defaulter or a fraudulent borrower:** It is hereby confirmed that, neither the Company nor its promoters or directors is a wilful defaulter or a fraudulent borrower as per Regulation 163 (1)(i) of Chapter V read with schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Further, none of its Directors or Promoter is a fugitive economic offender as defined under the SEBI (ICDR) Regulations.

In terms of Sections 42 and 71 of the Companies Act, 2013, approval of the shareholders by way of a special resolution is required to issue the CCDs by way of a preferential allotment on private placement basis. Hence, the Board recommends the proposed resolution for your approval by way of a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested in the above proposed resolution set forth in Item No. 11, except to their equity holdings and Directorships in the Company, if any.

By **Order of the Board of Directors,**
SoftTech Engineers Limited

Place: Pune
Date: 26.08.2022

Aishwarya Patwardhan
Company Secretary

ANNEXURE I

Details of Directors seeking appointment/re-appointment at the Twenty Sixth Annual General Meeting to be held on 22nd September, 2022 [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India]

Name of Director	**Rakesh Kumar Singh**	**Sridhar Pillalamarri**	**Rahul Gupta**
Director Identification Number (DIN)	02294988	00026018	00024732
Designation/category of the Director	Non-Executive, Independent Director	Non-Executive, Independent Director	Non-Executive, Independent Director
Date of Birth	November 20, 1961	April 2, 1960	March 14, 1967
Age	60 Years	62 Years	55 Years
Date of first Appointment	NA	March 3, 2018	March 3, 2018
Qualifications	Post-Graduation in Physics from Pune University, Computer Science & Engineering (CSE) from IIT Mumbai. Ph. D in 1989	B.Tech from IIT Kharagpur and M.Tech from IIT, Powai	MBA, Finance & Marketing

Expertise in Specific Functional Area	Bigdata Analytics, Parallel and Distributed Processing, Kubernetes, Video & Image Processing, Machine Vision, and Graphics and wide managerial experience	Technology, Operations, Business Development and wide managerial experience	Technologist, venture capitalist, serial entrepreneur, inspirational leader and wide managerial experience
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None	None
Names of listed entities other than this Company in which the person holds the directorship	NIL	NIL	NIL
Chairmanship/Membership of Committees of other Public companies including Listed Companies and excluding foreign companies as of the date of this Notice	NIL	NIL	NIL
Shareholding in the Company including shareholding as a beneficial owner	NIL	NIL	NIL
Name of the listed entities in which the person has resigned in the past three years	NIL	NIL	NIL
Chairmanship/Membership of Committees of other companies including Listed Companies and excluding foreign companies as of the date of this Notice	NIL	NIL	NIL
In the case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	The role and capabilities as required in the case of an independent director are well defined in the Policy on Nomination, Appointment, and Removal of Directors. Further, the Board has a defined list of core skills/expertise/ competencies, in the context of its business and sector for it to function effectively.	The role and capabilities as required in the case of an independent director are well defined in the Policy on Nomination, Appointment, and Removal of Directors. Further, the Board has a defined list of core skills/expertise/ competencies, in the context of its business and sector for it to function effectively.	The role and capabilities as required in the case of an independent director are well defined in the Policy on Nomination, Appointment, and Removal of Directors. Further, the Board has a defined list of core skills/expertise/ competencies, in the context of its business and sector for it to function effectively.

	The Nomination and Remuneration Committee of the Board has evaluated the profile of Dr. R. K. Singh and concluded that R. K. Singh possess the relevant skill and capabilities to discharge the role of Independent Director.	The Nomination and Remuneration Committee of the Board has evaluated the profile of Mr. Sridhar Pillalamarri and concluded that Mr. Sridhar Pillalamarri possess the relevant skill and capabilities to discharge the role of Independent Director.	The Nomination and Remuneration Committee of the Board has evaluated the profile of Mr. Rahul Gupta and concluded that Mr. Rahul Gupta possess the relevant skill and capabilities to discharge the role of Independent Director.
Terms and Conditions of Appointment/Re-appointment	Appointment for a term of 5 years. The letter of appointment of Dr. R. K. Singh is in line with terms and conditions for appointment of Independent Directors available on the website of the Company at https://softtech-engr.com/wp-content/uploads/Terms-Conditions-Of-The-Independent-Director.pdf	Re-appointment for second term of 5 years. The letter of appointment of Mr. Sridhar Pillalamarri is in line with terms and conditions for appointment of Independent Directors available on the website of the Company at https://softtech-engr.com/wp-content/uploads/Terms-Conditions-Of-The-Independent-Director.pdf	Re-appointment for second term of 5 years. The letter of appointment of Mr. Rahul Gupta is in line with terms and conditions for appointment of Independent Directors available on the website of the Company at https://softtech-engr.com/wp-content/uploads/Terms-Conditions-Of-The-Independent-Director.pdf

For other details such as the number of meetings of the Board attended during FY 2021-22, details of committee membership, remuneration last drawn in FY 2021-22 by Mr. Sridhar Pillalamarri and Mr. Rahul Gupta, please refer to the corporate governance report which is a part of this Integrated Annual Report.

The profile of the Directors is available on the Company’s website at www.softtech-engr.com.

SoftTech®
Empowering Transformation

Driving Possibilities. Unlocking Potential. Expanding Presence.

Annual Report
2021-22

Across the Pages

Corporate Overview

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Financial Statements

For more investor-related information, please visit

https://softtech-engr.com/investor-relations-in-softtech-engineers/

Or, scan to download our previous year's Annual Report

Investor Information

Market Capitalisation as on 31st March, 2022	₹ 102.66 Crores
CIN	L30107PN1996PLC016718
BSE Code	543470
NSE Code	SOFTTECH
AGM Date	22nd September, 2022
AGM Mode	Annual General Meeting will be held through video conferencing ('VC')/other audio-visual means ('OAVM')

Disclaimer : This document contains statements about expected future events and financials of SoftTech Engineers Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Driving Possibilities. Unlocking Potential. Expanding Presence.

Digitisation is transforming businesses across sectors, massively changing the way we work. Over the last decade, we have witnessed tremendous change in how digitisation has revolutionised several industries, including the construction industry. The rise in the use of Artificial Intelligence (AI), Internet of Things (IoT), and Augmented Reality in construction, among others, is driving a shift in the construction-technology ecosystem toward integrated software platforms. And SoftTech, as a technology player in the Architecture, Engineering and Construction (AEC) vertical, identifies these digitisation opportunities as a gateway to creating smart solutions that effectively automate the lifecycle of a construction project.

As a construction technology company, we offer solutions that allow our customers to improve their project efficiency, manage increasingly large & complex sites, strict project deadlines, and tight profit margins. Thereby driving possibilities for the growth of a business while enhancing the scalability of business models and effective utilisation of assets.

Even today, there lies an immense amount of untapped potential in the construction-technology space. The construction-related spending accounts for 13% of the world GDP. However the rate of increase in productivity is just 1% in the last many years. This is far below other industries average. The industry is losing about USD 1.6 Trillion by not embracing technology. But things have changed post the Covid-19 pandemic and the industry is recognising the potential of technology. As a company dealing in innovative software products and solutions for digital revolution, we are focused on unlocking this potential in the AEC industry.

We expect that with the new normal work model, a net acceleration in the use of technology and the construction industry will continue transforming from a highly complex, fragmented, and project-based industry to a more standardised, consolidated, and integrated one. We are recreating our strategies to adapt to these transitions while expanding our presence through innovation and higher efficiencies, backed by our expertise and experience of 25+ years.

Driving Possibilities and Change

About SoftTech

Digitisation is transforming businesses across sectors and geographies. Industries across the world are adopting advanced technologies, to accelerate in tandem with the competitive landscape.

Incorporated in 1996, SoftTech Engineers Limited ('The Company' or 'SoftTech') pioneers in offering global digital/ technology-led solutions for building construction. The Company offers innovative digital solutions across architecture, engineering, and construction (AEC) domain, creating value for businesses in this industry. It possesses inherent knowledge of the AEC sector, driven by its 25+ years of industry presence and leverages this intellectual capital to develop advanced digital solutions for assisting the infrastructure and construction sector digitally.

With greater product penetration around the country, SoftTech is perhaps the only company serving technology solutions to all stakeholders in the construction industry. The Company has created several strong and incredible success stories through its endeavours as a true leader in this space. It is equipped to expand in the international market with a plan for next three years to penetrate the United States, the United Kingdom and APAC region. These efforts are all in line with the Company's goal towards driving possibilities in the industry by unlocking potential opportunities, to enter into its next phase of growth. Simultaneously, expanding its presence and pursuing further progress with the changing times.

While the construction technology industry is still filled with players offering point solutions or limited suites, the Company's efforts to map and understand the construction technology landscape predicts that a combination of multiple platforms will coexist in the space. The pandemic is forcing many construction players to digitise and use technology to ensure the safety of their workers and boost productivity, and this dynamic will continue to accelerate.

Over the years, the Company has developed some of the most technologically advanced products and solutions for the AEC industry, which includes AutoDCR®, PWIMS®, OPTICON®, BIMDCR®, RuleBUDDY® and now CIVIT cloud platform. Its solutions enable real-time data procurement and significant cost reductions, while enabling higher productivity, enhanced resource utilisation, and better control measures.

KEY DIFFERENTIATORS

- Deep industry knowledge and insight
- Robust framework with innovative solutions
- Strategic approach to business efficiency and transformation

Industries Served

- Infrastructure
- Real Estate and Construction Companies
- Government Organisations
- Consultants
- Architects
- Contractors

SOFTTECH VISION 2025

To be the No. 1

- Cloud-based Building Information Modelling (BIM) permit system in the world
- CIVIT Platform connecting Government, Private Enterprises and consultants

To reach

- Expand Globally
- To grow 10 times in next 3 years

Collaborating with the World's Best Technology Partners

The Company collaborates with the world's best-in-class technology partners to develop new-age software for its customers. With these strategic tech-partnerships, the Company strives to facilitate digital evolution in the AEC industry, while optimising business operation, minimising risk and accelerating development. These technology partnerships are a testimony to the Company's core expertise, rich industry experience and commitment towards client satisfaction.

Numbers that Testify SoftTech's Potential

1 Building Permit
APPROVED IN EVERY 90 SECONDS THROUGH CIVITPERMIT

1,000+
PERMITS APPROVED PER DAY

1 Million+
BUILDING PERMITS APPROVED AS ON DATE, THROUGH CIVITPERMIT

1 Billion+
SQ. FT. AREA APPROVED AS ON DATE, THROUGH CIVITPERMIT

~80%
TIME SAVED, WITH AUTOMATION AND EFFICIENCY

600+
URBAN DEVELOPMENT GOVERNMENT AGENCIES USE CIVITPERMIT

50,000+
HECTARES OF INDUSTRIAL LAND MANAGED

233
INDUSTRIAL PARKS

1,00,000+
INFRA ASSETS

1,00,000 +
USERS

Unlocking Potential through Effective Solutions
Our Product Portfolio

With a focus on transforming the whole AEC lifecycle into a digital format, the Company has developed advanced services viz. BIM and GIS, along with some cutting-edge technology products offered through the platform – Civit Suite, including our award winning products AutoDCR®, PWIMS®, OPTICON®, BIMDCR®, and RuleBuddy®.

SOFTTECH SERVICES

GIS

GIS is a type of database containing geographic data, combined with software tools for managing, analysing, and visualising data pointers. SoftTech provides a wide range of geospatial solutions such as:

- Base map creation
- DGPS survey
- Field survey
- Drone survey
- LiDAR survey
- Enterprise GIS platform and customised web GIS
- Mobile application

Strategic partnership with ERSI India to introduce City GIS

SoftTech entered into a strategic partnership with ERSI India. ESRI is the world leader in GIS technology product. Together with ERSI India, SoftTech offers and implements City GIS solutions for the municipal corporations. The Company's apps and dashboards help in upscaling the functions of municipalities and efficiently management of the cities.

BIM

SoftTech's BIM service is a model-based design concept where buildings are rendered virtually before the construction is initiated. It enables the design and execution teams to strengthen interaction, improve work flow, reduce cost and minimise errors. With this, SoftTech became one of the early adopters of BIM technology and continues to deliver unique BIM modules for its customers.

Our multi-dimensional BIM service comprises

- 3D Modelling Services, including Architectural, Structural, MEP and other services
- Project Scheduling & Monitoring (4D BIM Services)
- Project Costing (5D BIM Services)
- Digital Twins for Facility Management, Assets Management and Energy Management

SOFTTECH SOLUTIONS

Civit Suite

Civit Suite is a first-of-its-kind cloud-based platform, being developed by SoftTech, for connecting all the processes around the construction lifecycle of a project. It covers all the stages, right from planning to designing to approvals for building, operations and maintenance. The platform will leverage strong success of products developed for specific parts of the lifecycle, and acts as an interface between owners, consultants, and construction enterprises, Government enterprises and other stakeholders, enabling seamless communication of process, data and people.

Civit Suite is entrusted by:

600+
ORGANISATIONS

20,000+
USERS

The major services offered by Civit Suite are classified as:

CivitPERMIT ▸ CivitPLAN ▸ CivitINFRA ▸ CivitBUILD

CIVITPERMIT

CivitPERMIT enables the user with a completely digital approach (paper-free) and eliminates the manual and cumbersome processes of availing permit. This is an intelligent automated building permit management application for urban development bodies and civil divisions of Local and State Government. It is a cloud-based solution that streamlines the entire building permit management lifecycle and assists in validating building code compliances.

Features of CivitPERMIT

- Enables online application submission and payment
- Pre-configured with all local and state building codes
- Automated code compliance validation by AI engine along with system generated code compliance scrutiny report
- Inspection scheduling and management with configurable workflow with audit trail
- Electronic submission of 2D/3D CAD drawings or BIM models
- GIS mapping and BIM integration
- Deep analytics and insights for smarter planning

Why choose CivitPERMIT?

- Enables 100% paper-free building permit management
- Maximises productivity while optimising the overall cost
- Enforces building codes compliance, maintaining the uniformity

CIVITPLAN

CivitPLAN is first of its kind AI-powered tool developed to assist in creating accurate code-compliance ready building plans to submit to the authority for approval. Under this, users need to upload the 2D/3D CAD drawings and BIM models in this cloud-based tool and it will then check all the objects of the drawing or BIM model and highlight deviations from compliance requirement, if any.

Features of CivitPLAN

- Compliance-ready building plan validation
- Direct BIM plan reading and validation
- Built-in local and state building code library
- AI-powered engine to automate the whole process
- System generated compliance validation report with notifications for failed objects

Why choose CivitPLAN?

- Ensures whether approvals are done after a compliance check of all the relevant building codes eliminating the chance of omission
- Helps in avoiding measurement errors through automatic area calculations
- Aids in avoiding multiple submissions due to nagging errors

CIVITINFRA

CivitINFRA is an integrated data-driven, easy-to-use cloud solution, designed to manage the procurement life-cycle of complex public infra projects, including waterworks, roads, bridges, buildings, and citizen resources starting from conceptualisation stage till the delivery stage, and beyond.

Features of CivitINFRA

- Centrally manages all infrastructure projects
- Enables budget and schemes management
- Helps in cost estimation of the projects
- Offers intelligent procurement schedule and cash-flow planning
- Provides inventory management and automated BOM
- Offers online tender management and contract management
- Enables e-measurement and billing
- Based on smart analytics

Why choose CivitINFRA?

- Eliminates silos and paper-based processes
- Controls various Government schemes for infrastructure works
- Manages budget utilisation
- Increases productivity substantially, with the help of automation
- Enables faster completion of projects with automated workflow management, communication, and integration
- Controls the project timeline with 360 degree operational, financial, and project health insights
- Improves the inter departmental and contract collaboration with multi-platform integration

CIVITBUILD

CivitBUILD is a complete construction ERP solution provider, which enables the user to improve their return on investment by integrating automation and proactive technology in every step of the construction workflow.

Features of CivitBUILD

- End-to-end project planning and budgeting
- Automatic BOD from BIM models for detailed cost estimation
- Real-time progress tracking with reminders and alerts
- Integrated with Microsoft project and other third-party systems
- Accounting, finance and payroll management with client billing and invoicing
- Complete procurement and inventory management of any project

Why choose CivitBUILD?

- Enables 100% digitisation of every function, while eliminating the silos and manual processes
- Ensures flexible and easy configuration as per organisational processes
- Improves productivity while ensuring cost optimisation
- Ensures better financial planning with integrated cashflow management

CIVIT Suite is a platform by SoftTech, empowered by the Company's proven and well-established industry products, and is in used across the country. The features/tools offered under CIVIT Suite are as follows:

AutoDCR®

In today's fast-paced world, AutoDCR® acts as the perfect tool for builders, architects and approving authorities to keep up with the pace. It is an innovative online-building-plan scrutiny and approval system for construction permits. It analyses the CAD drawings and verify for compliance with relevant regulations, to facilitate approval by competent authorities.

Key advantages of AutoDCR

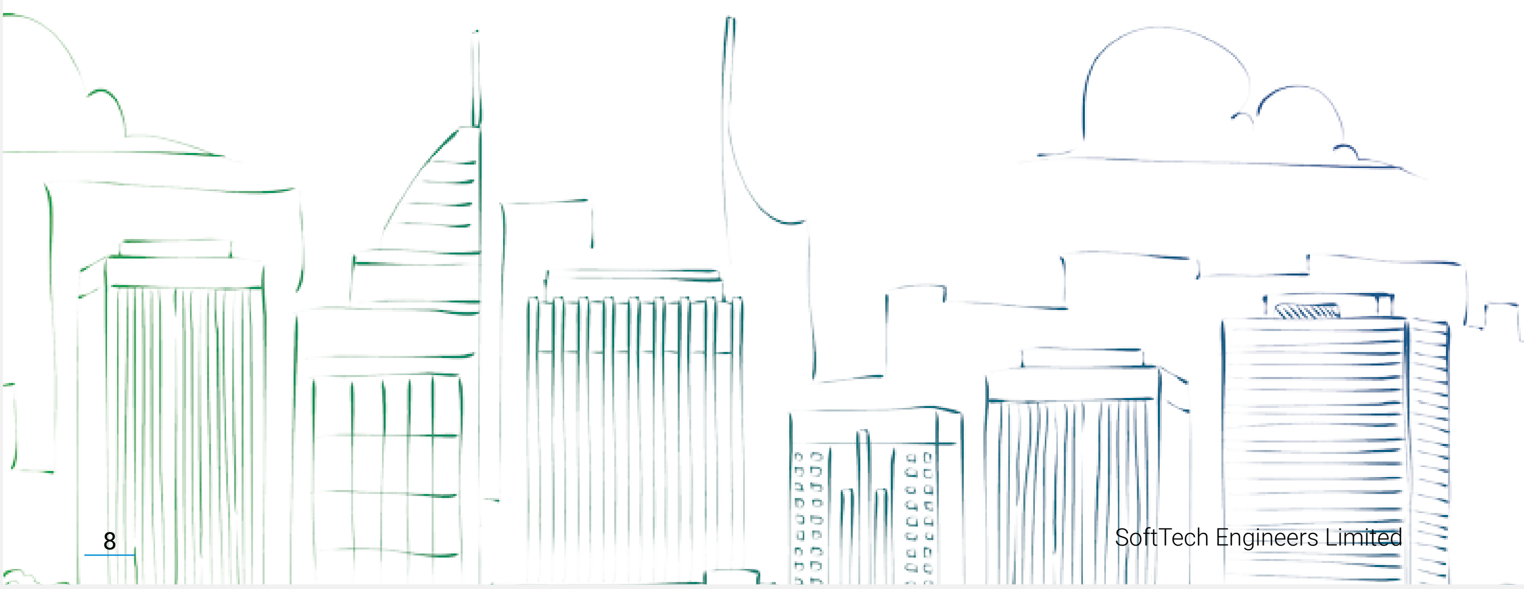
- Analyses CAD drawings and produces scrutiny reports in a very short time
- Maps all development control rules of the authority to the drawing entities
- Automates the cumbersome manual process of checking the development regulations
- Reduces paperwork and saves time for architects and the authorities
- Acquires building permits, NOCs, and clearances from multiple agencies through a single window platform
- Enables e-governance by maintaining digital documents
- Standardises the building drawing plan process

BIMDCR®

BIMDCR® is a first-of-its-kind innovative 3D-building-model-based single window online system. It is a BIM-based integrated building plan approval system, which enables automatic scrutiny of building proposal by analysing building models submitted by applicant or architect. It manages the flow of the processes between applicant and concerned authorities.

Key advantages of BIMDCR®

- Acts as the single BIM model submission to various municipal department
- Improves the collaboration between architects, engineers, and contractors in the ecosystem
- Ensures complete integration of all relevant factors in the building lifecycle
- Automates scrutiny of building proposal by reading building models submitted by applicant/architect
- Provides 3D visualisation for a better picture what a structure may look like in a plot/GIS city map
- Provides information on Green Building Code compliance
- Offers CFD simulation



Opticon®

Opticon® is a set of integrated modules that provides a comprehensive and complete Enterprise Resource Planning (ERP) solution to the construction and real estate industry. It is designed to automate the entire construction process and allow the user to track information on a real-time basis. Being a flexible, process-driven, next generation work management tool, it provides a collaborative workplace for project teams and facilitates secure storage of project-related documents and other contents. The key modules of Opticon® include bid management, project cost estimation, project planning, progress monitoring, sub-contracting, vendor portal, client invoicing, plant & machinery, procurement, inventory management, sales & CRM, financial accounting, fixed assets, and payroll.

Key advantages of Opticon®

- Provides overview of all construction activities in a single dashboard
- Enables effective project control
- Digitises every function in the building construction lifecycle
- Estimates detailed project cost
- Manages schedules and eliminates cost and schedule overruns
- Accessible anywhere anytime
- Provides transaction approvals on the move through mobile application
- Integration with 3D models for auto generation of BOQ
- Seamless integration with MS Project
- DPR updation through mobile devices

PWIMS®

Public Works Information Management System (PWIMS®) is a web-based commercial-off-the-shelf (COTS) application for managing all the core functional processes, including planning, procurement, and maintenance of public work organisations. It is designed to improve efficiency with effective monitoring and control over the work process.

Key advantages of PWIMS®

- Aligns roles to processes/workflows, shifting emphasis from goals to outcomes
- Integrates all functions across the organisation, to improve productivity
- Enhances visibility, operational business intelligence and management insights from consolidated information collected in the work procurement cycle
- Automates standard processes, reducing paper-based manual work significantly
- Tracks the documentation across the work process using only single source of data

RuleBuddy®

RuleBuddy® is an e-commerce platform providing novel software and services to the architects, consultants, builders and investors. It gauges the feasibility of the building plans during the early stages of designing and conceptualising. It comes with three innovative software namely:

- **RuleBuddy® PLAN ASSIST**
- **RuleBuddy® PLAN DRAFT**
- **RuleBuddy® PLAN CHECK**

A letter from our Chairman and Managing Director

> **We re-evaluated our strategies amid these challenges for driving possibilities. We focussed on enhancing our capabilities to tap the tremendous growth opportunities in the infrastructure and technology industry resulting from Government's persistent support to the sector.**

Dear Shareholders,

Before I begin my message, I wish to convey my sincere gratitude for your constant support and trust in all our endeavours. Hope this journey of togetherness continues in the future as well. And with this thought, I would like to present SoftTech Engineers Limited Annual Report 2021-22.

2021-22 was no less than a rollercoaster ride. The year started with the second pandemic wave, which proved even more fatal than the first one. This was followed by a series of unprecedented events that tested our resilience to a greater extent. Coal and power shortages coupled with a sharp rise in crude prices and supply chain disruptions dominated the first half of 2021-22, followed by the Omicron variant, Russia-Ukraine conflict, and longer-than-expected inflationary pressures. However, the country showcased its resilience as we stood unitedly against all odds, making India the fastest-growing major economy in 2021-22. I take this opportunity to specially thank our frontline forces, who have been tirelessly fighting the pandemic. Their unparalleled dedication and efforts have been safeguarding our lives even as the danger still lurks in the shadows.

We re-evaluated our strategies amid these challenges for driving possibilities. We focussed on enhancing our capabilities amid the tremendous growth opportunities in the infrastructure and technology industry resulting from Government's persistent support to the sector.

As a leading technology player in the AEC domain, we are poised to explore and unlock potential opportunities arising from various industrial developments. We are focussed on retaining our market leadership position achieved through 25+ years of industry experience and expertise. Our modern technology products and services are our key differentiators. With these, we intend to bring digital transformation in the construction industry.

From the industrial standpoint, the infrastructure space has gained much momentum due to Government-led initiatives in recent times. The Government's aim to develop the country with top-notch infrastructural facilities and digital transformation has paved the way for India towards a better tomorrow. With several ambitious plans such as the PM Gati Shakti, National Infrastructure Pipeline, Pradhan Mantri Awas Yojana (PMAY), Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and many more, the Government of India is all set to bring in further modern infrastructural facilities. The Union Budget 2022-23 declared a sum of ` 7.5 Trillion outlay for capital expenditure with a sharp increase of 35.4%, compared to ₹ 5.54 Trillion in the previous year. PM Gati Shakti, the national master plan, provides for multimodal logistical infrastructure with its first budgetary outlay of ₹ 20,000 Crores in Union Budget 2022-23. The Government's 'Housing for All' initiative, PMAY received an allocation of ₹ 48,000 Crores in 2022-23. On the other hand, AMRUT 2.0 will cost an estimated ₹ 2,99,000 Crores in total, including ₹ 76,760 Crores in central funding during the next five-year period. This budget comprises ₹ 22,000 Crores for continuing AMRUT projects through March 2023. All these investment plans by the Government are aimed to propel the country's infrastructural development towards a new high.

Another industry to gain traction in recent times was technology. The country's digital transformation is one of the numerous ambitious plans undertaken by the Government. The Indian technology industry has reached a total revenue of USD 227 Billion in 2021-22. Government's spending on information and technology is expected to grow by 12.1% to reach an amount of USD 9.5 Billion in 2022. Around 1,38,000 patents were filed during 2015-21, with almost 10,000 patents filed in 2021 by the top five tech firms in the country. The current environment is full of growth opportunities from the technology front, and we are prepared to explore these opportunities and prosper in our journey of digital transformation of the AEC sector.

Our products and services are mainly driven by three fundamental facts: automation, time convenience, and cost convenience. Products around CIVIT platform, AutoDCR®, BIMDCR®, PWIMS®, Opticon®, and RuleBUDDY® are developed to transform the whole construction lifecycle into a digital platform. Our smart solutions effectively manage the entire procurement lifecycle of a construction project by eliminating errors and providing data in real-time. This is our approach to generating greater value for our customers across the globe. Digital penetration in our country's construction industry is much lower compared to other industries. This opens a wide casement of opportunities in our target industry. After attaining great success in India, we are emphasising expanding presence globally, primarily focusing on the United States, Asia-Pacific and the United Kingdom regions.

Our collaborations with the best-in-class technology players in the world such as Autodesk, Dassault Systems, Mitsubishi Electric, Microsoft, and AWS provide an edge to create better products for our customers. We also launched the first and only start-up incubation centre, AmpliNXT, for AEC vertical technologies to develop and empower young minds to create new technologies. We have already signed six start-ups under the AmpliNXT programme. With this, we shall keep enhancing our strength to invest more in the start-ups focused on the AEC vertical. We have also invested in a company called BtrLyf, which provides complete building energy management solutions, including an aggregation platform. This can be seen as a big turnaround for our future on the environmental front as the world marches toward attaining carbon neutrality ahead.

Our outlook for the future is very bullish in terms of technology development and transforming the AEC vertical digitally. We are planning to invest in digital twin-based solutions and services for Facility Management, Assets Management and Energy Management in Asia-Pacific, the US and UK corporate sectors. The external environment has showered us with ample opportunities to grow, and we are poised to capitalise on the same.

Last but not least, I want to thank all our shareholders for their unwavering support throughout our journey and acknowledge their efforts to create an empire built on new ideas. We hope to move forward on this path of trust and loyalty while adding milestones and creating our legacy in the architecture, engineering, and construction industry.

With best regards,

Vijay Gupta

Chairman & Managing Director

Identifying Potential & Possibilities
Our Industrial Landscape

India is flourishing with advancements to propel its growth in the digital era. Sectors across the nation are adjusting to the ongoing digital transformations. Since the pandemic, businesses and the general public have both been reliant on this digitalisation. To put the nation ahead in the digital race, the Government has stepped up its digital and infrastructure spending. The strategic decisions made by the Government, businesses, and communities in 2021-22, will accelerate hybrid operating models, customer-centricity, personalised employee involvement, digital skilling, and sustainable business models.

Few of the growth figures are mentioned below.

Total revenue of the Indian technology industry in 2021-22 stood at **USD 227 Billion** with **2x** revenue growth, from 2018-19, with **15.5%** y-o-y growth

Indian technology industry led the economic revival of the country in 2021-22, with **7.4%** relative share in country's GDP and **51%** relative share in service exports

India is the **largest** tech start-up hub in the world, with **~25,000** start-ups and **2,500+** new start-ups, alongside **42** new unicorns

With approximately **10,000** patents filed by the top **5** Indian tech enterprises by the end of 2021, **1,38,000** tech patents were submitted between 2015-21, demonstrating the growing focus on innovation

The share of digital revenue stood at **30-32%** with a growth rate of **25%**

With a vision to develop India as a USD 5 Trillion economy, the Government has laid out some aggressive plans to develop its infrastructural base. Initiatives like PM Gati Shakti - the National Master Plan, have been undertaken to provide the country a modern logistical infrastructure, while the Pradhan Mantri Awas Yojna is aimed at providing housing for all.

Some of the key figures of the infrastructure industry are mentioned below.

In the Union Budget 2022-23, PM Gati Shakti got its first budgetary allocation of ₹ 20,000 Crores for integrated planning and coordinated implementation of infrastructure connectivity projects

The Government has rolled out an outlay of capital expenditure worth ₹ 7.5 Trillion for infrastructural development in 2022-23

Under PMAY, the Government allocated ₹ 48,000 Crores to fulfil its ambition to facilitate housing for all in both rural and urban area with 8 Million houses and 18 Million identified beneficiaries

Under the Smart Cities mission, the Government plans to invest ₹ 2.04 Crores for initiating various projects

What's there for SoftTech

Given that the infrastructure and technology segments are concurrently developing, SoftTech being a tech player in the construction development industry is exploring and capitalising on these opportunities. Indian technology industry as well as the infrastructure industry is currently on a dream ride, with significant investments and unhindered focus from the Government. By benefitting from the developments in the industry, the Company is focussed on retaining its market leadership position, while expanding globally.

SoftTech
Empowering Transformation

Strategies for Expanding Our Presence
Our Geographical Reach

SoftTech Engineers Limited is the leading company in the AEC segment, with successful product penetrations in India.

The Company's strategies have been chalked out into following different sets of actions:

Digital Twin Solutions (BIM+IoT):

The Company plans to develop innovative products and solutions to allow the end-user manage and monitor the facilities, assets and energy usage, digitally. This is in line with the global net-zero carbon emission goal, as the Company leverages its expertise in CAD and BIM technology.

Geographic Expansion:

The Company created success stories by achieving milestones through its performance in the domestic market and is now focusing on evolving the business on global platform. The US, Asia-Pacific and the UK are the primary target markets for SoftTech to expand its geographical footprint, while striving to penetrate other geographies like Middle-East, Africa, South-East Asia, and Australia. The Company has already started to propel growth of its business in the US market, given the growth prospects there. This will enable SoftTech to transform into a global entity as well as generate diversified revenue shares. Going ahead, the Company's vision for 2025 is to achieve a target revenue of USD 25 Million by expanding its presence geographically.

SoftTech intends to expand its market share in the AEC vertical in the global market. To achieve this, the Company is improvising its growth strategies to attain the business' long-term vision. At SoftTech, innovation-focused R&D and strong brand position enables the Company to enhance its capabilities to adapt to the changes around and achieving the set targets effectively.

Constant R&D Focus:

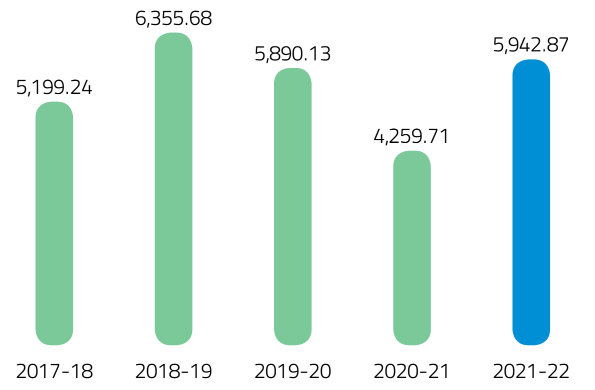
The Company is striving to stay ahead in the competitive landscape in terms of technology development. Following this, it is also evolving the business' R&D competencies to provide world-class customised and innovative solutions to its clients. Its constant focus is on developing new products while enhancing the customer experience, backed by its R&D capabilities as its pillar of success.

Market and Brand Development:

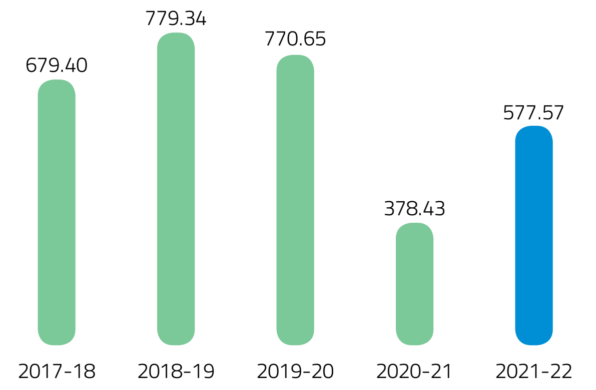
The Company's products attained great success over time. It is now planning to increase its branding and marketing activities to leap forward internationally. SoftTech's business development team are employed to further strengthen its marketing activities, domestically and globally. Its long-term alliances with prestigious market leaders, will further help in enhancing its brand image. At the same time, the Company is striving to become more flexible with regards to pricing, as per client's specific requirements, to offer better and customised products, generating greater market visibility.

Performance Asserting Our Potential
Our Financial Highlights

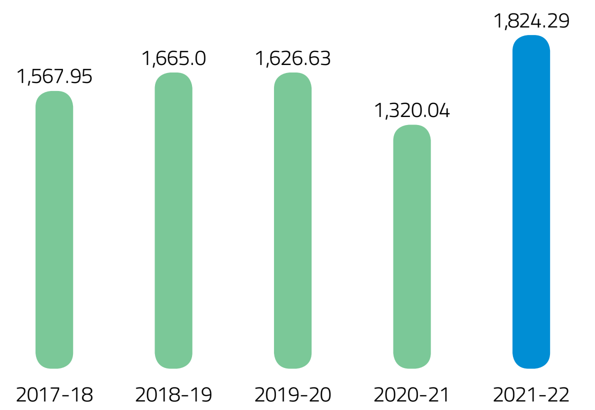
Total Revenue
(₹ in lakhs)



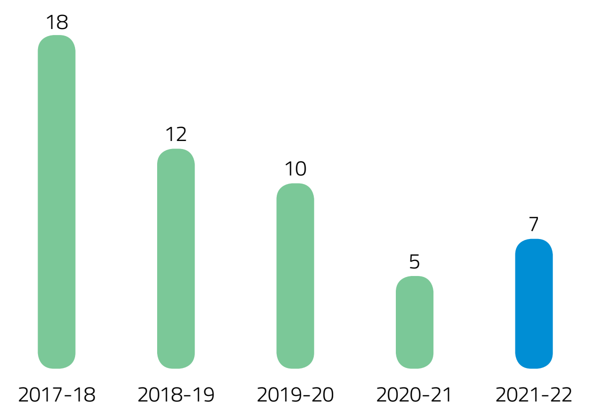
PAT
(₹ in lakhs)



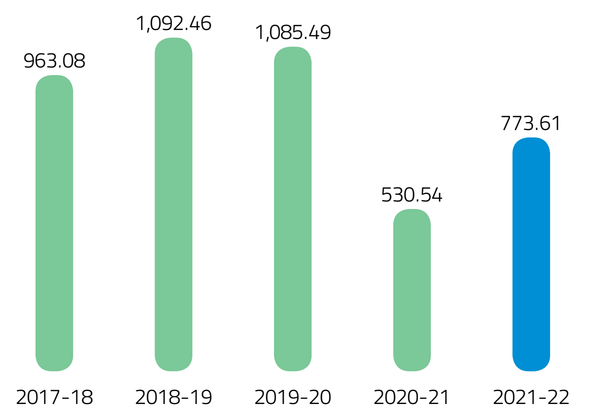
EBITDA
(₹ in lakhs)



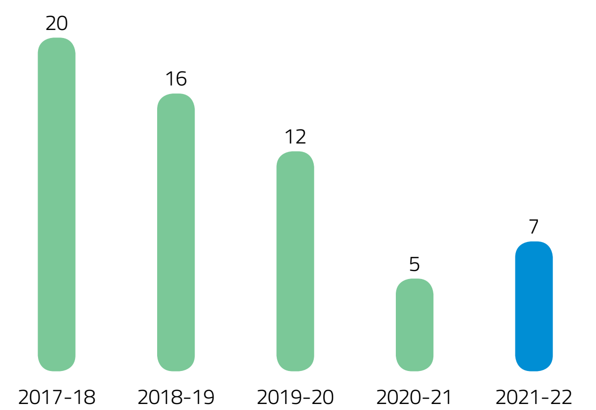
ROCE
(%)



PBT
(₹ in lakhs)



ROE
(%)



Team that Propels our Potential

Our Board of Directors

Vijay Gupta
Founder, Chairman & Managing Director

Mr. Gupta is the Founder, Chairman, and Managing Director of the Company. He holds a degree of M. Tech from IIT Mumbai. He has prior experience of working with CAD/CAM divisions of Crompton Greaves and Godrej & Boyce. With over 30 years of experience in development of complex CAD/CAE/Project Management software, he has been the driving force behind the success of SoftTech Engineers Limited since its inception. Mr. Gupta strongly believes that IT must be leveraged extensively to bring in speed, efficiency, and transparency in processes for public and private sector organisations. His belief, enthusiasm and strategic and technical knowledge has successfully steered SoftTech through the years.

Priti Gupta
Whole-Time Director

Mrs. Gupta completed her B.Sc. in Physics, and MBA in Sales & Marketing from Welingkar Institute, University of Mumbai. With over 20 years of experience in business and management, she has been training, managing human resource & administrative operations in SoftTech for the last 15+ years. She has worked as visiting faculty for MBA students at South Gujarat University, Surat. Furthermore, she played an instrumental role in bringing ISO processes in SoftTech Engineers Limited.

Pratik Patel
Whole-Time Director

Mr. Patel holds a Bachelor's degree in Information Technology (BSc. IT) and MBA from Edinburgh Napier University, Edinburgh (UK). He has over 10 years of experience of handling various managerial assignments in the areas of operations for software development company and real estate business and constructions. Mr. Patel has been on the Board of the Company since 18th July, 2020.

Rahul Gupta
Independent Director

Mr. Rahul Gupta is a technologist, venture capitalist, serial entrepreneur and an inspirational leader. He has over 30 years of varied experience. He started his journey as Head of Technology Investments for one of the first early-stage VC firms in the country. He believes that continuous innovation is the only way of surviving in this fast-changing competitive world. His expertise lies in strategy formulation, long and mid-range planning, culture and business process development, creating 'winning teams', facilitating and creating global sales organization and affecting successful business model disruptions.

He serves on the Board of some listed companies and several technology start-ups. He is also involved with mentoring and coaching several start-ups and is associated with entrepreneurs and partners in technology, services, manufacturing, hospitality, e-commerce and sustainability spaces across the globe.

Sridhar Pillalamarri
Independent Director

Mr. Pillalamarri holds a degree of B. Tech, Electrical Engineering from IIT, Kharagpur and a M. Tech in Control & Instrumentation from IIT Mumbai. He has over 30 years of experience at various levels of management and 20 years of successful experience as a top-level executive in several companies. His expertise encompasses handling technical details in the areas of VLSI and ASIC Design, using the top-down design approach, embedded software, local area networking in particular ethernet. He is a personality with excellent interpersonal and cross-functional skills and the ability to work well with all levels of an organisation.

Sundararajan Srinivasan
Independent Director

Mr. Srinivasan holds a Master's degree in Control & Instrumentation from IIT Bombay. He has been developing and leading innovations in India, Asia, Europe, and US over the past 31 years. He has covered a range of technology areas in computing, communication, and control. In his early career, he pioneered indigenous digital power plant control systems for small hydro and bagasse-based co-generation plants in sugar industry in India. He also led global R&D functions in Philips, NXP and Intel. He has served as the Managing Director of Intel Mobile GmbH in Munich for 3 years, while leading development of mobile platform software. He has been on the Board of the Company since 27th August, 2019. Further, he has been appointed as an Independent Director w.e.f. 10th July, 2020.

Dr. R. K. Singh
Independent Director

Mr. Singh has completed his Post Graduation in Physics from Pune University and Computer science and engineering from IIT Mumbai. During his career of more than three decades, he has expertise in Bigdata Analytics, Parallel and Distributed Processing, Kubernetes, Video & Image Processing, Machine Vision, and Graphics. He has worked on various level of management and has significant contributions in the areas of innovations and technology. Further he has several awards and publications to his credit. He has been appointed on the Board of the Company as an Independent Director with effect from 12th August, 2022 .

Corporate Information

BOARD OF DIRECTORS

Mr. Vijay Gupta
Chairman and Managing Director

Mrs. Priti Gupta
Whole-time Director

Mr. Pratik Patel
Whole-time Director

Mr. Rahul Gupta
Independent Director

Mr. Sridhar Pillalamarri
Independent Director

Mr. Sundararajan Srinivasan
Independent Director

Dr. R. K. Singh.
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Kamal Agrawal

COMPANY SECRETARY

Ms. Aishwarya Patwardhan

STATUTORY AUDITORS

M/s. P G Bhagwat LLP,
Chartered Accountants

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited
Block No. 202, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001

REGISTERED OFFICE

SoftTech Towers, S NO 1/1A/7 8 15 16 17 Plot No. B,C,D, 1-Baner, Opp. Royal Enfield Showroom, Baner Road, Pune: 411045

CIN: L30107PN1996PLC016718

Website: www.softtech-engr.com

Email Id: investors@softtech-engr.com

BOARD'S REPORT

Dear Members,

Your directors have pleasure in presenting the 26th Annual Report on the business and operations of your Company together with the Standalone and Consolidated Audited Financial Statement and the Auditors' Report of your Company for the Financial year ended 31st March, 2022.

1. FINANCIAL SUMMARY AND HIGHLIGHTS:

The Company's financial performance for the year under review is given hereunder:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations (Net)	5745.67	4157.36	5745.67	4157.36
Other Income	197.20	102.35	186.42	102.53
Total Revenue	5942.87	4259.71	5932.09	4259.71
Depreciation and Amortisation	764.24	550.28	764.35	550.28
Total Expenses (including Depreciation and Amortisation)	5169.26	3729.17	5271.03	3849.53
Profit/ (Loss) Before Tax	773.61	530.54	661.06	410.18
Tax Expenses:				
1. Current Tax	193.77	130.00	193.77	130.00
2. Deferred Tax	2.27	22.11	2.27	22.11
Net Profit/ (Loss) After Tax	577.57	378.43	465.02	258.07
Earning per share				
Basic	5.89	4.00	4.89	2.91
Diluted	5.89	3.99	4.88	2.90

During the year under review, the Company has achieved a gross turnover of ₹ 5,942.87 Lakhs in comparison to previous year's turnover which was ₹ 4,259.71 Lakhs. It represented an increase of 39.51 % over the previous year. The Profit after tax stood at ₹ 577.57 Lakhs as against ₹ 378.43 Lakhs in previous year. Key aspects of financial performance of your Company for the Current FY 2021-22 along with the Previous FY 2020-21 are tabulated in the Financial Results above.

*Amounts for the FY 2020-21 are taken from the audited financial statements of FY 2020-21 which were prepared as per GAAP. The accounts for the FY 2021-22 are prepared as per IND AS which became applicable to the Company post listing on the Main Board of Stock Exchanges effective from 25th February, 2022. Due to restatement of numbers as per applicability of IND AS, there are slight differences in the amount than previously filed financial statements for FY 2020-21.

2. KEY DEVELOPMENTS OF THE COMPANY:

- The Company has incorporated a subsidiary with Charitable Objectives named SoftTech Care Fundation, under section 8 of the Companies Act, 2013 on 14th April, 2021.
- The Airport Authority of India (AAI) is a statutory body that uses the No Objection Certificate Application System (NOCAS) application for processing the no objection height clearance applications for various construction activities in the vicinity of airports. The AAI has selected the Company as its Application Maintenance & Development Service Partner (AMDSP) for the Maintenance & Development of No Objection Certificate Application System (NOCAS) in May, 2021.
- On its 25th Anniversary i.e. on 17th June, 2021, the Company has launced a new hybrid corporate venture program titled "AmpliNxt". The first-of-its-kind program for the AEC sector in India, AmpliNxt offers tailored support from industry's experts, entrepreneurs, and domain experts.
- In August 2021, the Company signed Shareholders Agreement for acquisition of 15% stake in Singapore based company 'Qi Square Private Limited' engaged in the business of developing digital platform for the built environment industry.

- On 29th October, 2021 the Company has incorprorated a wholly Owned subsidiary named AmpliNxt Private Limited.
- With effect from 25th February, 2022 the equity shares of the Company are listed and trading on Main Board of National Stock Exchange of India ("NSE") and Bombay Stock Exchange of India ("BSE") as a result of migration of securities.

3. DIVIDEND:

Considering the situation and in order to conserve the resources, the Board of Directors do not recommend dividend for the FY 2021-22.

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since no unclaimed dividend amount is pending with the Company for seven consecutive years or more, no amount is required to be transferred to the Investor Education and Protection Fund.

5. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013:

No amount was transferred to the reserves during the Financial Year ended on 31st March, 2022.

6. LISTING OF SECURITIES ON STOCK EXCHANGES:

The shares of the Company are listed on main board of the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) with effect from 25th February, 2022. Earlier they were listed on the National Stock Exchange of India Limited SME (EMERGE) platform. Further, the Company is registered with both NSDL & CDSL.

7. MANAGEMENT DISCUSSIONS & ANALYSIS REPORT:

In accordance with the provisions of the Companies Act, 2013 and SEBI regulations, the Management Discussion and Analysis report is given as 'Annexure A' to this report.

8. ANNUAL RETURN:

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at https://softtech-engr.com/wp-content/uploads/MGT_7_Annual-return_30.11.2021_22.12.2021.pdf

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

I. Changes in Composition of the Board of Directors:

a. Ms. Wai Ki Chan (DIN: 03223546) the Nominee Director of the Company representing RIB ITWO Software Private ceased to be director w.e.f. 3rd January, 2022.

b. As per the provisions of Section 152(6) of the Companies Act, 2013 and other applicable provisions thereunder, Mrs. Priti Gupta (DIN: 01735673), Whole-time Director of the Company, whose office is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. Based on the recommendation of the Nomination and Remuneration Committee, the Board recommends her re-appointment to the shareholders in the ensuing Annual General Meeting.

c. Mr. Rahul Gupta (DIN: 00024732) is re-appointed as an Independent Director of the Company for a second term of 5 years w.e.f. 3rd March, 2023 subject to approval of shareholders in ensuing Annual General Meeting. Brief profile and other information of Mr. Rahul Gupta (DIN: 00024732) proposing re-appointment as an Independent Director forms part of the notice of ensuing Annual General Meeting.

d. Mr. Sridhar Pillalamarri (DIN: 00026018) is re-appointed as an Independent Director of the Company for a second term of 5 years w.e.f. 3rd March, 2023 subject to approval of shareholders in ensuing Annual Genera Meeting. Brief profile and other information of Mr. Sridhar Pillalamarri (DIN: 00026018) proposing re-appointment as an Independent Director forms part of the notice of ensuing Annual General Meeting.

e. Dr. Rakesh Kumar Singh (DIN: 02294988) is appointed as an Independent Director of the Company w.e.f. 12th August, 2022 subject to approval of shareholders in ensuing Annual Genera Meeting. Brief profile and other information of Dr. Rakesh Kumar Singh (DIN: 02294988) proposing appointment as an Independent Director forms part of the notice of ensuing Annual General Meeting.

II. Appointment / Resignation of Key Managerial Personnel:

a) Mr. Kamal Agrawal is appointed as CFO (KMP) of the Company w.e.f. 28th June, 2021.

b) Mr. Vijay Gupta is appointed as CEO (KMP) of the Company w.e.f. 28th February, 2022

III. Declaration from Independent Directors and statement on compliance of code of conduct:

Your Company has received necessary declarations from all its Independent Directors stating that they meet the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Independent Directors have complied with Code of Independent Directors prescribed in Schedule IV of Companies Act, 2013. All the Independent Directors of the Company have enrolled themselves in the data bank with the 'Indian Institute of Corporate Affairs', New Delhi, India.

In the opinion of the Board the Independent Directors possess necessary expertise and experience (including the proficiency) and they are of high integrity and repute. During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees for attending meetings of the Board of Director. The details of sitting fees paid are mentioned in the Corporate Governance Report.

All the Directors and Senior Management Personnel have also complied with the code of conduct of the Company as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

IV. Board Evaluation:

The annual evaluation framework for assessing the performance of Directors comprises of the following key areas:

a) Attendance for the meetings, participation and independence during the meetings.

b) Interaction with Management.

c) Role and accountability of the Board.

d) knowledge and proficiency

e) Strategic perspectives or inputs.

The evaluation involves assessment by the Board of Directors. A member of the Nomination and Remuneration Committee and the Board does not participate in the discussion of his / her evaluation.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the board has carried out the performance evaluation of the Board, the Committees of the Board and individual directors.

V. The Composition of Board of Directors & Key Managerial Person as at 31st March, 2022 consists of following:

Sr. No.	Name	Designation
1.	Mr. Vijay Gupta	Managing Director and Chief Executive Officer
2.	Mrs. Priti Gupta	Whole-time Director
3.	Mr. Pratik Patel	Whole-time Director
4.	Mr. Rahul Gupta	Independent Director
5.	Mr. Sridhar Pillalamarri	Independent Director
6.	Mr. Sundararajan Srinivasan	Independent Director
7.	Mr. Kamal Agrawal	Chief Financial Officer
8.	Ms. Aishwarya Patwardhan	Company Secretary

10. BOARD MEETINGS:

The Board meets at regular intervals to discuss and decide on Company's / business policy and strategy apart from other businesses. The notice of Board meeting is given well in advance to all the Directors. The Agenda of the Board / Committee meetings is set by the Company Secretary in consultation with the Chairman and Managing Director and Chief Financial Officer of the Company. The Agenda for the Board and Committee meetings covers items set out in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 to the extent it is relevant and applicable. The Agenda for the Board and Committee meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the Financial Year under review, the Board of Directors of the Company has duly met Four (4) times on 25th June, 2021, 4th September, 2021, 2nd November, 2021 and 28th February, 2022. The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

11. COMMITTEES OF THE BOARD:

Details of all the Committees along with their scope, compositions and meetings held during the year are provided in the report on Corporate Governance which forms part of this Annual Report and is also available on the website of the Company https://softtech-engr.com/wp-content/uploads/Composition-of-Committees-of-the-Board-of-Directors.pdf.

12. PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES:

All transactions entered with related parties during 2021-22 were on arm's length basis and were in the ordinary course of business. There were no material related party transactions (RPTs) undertaken by the Company during the Financial Year that require Shareholders' approval under Regulation 23(4) of SEBI LODR or Section 188 of the Act. There have been no materially significant related party transactions with the Company's Promoters, Directors and others as defined in section 2(76) of the Companies Act, 2013. The approval of the Audit Committee was sought for all RPTs. Certain transactions which were repetitive in nature were approved through omnibus route. All the transactions were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI LODR, as applicable. Form AOC-2 is enclosed herewith as **'Annexure B'** to the Boards' Report.

The disclosures as per Indian Accounting Standards for the related party transactions are given in the Financial Statement of the Company.

13. CHANGES IN SHARE CAPITAL:

Employee Stock Option Plan

As on, 4th September, 2021, the Company has allotted 21,416 equity shares of ₹ 10/- each at Exercise Price of ₹ 5/- fully paid to the employees, against exercise of stock options earlier granted to them under SoftTech Employees Stock Option Plan 2017. Originally options were granted to employee at ₹ 10/- each. However pursuant to bonus issue made by the Company in the ratio of 1:1, number of options granted to the Employees got dubbled which effectively reduced execise price at ₹ 5/-per Equity Shares.

Preferential /Private Placement Basis

During the financial year under review, the Company has made allotment of 666,666 fully paid Equity shares of ₹ 10/- each at ₹ 150 per share, including premium to the identified persons on Preferential allotment / Private Placement basis on 8th October, 2021.

During the year under review, there is no change in authorised share capital of the Company. Further, the Company has neither allotted any sweat equity nor it has bought back any shares or securities.

14. EMPLOYEE STOCK OPTION SCHEME:

The Company has the 'SoftTech Employees Stock Option Plan 2017 (SOFTTECH ESOP 2017)' being implemented in accordance with the SEBI regulations in this regard. The Company has obtained certificate of auditors of the Company pursuant to Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 in this regards. The Disclosures pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014 is available in Financial section on the website of the Company at https://softtech-engr.com/wp-content/uploads/SoftTech-Employees-Stock-Option-Plan-2017.pdf .

The disclosures in compliance with clause 14 of the securities and exchange board of india (share based employee benefits) regulations, 2014 and other applicable regulation, is any is available on the website of the Company at https://softtech-engr.com/investor-relations-in-softtech-engineers/#tab-161023 .

The Scheme was amended in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 in the Board Meeting dated 27th May, 2022, wherein the following important changes were made,

1. Definition of employee is revised to include employees of Group Company including subsidiary or its associate company, in India or outside India, or of a holding company of the Company under the scope of the scheme.
2. Treatment of options, in the event of death, retirement, superannuation of employees is revised in accordance with amended regulations

15. UTILISATION OF PROCEEDS FROM PREFERENTIAL ISSUE:

The proceeds of the preferential issue have been used in accordance with the objects stated in offer document. There is no deviation in use of proceeds from objects stated in the offer documents in 2021-22. The summary of utilisation of proceeds from pereferntial issue as on 31st March, 2022 is stated in Note No. 37 of Notes to Accounts.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

- **CONSERVATION OF ENERGY:**

  The operations carried out by the Company are such that they are not deemed as energy intensive. However, the Company constantly makes efforts to avoid excessive consumption of energy. The measures are aimed at effective management and utilisation of energy resources and resultant cost saving of the Company.

- **TECHNOLOGY ABSORPTION:**
  - (i) the efforts made towards technology absorption – Nil.
  - (ii) the benefits derived like product improvement, cost reduction, product development or import substitution – Nil.
  - (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year – Nil.
- **FOREIGN EXCHANGE EARNINGS AND OUTGO (₹ in Lakhs):**

Earnings	69.80
Outgo	90.21

17. AUDITORS:

a) Statutory Auditors:

In the 25th Annual General Meeting (AGM) held on 30th September, 2021 M/s. P G Bhagwat LLP, Chartered Accountants (Firm Registration No. 101118W/W100682) have been appointed as the Statutory Auditors of the Company for a term of Five (5) years i.e. from the conclusion of 25th AGM up to the conclusion of 30th AGM of the Company.

M/s. P G Bhagwat LLP, Chartered Accountants (Firm Registration No. 101118W/W100682), have confirmed their willingness to act as Statutory Auditors of the Company. The Company has received letter from M/s. P G Bhagwat LLP (Firm Registration No. 101118W/W100682), to the effect that their appointment, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from being appointed.

b) Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Devesh Tudekar, Practicing Company Secretary and Partner of DTSM & Associates, Pune was appointed as a Secretarial Auditor of the Company to carry out the audit of the Secretarial Records of the Company for the FY 2021-2022. However, DTSM & Associates, Pune, being yet to receive Peer review certificate as per Peer Review Manual published by Institute of Company Secretaries of India expressed their unwillingness and ineligibility to be appointed as Secretarial Auditor. Further, SVD & associates, Pune were appointed as a Secretarial Auditor of the Company to carry out the audit of the Secretarial Records of the Company for the FY 2021-2022. A Report of the Secretarial Audit is annexed herewith as **'Annexure C'.**

Pursuant to SEBI Circular CIR/CFD1/27/2019 dated 8th February, 2019 all listed entities shall, additionally, on annual basis, submit a report to the stock exchange(s) on compliance of all applicable SEBI Regulations and circulars / guidelines issued thereunder within 60 days of end of Financial Year. Such report shall be submitted by Company Secretary in practice to the Company in the prescribed format.

The Company has received such report from SVD & associates, Practicing Company Secretaries, Pune for the Financial Year ended 31st March, 2022 and it has been submitted to the stock exchange(s) within the stipulated time.

c) Internal Auditor:

For the FY 2021-22 the Company appointed M/s. SKF & associates., Chartered Accountants, as an internal auditors to conduct internal audit of the functions and activities of the Company.

18. REPORTING OF FRAUD BY STATUTORY AUDITORS:

There was no fraud suspected in the Company, hence no reporting was made by Statutory Auditors of the Company under sub-section (12) of section 143 of Companies Act, 2013.

19. DEPOSITS:

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

20. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

a) In the preparation of the annual accounts for the year ended 31st March, 2022, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;

b) The directors had 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 profit of the Company for that period;

c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The directors had prepared the Annual Accounts on a going concern basis;

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

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

21. CORPORATE GOVERNANCE:

The Company has taken adequate steps to ensure that the conditions of Corporate Governance as stipulated and applicable under various regulations are complied with. The Company has strived to maximise the wealth of shareholders by managing the affairs of the Company with the pre-eminent level of accountability, transparency and integrity. A report on Corporate Governance including the relevant Audiors' Certificate regarding the conditions of Corporate Governance as stipulated in Regulation 34(3) read with Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed and forms part of Annual Report as **'Annexure D'.**

22. COMPLIANCE OF SECRETARIAL STANDARDS:

The Company has complied with the provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India on the Meetings of Board of Directors (SS-01) and on General Meetings (SS-02).

23. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The code provides for periodical disclosures from Directors and designated employees as well as pre-clearances of transactions by such persons.

The detailed Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders is placed on the Company's website and can be viewed at: https://softtech-engr.com/wp-content/uploads/Code-of-Conduct-for-Prevention-of-Insider-trading.pdf.

24. INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY:

During the Financial Year under review, the Company has incorporated a subsidiary with the name of 'SoftTech Care Foundation' having charitable objectives under section 8 of the Companies Act, 2013 on 14th April, 2021.

The Company has also incorporated wholly owned subsidiary with the name of AmpliNxt Private Limited on 29th October, 2021. AmpliNxt Private Limited is en entity acting as an Incubator and Accelerator for start-ups, enthusiasts, technocrats, etc. mainly in AEC domain.

Your Company has a subsidiary with name SoftTech Engineers Inc, in state of Delaware, USA and a wholly owned subsidiary named SoftTech Finland Oy located in Republic of Finland. The Company has a step down subsidiary (Subsidiary of SoftTech Engineers Inc.) as SoftTech Government Solutions Inc. in the Commonwealth of Virginia.

25. STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDARIES / ASSOCIATE COMPANIES / JOINT VENTURES:

Further a statement containing salient features of the financial statements of subsidiaries in the prescribed format AOC-1 is appended as **'Annexure-E'** to this Report. The statement also provides details of performance, financial position.

There has not been any material change in the nature of the business of the Subsidiaries. As required under SEBI LODR Regulations, 2015 and Companies Act, 2013, the consolidated financials of your Company and Subsidiaries are provided in this annual report.

26. RISK MANAGEMENT POLICY:

Periodic assessments to identify the risk areas are carried out and the management is briefed on the risks in advance to enable the Company to control risk through a properly defined plan. The risks are classified as financial risks, operational risks and market risks. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them. The Company has formulated a Plan for Risk Management with the following objectives:

- Provide an overview of the principles of risk management.
- Explain approach adopted by the Company for risk management.
- Define the organisational structure for effective risk management.
- Develop a "risk" culture that encourages all employees to identify risks and associated opportunities and to respond to them with effective actions.
- Identify, assess and manage existing and new risks in a planned and coordinated manner with minimum disruption and cost, to protect and preserve Company's human, physical and financial assets.

27. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT:

The Company has maintained adequate internal controls commensurate with its size and nature of operations. The Company also has an Audit Committee which reviews with the management adequacy and effectiveness of the internal control system and internal audit functions. The scope of the Internal Audit is decided by the Audit Committee and the Board. There are policies, guidelines and delegation of power issued for the compliance of the same across the Company.

28. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186:

1. During the financial year under review, the Company has invested ₹ 28.21 Lakhs in Debentures of SoftTech Egineers Inc. (Subsidiary).
2. The Company has formed section 8 Company with name of SoftTech Care Foundation and has infused ₹ 0.90 Lakhs in it as equity share capital for 90% holding of the Company.
3. The Company has formed AmpliNxt Private Limited as wholly owned subsidiary and infused share capital of ₹ 1.00 Lakhs in the equity share capital of the Company.

Please refer Note No. 5 notes forming part of the financial statements to the Standalone Financial Statements) for investments under Section 186 of the Companies Act, 2013. Except this, the Company has not made any investment or granted any Loans or Guarantees covered under Section 186 of the Companies Act, 2013 & Rules thereof including amendments thereunder.

29. LOAN FROM DIRECTORS AND RELATIVES OF DIRECTOR:

The details of loans and advances accepted from directors of the Company and relatives of directors as on 31st March, 2022 given below:

(₹ in Lakhs)

Sr. No.	Name of person	Designation	Loan Taken during the year	Loan repaid during the year	Balance as on 31st March, 2022
1	Vijay Gupta	Managing Director	51.22	54.62	150.00
2	Priti Gupta	Whole -Time Director	15.00	24.13	39.24

30. NOMINATION & REMUNERATION POLICY:

The Company has in placed a Policy on Directors' appointment and remuneration of the Directors, Key managerial Personnel (KMP) and other employees including criteria for determining qualifications, positive attributes, independence of a Director and other matters. The Policy is in compliance with the provisions of the Companies Act, 2013 read with the Rules made therein and is formulated to provide a framework and set standards. The detailed Nomination & Remuneration Policy of the Company is placed on the Company's website and can be viewed at: https://softtech-engr.com/wp-content/uploads/Nomination-and-Remuneration-Policy.pdf.

31. VIGIL MECHANISM:

The Company has adopted a Vigil Mechanism / Whistle Blower Policy, to provide a formal mechanism to the directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimisation of employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, the Company has not received any complaints under the said mechanism. The Vigil Mechanism / Whistle Blower Policy has been posted on the website of the Company https://softtech-engr.com/wp-content/uploads/Vigil-Mechanism-Whistle-Blower.pdf.

32. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Policy has set guidelines on the redressal and inquiry process that is to be followed by aggrieved woman, whilst dealing with issues related to sexual harassment at the work place towards any women. All employees (permanent, temporary, contractual and trainees) are covered under this policy.

The Company has complied with the provision relating to the constitution of the Internal Complaint Committee under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

It may be noted that during the year 2021-22, no grievance / complaint from any women employee was reported.

33. MATERIAL CHANGES & COMMITMENTS, BETWEEN THE DATE OF BALANCE SHEET AND THE DATE OF BOARD REPORT:

In the Board Meeting dated 27th May, 2022, in order to expand business overseas, the Board granted in principle approval for formation of subsidiaries in Singapore and UK.

Except above there have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report, except as disclosed elsewhere in this report.

34. INDUSTRIAL RELATIONS:

The industrial relations during the year 2021-22 have been cordial. The Directors take on record the dedicated services and significant efforts made by the Officers, Staff and Workers towards the progress of the Company.

35. CORPORATE SOCIAL RESPONSIBILITY:

The Company has developed Corporate Social Responsibility Policy as per the provisions of the Section 135 of the Companies Act 2013. In compliance of Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility (CSR) Committee comprising of

Sr. No.	Name of Member of the Corporate Social Responsibility (CSR) Committee	Designation
1.	Mr. Vijay Gupta	Member and Managing Director
2.	Mrs. Priti Gupta	Member and Whole-time Director
3.	Mr. Rahul Gupta	Member and Independent Director

The details as per the requirement are annexed to this report as **'Annexure F'.**

36. PARTICULARS OF EMPLOYEE REMUNERATION:

Disclosures with respect to the remuneration of Directors, KMPs and employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **'Annexure G'** to this Report.

37. CHANGE IN NATURE OF BUSINESS, IF ANY:

During the year under review, there was no change in the nature of business of the Company.

38. THE EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE STATUTORY AUDITORS/ SECRETARIAL AUDITOR IN THE AUDIT REPORT:

There are no qualifications or adverse remarks in the Statutory Auditors' Report which require any clarification/ explanation. The notes on financial statements and comments by Statutory Auditors are self-explanatory, and need no further explanation.

Observation by Secretarial Auditor	Explanation by the Board
The Listed entity got its securities listed on the Main Board of BSE Limited effective from 25th February, 2022 and as on 31st March, 2022. However, the Company has not filed application for in principle approval for the ESOP Scheme of the Company as required under Regulation 10 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.	The Company is in process to file an application for obtaining in principle approval for the ESOP Scheme.
The Company has unspent CSR amount for 2021-22 which is proposed to be transferred to the funds specified under Schedule VII of the Act.	The unspent balance will be transferred to specified funds by 30th September, 2022 in Compliance with the Companies Act, 2013.

39. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S FUTURE OPERATIONS:

The Company has not received any such orders from regulators or courts or tribunals during the year, which may impact the going concern status of the Company or its operations.

40. OTHER DISCLOSURES

i. The Company is not required to maintain cost records, as specified by the Central Government under section 148 of the Act.

ii. No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the Financial Year along with their status as at the end of the Financial Year is not applicable.

iii. The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable to the Company.

41. ACKNOWLEDGEMENT:

Your directors would like to express their heartfelt gratitude to all Bankers, Government Authorities, Customers, Vendors and Business Partners for their continued support and association. The directors would also like to express their appreciation to the employees of the Company for their dedicated, individual and collective contribution in the overall growth of the Company.

For and on behalf of the Board of Directors

SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA

CHAIRMAN & MANAGING DIRECTOR

DIN: 01653314

DATE: 12.08.2022

PLACE: PUNE

Encl:

a) Annexure A- Management Discussion and Analysis Report.

b) Annexure B- Particulars of Contract/Arrangement with Related Parties in Form AOC-2

c) Annexure C- Report of the Secretarial Audit

d) Annexure D- Corporate Governance Report

e) Annexure E-AOC-1

f) Annexure F- Annual Report on Corporate Social Responsibility Activities.

g) Annexure G- Particulars of employee remuneration

ANNEXURE - A

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This section lists forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these statements as a result of certain factors. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

I. OVERVIEW OF COMPANY:

Established in 1996, SoftTech empowers business transformation through software products and solutions that are built on deep domain expertise. Over the years, we have leveraged our leading industry practices in the architecture, engineering and construction (AEC) domains to create value for businesses. Our solutions are designed to augment and enhance the sustainable competitive edge of businesses through robust frameworks that positively impact all the business critical factors. We constantly improve and maintain our high-quality solutions through dedicated, proactive market research and developmental efforts. Coming with a deep domain expertise within the software and AEC industry, we bring the ability to understand customer and category needs and provide solutions to deliver business results. We're focused on software for the Infrastructure and Construction industry and have serviced over 4600 clients in India and across the world till date.

India's GDP is projected to grow by 7.5-8 % with GVA (gross value added) growth of 7.8% in 2023.
India's GDP is expected to reach USD 6 Trillion by 2027-28 and achieve upper middle income status on the back of

- ***Digitisation***
- ***Globalisation***
- ***Favorable demographics and***
- ***Reforms***

II. INDUSTRY OVERVIEW:

Global Economic Outlook:

Beyond 2023, the Global growth is expected to decline to about 3.3% over the medium term

The global economy recovered strongly in CY 2021 even as new variants of the COVID-19 virus fueled additional waves of the pandemic. Robust policy support in advanced economies, availability of vaccines and relaxation of pandemic restrictions helped economies bounce back, collectively expanding world output by an estimated 6.1% .

Global technology spending grew strongly in 2021 to USD1.7 Trillion. The primary drivers were accelerated investments in digital transformation and cloud adoption in response to changed consumer behaviors and the need for greater operational resilience. Additionally, there was increased outsourcing by enterprises looking to free up financial as well as human resources to execute their transformation programs. A severe talent scarcity added to the outsourcing imperative. IT services grew 6.2% YoY, crossing USD 899 Billion while BPM grew nearly 5% to reach USD 211 Billion. Global growth is projected to slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January. Beyond 2023, global growth is forecast to decline to about 3.3% over the medium term. War-induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7% in advanced economies and 8.7% in emerging market and developing economies—1.8 and 2.8 percentage points higher than projected last January. Global economic prospects have worsened significantly since IMF's last World Economic Outlook forecast in January. At the time, IMF had projected the global recovery to strengthen from the second quarter of this year after a short-lived impact of the Omicron variant. Since then, the outlook has deteriorated, largely because of war between Russia and Ukraine. This crisis unfolds while the global economy was on a mending path but had not yet fully recovered from the COVID-19 pandemic, with a significant divergence between the economic recoveries of advanced economies and emerging market and developing ones.

In addition to the war, frequent and wider-ranging lockdowns in China—including in key manufacturing hubs—have also slowed activity there and could cause new bottlenecks in global supply chains. Higher, broader, and more persistent price pressures also led to a tightening of monetary policy in many countries. Overall risks to economic prospects have risen sharply and policy trade-offs have become ever more challenging [3].

[1]World Economic Outlook, IMF, April 2022
[2]Nasscom Strategic Review Report
[3]IMF, April 2022

Indian Economy Overview[4]

By 2040, real estate market will grow to ₹ 65,000 crores (USD 9.30 Billion) from ₹ 12,000 crores (USD 1.72 Billion) in 2019. Real estate sector in India is expected to reach USD 1 Trillion in market size by 2030, up from USD 200 Billion in 2021 and contribute 13% to the country's GDP by 2025.

After recording the strongest GDP rebound in the G20 in 2021, the Indian economy is progressively losing momentum as inflationary expectations remain elevated due to rising global energy and food prices, monetary policy normalises and global conditions deteriorate. Real GDP is projected to grow by 6.9% in fiscal year (FY) 2022-23 and 6.2% in FY 2023-24, despite a pick-up of corporate investment facilitated by the Production-Linked Incentive Scheme. While inflation will gradually decline, the current account deficit will widen due to the surge in energy import costs. India's economy will grow 7.5% in fiscal year (FY) 2022 and 8% in FY 2022-23, supported by increased public investment in infrastructure and a pickup in private investment, the Asian Development Bank (ADB) forecasts. The outlook assumes sustained progress in coronavirus disease (COVID-19) vaccinations and that any new variants of the virus are of limited severity. It also factors in the impacts of Russia – Ukraine war—primarily higher global oil and commodity prices that will contribute to rising inflation and a widening of the current account deficit.

"India is on the path to a sustained economic recovery, thanks to the vigorous countrywide drive to deliver safe and wide-reaching COVID-19 vaccinations, which helped reduce the severity of the third pandemic wave with minimal disruptions to mobility and economic activity," said ADB Country Director for India Takeo Konishi. "The Government of India's policy to improve logistics infrastructure, incentives to facilitate industrial production, and measures to improve farmers' income will support the country's accelerated recovery." Risks to the outlook include uncertain global economic conditions, potential new surges in COVID-19 cases, and sharp rises in commodity prices. India is set to become the third largest economy in the world by 2030, according to latest estimates by a PricewaterhouseCoopers (PwC) report.

Indian Construction Industry

According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI in construction development (townships, housing, built-up infrastructure and construction development projects) and construction (infrastructure) activity sectors stood at USD 26.17 Billion and USD 26.30 Billion, respectively, between April 2000-December, 2021. In FY 2020-21, infrastructure activities accounted for 13% share of the total FDI inflows of USD 81.72 Billion .

The construction Industry in India is expected to reach USD 1.4 Trillion by 2025

- Cities Driving Growth - Urban population to contribute 75% of GDP (63% present), and 68 cities will have a population of more than 1 Million; up from 42 today
- The construction industry market in India works across 250 sub-sectors with linkages across sectors.
- The Real Estate Industry in India is expected to reach USD 1 Trillion by 2030 and will contribute 13% to India's GDP
- Residential- By 2030, more than 40% of the population is expected to live in urban India (33% today), creating a demand for 25 Million additional mid-end and affordable units.
- Under NIP, India has an investment budget of USD 1.4 Trillion on infrastructure - 24% on renewable energy, 19% on roads & highways, 16% on urban infrastructure, and 13% on railways
- Schemes such as the revolutionary Smart City Mission (target 100 cities) are expected to improve quality of life through modernised/ technology driven urban planning.

The Government of India has launched following schemes and reforms, which will have a positive impact on AEC (Architectural, Engineering & Construction) vertical in India:

Smart Cities Mission[7] :

Launched in 2015, the objective of the Smart Cities Mission is to promote cities providing core infrastructure, clean and sustainable environment and decent quality of life to citizens by applying smart solutions. The mission of this centrally sponsored scheme is to drive economic growth and improve quality of life by focusing on the social, economic, physical and institutional pillars of cities.

[4]IBEF: Indian Real Estate Industry in India
[5]IBEF: Infrastructure Sector in India
[6]Investindia.gov.in
[7]Make in India- Construction

Initially, 100 cities have been selected to be developed as smart cities. These cities are from 32 states and union territories of India, and the development is planned through a two-stage competition. The central government plans to provide financial support of about ₹ 100 Crores (approximately USD 13 Million) to each city on yearly basis. The total amount planned under this mission is ₹ 205,018 Crores (approximately USD 27 Billion) for the development of 5,151 projects in the 100 cities selected. In this mission, private sector participation was emphasized through Public Private Partnerships (PPP).

100 Smart cities have been identified. Private sector participation was emphasised through Public Private Partnerships

Atal Mission for Rejuvenation and Urban Transformation (AMRUT)[8] :

The Union Budget 2021 allocated ₹ 13,750 Crores (USD 1.90 Billion) for the 'Urban Rejuvenation Mission'—Atal Mission for Rejuvenation and Urban Transformation 'AMRUT' and Smart Cities Mission.

Universal coverage of water supply is the priority sectors under the Mission. At the inception of AMRUT, the water supply coverage was 64%. By the end of the Mission, it aims to cover 100% households. The target is to provide 139 Lakh water tap connections to achieve universal coverage. So far 22.89 Lakh tap connections have been provided.

Against the total plan size of ₹ 77,640 Crore of all the SAAPs, ₹ 39,011 Crore (50%) has been allocated to water supply, ₹ 32,456 Crore (42%) has been allocated to sewerage and septage management, ₹ 2,969 Crore (4%) has been allocated to storm water drainage projects, ₹ 1,436 Crore (2%) for non-motorised urban transport and ₹ 1,768 Crore (2%) has been allocated for green spaces and parks.

Pradhan Mantri Awas Yojana (PMAY)[9] :

Pradhan Mantri Awas Yojana – Urban (PMAY-U), a flagship Mission of Government of India being implemented by Ministry of Housing and Urban Affairs (MoHUA), was launched on 25th June, 2015. The Mission will provide ease of living to urban migrants/ poor in Industrial Sector as well as in non-formal urban economy to get access to dignified affordable rental housing close to their workplace. Against the plan size of ₹ 2.03 Lakh Crores Central assistance of ₹ 1.20 Lakh Crores has been released. Against the plan 122.69 Lakhs houses 61.5 Lakh house completed.

RERA[10] :

Government of India has enacted the Real Estate (Regulation and Development) Act 2016 and all the sections of the Act have come into force with effect from 1st May, 2017. All commercial and residential real estate projects will have to register (with some exceptions). As per the RERA, details of all the Registered Projects shall be available online for citizens including

1. Sanctioned plans, layout plans, along with specifications, approved by the competent authority
2. Proposed Plan, Proposed Layout Plan of the whole project and Floor Space Index proposed to be consumed in the whole project, as proposed by the promoter
3. Proposed Number of building(s) or wing(s) to be constructed and sanctioned number of the building(s) or wing(s)
4. The stage wise time schedule of completion of the project, including the provisions for civic infrastructure like water, sanitation and electricity

As many as 71,307 projects across the country have been registered under RERA

Digital India:

Launched in 2015, Digital India encompasses a set of initiatives targeted at transforming India into a digitally empowered society and a knowledge economy. The vision of Digital India programme is to transform India into a digitally empowered society and knowledge economy. The Digital India programme is centered on three key vision areas: 1) Digital Infrastructure as a Core Utility to Every Citizen; 2) Governance & Services on Demand; 3) Digital Empowerment of Citizens

Due to the above mentioned Government initiatives, an overall boost to construction industry in terms of – i) Automation in management of smart city infrastructure, ii) Increase in housing – higher construction activities, iii) Increase in construction infrastructure projects, iv) Adoption of technology among private construction companies v) Greater automation in issuing construction permits vi) Digitisation and usage of software application for e-Governance, replacing manual operations. Since SoftTech's software products are aimed at fulfilling the market requirements in above areas, we foresee a sustainable increase in demand for our software solutions during next five years.

[8] Amrut.gov.in
[9] PMAY site
[10] RERA site

IT and Technology Industry

According to the National Association of Software and Service Companies (Nasscom), the Indian IT industry's revenue is expected to touch USD 227 Billion in FY 2021-22 from USD 196 Billion in FY21. According to Gartner estimates, IT spending in India is expected to increase to USD 101.8 Billion in 2022 from an estimated USD 81.89 Billion in 2021. Indian software product industry is expected to reach USD 100 Billion by 2025. Indian companies are focusing to invest internationally to expand global footprint and enhance their global delivery centers.

The IT industry added 4.5 Lakh new employees in FY22 (as of February), the highest addition in a single year. Women accounted for 44% of the total new employees. India is the topmost offshoring destination for IT companies across the world. Having proven its capabilities in delivering both on-shore and off-shore services to global clients, emerging technologies now offer an entire new gamut of opportunities for top IT firms in India. Indian IT & business services industry is expected to grow to USD 19.93 Billion by 2025.

In November, 2021, Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, lauded the Indian IT sector for excelling its competitive strength with zero government interference. He further added that service exports from India has the potential to reach USD 1 Trillion by 2030. Information technology is not only fueling major business transformation across industries, it's also changing how technology enterprises sell their products and services, operate and plan for future growth.

Global Digital Transformation Market:

In 2022, spending on digital transformation (DX) is projected to reach USD 1.8 Trillion. By 2025, global digital transformation spending is forecast to reach USD 2.8 Trillion. 66% of business globally plan to spend more on software in 2023 compared to last year[11] .

As per The Gartner Digital Markets 2022 Global Software Buyer Trends Recent Survey Two-thirds of respondents expressed an interest in growing their software investment, with one in every four businesses planning to increase software spending by 16% to 30%. Businesses will continue to use software to support remote work infrastructure for online meetings, collaboration and data privacy[12] .

Among the different software categories surveyed, most business users said they plan to temporarily or permanently adopt software related to communication, marketing and project management, closely followed by human resources, IT management, accounting, and business intelligence and analytics. The fastest-growing industry segment is transportation, indicating that companies involved in supply chains plan the highest increase in new software adoption. As digital-driven business models become entrenched, software and software-as-a-service (SaaS) providers can expect more spending on technology in 2022.

According to Gartner's, with the new normal work model, IT is no longer limited to support corporate activities as it was traditionally but is now actively involved in delivering business value. Acceleration in digitalisation has not only shifted IT from a back-office role to the front of the business, but it has also changed the source of funding from an overhead cost that is maintained, monitored, and sometimes cut to something that generates revenue. All IT spending segments are expected to expand in 2023 and beyond. Even though cost optimisation efforts will continue in 2022, organisations are now prioritising their IT spending in emerging technologies such as Cloud, Automation, Data analytics, Digital ER&D, Artificial Intelligence (AI), Machine Learning (ML) which would add their agility and flexibility and enable them to keep the operations running in unforeseen situations like a pandemic in future. With the increased vaccine rollouts and easing of lockdown restrictions, the strong recovery of IT spending is expected across countries, industries, and markets.

Upcoming Technologies:

India, having proven its capabilities multiple times in delivering both on-shore and off-shore services to global clients, is now exposed to pioneering technologies which are offering a new spectrum of opportunities to IT firms.

Growth Area #1: **Internet of Things** makes the autonomous collection of big data possible, which helps businesses get insights into customer behaviors and product performance. IoT also facilitates the continuous optimisation and automation of business processes and even helps to improve employee engagement and performance. In 2022, the IoT will be firmly entrenched in people's everyday lives. The number of devices connected to the IoT will triple by 2022, reaching 25 Billion. Most cars and homes will be connected to the internet by 2022. Both individuals and companies will benefit from this connectivity[13] .

Some of the most promising aspects of digital transformation that are currently emerging and expected to change the dynamics of the IT adoption in AEC industry:

- ***Building Information Modelling***
- ***Augmented / Virtual Reality***
- ***Artificial Intelligence (AI)***
- ***Machine Learning (ML)***
- ***Big Data Analytics***
- ***Internet of Things (IoT)***
- ***Product Engineering***
- ***Digital Media***

[11]Statista.com

[12]Gartner Digital Market

[13]Digital India-2022 Major Technology trends for Indian IT Industry

Growth Area #2: Integration of **Artificial Intelligence & Machine Learning** has been one of the most buzzing technologies in recent years. This has led to significant advances in many areas such as speech recognition, natural language processing, robotics, machine learning and computer vision. AI and ML will be used in over 80% of IoT activities in enterprises by 2022. Hyper Automation is one of the major outcomes of AI, and this will be one of the driving forces behind digital transformation in 2022.[14]

Growth Area #3: Another area that received high demand is **Big Data Analytics**-the process of examining large & varied data sets to uncover patterns, correlations, market trends & other useful information that can help organisations make more informed business decisions. The global Big Data and Business Analytics market is expected to grow from USD 239.75 Billion in 2021 to USD 638.66 Billion by 2028; it is estimated to grow at a CAGR of 15.3% from 2022 to 2028.[15]

Growth Area #4: **Product engineering** is another field that has received high demand in recent times. It takes care of the entire product life cycle from the innovation phase to deployment & user acceptance phase. Product engineering is also expected to see robust growth in the future. The global product engineering services market is projected to grow at the CAGR of 1–3% to reach USD 1.50 Trillion by 2023, primarily driven by growing investment in transport, industrial, non-residential, and commercial infrastructure sectors in the emerging economies.[16]

Growth Area #5: **Digital Media**, a blend of technology & content used to develop various applications. Digital media products are abundant in the world we live in today and has penetrated almost every industry. The worldwide revenue of USD 294 Billion in 2021 is expected to grow to USD 447 Billion up to 2026.[17]

"In this digital age, we have an opportunity to transform lives of people in ways that was hard to imagine just a couple of decades ago.
– Narendra Modi,

Prime Minister of India

Growth Area #6: **Building Information Modelling** is a digital representation of physical and functional characteristics of a facility. Building information model is a shared knowledge resource for information about a facility forming a reliable basis for decisions during its life-cycle; defined as existing from earliest conception to demolition. The market is expected to reach an estimated USD 9 Billion by 2025 with a CAGR of 9% to 11% from 2019 to 2025. The major drivers for this market are rapid urbanization, growth in infrastructure projects, and increase adoption of BIM for planning, designing, and managing building projects efficiently.

III. OPPORTUNITIES AND THREATS

Our Business

In last 25+ years, the Company is constantly improving, developing and in novating software products to meet the AEC industry requirements. We have a portfolio of 7 products and these products cover entire value chain of the construction industry right from pre-construction to during construction and then to the post construction stage. These products are being used by government authorities, local bodies, municipalities, construction and infrastructure enterprises, real estate developers, architects and other consultants in AEC sector. Company has added an AI enabled platform for AEC vertical in a unique way of offering its products.

Product portfolio includes-

- ***AutoDCR***
- ***PWIMS***
- ***OPTICON***
- ***BIMDCR***
- ***Rule Buddy***
- ***CIVIT Platform***

AutoDCR® BIMDCR® PWIMS®

Opticon® RuleBuddy®

[14]Digital India-2022 Major Technology trends for Indian IT Industry
[15]Bloomberg - Big Data and Business Analytics Market Size
[16]Product Engineering services market worth USD 1.50 Trillion by 2023
[17]Digital media revenue worldwide from 2021 to 2026

Products

AutoDCR®–Technology to Deliver on The Building Plans

AutoDCR® is an innovative solution boosting Smart City projects by automating building and layout plan approvals. AutoDCR® reads 2D CAD drawings and checks them for compliance to Development Control Regulations (DCR) of Urban Local Bodies (ULBs), Municipal Corporations, Urban Development Authorities and other such approving authorities. It is integrated with online approval workflow to monitor the approval process with associated document scrutiny. This reduces human intervention and at the same time shortens time required for approvals drastically, which further helps the authorities on improving "Ease of Doing Business" rankings. Further, there is increased transparency and uniformity in the work flow.

PWIMS® – Smarter Management for Public Works Organisations

PWIMS® is a web based, integrated works and procurement management software which is used for managing the core functional processes of works planning, procurement and maintenance large government as well as private civil infrastructure organisations. The services in this software include Budget and Estimate management, Tenders & Project management, Asset & Inventory management, Finance & Accounts management and HR management. Further, it provides a comprehensive dashboard and generates real-time MIS reports for such organisations.

OPTICON® – ERP for Construction Enterprises

OPTICON® is Enterprise Resource Planning (ERP) software which combines enterprise technologies with nearly 20 years of construction industry domain experience into an integrated system. The product aims at optimising construction processes. The services in the product includes detailed tender bid management, cost estimation for the project, managing timeline and schedules, generating MIS reports on real-time basis, managing inventory and purchase records, client billing, Sales & CRM among others. With growing infrastructural and construction activities, it aims at reducing the workload of construction companies and reducing their project completion, time saving, their overall cost.

BIMDCR®

BIMDCR® is a recently released product based on cutting edge 3D BIM technology. BIMDCR® will update the AutoDCR® customers with advanced technology to serve as integrated systems for Smart City projects. BIMDCR® is an innovative 3D Building Information Model based Online Single Window Clearance (SWC) system. It enables automatic scrutiny of building proposals by reading 3D Building Models submitted by Applicant. BIMDCR® helps in better coordination between different departments providing approvals, NOCs (No Objection Certificates) and ensures comments by different stakeholders in a single 3D model thereby detecting or preventing clashes at an earlier stage. The novel BIM model approach will also help development authorities to track unauthorised constructions in due course.

RULEBUDDY®

RULEBUDDY® is an e-commerce platform which aims to help customers solve their queries prior to commissioning of any construction activities for particular area. By leveraging the current & validated database of DCRs of various authorities and SoftTech's technical expertise in the construction industry, it will analyse and assess the feasibility of any construction project, further validating DC rules, NOC fees and other documentary requirements. The key users for this product will be Project owners, project developers, construction companies, architects, engineers, financial institutions involved in issuing housing loans among others. The product has recently been developed and is ready for commercialization.

The RULEBUDDY® ecommerce portal acts as a one-stop application providing right from building by-laws search till the approval plan preparation and compliance check. It enables users to access and analyse the commercial and legal feasibility of any building project and selection of appropriate land parcel in designated city. It lets the user know whether your project will pass through the authority based on selected project parameters. The services offered include: 1) Plan Draft, 2) Plan Check, 3) Plan Assist, 4) Rule Search, 5) Approval Processes, & 6) Project Verification

The AEC technology platform CIVIT®:

After having established independent products in AEC which have delivered significantly with great success stories, we are moving towards providing a platform to connect all the stakeholders and application products through a newly design platform named CIVIT®.

ALL-IN-ONE AI-POWERED APPLICATIONS SUITE FOR

Government

Architects

Builders & Developers

Contractors

Civit
by SoftTech

CIVIT® is the AI-powered platform transforming AEC landscape. Digitally aligning architecture, engineering and construction (AEC) eco-system to empower smarter planning, easy collaboration, and flawless project execution. CIVIT is all in one AI powered platform for Government, Architects, Builders & Developers & Contractors.

CivitPERMIT

AI-powered application for building plan permits compliance validation & digitization of permitting

CivitINFRA

All-in-one public infrastructure project management application with automation, intelligence and collaboration

CivitBUILD

The most powerful all-in-one AI-powered ERP application for builders, developers and contractors

CivitPLAN

Creation of accurate and compliance-ready building plans with pre-submission validation

CivitPERMIT is AI-powered building plan compliance validation and automated permitting based on CAD drawings or BIM models.

CivitINFRA is a web-based application for efficiently managing the lifecycle of public works projects by local and state governments including waterworks, roads, bridges, buildings and infrastructure facilities. From planning and procurement to execution and management, CivitINFRA replaces the existing manual, siloes and paper-based process of managing public infrastructure projects with an automated, intelligent, transparent, and integrated software.

CivitPLAN is the first AI-powered pre-submission building plan validation tool designed for architects and consultants. The engine reads 2D drawings as well as BIM models and validates for compliance against building codes. Civit's Plan Comply engine automatically generates a detailed compliance report to aid building officials in rejecting or approving building plan.

CivitBUILD is the most powerful all-in-one AI-powered ERP software for builders, developers and contractors to transform their construction operations for high efficiency, speed, and agility.

Technology expertise and strength

- **CAD/ CAM Expertise**- CAD Drawing Entity reading, mathematical modelling, numerical methods and data processing; Strong skillset in reading AutoCAD, ZwCAD and open CAD platform APIs.
- **Web Development**- Strong Skill set in various Microsoft framework technologies; Team Proficiency in ASP. Net, C#, MVC, Bootstrap, jQuery, jSON, Ajax and various java script frameworks.
- **Mobile Development- Separate** Teams of Android and iOS developments.
- **Dashboards & Analytics**- Strong Skills in defining schemas of Transactional data; ETL services and analytical Models.
- **Database Engineering & Administration group**- Team and Expertise in managing SQL Server, Oracle and Mongo DB.
- **Quality & testing**- Team with strong domain and knowledge of business functions; Proficiency in Manual and Automations testing; Awareness on tools lime Vega (for Security testing) & Selenium (for Automation testing).
- **Rule Engine**- Strong Skill set of C++/ Visual C++ & XML.
- **Domain knowledge and expertise:** Specific knowledge and expertise in Architectural, Engineering and Project Management fields. Architectural: Building design as per Development Control Regulations of different authorities. Engineering- Costing, Rate Analysis, Estimation, automated BOQ generation. Project Management: Project Planning, Scheduling, Procurement calendar, Project Monitoring.
- **GIS:** Skill set of writing urban planning applications on GIS platforms.
- **Image Recognition**: Skill set of Image recognition for online 2D/3D building plan reading and review, online BIM Modeling reading & review.
- **BIM Technology**: With its related products & service offerings, we provide comprehensive BIM solutions and supports to our customers an integrated solution which includes Technology Products, Implementation Support, Consulting Services and Integration Services.

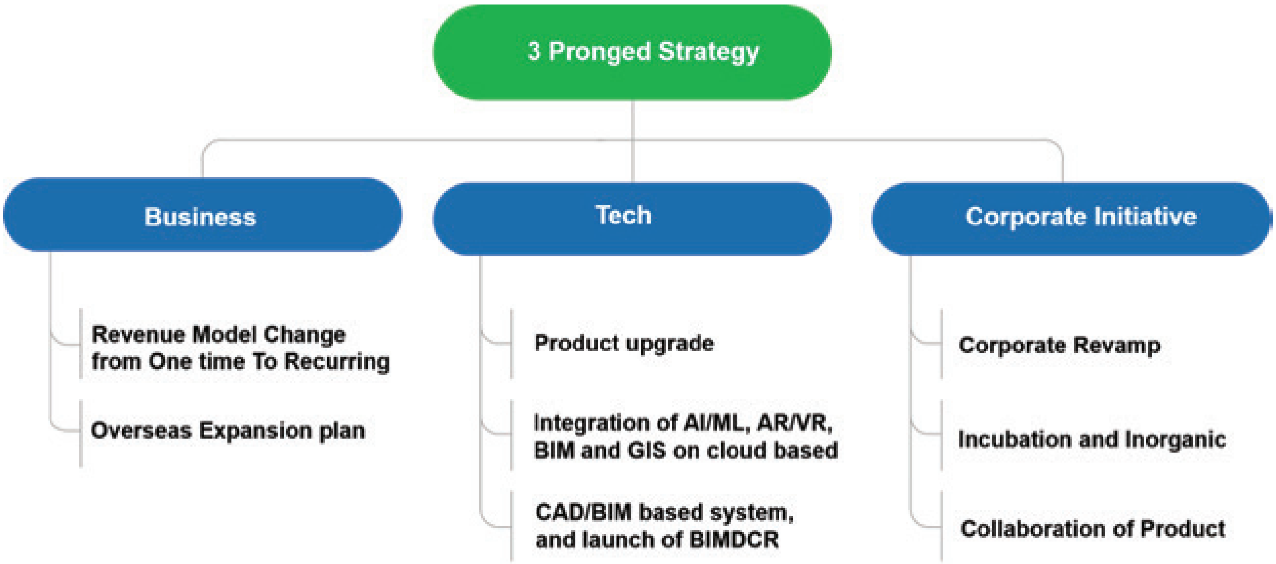
With above products, deep technical expertise, and the experience of over 20 years, we are empowering business transformations in AEC vertical. With deep industry/domain knowledge, scalable products and robust frameworks, experienced management team, and technical expertise we have ensured a competitive advantage in this market segment.

Business Strategy

Company is continuously innovating new products to cater to industry in which it operates. It provides solutions to various government departments, local bodies, corporations etc. and other private enterprises to enable transformation. It is focused on continually offering innovative products in entire value chain of the construction industry. The strategy is to accomplish the Business Potential and Unlock Value.

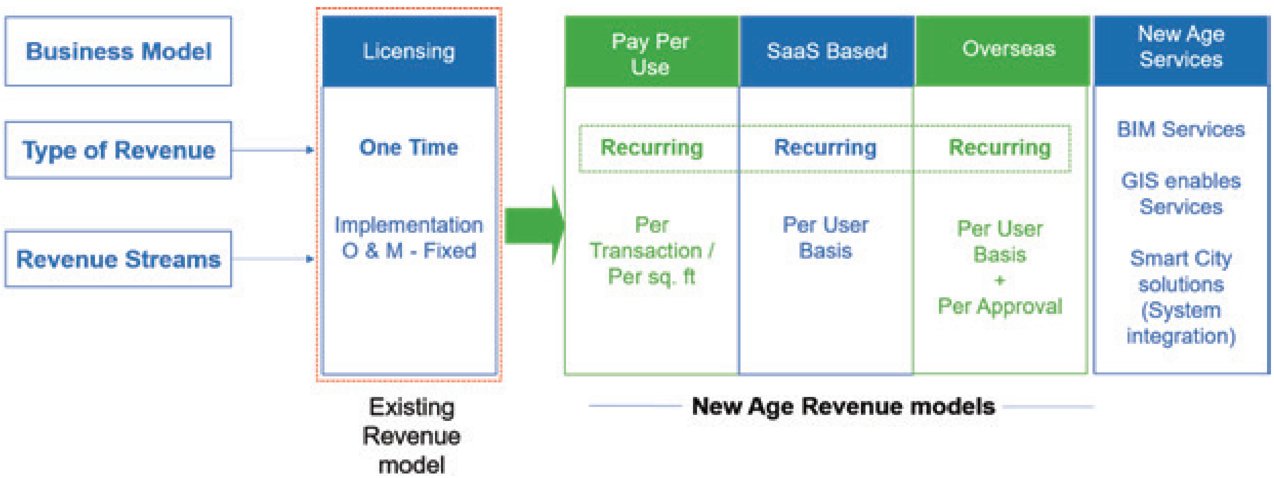
3 pronged strategy includes-

1. ***Business***
2. ***Tech***
3. ***Corporate Initiative***



Actions Initiated under above strategies –

- Overseas Development, the traction and speed of Progress in US and Singapore puts the companies overseas work on fast tract and priority.
- Transforming Revenue Model, a paradigm shifts in the offering structure of all the products to unlock stability.



- Corporate Initiatives, highly valuable Initiatives are shaping up to drive the immense value unlocking of SoftTech Products.

INORGANIC

AmpliNxt
Innovation Catalyst

Launched the First and only Start-up corporate venture for AEC vertical technologies to groom and develop leaders of tomorrow., received more than 100 applications and selected 5 startups for the program, and intends to cover more than **30+ startups in next 30 months**

Btr Lyf

Digital Built Environment Ecosystem

Technology partner and Investor in Btr Lyf solution, an AI based cloud platform offering complete Building Energy Management Solutions including aggregation platform, with a potential to be a world leader in the space. **It targets to be a 100mn$ topline** company in 5 years, and SoftTech aims to be support them through the journey (SEL owns 15% stake)

COLLABORATIONS

MITSUBISHI ELECTRIC – For BIM based iBMS and Smart city Projects. Jointly can target Smart city opportunities of \$3-5 mn p.a.

esri – GIS based urban Infra management and permit system with service revenue opportunities ~ \$2-5 mn p.a.

AUTODESK – CAD/BIM based Building approval System, company already does ~ \$ 1mn of reselling business for AutoDesk

SAP – SAP+PWIMS offering for Public Sector enterprises. Already bid a \$0.8 mn single project that shall set base for further joint inroads

DASSAULT SYSTEMES – Global partner for Digital City Management system and is a huge target market of more than 100mn$

- Adoption of BIM, and launch of BIMDCR are key drivers triggering huge opportunities to the Company.
- New age technology like Integration of AI/ML and AR/VR in the cloud based CIVIT will drive the future of the Company's products.
- As startups are leading the tech resolution, we are ready with incubation program for AEC focused deep tech startups to tap technology and leadership early.

Competition

Currently our business is distributed among two categories- (1) e-Governance projects and (2) Products and services to Private sector companies.

In e-Governance business, there is low level of competition for our AutoDCR products, as there are only 4 to 5 companies actively involved in Building Permission Management system (BPAS). The projects are awarded normally through a formal tendering & bidding process. Since our Company has created a number of success stories and has established our credentials in the market and since AutoDCR product has a technological edge over the competition, we envisage to continue with our leadership position in the BPAS. There is moderate level of competition for our PWIMS product in e-Governance. However, the growth happening in infrastructure projects and as PWIMS has fully matured and well accepted by customers, we envisage a good growth and increase in our market share during next few years.

In private sector, though there is high level of competition for our OPTICON product as well as for our services, the increasing volume of market size is expected to have a positive impact for our revenue creation. Introduction of new products such as RuleBuddy and IBPS[18] will help us acquire more and more customers from private sector and offer products with emerging technology integration.

Our competitive edge lies in:

(i) Innovation & meeting market expectations at earlier stage

(ii) Customer satisfaction through deep level support

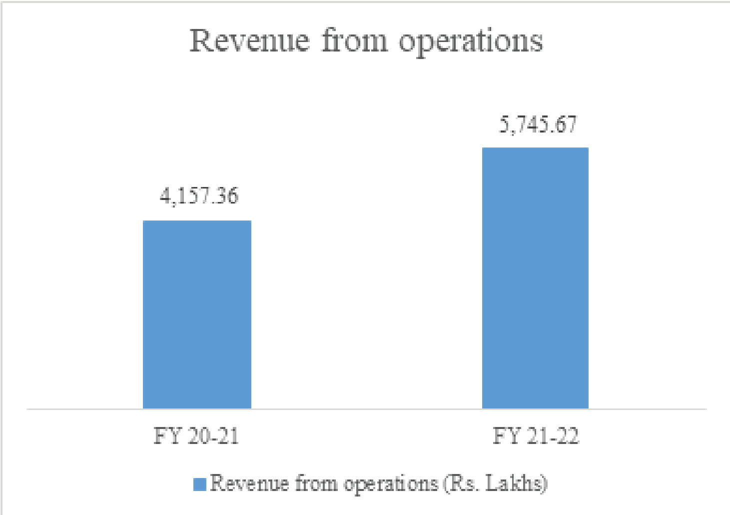
(iii) Continuous R&D to maintain technological edge

(iv) Building on earlier successes and brand

[18]Under research and design phase

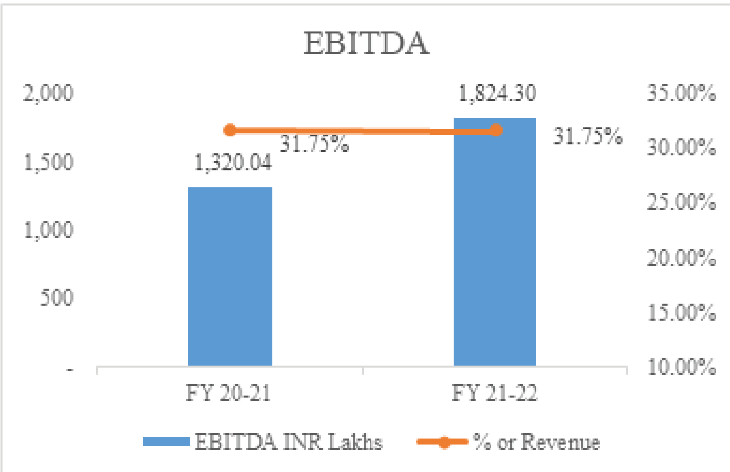
IV. COMPANY PERFORMANCE (STANDALONE)

- **Revenue from operations ₹ Lakhs**



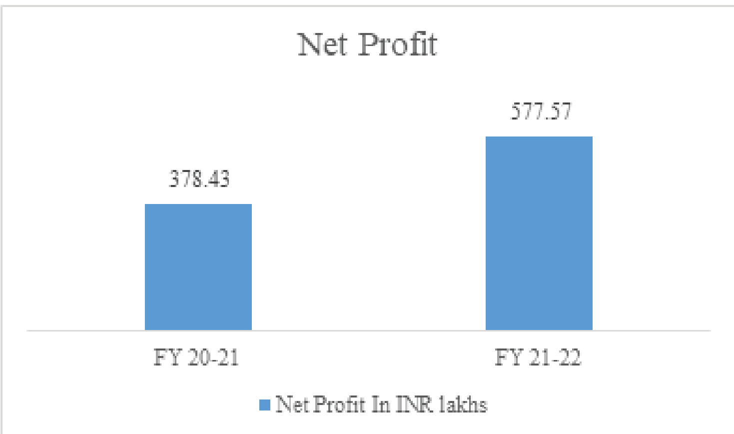
Increase in the revenue is ~40% in 2021-22 as compared to 20-2021, largely due to the growth in the pay per use services which is around 42%.

- **Earnings before interest, depreciation and amortisation and tax (EBITDA ₹ Lakhs)**



Company has achieved the same EBITDA margin of 31.75% for 2021-22, resulting in EBITDA of ₹ 1824.30 lakhs as compare to 2020-21

- **Net profit ₹ Lakhs**



Y-o-Y growth in PAT is ~53%. PAT margin has slightly increased this year but the absolute profit has almost doubled in numbers.

- **Performance of the Company**

(₹ in Lakhs)

Particulars	Year Ended March 31			
	2022	%	2021	%
Revenue from operations	**5745.67**	**100%**	**4,157.36**	**100.00%**
Purchases of stock-in-trade	617.32	10.74%	475.38	11.43%
Employee benefits expense	1262.81	21.97%	1015.58	24.11%
Depreciation and amortisation expense	764.24	13.30%	489.64	11.78%
Other expenses	2238.45	38.96%	1,503.76	36.17%
Total expenses	**4882.82**	**84.98%**	**3,471.16**	**83.49%**
Operating profit	**862.85**	**15.02%**	**686.20**	**16.51%**
Other income	197.20	3.43%	99.63	2.40%
Finance costs	286.44	4.98%	239.22	5.71%
Profit before tax	**773.61**	**13.46%**	**548.26**	**13.19%**
Net tax expenses	196.04	3.41%	155.44	3.74%
Net profit	**577.57**	**10.05%**	**392.82**	**9.45%**

Revenue from operations has increased from ₹ 4,157.36 Lakhs in 2020-21 to ₹ 5,745.67 Lakhs in 2021-22 an increase of 38.2%. Purchases of stock in trade has increased from ₹ 475.38 Lakhs to ₹ 617.32 Lakhs during the same period. Employee benefit expenses increased from ₹ 1,015.58 Lakhs to ₹ 1262.81 Lakhs but as compare to operating revenue it has reduced from 24.11% in 2020-21 to 21.98% in 2021-22 respectively. Depreciation and amortisation expenses have increased by 56.1% compared to last year. Other expenses have increased from ₹ 1,448.71 Lakhs to ₹ 2,238.45 Lakhs largely due to increase in professional fees and technical consultants' charges which has increased by 91% from 2020-21 to 2021-22 i.e. from ₹ 943.24 Lakhs to ₹ 1,803.49 Lakhs. Finance cost decreased as % of operating revenue from 5.75% to 4.98% from 2020-21 to 2021-22 respectively. Profit before tax increased from ₹ 530.54 Lakhs to ₹ 773.61 Lakhs. Net tax expenses increased from ₹ 155.44 Lakhs to ₹ 196.04 Lakhs. Net profit of the Company increased from ₹ 392.82 Lakhs in 2020-21 to ₹ 577.57 Lakhs in 2021-22.

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

Ind AS has become applicable to the Company with effect from 1st April, 2021 and the comparative figures have been restated accordingly. The impact of transition has been recorded in opening reserves as at 1st April, 2020

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2022, together with the comparative period data as at and for the year ended 31st March, 2021, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2020, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its IGAAP financial statements as at 1st April, 2020 and the financial statements as at and for the year ended 31st March, 2021

Factors impacting Current Year's Financial Performance

1. **Slow Approvals Process**
   - With slow approval process, it meant delays in work approvals. This lead to a considerable increase of funds blocked in the contract assets.
   - During the year receivables from the various Government departments has improved due to allocation and release of funds by the government for the work completed in the lockdown period which has resulted into the decrease in the receivables and improved the operating cash flow of the Company.
   - The collections have now improved. Company had enough working capital to ensure smooth operations. After normalisation we expect fast recovery.

2. **Steady recovery in Revenue Post COVID – 19 & Lockdown**

- For One Time Licensing business, order book execution got delayed due lockdown in 2020-21 but the second half of 2022 has witnessed an improvement in the outlook, which has driven business sentiments higher, while a sharp drop in COVID-19 cases and faster pace of vaccinations has led to organisations bringing forward timelines and execution of the order book. This has shown the improvement in the one-time license revenue increase by 41% in 2021-22 as compared to 2020-21.
- For Transaction Based revenue model, lockdown meant loss of revenue as no building construction permit applications were submitted in 2020-21.

- **Revenue Mix (₹ Lakhs):**

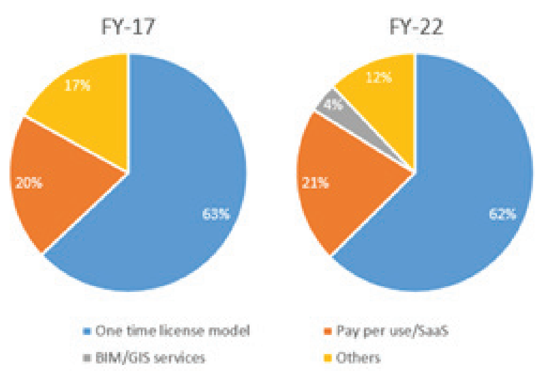
Revenue Break-Up	**31st March, 2022**	**31st March, 2021**
One Time License Model	3,563.62	2,531.65
Pay Per Use / SaaS	1,234.24	810.75
BIM / GIS Services	240.55	305.76
Others	707.26	509.20
Total	**5,745.67**	**4,157.36**

- **Nature of Revenue Mix (₹ Lakhs)**

Company has over the past 5 years made considerable progress to achieve a more recurring revenue based business model, and the below table shows the comparative with 2016-17 vis-a vis 2021-22

Revenue Break-Up	**2016-17**	**2021-22**
One Time License Model	2,929.55	3,563.62
Pay Per Use / SaaS	946.19	1,234.24
BIM / GIS Services	-	240.55
Others	796.08	707.26
Total Revenue	**4,671.82**	**5,745.67**

- Company ensured more sustainable revenue model within the on premise business, by entering into Pay Per Use (SaaS / Transaction Based revenue) and AMC contracts with all the implementation projects.
- Company has started generating the revenue from new product offerings in segment of BIM / GIS services. BIM / GIS services has contributed 9% of the total operating revenue in 2021-22.



- **Performance of the Company (₹ Lakhs)**

Particulars	Year ended March 31	
	2022	**2021**
Net worth	8,833.20	7,237.42
Gross debt (Long term + short term debt + Unsecured Loan)	3,108.89	3,208.35
Gross debt/net worth	0.35	0.44
Total fixed assets (including intangibles under development)	3,219.70	2,305.92
Current ratio	2.83	2.96

- Gross debt comprises of long term debt of ₹ 1,610.69 Lakhs in 2021-22 (2020-21 ₹ 1,964.72 Lakhs) and short term debt of ₹ 1,498.20 Lakhs (2020-21 ₹ 1,243.63 Lakhs). The increase in the overall Long term borrowings is due to loan taken towards renovation and interiors of company's new office at Baner, Pune. Fixed assets include intangible assets, during the year company has invested in the development of the products suitable for the overseas market like USA, APAC, etc. which has resulted into increase in intangible assets from ₹ 2,362.21 Lakhs in 2020-21 to ₹ 3,101.5 Lakhs in 2021-22. Gross debt to net worth has decreased from 0.44 x to 0.34x. Current ratio is 2.83 FY 2021-22 against the 2.96 in FY 2020-21.

- **Key Financial Ratios**

Particulars	2021-22	2020-21
Operating Profit Margin %	15.02%	16.05%
Net Profit Margin %	10.05%	9.10%
Debtors Turnover ratio	1.84	1.24
Interest Coverage Ratio	3.70	2.89
Current Ratio	2.83	2.96
Return on Net Worth	7.19%	5.37%
Debt Equity Ratio	0.35	0.44

- As compared to 2020-21 receivable has decreased from ₹ 3,336.7 Lakhs to ₹ 2,907.7 Lakhs in 2021-22, which has improved the operating cash flow of the Company. Contracts assets has increased from ₹ 3,820.8 Lakhs to ₹ 4,500.1 Lakhs. Even increase in contract assets has improved the operating cash flow of the Company.
- Operating Profit Margin: There is slight decrease in operating profit margin from 16.05% in 2020-21 to 15.02% in 2021-22 but Net Profit Margin has improved from 9.10% to 10.02% due to increase in other income and decrease in finance cost.

V. TALENT ACQUISITION, TRAINING AND RETENTION

Company believes that Human Resources of the Company are its core strength. The Company's Human Resources philosophy is to establish and build a strong performance and competency driven culture with greater sense of accountability and responsibility. The Company has taken pragmatic steps for strengthening organisational competency through involvement and development of employees as well as installing effective systems for improving the productivity, equality and accountability at functional levels. With expanding business, the Company has also undertaken initiatives to re-orient the organisational structure for increased efficiency.

With the changing and turbulent business scenario, the Company's basic focus is to enhance the skill and knowledge level of the existing human assets by providing appropriate leadership at all levels, motivating them to face the hard facts of business, inculcating the attitude for speed of action and taking responsibilities.

In order to keep the employee's skill, knowledge and business facilities updated, ongoing in house and external training is provided to the employees at all levels. The effort to rationalise and streamline the work force is a continuous process.

As on 31st March, 2022, the Company has total head count of 430 manpower resources.

Department wise team members

Particulars	As on 31st March, 2022	As on 31st March, 2021
Management	11	11
Implementation	281	255
Development	79	97
QA	16	24
Sales	19	16
Finance and accounts	7	6
Purchase and administration	10	9
Human resource	7	4
Total	**430**	**422**

Male and female team members count

Particulars	Male	Female	Male : Female
31st March, 2022	**305**	**125**	2.44:1
31st March, 2021	**306**	**116**	2.64:1

VI. RISKS AND CONCERNS

Risks, concerns and mitigations–

Risks	Impact on Company	Mitigation Plan
Volatile global political and economic scenario	Geo-political disruptions such as the war in Ukraine and resultant volatility in the global economy, or trade wars may adversely affect that outlook resulting in reduced spending which could restrict revenue growth opportunities. This could also result in steep inflation globally which could impact government spending on infrastructure projects as well as increase SEL cost of doing business	• Proactively investing in infrastructure and resourcing to satisfy anticipated customer demand for flexible products and platforms based solution offerings and subscription-based services to gain market share and new clients and markets. • Leverage business ecosystem through collaboration with partners, start-ups and alliances to participate in transformation initiatives of customers.
Rapidly changing business models due to technology	Rapidly evolving technologies are changing technology consumption patterns, creating new classes of buyers within the enterprise, giving rise to entirely new business models. This is resulting in increased demands on the Company's agility to keep pace with the rapidly changing customer expectations. Failure to cope may result in loss of market share and impact business growth.	• Investments in building scale and differentiated capabilities on emerging technologies through reskilling, external hiring, research and innovation, solution development and IP asset creation leveraging deep contextual knowledge across domains, technologies and processes. • Staying relevant to AEC segment by constantly launching new service practices and technology solutions including a new AI-Powered business solution • Implement Location Independent Agile methods to mitigate location constraints and pricing and margin pressures.

Risks	Impact on Company	Mitigation Plan
		• Constant scouring of the technology landscape through alliance partnerships, and strong connections in academia and the start-up ecosystem to spot new trends and technologies and launch offerings around them.
Breach of data privacy and protection	Another area of increasing concern is the privacy and protection of personal data. In case of any violation or breach of security, non-compliance or inadequacy of privacy, policies might result in substantive penalties and financial impact on profitability.	A robust technology infrastructure and stringent data security norms help to keep the data secure. There are stringent confidentiality policies with employees in place as a part of the security management process.
Inadequate laws in case of Intellectual Property (IP) management	There is always a risk of violation by 3rd party IPs which may often lead to potential liabilities on the part of the Company. It can hamper our reputation and increase legal obligations.	Measures to protect IPR through necessary certifications (Copyrights, Trademarks, patents).
Skilled Human Resource Availability and Retention	A lack of skilled human resource often prevents the Company from staying relevant in the face of rapidly changing technology trends. This often leads to misalignment of business and workforce strategies.	Early planning and acquisition of talent in line with the expansion plans and estimated growth.
Client concentration risk	Majority client is government authorities etc.	Increase the business with private sector through new products as well as augmenting existing products.
Expenditure on research and development	Company is making expenditure on research and development of new products which may not be recouped.	• Regular allocation of budget for R&D. • Build and enhance the R&D team.
Attrition	Our business depends upon the skilled personnel; we may not be able to attract, hire, motivate, retain and train personnel.	Company is providing training and other incentives to attract and retain its employees.
Government Policy change	If government policies relating to Smart cities, digital India, AMRUT, PMAY etc. change, it could result in lower future revenues and profitability	• Diversification and expansion of revenue streams to private sector. • Propose Saas based business models.
Technology changes	Changes in technology may render current technologies obsolete or may require significant capital investments	Company is investing in R&D to cope up with current technology changes.
Sustainability Risks Climate change and Environmental aspects	As a result of changing weather and seasonal patterns, there are also increasing cases of seasonal diseases, epidemics and pandemics besides threat to human safety and business disruption. **Market dimension and opportunity:** There is also a commercial opportunity to participate in customers' climate change mitigation journey by leveraging SEL' core competencies.	**Market dimension and opportunity:** • As enterprises look to reduce their own carbon footprint and cater to the growing demand more environmentally friendly products and services, it opens up new business opportunities for SEL to provide technology-led solutions to help them realise and achieve their green plans. • Key solution areas include designing sustainability strategy, sustainability innovation, sustainable consumer analytics and sustainable dashboards for energy conservations and energy audits through BtrLyf Platform

VII. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal control systems play a crucial role in the health of a Company in every industry. An effective system of internal control is a backbone, necessary for building, maintaining and improving shareholders' confidence and value as well as helps to enhance the overall quality of the business and the enterprise.

The Company has an adequate internal control system commensurate with the size of the Company and the nature of its business. The Company also has internal control system for speedy compilation of accounts and Management Information Reports and to comply with applicable laws and regulations. The Company has appointed reputed firm as Internal Auditors.

The Company has also formed an Audit Committee. Audit Committee reviews with the management adequacy and effectiveness of the internal control system and internal audit functions. Besides the above, Audit Committee is actively engaged in overseeing financial disclosures.

VIII. OUTLOOK

Government Business Expansion

The measures announced by the Government on Infrastructure spending and other lending reforms should help bring liquidity in the system and increase the flow of orders. Along with the ongoing government initiatives like Smart Cities Mission, AMRUT, RERA, Digital India etc., huge opportunities are presented for technology companies like us to transform and simplify the current business activities. All are facing the challenges of new work style, and the Company's product help the Government keep functioning despite physical presence.

SoftTech's major focus shall be on increasing its market share in each of the product category. The Company's strength lies in the vision of experienced management team and innovative products which would pave in for the future. The Company endeavors to enter into ventures and agreements with new business partners and introduce innovative products in newer geographies and is establishing new branch offices to provide direct customer services. The Company recognises the need of timely and quality delivery of service and is continuously working towards creating and expanding a work platform which is agile and shielded from most uncertainties.

The below developments lead to the management remain confident of a sustained positive outlook for company's product

1. Robust development in the Strategic Partnerships initiatives undertaken by the Company on both sales and technology front. Initiated AmpliNXT, a corporate incubation center and have 4 start-ups currently in the program. Invested in BtrLyf, a Singapore based building Energy management startup
2. Rapid progress by the Company in new age technologies especially BIM, GIS and Scan to BIM (Image Processing) aligned with its product offering. Signed Business partnership arrangement with Mitsubishi Electric to enter Smart City domain.
3. Strong offering emerging out of the CIVIT platform positioning the Company as an Integrated Platform based offering on the cloud in AEC vertical. Raised ₹ 10 Crores as growth capital.

Opportunities

- **Overseas Opportunities**

  International markets have shaped up well for the Company during the year especially USA –

  - SoftTech has started the localisation of core products AutoDCR / BIMDCR, PWIMS & OPTICON as per USA building codes/market needs on CIVIT Platform
  - During the past 1-year company has developed Proof of Capability of CivitPLAN and CivitPERMIT
  - During the last 1-year company has responded to 6 out of 9 solicitations in North America for CivitPERMIT & CivitINFRA. This also gives an indication of the potential/interest in this area.

  In APAC region company has identified the potential sales team and sales partners of the Company for CIVIT Build and BIM based Digital Twin services for the AEC segment in the region.

- **Digital Twin and BIM**

  Sustainability and reducing carbon emissions have taken center stage across all industries and functions around the world. Digital twins technology will play an important role in enabling the industry to set, monitor and achieve sustainability targets. Digital twins have the potential to do so much more than just energy management, they can be expanded to visualise and optimise the entire operations of a structure. Given our in-house BIM expertise and energy management capabilities, SoftTech is uniquely positioned to capture the market. In order to leverage the AutoDesk Cloud offerings and to expand the product reach, SoftTech is in the process of developing its BIM offerings in AutoDesk Forge platform.

- **Emergence of Digital Transformation as a Necessity**

  Majority of the infrastructure companies now agree that digital transformation is a very important focus area and that their technology spend will accelerate as they continue to adjust to the post-pandemic business realities. Given SoftTech's strategic advantage of being the go-to technology provider for the AEC industry, we are positioned strongly to play a key role in helping the industry through the digital transformation process. We plan to team up with global technology firms to add scale and reach to the target segment.

For and on behalf of the Board of Directors

SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA

CHAIRMAN & MANAGING DIRECTOR

DIN: 01653314

DATE: 12.08.2022

PLACE: PUNE

Annexure B:

Particulars of Contract/Arrangement with Related Parties in form AOC-2

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

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

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

   The Company has not entered into contracts or arrangements or transaction with related parties during the FY 2021-22 which are not at arm's length basis.

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

   The Company has not entered into any material contracts or arrangements or transaction with related parties during FY 2021- 22.

For and on behalf of the Board of Directors

SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA

CHAIRMAN & MANAGING DIRECTOR

DIN: 01653314

DATE: 12.08.2022

PLACE: PUNE

Annexure C

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and
Pursuant to Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

To,

The Members

SoftTech Engineers Limited

SoftTech Towers, S NO 1/1A/7 8 15 16 17

Plot No. BCD 1-Baner, Opp. Royal Enfield Showroom,

Baner Road, Pune Pune MH 411045 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SoftTech Engineers Limited** having CIN: L30107PN1996PLC016718 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

(i) The Companies Act, 2013, as amended from time to time (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment, wherever applicable;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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

  b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 upto 12th August, 2021. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 with effect from 13th August, 2021;

  e) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 upto 15th August, 2021. The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations 2021 with effect from 16th August, 2021 **(not applicable to the Company during the audit period);**

  f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

  g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 upto 10th June, 2021. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation 2021, with effect from 11th June, 2021 **(not applicable to the Company during the audit period)** and

  h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(not applicable to the Company during the audit period)**.

(vi) We further report that having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof, no other law was applicable specifically to the Company:

We have also examined compliance with the applicable clauses and regulations of the following:

(i) Secretarial Standards issued by 'The Institute of Company Secretaries of India'; and

(ii) The Listing Agreement entered into by the Company with Stock Exchange(s) pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. mentioned above subject to following:

1. *The Listed entity got its securities listed on the Main Board of BSE Limited effective from 25th February, 2022 and as on 31st March, 2022. However, the Company has not filed application for in principle approval for the ESOP Scheme of the Company as required under Regulation 10 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.*
2. *The Company has unspent CSR amount for the FY 2021-22 which is proposed to be transferred to the funds specified under Schedule VII of the Act.*

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Further, in the incidences where, for the purpose of any Board or Committee Meeting, notice, agenda or notes to agenda are circulated with shorter period of less than seven days, all the Directors including Independent Directors have consented to the shorter period of circulation of the same.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except following:

1. The shares of the Company are listed on main board of the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) with effect from 25th February, 2022. Earlier they were listed on the National Stock Exchange of India Limited SME (EMERGE) platform.
2. The Company has issued and allotted of 666,666 fully paid Equity shares of ₹ 10/- each at ₹ 150 per share, including premium to the identified persons on Preferential allotment / Private Placement basis.

For SVD & Associates
Company Secretaries

Sridhar Mudaliar
Partner
FCS No. 6156
C P No. 2664

Place: Pune
Peer Review No: P2013MH075200
Date: 12.08.2022
UDIN: F006156D000784791

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

'ANNEXURE A'

To,

The Members

SoftTech Engineers Limited

SoftTech Towers, S NO 1/1A/7 8 15 16 17

Plot No. BCD 1-Baner, Opp. Royal Enfield Showroom,

Baner Road, Pune Pune MH 411045 IN

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. We have relied on the documents and evidences provided by electronic mode, in view of prevailing pandemic situation of Covid-19.
5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For SVD & Associates
Company Secretaries

Sridhar Mudaliar
Partner
FCS No: 6156
C P No: 2664
Peer Review No : P2013MH 075200
UDIN: F006156D000784791

Place: Pune
Date:12.08.2022

Annexure D:

CORPORATE GOVERNANCE REPROT

The Company has been practicing the Principles of good Corporate Governance over the years. The directors present below the Company's report on Corporate Governance for the financial Year 2021-22.

1. STATEMENT ON THE COMPANIES PHILOSOPHY ON CODE OF GOVERNANCE:

SoftTech Engineers Limited believes in the highest level of accountability towards its stakeholders and actively promotes fair, transparent and ethical Corporate Governance practices. The Company is committed to maintain the highest standards of Corporate Governance and continue to improve the same from time to time. Corporate Governance includes the processes through which company's' objectives are set and pursued in the context of the social, regulatory and market environment. Governance mechanisms include monitoring the actions, policies, practices, and decisions of companies, their agents and affected stakeholders. The Board of Directors, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholders' value. Our Board is constituted in compliance with the provisions of the Companies Act and the SEBI LODR, as applicable. The Management presents before the Board of Directors and its corresponding committees all the reports filed to Stock Exchange from time to time. The Company was earlier listed on SME board of National Stock Exchange hence provisions of Regulation 17 to 27 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") were not applicable to the Company. The Company is listed on main board of NSE and BSE post migration of its securities from SME Board to main Board effective from 25th February, 2022. Post applicability w.e.f. 25th February, 2022, the Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable to the Company, with regards to corporate governance.

2. BOARD OF DIRECTORS:

i. Composition and Category of Directors:

The Board of Directors of the Company represents an optimum combination of professionalism, gender, knowledge and experience, comprising of Executive and Non-Executive Directors, including independent professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance. The Chairman of the Company is an Executive Director.

As on 31st March, 2022, Board comprises 6 (Six) Directors out of which 3 (Three) Directors are Executive, 3 (Three) Directors are Non-Executive Independent Directors. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013. All Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time and section 149 of the Companies Act, 2013. Further, no Independent Director has resigned during the reporting year.

As on 31st March, 2022, the Composition of the Board of the Company meets the stipulated requirements of Regulation 17 of LODR regulation, 2015.

Sr. No.	Category of Directors	Name	Designation
1.	Promoter Executive Directors	Mr. Vijay Gupta	Chairman and Managing Director
2.		Mrs. Priti Gupta	Whole-time Director
3.	Non-Promoter Executive Director	Mr. Pratik Patel	Whole-time Director
4.	Independent Non-Executive Directors	Mr. Rahul Gupta	Independent Director
5.		Mr. Sridhar Pillalamarri	Independent Director
6.		Mr. Sundararajan Srinivasan	Independent Director

ii. Attendance of Directors at the Board Meetings and Annual General Meeting:

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long-term interests are being served.

During the FY 2021-22, 4 (Four) Board meetings were held. The dates on which the Board Meetings were held during the FY 2021-22 are as follows: 25th June, 2021, 4th September, 2021, 2nd November, 2021 and 28th February, 2022, the details of attendance of Directors at the board Meetings and at the last Annual General Meeting are as under:

Name of Directors	No of Meetings Held During the year	No of Meetings attended by Director	Last Year AGM attended
Mr. Vijay Gupta	4	4	Yes
Mrs. Priti Gupta	4	4	Yes
Mr. Pratik Patel	4	4	Yes
Mr. Rahul Gupta	4	2	No
Mr. Sridhar Pillalamarri	4	4	Yes
Mr. Sundararajan Srinivasan	4	4	No

iii. Details of Directorship and committee membership:

In accordance with Regulation 26 of the Listing Regulations, Membership(s) / Chairmanship(s) of only Audit Committees and Stakeholders' Relationship Committees in other Public Limited Companies have been considered as on 31st March, 2022.

Name of Directors	Directorship in Indian Public Limited Companies (Including SoftTech)	Name of other Directorships in listed Companies as on 31st March, 2022	Committee Positions (Including SoftTech)	
			Member	Chairman
Mr. Vijay Gupta	1	0	2	0
Mrs. Priti Gupta	1	0	0	0
Mr. Pratik Patel	1	0	0	0
Mr. Rahul Gupta	2	0	2	2
Mr. Sridhar Pillalamarri	1	0	2	0
Mr. Sundararajan Srinivasan	1	0	0	0

Regulation 34 read with Schedule V Part C, clause 2 (c) is not required to be complied i.e., separately the names of the listed entities where the person is a director and the category of directorship, as None of the Board of the Directors of the Company is a Director of any other listed entity.

All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than 10 (Ten) public companies as on 31st March, 2022. The number of Directorship and Committee Membership and Chairmanship of all Directors are within the respective limits prescribed under the Companies Act, 2013 and the Listing Regulations. Separate Meeting of Independent Directors in compliance with Schedule IV of the Companies Act, 2013 was held during the year.

iv. Mr. Vijay Gupta (MD & CEO) and Mrs. Priti Gupta, Whole-time Director are related with each other as husband and wife. Except this, none of other Directors are related to each other.

v. The Company has not issued any convertible instruments. As on 31st March, 2022 all the non-executive Directors in the Company are Independent Directors and they do not hold any share or convertible instrument in the Company.

vi. During the year under review, the Board of Directors of the Company has amended / approved changes in the policies complying with the recent amendments in the Companies Act, 2013 and SEBI Regulations. Accordingly, the updated policies are uploaded on website of the Company at www.softtech-engr.com

vii. The Board of Directors confirm that, in the opinion of the Board, Independent Directors fulfill the conditions specified in the SEBI LODR Regulations and they are independent of management.

viii. The Company has devised the Policy on Familiarisation Programmes for Independent Directors and the same is available on the website of the Company at https://softtech-engr.com/wp-content/uploads/Familiarization-of-Independent-Director.pdf.

ix. Skills / Expertise / Competencies of the Board:

The Board comprises of qualified members who possesses requisite skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

- The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:
  - Business Leadership
  - Financial Skills
  - Risk Management
  - Global Experience
  - Strategic Planning
  - Technology
  - Corporate Governance

- While all the Board members possess the skills identified, their area of core expertise is given below:

Name of Directors	Business Leadership	Financial Skills	Risk Management	Global Expertise	Strategic Planning	Technology	Corporate Governance
Mr. Vijay Gupta	√	√	√	√	√	√	√
Mrs. Priti Gupta	√	√	√		√		√
Mr. Pratik Patel	√	√	√	√	√		√
Mr. Rahul Gupta	√	√	√	√	√		√
Mr. Sridhar Pillalamarri	√	√	√	√	√	√	√
Mr. Sundararajan Srinivasan	√	√	√	√	√	√	√

Note: Each Director may possess varied combinations of skills / expertise within the described set of parameters and it is not necessary that all Directors possess all skills / expertise listed therein.

3. AUDIT COMMITTEE:

(a) Terms of Reference

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations as amended from time to time and Section 177 of the Companies Act, 2013.

The brief terms of reference of the Audit Committee are as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the financial statements / financial results before submission to the board for approval, with particular reference to;
   - ➢ matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   - ➢ changes, if any, in accounting policies and practices and reasons for the same;
   - ➢ major accounting entries involving estimates based on the exercise of judgment by management;

- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- disclosure of any related party transactions;
- modified opinion(s) in the draft audit report;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
18. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board;
19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. To review the functioning of the whistle blower mechanism;
21. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
22. Audit committee shall oversee the vigil mechanism;
23. Audit Committee will facilitate KMP/ auditor(s) of the Company to be heard in its meetings;
24. Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
25. Consider and comment on rationale, cost-benefits and impact of schemes involving

merger, demerger, amalgamation etc., on the listed entity and its shareholder

26. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into the Companies Act or SEBI Listing Regulations 2015 to the extent applicable.

Review of Information by the Audit Committee:

a) Management discussion and analysis of financial condition and results of operations;

b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;

c) Management letters / letters of internal control weaknesses issued by the statutory auditors;

d) Internal audit reports relating to internal control weaknesses; and

e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

f) statement of deviations: (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1). (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

(b) Composition, Meetings and Attendance of the Audit Committee:

During the financial year under review, the Audit Committee of the Company has duly met Three (3) times on 25th June, 2021, 1st September, 2021 and 2nd November, 2021.

The details of number of meetings attended by each member of the Audit Committee are summarised as below:

Sr. No.	Name of the member of the Audit committee	Designation	Number of meetings entitled to attend	Number of meetings attended
1.	Mr. Rahul Gupta	Chairman and Independent Director	3	2
2.	Mr. Sridhar Pillalamarri	Independent Director	3	3
3.	Mr. Vijay Gupta[1]	Managing Director	3	3

[1]w.e.f. 2nd November, 2021 Mr. Vijay Gupta ceased to be chairman of the Audit Committee and Mr. Rahul Gupta was appointed as Chairman of the Audit Committee.

The Chairman of audit committee was present in Annual General Meeting.

4. NOMINATION AND REMUNERATION COMMITTEE:

The Constitution and terms of reference of Nomination and Remuneration Committee of the Company are in compliance with section 178 of the Companies Act, 2013 and the SEBI Listing Regulations.

(a) Terms of Reference:

1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
2. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
3. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
4. Devising a policy on diversity of Board of Directors;
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors;
6. Determine our Company's policy on specific remuneration package for the Managing

Director / Executive Director including pension rights;

7. Recommend to the board, all remuneration, in whatever form, payable to senior management.
8. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
9. Define and/or implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
10. Decide the amount of Commission payable to the Whole time Directors;
11. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
12. To formulate and/or administer the Employee Stock Option Scheme;
13. Allotment of shares consequent to exercise of stock options.
14. To perform such functions as may be assigned to them by the Board of Directors, from time to time or containing into the Companies Act or SEBI Listing Regulations 2015 to the extent applicable.

(b) Composition, Meetings and Attendance of the Nomination and Remuneration Committee:

During the financial year under review, the Nomination and Remuneration Committee of the Company has duly met Two (3) times on 25th June, 2021, 1st September, 2021, 28th February, 2022.

The details of the Nomination and Remuneration Committee meetings attended by its members during the FY 2021-22 are as below:

Sr. No	Name of Members of Nomination and Remuneration Committee	Designation	Number of meetings entitled to attend	No of Meetings attended
1	Mr. Sridhar Pillalamarri	Chairman and Independent Director	3	3
2	Mr. Rahul Gupta	Member and Independent Director	3	1
3	Mr. Sundararajan Srinivasan	Member and Independent Director	3	3

The Company Secretary acts as a Secretary to the Committee.

(c) Performance Evaluation Criteria for Independent Directors:

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the SEBI LODR, the Annual Performance Evaluation was carried out for the 2021-22. An indicative list of factors that may be evaluated include Attendance for the meetings, participation and independence during the meetings, Interaction with Management, Knowledge and proficiency, Strategic perspectives or inputs.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are in compliance with section 178 of the Companies Act, 2013 and Listing Regulations.

(a) Composition, Meetings and Attendance of the Stakeholders' Relationship Committee:

During the financial year under review, the Stakeholders' Relationship Committee of the Company has duly met once (1) on 2nd November, 2021.

The details of the Stakeholders' Relationship Committee meetings attended by its members during the FY 2021-22 are given below:

Sr. No	Name of Stakeholders' Relationship Committee	Designation	Number of meetings entitled to attend	No of Meetings Attended
1	Mr. Rahul Gupta	Chairman and Independent Director	1	1
2	Mr. Sridhar Pillalamarri	Member and Independent Director	1	1
3	Mr. Vijay Gupta	Member and Managing Director	1	1

(b) Name and designation of the compliance officer:

Aishwarya Patwardhan, Company Secretary

(c) Redressal of Investor Grievances:

The Company and its Registrar and Share Transfer Agent addresses all complaints, suggestions and grievances, if any expeditiously. Details of Investors Complaint received during the FY 2021-22:

Complaints received	Complaints disposed	Complaints Pending
Nil	Nil	Nil

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE MEETING:

The constitution and terms of reference of Corporate Social Responsibility Committee of the Company are in compliance with section 135 of the Companies Act, 2013. During the financial year under review, the Corporate Social Responsibility (CSR) Committee of the Company has duly met Once (1) on 1st September, 2021.

Sr. No.	Name of Member of the Corporate Social Responsibility (CSR) Committee	Designation	Number of meetings entitled to attend	Number of meetings attended
1.	Mr. Vijay Gupta	Member and Managing Director	1	1
2.	Mrs. Priti Gupta	Member and Whole-time Director	1	1
3.	Mr. Rahul Gupta	Member and Independent Director	1	0

7. REMUNERATION OF DIRECTORS:

(A) Remuneration Policy

The Board determines the remuneration payable to executive director by taking into account their qualification, expertise and contribution and based on the recommendation of Nomination and Remuneration Committee. The Company has adopted and implemented the Nomination and Remuneration Policy which is available on the website of the Company accessed at https://softtech-engr.com/wp-content/uploads/Nomination-and-Remuneration-Policy.pdf.

Non-executive directors are paid sitting fees for attending Board / Committee meetings as decided by the Board within the limits prescribed under the Companies Act, 2013.

Remuneration to Non-executive Directors and Executive Directors for the FY 2021-22 are as under:

Pecuniary relationship or transactions with Non-executive Directors:

(₹ in Lakhs)

Name of Director	Designation	Sitting fees	No. of shares held
Mr. Rahul Gupta	Independent Director	0.50	NIL
Mr. Sridhar Pillalamarri	Independent Director	1.00	NIL
Mr. Sundararajan Srinivasan	Independent Director	1.00	NIL

Pursuant to limits approved by the Board, the independent Directors are paid ₹ 25,000 for attending each Board Meeting. No profit based commission was paid to the non-executive directors during reporting period. Policy on Criteria for making payment to non- executive directors is disseminated on the website of the Company at link https://softtech-engr.com/wp-content/uploads/Criteria-Of-Making-Payment-To-Non%E2%80%90executive-Directors.pdf

Remuneration to Executive Directors:

(₹ in Lakhs)

Name	Mr. Vijay Gupta	Mrs. Priti Gupta	Mr. Pratik Patel
Designation	Managing Director	Whole-Time Director	Whole-Time Director
Basic Salary	18.00	4.5	4.5
Perquisites, allowances and benefits	37.00	9.25	8.76
Bonus	5.00	1.25	1.20
Total	**60.00**	**15.00**	**14.46**

The Company does not have any service contracts with its Directors, nor any severance fees is payable to the Directors. Stock Options are not given to the Directors during the year.

8. GENERAL BODY MEETINGS:

i. The details of the Annual General Meeting (AGMs) held during last three years are as follows:

Financial Year	Date of AGM	Time	Venue
2021-22	30/09/2021	2.30 PM	SoftTech Towers, S NO 1/1A/7 8 15 16 17 Plot No. B,C,D, 1-Baner, Opp. Royal Enfield Showroom, Baner Road, Pune: 411045
2020-21	28/09/2020	2.30 PM	SoftTech Towers, S NO 1/1A/7 8 15 16 17 Plot No. B,C,D, 1-Baner, Opp. Royal Enfield Showroom, Baner Road, Pune: 411045
2019-20	30/09/2019	2.30 PM	Mahratta Chamber of Commerce, Industries and Agriculture, Sumant Moolgaokar Auditorium, No. 1 (A Wing, Ground Floor), MCCIA Trade Tower, ICC Complex, 403, Senapati Bapat Road, Pune-411 016

ii. Special Resolutions passed in last 3 AGMs:

1.	30/09/2021	1. To appoint M/s P G Bhagwat LLP, Chartered Accountants (Firm Registration No. 101118W/W100682) as Statutory Auditors of the Company 2. To consider waiver of excess managerial remuneration 3. Issue of Equity Shares on a Preferential Issue/Private Placement Basis
2.	28/09/2020	-
3.	30/09/2019	1. To reappoint Mr. Vijay Gupta as Managing Director of the Company. 2. Approval of SoftTech Employees Stock Option Plan 2017 as per Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Postal Ballot:

The members of the Company have passed the following special Resolution by way of Postal Ballot:

Sr. No.	Resolution	Votes in favour of the resolution		Votes against the resolution	
		No. of votes	% to total votes	No. of votes	% to total votes
1	To approve migration of listing / trading of equity shares of the Company from NSE Emerge (SME platform of NSE) to main board of NSE and direct listing on main board of BSE	718,410	12.09%	-	-

*In accordance with the provisions of Regulation 277 of the ICDR Regulations, the above referred Special Resolution is acted upon if and only if the votes cast by shareholders other than Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal. Hence Votes by the Promoter and promoter group are not considered.

The notice dated 2nd November, 2021 was sent to members to vote through the e-voting process on the Resolution set out in this Notice. Last date for voting electronically was Sunday 5th December, 2021. Mr. Devesh Tudekar, (Membership No. 5712), Practicing Company Secretary and senior partner of DTSM & associates was appointed as a scrutiniser for the process of postal ballot. According to scrutiniser's report the resolution was passed with requisite majority. The result of postal ballot was declared on 7th December, 2021 to the National Stock Exchange (NSE), where shares of the Company were listed for the information of members.

Further no special resolution is proposed to be conducted through postal ballot.

9. MEANS OF COMMUNICATION:

The Quarterly, Half Yearly and Annual Results are sent to the stock exchange(s), where shares of the Company are listed within the timeline prescribed under SEBI LODR regulations immediately after they are approved by the Board. As the Company was earlier registered on SME exchange, publication of financials in newspaper was not applicable to the Company. Post migration to the main board the Company has published quarterly and yearly financial results in the Financial Express, English newspaper and Loksatta, Marathi newspaper.

The audited financial statements are part of the Annual Report which is sent to the members in advance of the Annual General Meeting.

The Company also informs by way of intimation to Stock Exchanges and placing it in its website all the price sensitive matters or such other matters, which in the opinion of the Board are material and of relevance to the members.

The Annual Report of the Company, the quarterly/ half yearly and the annual results of the Company, Shareholding pattern, corporate governance report, announcements, official press releases etc. are also placed on the website of the Company www.softtech-engr.com. The investors can contact the Company on investors@softtech-engr.com

10. GENERAL SHAREHOLDER INFORMATION:

(a) Annual General Meeting:

Date: 22nd September, 2022

Time: 3.30 PM

Venue: Annual General Meeting will be held through video conferencing ('VC') / other audio visual means ('OAVM')

(b) Financial year: 1st April, 2021 to 31st March, 2022

(c) Dividend payment date: NA

(d) The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s): National Stock Exchange Limited

"Exchange Plaza", C-1, Block – G

Bandra – Kurla Complex

Bandra (East), Mumbai – 400051

BSE Limited

Floor 25, Phiroze Jeejeebhoy Towers

Dalal Street,

Mumbai – 400001

Listing fess have been duly paid to both the stock exchanges.

(e) Stock Code:

NSE code: SOFTTECH

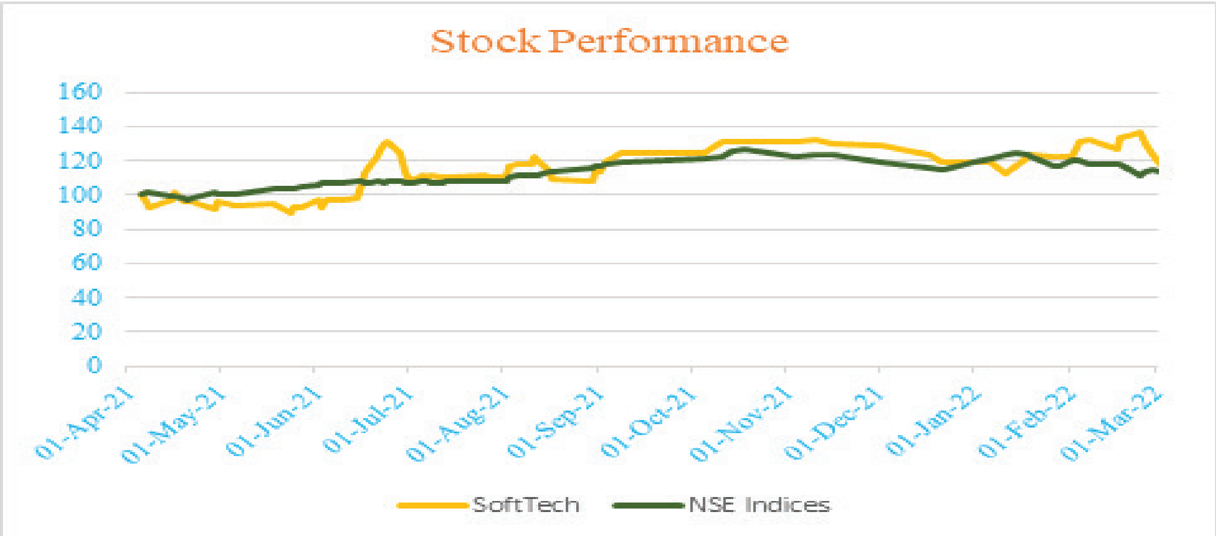
BSE Code: 543470

ISIN: INE728Z01015

(f) Market Price data- high, low during each month in last financial year.

Month	NSE		BSE	
	High Price	Low Price	High Price	Low Price
April, 2021	99.50	89.85	-	-
May, 2021	95.50	88.35	-	-
June, 2021	133.40	91.00	-	-
July, 2021	114.30	105.00	-	-
August, 2021	121.75	104.00	-	-
September, 2021	122.60	112.25	-	-
October, 2021	129.00	122.50	-	-
November, 2021	130.00	128.00	-	-
December, 2021	127.35	117.00	-	-
January, 2022	121.00	111.15	-	-
February, 2022	140.95	120.00	141.00	122.00
March, 2022	128.00	100.50	128.00	99.00

(g) Performance in comparison to broad-based NSE indices



(h) In case the securities are suspended from trading, the Directors report shall explain the reason thereof: NA

(i) Registrar to an issue and share transfer agents:

Link Intime India Private Limited

Block No 202, Akshay Complex, 2nd floor, Near Ganesh Temple,

Off Dhole Patil Road, Pune 411 001, Maharashtra, India.

Tel: - +91 20 2616 0084, 2616 1629 Fax: - +91 20 2616 3503

website: www.linkintime.co.in

(j) Share transfer system:

In accordance with the proviso to Regulation 40(1) of the Listing Regulations, effective from 1st April, 2019, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialised form with a depository. The Company has entire 100% of its share capital in dematerialised form. Share transfers, dividend payments and all other investor related activities are attended to and processed at the Office of the Company's Registrar Transfer Agent and Share

(k) Distribution of shareholding:

No. of shares	Shareholders		Equity shares held	
	No. of shareholders	% of total	No. of shares	% of total
1-500	226	48.7069	11,688	0.1151
501-1000	4	0.8621	3,276	0.0323
1001-2000	128	27.5862	203,739	2.0063
2001-3000	1	0.2155	2,400	0.0236
3001-4000	25	5.3879	81,648	0.8040
4001-5000	13	2.8017	61,732	0.6079
5001-10000	19	4.0948	141,624	1.3947
10001-above	48	10.3448	9,648,647	95.0161
Total	464	100.0000	10,154,754	100.0000

(l) Dematerialisation of shares and liquidity: As on 31st March, 2022, the Company has entire 100% of its share capital in dematerialised form.

(m) Outstanding Global Depository Receipts GDRs or American Depository Receipts ADRs or warrants or any convertible instruments, conversion date and likely impact on equity: The Company has not issued ADRs/GDRs or warrants or any convertible instruments. However the details of options granted and vested to the employees of the Company and exercise thereof are provided in Directors' Report.

(n) Foreign exchange risk and hedging activities:

Details of foreign exchange risk and hedging activities are provided in notes forming part of the financial statement.

(o) Plant locations: The Company has its office at SoftTech Towers, S NO 1/1A/7 8 15 16 17 Plot No. B,C,D, 1-Baner, Opp. Royal Enfield Showroom, Baner Road, Pune: 411045. Further it has presence abroad through subsidiaries.

(p) Address for correspondence:

Registered office of the Company:

SoftTech Towers,

S NO 1/1A/7 8 15 16 17 Plot No. B,C,D, 1-Baner,

Opp. Royal Enfield Showroom, Baner Road,

Pune: 411045

(q) List of all credit ratings obtained by the Company during the financial year and revisions thereto, if any:

Facilities	Amount (In Crores)	Rating	Rating action
Long Term Bank Facilities	5.61 (Enhanced from 1.11)	CARE BBB-; Stable (Triple B Minus; Outlook: Stable)	Reaffirmed
Long Term / Short Term Bank Facilities	12.00	CARE BBB-; Stable / CARE A3 (Triple B Minus ; Outlook: Stable / A Three)	Reaffirmed
Short Term Bank Facilities	11.68	CARE A3 (A Three)	Reaffirmed
Total Facilities	**29.29**		

11. OTHER DISCLOSURES:

a. There are no materially significant related party transactions that may have potential conflict with the interests of listed entity at large. As per SEBI LODR regulations, the Company has formulated an policy on materiality of related party transactions and dealing with related party transactions and same is available on the website of the Company at https://softtech-engr.com/wp-content/uploads/Policy-on-Materiality-of-Related-Party-Transactions-1.pdf

b. During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets except for delayed compliance of regulation 33 of SEBI LODR regulations for the quarter ended 30th September, 2020 for which Fine of ₹ 59,000 (including GST) was levied by National Stock Exchange. The Company has paid fine within prescribed time.

c. The Company has adopted a Vigil Mechanism / Whistle Blower Policy, to provide a formal mechanism to the directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimisation of employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, the Company has not received any complaints under the said mechanism. The Vigil Mechanism / Whistle Blower Policy has been posted on the website of the Company at https://softtech-engr.com/wp-content/uploads/Vigil-Mechanism-Whistle-Blower.pdf.

d. The Company has complied with all the mandatory requirements under SEBI (LODR) Regulations, 2015, Company is also complying with non-mandatory requirement as mentioned in point 13 of CG Report.

e. The policy for determining Material Subsidiaries formulated by the Board of Directors is disclosed on the Company's website https://softtech-engr.com/wp-content/uploads/Policy-for-Determining-Material-Subsidairies.pdf.

f. The policy for transactions with related party formulated by the Board of Directors is disclosed on the Company's website https://softtech-engr.com/wp-content/uploads/Policy-on-Materiality-of-Related-Party-Transactions-1.pdf .

g. Disclosure of commodity price risks and commodity hedging activities: NA

h. Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Objects of Preferential issue	Funds Utilised (₹ in Lakh)
To meet cost required for building marketing team for product penetration in US market	19.13
For development of Civit suite on SaaS platform	254.16
Investment into start-ups directly or through subsidiary	10.00
General corporate purposes	163.22
Total	**446.51**

i. The Company has obtained a certificate from Mr. Sridhar Mudaliar, Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority.

j. The Board of Directors has accepted all recommendations of all committees of the board which is mandatorily required in the 2021-22.

k. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Sr. No.	Particulars	Amount in Lakhs
1.	Statutory Audit	8.00
2.	Limited Review	2.00
3.	Certification fees	3.03
4.	Reimbursement of expenses	0.01
	Total	**13.04**

l. The Company has implemented policy for Prevention of Sexual Harassment of Women at Workplace. The Policy has set guidelines on the redressal and inquiry process that is to be followed by aggrieved woman, whilst dealing with issues related to sexual harassment at the work place towards any women. All employees (permanent, temporary, contractual and trainees) are covered under this policy.

a. number of complaints filed during the financial year: 0
b. number of complaints disposed of during the financial year: 0
c. number of complaints pending as on end of the financial year: 0

m. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested, if any forms part of notes to accounts.

12. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED: NA

13. THE CORPORATE GOVERNANCE REPORT SHALL ALSO DISCLOSE THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED.

(a) After Declaration of quarterly / half-yearly Financials Results, the Company presents those and major events of the Company to shareholders by submitting those to Stock Exchanges and hosting same on website of the Company.

(b) The Company continues to stay in the regime of Financial Statements with unmodified audit opinion.

14. THE COMPANY IS IN COMPLIANCE WITH THE REQUIREMENTS STIPULATED UNDER REGULATION 17 TO 27 READ WITH SCHEDULE V AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 OF SECURITIES AND CHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("SEBI LISTING REGULATIONS"), AS APPLICABLE, WITH REGARD TO CORPORATE GOVERNANCE.

15. Disclosures with respect to demat suspense account/ unclaimed suspense account: NA

Declaration regarding compliance with the Company's Code of Conduct

I confirm that the Company has in respect of the Financial Year ending on 31st March, 2022 received from the Board of Directors and Senior Management a declaration of compliance with the Code of Conduct of board of directors and senior management.

For and on behalf of the Board of Directors

SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA

CHAIRMAN & MANAGING DIRECTOR

DIN: 01653314

DATE: 12.08.2022

PLACE: PUNE

CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE

To,
The Members of SoftTech Engineers Limited

We have examined the compliance of conditions of Corporate Governance by SoftTech Engineers Limited (hereinafter referred "the Company"), for the year ended on 31st March, 2022 as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

We further state that, this certificate is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SVD & Associates**
Company Secretaries

Sridhar Mudaliar
Partner
F.C.S.: 6156
C.P. No.: 2664
Peer Review No: P2013MH075200
UDIN: F006156D000784890

Place: Pune
Date: 12.08.2022

Note:

We have relied on the documents and evidences provided by electronic mode, for the purpose of issuing this certificate.

SoftTech
Empowering Transformation

Annexure E:
FORM NO. AOC-1
Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(₹ in Lakhs)

Sr. No.	Particulars	SoftTech Finland Oy.	SoftTech Engineers Inc.
1.	Sl. No.	1	2
2.	Name of the subsidiary	SoftTech Finland Oy.	SoftTech Engineers Inc.
3.	The date since when subsidiary was acquired	16th July, 2018	21st November, 2018
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
5.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Reporting Currency-Euro Exchange rate as on 31st March, 2022-84.6599	Reporting Currency-USD Exchange rate as on 31st March, 2022- 75.8071
6.	Share capital	2.03	6.08
7.	Reserves & surplus	(52.09)	(4.98)
8.	Total assets	3.89	273.39
9.	Total Liabilities	53.96	278.21
10.	Investments	Nil	6.43
11.	Turnover	Nil	Nil
12.	Profit before taxation	Nil	Nil
13.	Provision for taxation	Nil	Nil
14.	Profit after taxation	Nil	Nil
15.	Proposed Dividend	Nil	Nil
16.	% of shareholding	100%	92%

Sr. No.	Particulars	SoftTech Care Foundation	AmpliNxt Private Limited
1.	Sl. No.	3	4
2.	Name of the subsidiary	SoftTech Care Foundation	AmpliNxt Private Limited
3.	The date since when subsidiary was acquired	14th April, 2021	29th October, 2021
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA

Sr. No.	Particulars	SoftTech Care Foundation	AmpliNxt Private Limited
5.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable	Not Applicable
6.	Share capital	1.00	1.00
7.	Reserves & surplus	(5.72)	(15.75)
8.	Total assets	6.92	1.00
9.	Total Liabilities	0.20	15.75
10.	Investments	Nil	Nil
11.	Turnover	12.85	Nil
12.	Profit before taxation	Nil	Nil
13.	Provision for taxation	Nil	Nil
14.	Profit after taxation	Nil	Nil
15.	Proposed Dividend	Nil	Nil
16.	% of shareholding	90%	100%

1. Names of subsidiaries which are yet to commence operations
   a) SoftTech Finland Oy.
2. Names of subsidiaries which have been liquidated or sold during the year.
   NIL

Part "B": Associates and Joint Ventures- NA

For and on behalf of the Board of Directors

SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA

CHAIRMAN & MANAGING DIRECTOR

DIN: 01653314

DATE: 12.08.2022

PLACE: PUNE

Annexure F

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES

To,
The Members of
SoftTech Engineers Limited ("the Company"),
Pune.

Your Directors have pleasure in presenting the Annual Report on CSR Activities for the financial year ended as on 31st March, 2022. As per the provisions of section 135 of the Companies Act, 2013 the compliance of the conditions of corporate social responsibility is the responsibility of the management. Your company intends to allocate up to 2% of its average net profits (i.e. PBT) of last three financial years on CSR activities.

1. **A brief outline of the Company's CSR policy:**

   CSR Objective:

   The focus of CSR activities of the Company has been in the following broad areas.

   1) Promoting education including special education
   2) Giving medical aid, promoting preventive health care and sanitation and making available safe drinking water
   3) Eradicating hunger, poverty and malnutrition
   4) Promoting education, gender equality and empowering women and physically handicap and disabled.
   5) Ensuring Environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water
   6) Measures for the benefit of armed forces veterans, war widows and their dependents
   7) Rural Development Projects
   8) Such other activities as specified in schedule VII of the Companies Act, 2013.

   Company's Corporate Social Responsibility Policy:

   Your Company maintains standard of corporate conduct towards its shareholders, customers, employees, all other stakeholders and society in general. The Corporate Social Responsibility will help in ensuring a long-term balanced & inclusive growth.

   To that effect, SoftTech Engineers Limited has adopted the policy of Corporate Social Responsibility to comply with CSR. Further the Company has formed "SoftTech Care Foundation', subsidiary with charitable objectives incorporated under section 8 of the Companies Act, 2013.

2. **Composition of CSR committee:**

   As on 31st March, 2022, the composition and status of CSR Committee of SoftTech Engineers Limited is as detailed below:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Vijay Gupta	Member	1	1
2	Mrs. Priti Gupta	Member	1	1
3	Mr. Rahul Gupta	Member and Independent Director	1	0

3. **Provide 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://softtech-engr.com/wp-content/uploads/Corporate-Social-Responsibility-Policy.pdf

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). -** Not Applicable

5. **Details of 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:** Not Applicable

6. **Average net profit of company:**

The details of profit for last three years is as follows:

All figures in ₹

Particulars	**Amount in ₹**		
	FY 2018-19 (April-March)	**FY 2019-20 (April-March)**	**FY 2020-21 (April-March)**
Total Revenue	635,568,314	589,012,984	425,698,722
Total Expenditure	526,322,689	480,464187	370,872,484
Extra-ordinary Items	-	-	-
Net Profit before Tax	109,245,625	108,548,797	54,826,238
Net Profit before Tax as per section 198	109,245,625	108,548,797	54,826,238
Total			272,620,660
Average 3 years profit			90,873,553
CSR Activity Gross Amount @ 2%			1,817,471*

**Amounts for the FY 2020-21 are taken from the audited financial statements of FY 2020-21 which were prepared as per GAAP. The accounts for the FY 2021-22 are prepared as per IND AS which became applicable to the Company post listing on the Main Board of Stock Exchanges effective from 25th February, 2022. Due to restatement of numbers as per applicability of IND AS, there are slight differences in the amount than previously filed financial statements for 2020-21.*

7. (a) Two percent of average net profit of the Company as per section 135(5) - ₹ 1,817,471/-
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - NIL
   (c) Amount required to be set off for the financial year, if any- NA
   (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 1,817,471/-
8. (a) **CSR amount spent or unspent for the financial year.**

Total Amount Spent for the Financial Year.	**Amount Unspent (in ₹)**				
	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 in ₹	**Date of transfer.**	**Name of the Fund**	**Amount ₹**	**Date of transfer**
₹ 1,285,000/-	-	-	Unspent amount is ₹ 532,471/- The Company proposes to transfer unspent amount to specified fund by 30th September, 2022		

   (b) **Details of CSR amount spent against ongoing projects for the financial year.** NOT APPLICABLE

(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 ₹).**	**Amount spent in the current financial Year (in ₹).**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).**	**Mode of Implementa tion - Direct (Yes/No).**	**Mode of Implementation - Through Implementing Agency**	
				State.	**District.**						**Name**	**CSR Registration number.**
	TOTAL											

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

All figures in ₹

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	(ii)	Local area	Maharashtra	Pune, Solapur	835,000/-	No	SoftTech Care Foundation	CSR00014115
2.	Promoting health care including preventive health care	(i)	Local area	Maharashtra	Pune	450,000/-	No	SoftTech Care Foundation	CSR00014115
	TOTAL					**1,285,000/-**			

(d) **Amount spent in Administrative Overheads:** Not applicable

(e) **Amount spent on Impact Assessment, if applicable:** Not applicable

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** ₹ 1,285,000/-

(g) **Excess amount for set off, if any- NIL**

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	1,817,471
(ii)	Total amount spent for the Financial Year	*1,285,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

*Note: the unspent amount for the financial year will be transferred to the funds specified under Section 135 of the Companies Act 2013 within the prescribed time period.

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1.	2020-21	-	-	PM CARES Fund	981,216	28th September, 2021	NIL
	TOTAL				**981,216**		

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** NOT APPLICABLE

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

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 (asset-wise details):** NOT APPLICABLE
    (a) Date of creation or acquisition of the capital asset(s).
    (b) Amount of CSR spent for creation or acquisition of capital asset.
    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
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).:**
    The unspent amount for the financial year shall be transferred to the fund specified under Section 135 of the Companies Act, 2013 before 30th September, 2022.
12. **Responsibility Statement of CSR Committee:**
    The committee member's states that the Company has implemented & monitored the CSR policy, in compliance with CSR objective and policy of the Company.
13. **Acknowledgment**
    Your Directors express their special thanks to the CSR Committee, Members, and Employees for their continued support. Your directors also gratefully acknowledge the co-operation and assistance received from Central and State Government authorities for their continued support and valuable assistance.

For and on behalf of the board of Directors
SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA
CHAIRMAN &MANAGING DIRECTOR
DIN: 01653314
DATE: 12.08.2022
PLACE: PUNE

PRITI GUPTA
DIRECTOR
DIN: 01735673
DATE: 12.08.2022
PLACE: PUNE

Annexure G:

INFORMATION PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUERATION OF MANAGERIAL REMUNERATION) RULES, 2014

Sr No	Particulars	Details
1	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year	Refer Annexure I
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year	Refer Annexure II
3	The percentage increase in the median remuneration of employees in the financial year.	(0.32%)
4	The number of permanent employees on the rolls of Company.	270 as on 31st March, 2022
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	There is no increase in salaries of managerial personnel. Percentage increase in salaries of employee other than managerial personnel was negligible at (0.32%). Since there was no increase in salaries of Directors, and the increase in salaries of employees were negligible so there is no exception to give justification.
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	The remuneration to employees of the Company is as per the remuneration policy of the Company
7	Statement showing the names of the top ten employees in terms of remuneration drawn and The name of every employee, who, (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees; (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month; (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.	Names of the top ten employees in terms of remuneration drawn : Vijay Gupta, Sheetal Kurhade, Milind Joshi, Neetesh Singhal, Srinivas Rao Perla, Kuldeep Rathi, Kamal Lalji Agrawal, Chandrashekhar Sambhaji Bagesar, Sarika Y. Jaglaganeshwala, Rakesh Pal, Premanath Basava Remuneration of none of the employees exceeds prescribed limits.

Annexure I:

Sr. No.	Name of Director	Ratio of remuneration of each Director to the median remuneration of the employees of the Company
1.	Mr. Vijay Gupta	13.09 times of median
2.	Mrs. Priti Gupta	3.27 times of median
3.	Mr. Pratik Patel	3.15 times of median
4.	Mr. Rahul Gupta	No remuneration. only sitting fees are paid
5.	Mr. Sridhar Pillalamarri	No remuneration. only sitting fees are paid
6.	Mr. Sundararajan Srinivasan	No remuneration. only sitting fees are paid

Annexure II:

Sr. No.	Name of Director/KMP	Designation	% Increase/(Decrease) in the Remuneration (Including sitting fees paid to the Directors)
1	Mr. Vijay Gupta	Managing Director and Chief Executive officer	No change
2	Mrs. Priti Gupta	Whole-time Director	No change
3	Mr. Pratik Patel	Whole-time Director	No change
4	Mr. Rahul Gupta	Independent Director	No change
5	Mr. Sridhar Pillalamarri	Independent Director	No change
6	Mr. Sundararajan Srinivasan	Independent Director	No change
7	Mr. Kamal Agrawal	Chief Financial Officer	No change
8	Ms. Aishwarya Patwardhan	Company Secretary	33%

For and on behalf of the Board of Directors

SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA

CHAIRMAN & MANAGING DIRECTOR

DIN: 01653314

DATE: 12.08.2022

PLACE: PUNE

Independent Auditors' Report

To the Members of SoftTech Engineers Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the Standalone Financial Statements of SoftTech Engineers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Principle Audit Procedures
A. Revenue recognition - fixed price contracts: Refer note 2(h) to the accompanying Standalone Financial Statements for accounting policy and Note 23 for the revenues recorded during the year. Revenue from fixed price contracts is recognised based on the milestones achieved as specified in the contracts and for interim stages, until the next milestone is achieved, on the basis of proportionate completion method. The fixed price revenue contracts of the Company are by their nature complex given the significant judgements involved in estimation of efforts required to complete any particular project. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts input till date and efforts required to complete the remaining contract performance obligations, and the ability to deliver the contracts within planned timelines. The estimates involved are reviewed by the Management on periodic basis. Changes in the estimates as contract progresses can result in material adjustments to revenue recorded by the Company.	• Obtained and updated understanding of the revenue stream relating to fixed price contracts. • Evaluated the appropriateness of the Company's revenue recognition policies. • Evaluated the design and implementation of key controls over the recognition of contract revenue and tested the operating effectiveness of these controls. • For a sample of contracts, evaluated key Management judgements inherent in the estimated hours to complete the underlying ongoing projects, that drive the accounting under proportionate completion method, by performing the following procedures: - evaluated the contract terms and conditions; - obtained an understanding of the assumptions applied in determining the estimated hours to complete, and tested the same for appropriateness; - obtained reasons for any change in estimates of continuing contracts from prior period impacting revenue recognition in previous periods; - Tested a sample of contracts with unbilled revenue to identify possible delays in achieving milestones, which requires change in estimated efforts to complete the remaining performance obligations;

Independent Auditors' Report (Contd.)

<table>
<tr><th>Key Audit Matters</th><th>Principle Audit Procedures</th></tr>
<tr><td>As a result of the complexities and judgment involved, and significance of the matter with respect to the Standalone Financial Statements, this matter has been determined as a key audit matter in the audit of the accompanying Standalone Financial Statements for the current year.</td><td>- Verified the actual hours attributed to the projects;
- Evaluated the appropriateness and adequacy of the disclosures made in the Standalone Financial Statements with respect to fixed price contract revenue in accordance with the requirements of applicable accounting standards.</td></tr>
<tr><td>B. Development costs towards intangible assets under Development
Refer Note 2(viii) to the accompanying Standalone Financial Statements for accounting policy and Note 3(b) of Standalone Balance Sheet for related disclosure)
The Company's software development personnel are involved in development of new software offerings, as well as enhancements to existing software.
The eligible development costs are capitalized by the Company in accordance with Ind AS 38, Intangible assets.
Significant judgements relevant for capitalization of development costs include determining whether the recognition criteria under Ind AS 38 have been met which includes assessment of technical and economic feasibility of completing the intangible asset, the entity's ability to identify and control the intangible asset, intention and ability to generate future economic benefits, and the entity's ability to measure reliably the expenditure attributable to the intangible asset during its development.
Our audit focused on this area due to the value of the development costs incurred by the Company, and assessing eligible developments costs to be capitalized, the allocation of costs incurred towards the respective ongoing projects, and the judgement involved in assessing recognition criteria for capitalization of development costs as per accounting standard requirements.
Accordingly, this matter has been determined as a key audit matter for the current year audit.</td><td>Obtained an understanding of the Management process of identifying and measuring costs incurred towards development of intangible assets, assessing eligibility of such costs for capitalization and determining the appropriate accounting treatment of such items;
• Tested the design and operating effectiveness of the controls that the Company has established in relation to intangible assets under development including controls around approvals, costs estimation, allocation of costs and capitalization;
• Evaluated the accounting policy for appropriateness in accordance with Ind AS 38, Intangible Assets.
• Discussed with Management, including development personnel, the nature and amount of work completed for each product group, and their assessment of the areas of judgement for each, in particular the stage of technical development and economic feasibility, and their assessment of recognition criteria of intangible assets;
• Tested the underlying costs by inspection of supporting documents such as payroll records, vendor contracts, invoices and delivery evidence,
• For intangible assets under development that are capitalized upon successful completion of their development, tested the accuracy of cost calculations and evaluated Management's assessment of amortization period and amortization method used.
• Evaluated the appropriateness and adequacy of the disclosures made in the standalone financial statements with respect to intangible assets under development in accordance with the requirements of applicable accounting standards.</td></tr>
</table>

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis; Board of Directors' Report along with its Annexures and Corporate Governance Report included in the Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 with reference to the financial statements 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Independent Auditors' Report (Contd.)

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The comparative financial information of the Company for the year ended March 31, 2021 and the transition date opening balance sheet as at April 1, 2020 included in these Standalone Financial Statements, are based on the previously issued statutory Financial Statements for the years ended March 31, 2020 and March 31, 2021 prepared in accordance with Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, which were audited by the predecessor auditor, who expressed an unmodified opinion vide reports dated July 10, 2020 and June 25, 2021 respectively. The adjustments to those Financial Statements for the differences in accounting principles adopted by the Company on transition to Ind AS have been audited by us. Refer note 3 and 4 to the Standalone Financial Statements. Our audit opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A; a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
    d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
    e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
    f) With respect to the adequacy of the internal financial controls with reference to the Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B.
    g) As required by section 197 (16) of the Act; in our opinion and according to information and explanation provided to us, the remuneration paid by the Company to its directors is in accordance with the provisions of section 197 of the Act and remuneration paid to directors is not in excess of the limit laid down under this section.
    h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
        (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 30;
        (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
        (iii) There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.

(iv) (a) The Management has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented to us, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the information and explanation given to us and audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the Management and as mentioned under sub-clause (iv) (a) and (iv) (b) above contain any material misstatement.

(v) The Company has not declared or paid dividend during the year.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership Number: 136835
UDIN: 22136835AKRHVP3174

Pune
May 27, 2022

Annexure A

to the Independent Auditors' Report

Referred to in paragraph 1 under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

(i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

(b) According to the information and explanations provided to us, the property, plant and equipment of the Company are being physically verified by the Management, every year. In our opinion, the frequency of verification is reasonable. The property, plant and equipment have been physically verified by the Management during the year (except service cell system) and no material discrepancies have been noticed on such verification.

(c) The Company does not have any immovable properties.

(d) According to the information and explanations provided to us, the Company has not revalued its property, plant and equipment during the year.

(e) According to the information and explanations provided to us, there are no proceedings that have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) The Company is a software company and therefore does not have any physical inventory. Accordingly, reporting on clause (ii) a of the Order is not applicable.

(b) According to the information and explanations provided to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.

The Management of the Company has provided us with the quarterly returns or statements, which they have represented to us have been filed by the Company with their banks or financial institutions based on the sanction terms. We have compared such quarterly returns or statements with the unaudited books of accounts for the quarters ending June 2021, September 2021, December 2021 and March 31, 2022. Based on our procedures and in our opinion the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement/reconciled with the books of account of the Company.

(iii) According to the information and explanations provided to us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, reporting on clause 3 (iii) (a) (A), (B), (c),(d), (e) and (f) of the Order is not applicable. The Company has made investments in mutual funds and subsidiary companies during the current year.

(b) According to information and explanation provided to us and in our opinion, the investments made during the year are, prima facie; not prejudicial to the interest of the Company.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules made thereunder or amounts which are deemed to be deposits. Accordingly, reporting on clause 3 (v) of the Order is not applicable.

(vi) According to information and explanation provided to us, being a software Company, maintenance of cost records under sub-section (l) of section 148 of the Act is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues referred in sub clause (a) above were in arrears as at March 31, 2022, for a period of more than six months from the date they became payable.

Annexure A
to the Independent Auditors' Report (Contd.)

(b) According to the information and explanation provided to us, there are no statutory dues referred to in clause (vii) (a) which have not been deposited because of any dispute except as follows

Name of Statue	Nature of Dues	Amount (₹ Lakhs)	Amount paid under protest (₹ Lakhs)	Year to which amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Sales Tax	41.32	2.5	FY 2012-13	Joint Commissioner of Sales Tax
Maharashtra Value Added Tax, 2002	Sales Tax	0.56	0.25	FY 2012-13	Joint Commissioner of Sales Tax
Income Tax Act, 1961	Income Tax	201.01	104.55	AY 2014-15	Income Tax Appellate Tribunal

(viii) According to the information and explanations given to us and records examined by us, there are no transactions which were not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) Based on our audit procedures; in our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or interest thereon to any lender.

(b) According to the information and explanations given to us, our audit procedures and as represented to us by the Management, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us and in our opinion, prima facie; term loans availed by the Company in the current year were applied for the purpose for which they were obtained.

(d) According to the information and explanations given to us, the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the company has not taken any funds (borrowings) from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting on clause 3 (x) (a) of the Order is not applicable.

(b) According to the information and explanations given to us, the Company has made preferential allotment or private placement of equity shares of ₹ 9.99 Lakhs during the year. According to the information an explanation given to us and in our opinion, the requirements of section 42 and section 62 of the Act have been complied with and the funds raised have been used for the purposes for which the funds were raised. Refer Note 37 to the Standalone Financial Statements.

(xi) (a) Based upon the audit procedures performed by us and according to the information and explanation provided to us by the Management, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

(b) According to information and explanation provided to us and based on our examination of records, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

(c) According to information and explanation provided to us and based on our audit procedures and enquiry with the vigil mechanism committee, there were no whistle-blower complaints received by the Company during the year and up to the date of this report.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi

Annexure A
to the Independent Auditors' Report (Contd.)

Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, clause 3 (xii) (a), (b) & (c) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of transactions have been disclosed in the Financial Statements as required by Ind AS 24 'Related Party Disclosures'. Refer note 31 to the Standalone Financial Statements.

(xiv) (a) According to the information and explanations given to us and in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have taken into consideration the reports made available to us by the Management of the Internal Auditors for the period under audit.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with them during the year. Accordingly, reporting on clause 3 (xv) of the Order is not applicable.

(xvi) (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India, 1934. Accordingly, reporting on clause 3(xvi) (b) & (c) of the Order is not applicable.

(b) According to the information and explanations given to us, there is no Core Investment Company within the Group.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting on clause 3 (xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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.

(xx) (a) According to the information and explanation provided to us, in respect of other than ongoing projects, the Company shall be transferring unspent amount to a Fund specified in Schedule VII to the Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. Refer note 29 (b) to the Standalone Financial Statements.

(b) According to the information and explanations given to us, the Company does not have any ongoing project under Corporate Social Responsibility. Accordingly, reporting on clause 3 (xx) (b) is not applicable.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership Number: 136835
UDIN: 22136835AKRHVP3174

Pune
May 27, 2022

Annexure B

to the Independent Auditors' Report

Referred to in paragraph 2 (f) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the Standalone Financial Statements of SoftTech Engineers Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone 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, to the extent applicable to an audit of internal financial controls, 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 with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Standalone Financial Statements.

Meaning of Internal Financial controls with reference to the Standalone Financial Statements

A company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Standalone 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of Management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, including the possibility of collusion or improper Management override of controls, material

Annexure B
to the Independent Auditors' Report (Contd.)

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 the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone 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, adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls with reference to the Standalone Financial Statements were operating effectively as at March 31, 2022, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership Number: 136835
UDIN: 22136835AKRHVP3174

Pune
May 27, 2022

Standalone Balance Sheet

as at 31st March, 2022

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
ASSETS				
Non-current assets				
Property, plant and equipment	3	474.98	412.75	91.37
Right-of-use assets	4	356.82	469.04	25.25
Other intangible assets	3 (a)	2,367.01	1,585.08	1,001.77
Intangible assets under development	3 (b)	377.70	308.10	605.77
Financial assets				
Investments	5	342.85	301.96	174.35
Other financial assets	6	1,027.57	980.34	1,047.72
Income tax assets (net)	7	275.22	143.78	-
Deferred tax assets (net)	22 (b)	97.73	105.76	131.20
Other non-current assets	8	234.81	218.68	220.06
Total non-current assets		**5,554.69**	**4,525.49**	**3,297.49**
Current assets				
Financial assets				
Investments	9	556.91	510.40	864.49
Trade receivables	10	2,907.77	3,336.77	3,598.61
Cash and cash equivalents	11	63.08	10.78	12.16
Contract assets	12	4,500.12	3,820.83	3,076.31
Other financial assets	13	28.66	7.76	21.56
Other current assets	14	85.63	103.71	54.88
Total current assets		**8,142.17**	**7,790.25**	**7,628.01**
Total assets		**13,696.86**	**12,315.74**	**10,925.49**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15 (a)	1,015.48	946.67	942.25
Other equity				
Reserves and surplus	15 (b)	7,817.72	6,290.75	5,903.04
Share application money pending allotment		-	-	2.21
		7,817.72	6,290.75	5,905.25
Total Equity		**8,833.20**	**7,237.42**	**6,847.50**
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
Borrowings	16 (a)	1,610.69	1,964.72	1,672.33
Lease liabilities	4	239.98	354.80	18.55
Other financial liabilities	17	39.35	13.11	0.50
Provisions	18	95.44	110.58	88.70
Total non-current liabilities		**1,985.46**	**2,443.21**	**1,780.08**
Current Liabilities				
Financial Liabilities				
Borrowings	16 (b)	1,498.20	1,243.63	1,140.31
Lease liabilities	4	114.82	95.88	6.71
Trade payables	19			
Total outstanding dues of micro and small enterprises		25.12	7.79	11.39
Total outstanding dues of creditors other than micro and small enterprises		885.90	828.25	500.98
Other financial liabilities	20	196.34	291.48	275.73
Other current liabilities	21	93.37	111.41	268.88
Provisions	18	64.45	56.67	48.16
Current tax liabilities (net)		-	-	45.75
Total current liabilities		**2,878.20**	**2,635.11**	**2,297.91**
Total liabilities		**4,863.66**	**5,078.32**	**4,077.99**
Total equity and liabilities		**13,696.86**	**12,315.74**	**10,925.49**
Summary of significant accounting policies	1 - 2			
The accompanying notes form an integral part of the Financial Statements	3 - 44			

As per our report of even date attached

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership No.: 136835

Place: Pune
Date: 27th May, 2022

For and on behalf of the Board of Directors

Vijay Gupta
Managing Director
DIN: 1653314

Priti Gupta
Director
DIN: 1735673
Place: Ashburn village, Virginia state

Aishwarya Patwardhan
Company Secretary
Membership No. A54477

Kamal Agrawal
Chief Financial Officer

Place: Pune
Date: 27th May, 2022

Standalone Statement of Profit and Loss

for the year ended 31st March, 2022

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Income			
Revenue from operations	23	5,745.67	4,157.36
Other income	24	197.20	102.35
Total Income		**5,942.87**	**4,259.71**
Expenses			
Purchase of stock-in-trade	25	617.32	475.38
Employess benefit expenses	26	1,262.81	1,015.58
Finance cost	27	286.44	239.22
Depreciation and amortisation expense	28	764.24	550.28
Other expenses	29	2,238.45	1,448.71
Total Expenses		**5,169.26**	**3,729.17**
Profit before tax		**773.61**	**530.54**
Tax expense			
Current Tax	22 (a)	193.77	130.00
Deferred Tax	22 (b)	2.27	22.11
Total tax expense		**196.04**	**152.11**
Profit for the year [A]		**577.57**	**378.43**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined employee benefit plans		22.90	13.21
Income tax relating to these items	22 (b)	(5.76)	(3.33)
Other comprehensive income for the year, net of tax [B]		**17.14**	**9.88**
Total comprehensive income for the year [A+B]		**594.71**	**388.31**
Earnings per share of face value ₹ 10/- per share	29(c)		
Basic earnings per share		**5.89**	**4.00**
Dilutted earnings per share		**5.89**	**3.99**

Summary of significant accounting policies	1 - 2
The accompanying notes form an integral part of the Financial Statements	3 - 44

As per our report of even date attached

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership No.: 136835

Place: Pune
Date: 27th May, 2022

For and on behalf of SoftTech Engineers Limited

Vijay Gupta
Managing Director
DIN: 1653314

Priti Gupta
Director
DIN: 1735673
Place: Ashburn village, Virginia state

Aishwarya Patwardhan
Company Secretary
Membership No. A54477

Kamal Agrawal
Chief Financial Officer

Place: Pune
Date: 27th May, 2022

Standalone Statement of Cash Flows

for the year ended 31st March, 2022

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Year ended	
	31st March, 2022	31st March, 2021
Cash flow from operating activities		
Net profit before tax	773.61	530.54
Adjustments for		
Depreciation and amortisation expense	764.24	550.28
Provision for doubtful debts net of reversal	(48.72)	17.58
Changes in fair value of financial assets at fair value through profit or loss	(3.50)	(11.59)
Unwinding of discount on security deposits	(4.53)	(3.26)
Dividend and interest income classified as investing cash flows	(59.46)	(60.29)
Finance cost	286.44	239.22
Net exchange differences	(19.19)	(1.14)
Cash generated from operations before working capital changes	**1,688.89**	**1,261.33**
Change in operating assets and liabilities		
(Increase)/Decrease in trade recievables	507.77	245.41
Increase/(Decrease) in Trade payables	74.97	323.68
(Increase)/Decrease in contract assets	(679.29)	(744.52)
(Increase)/Decrease in other current asset	18.08	(48.83)
(Increase)/Decrease in other financial assets	(31.09)	38.04
Increase/(Decrease) in other non current assets	(16.13)	1.37
Increase/(Decrease) in other financial liabilities	26.28	10.45
Increase/(Decrease) in Provisions	15.54	43.60
Increase/(Decrease) in other current liabilities	(18.03)	(157.47)
Cash generated from operations	**1,587.00**	**973.04**
Income taxes paid	(325.20)	(319.53)
Net cash generated from operating activities	**1,261.80**	**653.51**
Cash flows from investing activities		
Payments for property, plant and equipment	(185.62)	(386.28)
Payments for intangibles development costs	(1,435.43)	(730.82)
Purchase of long term investment	(51.75)	(127.61)
Purchase of current investment	(43.01)	365.67
Dividend income	13.02	9.33
Interest income	8.40	74.15
Investment in fixed deposits with banks	5.53	23.22
Net cash (used in) investing activities	**(1,688.85)**	**(772.35)**

Standalone Statement of Cash Flows
for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Year ended	
	31st March, 2022	31st March, 2021
Cash flows from financing activities		
Proceeds from issues of shares	1,001.08	-
Proceeds from borrowings	106.77	503.71
Repayment of borrowings	(206.23)	(108.01)
Lease payments	(106.23)	(55.06)
Interest paid	(316.03)	(223.19)
Net cash generated from financing activities	**479.36**	**117.46**
Net increase/ (decrease) in cash and cash equivalents	**52.31**	**(1.38)**
Cash and cash equivalents at the beginning of the financial year	10.78	12.16
Cash and cash equivalents at the end of the year	**63.09**	**10.78**

As per our report of even date attached

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership No.: 136835

Place: Pune
Date: 27th May, 2022

For and on behalf of SoftTech Engineers Limited

Vijay Gupta
Managing Director
DIN: 1653314

Priti Gupta
Director
DIN: 1735673
Place: Ashburn village,
Virginia state

Aishwarya Patwardhan
Company Secretary
Membership No. A54477

Kamal Agrawal
Chief Financial Officer

Place: Pune
Date: 27th May, 2022

Standalone Statement of changes in equity

for the year ended 31st March, 2022

(All amounts in ₹ Lakhs unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Total
Balance as at 1st April, 2020	**942.25**
Changes in equity share capital during the year	4.42
Balance as at 31st March, 2021	**946.67**
Changes in equity share capital during the year	68.81
Balance as at 31st March, 2022	**1,015.48**

B. OTHER EQUITY

Particulars	Reserves and surplus			Share Application money pending allotment	Total other equity
	Securities premium account	Share options outsatnding account	Retained earnings		
Balance as at 1st April, 2020	**2,401.30**	**21.82**	**3,479.92**	**2.21**	**5,905.25**
Profit for the year	-	-	378.43	-	378.43
Other comprehensive income	-	-	9.88	-	9.88
Employee Stock Option Scheme	-	1.62	-	-	1.62
Transferred during the year to Share premium/Share Capital Account on account of allotment of shares	13.26	(15.47)	-	(2.21)	(4.42)
Balance as at 31st March, 2021	**2,414.56**	**7.97**	**3,868.22**	**-**	**6,290.75**
Profit for the year	-	-	577.57	-	577.57
Other comprehensive income	-	-	17.14	-	17.14
Transferred during the year to Share premium/Share Capital Account on account of allotment of shares	6.45	(7.52)	-	-	(1.07)
Premium on shares issued during the year	933.33	-	-	-	933.33
Balance as at 31st March, 2022	**3,354.34**	**0.44**	**4,462.93**	**-**	**7,817.72**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership No.: 136835

Place: Pune
Date: 27th May, 2022

For and on behalf of SoftTech Engineers Limited

Vijay Gupta
Managing Director
DIN: 1653314

Priti Gupta
Director
DIN: 1735673
Place: Ashburn village, Virginia state

Aishwarya Patwardhan
Company Secretary
Membership No. A54477

Place: Pune
Date: 27th May, 2022

Kamal Agrawal
Chief Financial Officer

Notes
to Accounts for the year ended 31st March, 2022

1. CORPORATE INFORMATION

SoftTech Engineers Limited (the "Company") was founded in 1996 and is based out of Pune. The registered and corporate address was changed w.e.f 15th January, 2021 to SoftTech Towers, S NO 1/1A/7 8 15 16 17, Baner, Pune – 411045, Maharashtra, India.

The equity shares of the Company have been listed in the SME portal of National Stock Exchange of India Limited ('NSE') on 11th May, 2018. The company has migrated to the main board of the National Stock Exchange and Bombay Stock Exchange w.e.f. 25th February, 2022 from NSE-SME platform.

The Company is an information technology and software services organisation, delivering end to end solution in Architectural-Engineering-Construction (AEC) space, catering to property developers, municipal corporations, investors, real estate companies, contractors, architects and consultants.

2. SIGNIFICANT ACCOUNTING POLICIES

i. Basis of preparation

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

Ind AS has become applicable to the Company with effect from 1st April, 2021 and the comparative figures have been restated accordingly. The impact of transition has been recorded in opening reserves as at 1st April, 2020

The financial statements were authorised for issue by the Board of Directors on 27th May, 2022.

ii. Basis of measurement

The financial statements have been prepared on a historical cost basis, except for certain items, which are measured on an alternative basis on each reporting date.

Items	Measurement basis
Defined benefit plan assets	Fair value
Certain financial instruments (refer note 34)	Fair value

iii. Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is the Company's functional currency. All financial information is presented in Lakhs in ₹, unless otherwise stated.

iv. Current or non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria as set out in the Division II of Schedule III as amended to the Act.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities for product business.

v. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and disclosure of the contingent liabilities at the end of each reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying value of assets or liabilities in future periods.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Estimation of defined benefit plan
- Useful lives of Property, plant and equipment
- Creation of deferred tax asset
- Provision for litigation and claims
- Fair value measurements of Financial instruments

vi. Cash and cash equivalents

Cash at banks, cash on hand and short-term deposits with an original maturity of three months or less and which are subject to an insignificant risk of changes in value are classified as cash and cash equivalents.

vii. Property, plant and equipment

Items of property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Borrowing costs such as interest expenses directly attributable to the construction of a qualifying asset are capitalised as part of the cost.

Parts of an item of property, plant and equipment having different useful lives, (if any) are accounted for as separate items (major components) of property, plant and equipment.

The cost of internally generated computer software developed for providing services by integrating it with computer system is recognised as tangible asset. The cost of computer and computer software for providing such services are grouped as 'Service Cell System'.

Property, plant and equipment under construction are disclosed as capital work-in-progress.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under "Other non-current assets".

- **Subsequent costs**

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

- **Disposal**

  An item of property, plant and equipment is derecognised upon disposal or when no future benefits are expected from its use. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income/expenses in the statement of profit and loss.

- **Depreciation**

  Depreciation on property, plant and equipment is provided using the straight-line method based on the useful lives of assets as estimated by the management. Depreciation is charged on pro-rata basis for assets purchased/sold during the year.

  The following assets are depreciated at a rate which are in line with Schedule II of the Companies Act, 2013 considering the estimated useful life of the assets and obsolescence:

Class of assets	Useful life as followed by the Company (in Years)
Furniture, fixtures and fittings	10
Vehicles	8
Office equipment	5
Computers	3
Servers	6
Service cell system	5
Leasehold improvements	Over the lease period

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

  Right to use assets are depreciated on straight line basis over the lease period or useful life of asset whichever is lower. However, if the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

viii. Intangible assets and amortisation

- **Recognition and measurement**

  Intangible assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

  Intangible assets acquired by the Company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

- **Research and development expenditure on new products:**

  Expenditure on research is expensed under respective heads of account in the period in which it is incurred. Development expenditure on new products is capitalised as intangible asset, if all of the following can be demonstrated:

  1. the technical feasibility of completing the intangible asset so that it will be available for use or sale;
  2. the Company has intention to complete the intangible asset and use or sell it;
  3. the Company has ability to use or sell the intangible asset;
  4. the manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;
  5. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
  6. the Company has ability to reliably measure the expenditure attributable to the intangible asset during its development.

  Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as Intangible assets under development.

- **Subsequent measurement**

  Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

- **Amortisation**

  Amortisation of the asset begins when development is complete and the asset is available for use. Internally generated intangible assets are amortised on a straight line basis over their estimated useful life of 4 years, and computer software are amortised on a straight line basis over their estimated useful life of five years.

  The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

  Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

ix. Revenue recognition

Sale of Products and Services

Revenue from services is recognised when the provision of services is complete and there is either no unfulfilled obligations on the Company or unfulfilled obligations are inconsequential or perfunctory and will not affect the customer's final acceptance of the services.

Revenue from fixed price contracts are recognised based on the milestones achieved as specified in the contracts and for interim stages, until the next milestone is achieved, on the basis of proportionate completion method. Provisions for future estimated losses on incomplete contracts are recorded in the period in which such losses become probable based on the current estimates.

Revenue from annual technical service contracts is recognised on a pro-rata basis over the period in which such services are rendered.

Revenue from sale of traded software licenses is recognised on delivery to the customer.

Cost and earnings in excess of billings are classified as unbilled revenue while billings in excess of cost and earnings are classified as unearned revenue.

Dividend income is recognised when the right to receive the dividend is established.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Rendering of services

Revenue is recognised point in time as the services are provided. The stage of completion for determining the amount of revenue is based on completion of installation from company's end at farmer's location.

Other income

Interest income is recognised as it accrues in the statement of profit and loss, using the effective interest method.

x. Finance costs

Finance costs are interest and other costs that an entity incurs in connection with the borrowing of funds. It also includes exchange differences in relation to the foreign currency borrowings to the extent those are regarded as an adjustment to the borrowing costs.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale which is usually 12 months or more.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they are incurred.

xi. Foreign currencies transactions

The financial statements are presented in ₹, which is also the company's functional and presentation currency.

Transactions and balances

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

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

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

xii. Employee Benefits

Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short term compensated absences, leave travel allowance etc. are recognised in the period in which the employee renders the related service.

Post-Employment Benefits

Defined Contribution Plans

The Company's state governed provident fund scheme and employee state insurance scheme are defined contribution plans. The contribution paid/payable under the scheme is recognised during the period in which the employee renders the related service.

Defined Benefit Plans

The company operates two defined benefit plans for its employees, viz., gratuity and leave encashment. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

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

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Past service cost is recognised as expenses on a straight-line basis over the average period until the benefits become vested. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Long Term Employee Benefit

The obligation for long term employee benefits such as long term compensated absences is recognised in the same manner as in the case of defined benefit plans as mentioned above.

Accumulated leaves that are expected to be utilised within the next 12 months are treated as short term employee benefits.

Employee stock compensation cost

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

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total intrinsic value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

xiii. Taxes

Current income tax

Tax on income for the current period is determined based on taxable income after considering various provisions of the Income Tax Act, 1961 and based on the enacted rate.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

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

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

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

xiv. Provisions and contingent liabilities

A Provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources is expected to settle the obligation, in respect of which a reliable estimate can be made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for warranty is recognised when the product is sold. Provision is made on historical experience. The estimate of such warranty related costs is revised annually.

Contingent liability is disclosed in case of

a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.

b) present obligation arising from past events, when no reliable estimate is possible

c) a possible obligation arising from past events where the probability of outflow of resources is not remote.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

xv. Leases

Lease is a contract that provides to the customer (lessee) the right to use an asset for a period of time in exchange for consideration.

Company as a Lessee

A lessee is required to recognise assets and liabilities for all leases with a term that is greater than 12 months, unless the underlying asset is of low value, and to recognise depreciation of leased assets separately from interest on lease liabilities in the statement of Profit and Loss.

Initial Measurement

Right to use asset

At the commencement date, the Company measures the right-of-use asset at cost. The cost of the right-of-use asset shall comprise:

- the amount of the initial measurement of the lease liability
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the lessee; and
- an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

Lease liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Company under residual value guarantees;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent measurement

Right to use asset

Subsequently the Company measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses.

Lease Liability

Subsequently the Company measures the lease liability by:

- increasing the carrying amount to reflect interest on the lease liability at the interest rate implicit in the lease, if that rate can be readily determined or the Company's incremental borrowing rate.
- reducing the carrying amount to reflect the lease payments made; and
- re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

xvi. Impairment of non-financial assets

The company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's net selling price or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in the statement of profit and loss.

xvii. Fair value measurement

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Quoted market prices, when available, are used as the measure of fair value. In cases where quoted market prices are not available, fair values are determined using present value estimates or other valuation techniques which maximise the use of relevant observable inputs and minimise the use of unobservable inputs, for example, the present value of estimated expected future cash flows using discount rates commensurate with the risks involved. Fair value estimation techniques normally incorporate assumptions that market participants would use in their estimates of values, future revenues, and future expenses, including assumptions about interest rates, default, prepayment and volatility. Because assumptions are inherently subjective in nature, the estimated fair values cannot be substantiated by comparison to independent market quotes and, in many cases, the estimated fair values would not necessarily be realised in an immediate sale or settlement of the instrument.

For cash and other liquid assets, the fair value is assumed to approximate to book value, given the short-term nature of these instruments. For those items with a stated maturity exceeding twelve months, fair value is calculated using a discounted cash flow methodology.

The financial instruments carried at fair value are categorised under the three levels of the Ind AS fair value hierarchy as follows:

Level 1: Quoted market prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access. This level of the fair value hierarchy provides the most reliable evidence of fair value and is used to measure fair value whenever available.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs). These inputs reflect the Company's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk). These inputs are developed based on the best information available in the circumstances, which include the Company's own data. The Company's own data used to develop unobservable inputs is adjusted if information indicates that market participants would use different assumptions.

xviii. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

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

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Impairment of financial asset

Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

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

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

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on expected lifetime loss at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

Financial liabilities

Initial recognition and measurement

The company initially recognises loans and advances, deposits, debt securities issued and subordinated liabilities at their fair value on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the company becomes a party to the contractual provisions of the instrument.

A financial liability is measured initially at fair value minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. Transaction costs of financial liabilities carried at fair value through profit or loss are expensed in profit or loss.

Subsequent Measurement

For purposes of subsequent measurement, financial liabilities are classified and measured as follows:

1) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

2) Loans and Borrowings at amortised Cost

This is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

Derecognition

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

Offsetting of financial instruments

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

xix. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period as reduced by number of shares bought back, if any. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xx. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decision.

Segment accounting policies are in line with the accounting policies of the Company.

Recent Pronouncements

The Ministry of Corporate Affairs (MCA) on 5th April, 2022, vide Notification dated 23rd March, 2022 has issued Companies (Indian Accounting Standard) Amendment Rules, 2022 in consultation with the National Financial Reporting Authority (NFRA).

The notification states that these rules shall be applicable from 1st April, 2022 and would thus be applicable for the financial year ending 31st March, 2023.

The amendments to Ind ASs are intended to keep the Ind ASs aligned with the amendments made in IFRS.

Ind AS 16, "Property, Plant and Equipment"

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss.

Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets"

The amendments to Ind AS 37 issued by the Ministry of Corporate Affairs amends provisions regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.

Ind AS 101, "First-time Adoption of Indian Accounting Standards"

The amendments to Ind AS 101 issued by the Ministry of Corporate Affairs amends provisions to simplify the application of Ind AS 101 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.

Ind AS 103, "Business Combination"

The amendments to Ind AS 103 issued by the Ministry of Corporate Affairs amends provisions to:

- substitute the word 'Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework)' with the words 'Conceptual Framework of Financial Reporting in Ind AS'.
- add to Ind AS 103 a requirement that, for transactions and other events within the scope of Ind AS 37 , an acquirer applies Ind AS 37 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination
- add to Ind AS 103 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

Ind AS 109, "Financial Instruments"

The amendments to Ind AS 109 issued by the Ministry of Corporate Affairs amends provisions to prescribe the treatment of fees involved during exchange between an existing borrower and lender of debt instruments with substantially different terms. The amendment clarifies that if an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

Particulars	Furniture and fixtures	Vehicles	Office equipment	Computers	System cell service	Leasehold improvements	Total
Deemed cost as at 1st April, 2020	**11.64**	**27.76**	**10.87**	**40.48**	**0.63**	**-**	**91.37**
Additions during the year	164.71	-	172.34	4.81	-	28.33	**370.19**
Disposals during the year	6.24	-	-	-	-	-	**6.24**
Gross carrying amount as at 31st March, 2021	**170.11**	**27.76**	**183.21**	**45.29**	**0.63**	**28.33**	**455.32**
Accumulated depreciation as at 1st April, 2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation charge during the year	6.83	4.24	11.61	20.88	0.23	0.68	**44.46**
Accumulated depreciation on disposals during the year	1.88	-	-	-	-	-	**1.88**
Gross accumulated depreciation as at 31st March, 2021	**4.94**	**4.24**	**11.61**	**20.88**	**0.23**	**0.68**	**42.58**
Net carrying amount as at 31st March, 2021	**165.16**	**23.52**	**171.60**	**24.40**	**0.40**	**27.65**	**412.75**

Particulars	Furniture and fixtures	Vehicles	Office equipment	Computers	System cell service	Leasehold improvements	Total
Gross carrying amount as at 1st April, 2021	**170.11**	**27.76**	**183.21**	**45.29**	**0.63**	**28.33**	**455.32**
Additions during the year	10.00	-	96.53	53.67	-	-	**160.21**
Disposals during the year	-	-	-	-	-	-	**-**
Gross carrying amount as at 31st March, 2022	**180.11**	**27.76**	**279.74**	**98.96**	**0.63**	**28.33**	**615.53**
Accumulated depreciation as at 31st March, 2021	**4.94**	**4.24**	**11.61**	**20.88**	**0.23**	**0.68**	**42.58**
Depreciation charge during the year	17.92	4.24	49.91	22.84	0.23	2.83	**97.97**
Accumulated depreciation on disposals during the year	-	-	-	-	-	-	**-**
Gross accumulated depreciation as at 31st March, 2022	**22.86**	**8.48**	**61.52**	**43.72**	**0.45**	**3.51**	**140.54**
Net carrying amount as at 31st March, 2022	**157.25**	**19.29**	**218.22**	**55.24**	**0.18**	**24.82**	**474.98**

For all items of property, plant and equipment, the Company has elected to continue with the carrying value as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and have used that as deemed cost.

Refer Note 16 foot note for information on Property, plant and equipment provided as security by the Company.

Refer Note 2(vii) for policy on depreciation

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 3 (A): OTHER INTANGIBLE ASSETS

Particulars	Computer software	Internally generated software	Total
Deemed cost as at 1st April, 2020	13.24	988.52	1,001.77
Additions during the year	12.46	1,016.03	1,028.49
Disposals during the year	-	-	-
Gross carrying amount as at 31st March, 2021	**25.70**	**2,004.55**	**2,030.26**
Accumulated amortisation as at 1st April, 2020	-	-	-
Amortisation charge for the year	5.98	439.20	445.18
Accumulated amortisation on disposals during the year	-	-	-
Gross accumulated amortisation as at 31st March, 2021	**5.98**	**439.20**	**445.18**
Net carrying value as at 31st March, 2021	**19.73**	**1,565.35**	**1,585.08**

Particulars	Computer software	Internally generated software	Total
Gross carrying amount as at 1st April, 2021	**25.70**	**2,004.55**	**2,030.26**
Additions during the year	9.31	1,356.53	1,365.83
Disposals during the year	-	-	-
Gross carrying amount as at 31st March, 2022	**35.01**	**3,361.08**	**3,396.09**
Accumulated amortisation as at 31st March, 2021	**5.98**	**439.20**	**445.18**
Amortisation charge for the year	7.77	576.13	583.89
Accumulated amortisation on disposals during the year	-	-	-
Gross accumulated amortisation as at 31st March, 2022	**13.74**	**1,015.33**	**1,029.08**
Net carrying value as at 31st March, 2022	**21.27**	**2,345.75**	**2,367.01**

For all items of Intangible assets, the Company has elected to continue with the carrying value as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and have used that as deemed costs.

Refer Note 2(viii) for policy on amortisation.

NOTE 3 (B): INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Internally generated sofware
Gross carrying amount as on 1st April, 2020	**605.77**
Add: Additions	718.36
Less: Capitalised during the year	(1,016.03)
Gross carrying amount as at 31st March, 2021	**308.10**

Particulars	Internally generated sofware
Gross carrying amount as on 1st April, 2021	**308.10**
Add: Additions	1,426.13
Less: Capitalised during the year	(1,356.53)
Gross carrying amount as on 31st March, 2022	**377.70**

Projects whose completion is overdue or has exceeded its cost compared to its original plan the year ended 31st March, 2022 ₹ NIL (31st March, 2021 ₹ Nil, 1st April, 2020 ₹ Nil)

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to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Intangible assets under development aging schedule

As at 1st April, 2020

Intangible assets under development	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	119.31	130.33	154.14	201.99	605.77
Projects teamporarily suspended	-	-	-	-	-
Total	**119.31**	**130.33**	**154.14**	**201.99**	**605.77**

As at 31st March, 2021

Intangible assets under development	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	149.58	37.75	120.77	-	308.10
Projects teamporarily suspended	-	-	-	-	-
Total	**149.58**	**37.75**	**120.77**	**-**	**308.10**

As at 31st March, 2022

Intangible assets under development	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	191.60	27.57	37.75	120.77	377.70
Projects teamporarily suspended	-	-	-	-	-
Total	**191.60**	**27.57**	**37.75**	**120.77**	**377.70**

NOTE 4: LEASES

a. Right-of-use assets (ROU)

Particulars	Premises
Gross carrying amount as at 1st April, 2020	25.25
Add: Additions	504.43
Less: Disposals	-
Gross carrying amount as at 31st March, 2021	**529.68**
Accumulated amortisation as at 1st April, 2020	**-**
Add: Amortisation charge on right-of-use assets	60.64
Accumulated amortisation as at 31st March, 2021	60.64
Net carrying amount as at 31st March, 2021	**469.04**
Gross carrying amount as at1st April, 2021	**529.68**
Add: Additions	-
Less: Disposals	-
Gross carrying amount as at 31st March, 2022	**529.68**

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Premises
Accumulated amortization as at 1st April, 2021	60.64
Add: Amortisation charge on right-of-use assets*	112.22
Accumulated amortisation as at 31st March, 2022	172.86
Net carrying amount as at 31st March, 2022	**356.82**

*Includes ₹ 29.84 Lakhs capitalised during the year

The aggregate amortisation expense on ROU assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

b. Lease liabilities

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Non-current	239.98	354.80	18.55
Current	114.82	95.88	6.71
Total	**354.80**	**450.68**	**25.25**

c. Interest expenses on lease liabilities

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Interest on lease liabilities	10.36	1.65	-

d. Expenses on short term leases / low value assets

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Short term leases	-	16.86	-
Low value assets	-	-	-

e. Amounts recognised in the statement of cash flow

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Total cash outflow for leases	106.23	55.06	-

f. Maturity analysis – contractual undiscounted cash flows

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Less than one year	114.82	95.88	6.71
One to five years	239.98	354.80	18.55
More than five years	-	-	-
Total undiscounted lease liabilities at year end	**354.80**	**450.68**	**25.25**

Other Information:

The company has leases for Corporate building. These lease contracts provide for payment to increase each year by inflation.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases reported as at 31st March, 2022 compared to the lease liability as accounted as at 1st April, 2021 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

The company does not face significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.There are no variable lease payments and guaranteed residual value in existing lease agreements.

The incremental borrowing rate of 9.50% p.a. has been applied to lease liabilities recognised in the Balance Sheet.

Financial assets

NOTE 5: INVESTMENT IN SUBSIDIARIES - NON-CURRENT

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Investment carried at cost*			
Investments in equity shares (unquoted) of subsidiaries (fully paid up)			
SoftTech Finland OY	2.03	2.03	2.03
[1,000 (March 2021:1,000, April 2020: 1000) equity shares of Euro 2.50 each fully paid up]			
Amplinxt Private Limited	1.00	-	-
[9,999 (March 2021:Nil, April 2020: Nil) equity shares of ₹ 10 each fully paid up]			
SoftTech Care Foundation	0.90	-	-
[9,000 (March 2021:Nil, April 2020: Nil) equity shares of ₹ 10 each fully paid up]			
SoftTech Engineers Inc.	6.08	6.08	6.08
[8,00,000 (March 2021:8,00,000, April 2020: 8,00,000) equity shares of USD 0.01 each fully paid up]			
Total	**10.01**	**8.11**	**8.11**
Investments in others (unquoted) (fair value through profit and loss)*			
The Mahesh Sahakari Bank Limited	3.58	3.58	3.58
(14,192 (March 2021: 14,192, April 2020: 14,192) equity shares of ₹ 25 each fully paid up)			
The Saraswat Co-operative Bank Limited	0.25	0.25	0.25
(2,500 (Macrh 2021: 2,500, April 2020: 2500) equity shares of ₹ 10 each fully paid up)			
Total	**3.83**	**3.83**	**3.83**
Investments in debentures (unquoted) of subsidiaries (fully paid up) (fair value through profit and loss)*			
SoftTech Finland OY Debentures	50.80	48.69	48.69
[24,000 (March 2021: 24,000, April 2020: 24,000) 1% optionally convertible debentures of Euro 2.50 each fully paid up]			
SoftTech Engineers Inc. Debentures	278.21	241.33	113.72
[March 2022: 3,67,00,000 (March 2021: 3,30,00,000,April 2020: 1,60,00,000) 1% optionally convertible debentures of USD 0.01 each fully paid up]			
Total	**329.01**	**290.02**	**162.41**
Total	**342.85**	**301.96**	**174.35**
Aggregate amount of unquoted investments	**342.85**	**301.96**	**174.35**
Aggregate amount of impairment in the value of investments	**-**	**-**	**-**

* Number of shares are in full figures

The company has complied with the number of layers of companies as prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Refer Note 33 for Fair value measurements of financial assets and liabilities and refer Note 34 for Fair value hierarchy disclosures for financial assets and liabilities.

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 6: OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Unsecured, considered good			
Bank deposits with maturity of more than 12 months (Refer note (a) below)	764.02	769.55	792.77
Interest accrued but not due on bank deposits and others	149.88	111.84	135.02
Security deposits*	76.54	72.01	62.64
Tender deposits	16.40	7.40	17.70
Retention money	20.73	19.54	39.59
Total other non-current financial assets	**1,027.57**	**980.34**	**1,047.72**

Details of bank deposits pledged:

(1) Deposit of ₹ 159 Lakhs (31st March, 2021: ₹ 159 Lakhs, 1st April, 2020: ₹ 215 Lakhs) are pledged as security against the long-term borrowings.

(2) Deposit of ₹ 426.38 Lakhs (31st March, 2021: ₹ 399 Lakhs, 1st April, 2020: ₹ 399 Lakhs) are pledged as security against the short-term borrowings.

(3) Deposit of ₹ 178.64 Lakhs (31st March, 2021: ₹ 190.77 Lakhs, 1st April, 2020: ₹ 178.77 Lakhs) are held against bank guarantees.

Refer Note 33 for Fair value measurements of financial assets and liabilities and refer Note 34 for Fair value hierarchy disclosures for financial assets and liabilities.

*Refer Note 31(b) for Security deposits receivable from related parties

NOTE 7: INCOME TAX ASSETS (NET)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Advance tax and tax deducted at source (net of provision)	275.22	143.78	-
Total income-tax assets	**275.22**	**143.78**	**-**

NOTE 8: OTHER NON-CURRENT ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Balances with government authorities (GST, Income tax) [refer note 30(ii)(c)]	229.97	209.97	209.97
Prepaid expenses	4.83	4.83	10.08
Advance to supplier	-	3.88	-
Total other non- current assets	**234.81**	**218.68**	**220.06**

NOTE 9: CURRENT INVESTMENTS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Investments in Mutual Funds (measured at fair value through profit and loss)			
Quoted			
SBI Magnum Low Duration Fund - Growth	66.97	500.87	-
2,352.02 (March 2021: 18,210.89, April 2020 : Nil) units			
HDFC Low Duration Fund	-	-	256.29
Nil (March 2021: Nil, April 2020 : 6,540.40) units			

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
HDFC Liquid fund - Growth	489.95	9.53	-
11,800.88 (March 2021: 237.44, April 2020 : Nil) units			
SBI Liquid Fund - Regular plan - Growth	-	-	608.19
Nil (March 2021: Nil, April 2020 : 19,482.19) units			
Total current investments	**556.91**	**510.40**	**864.49**
Aggregate carrying value of quoted investments	**556.91**	**510.40**	**864.49**
Aggregate market value of quoted investments	**556.91**	**510.40**	**864.49**

Refer Note 33 for Fair value measurements of financial assets and liabilities and refer Note 34 for Fair value hierarchy disclosures for financial assets and liabilities.

NOTE 10: TRADE RECEIVABLES

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Trade receivables from contract with customers	2,919.17	3,402.27	3,677.59
Less: Loss allowance	(11.40)	(65.51)	(78.99)
Total trade receivables	**2,907.77**	**3,336.77**	**3,598.61**
Break up of security details			
Trade receivables considered good - secured	-	-	-
Trade receivables considered good - unsecured	2,907.77	3,336.77	3,598.61
Trade receivables - credit impaired	11.40	65.51	78.99
Total	**2,919.17**	**3,402.27**	**3,677.59**
Less: Loss allowance	(11.40)	(65.51)	(78.99)
Total trade receivables	**2,907.77**	**3,336.77**	**3,598.61**

Ageing of trade receivables	Outstanding for following periods from due date of payment as at 31 Marh 2022					
Particulars	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	1,330.70	212.73	493.73	758.85	111.77	2,907.77
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	11.40	11.40
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	(11.40)	(11.40)
Total	**1,330.70**	**212.73**	**493.73**	**758.85**	**111.77**	**2,907.77**

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Ageing of trade receivables	**Outstanding for following periods from due date of payment as at 31st March, 2021**					
Particulars	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	1,569.33	252.03	1,364.26	151.16	-	3,336.77
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	6.92	58.58	65.51
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Less: Loss allowance	-	-	-	(6.92)	(58.58)	(65.51)
Total	**1,569.33**	**252.03**	**1,364.26**	**151.16**	**-**	**3,336.77**

Ageing of trade receivables	**Outstanding for following periods from due date of payment as at 1st April, 2020**					
Particulars	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	2,862.05	266.17	460.60	9.78	-	3,598.61
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	4.59	74.40	78.99
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Less: Loss allowance	-	-	-	(4.59)	(74.40)	(78.99)
Total	**2,862.05**	**266.17**	**460.60**	**9.78**	**-**	**3,598.61**

Movement in provision for loss allowance:

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**	**As at 1st April, 2020**
Balance at beginning of the year	65.51	78.99	91.71
Less: Reversed / utiliseed during the year	(54.11)	(13.48)	(12.72)
Balance as at the end of the year	**11.40**	**65.51**	**78.99**

Trade receivables have been offered as security against the working capital facilities provided by the banks (refer note 16)

Refer Note 33 for Fair value measurements of financial assets and liabilities and refer Note 34 for Fair value hierarchy disclosures for financial assets and liabilities.

There are no debts due by companies in which any director is a director or member.

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 11: CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Balances with banks			
in current accounts	61.58	10.40	1.67
in escrow account	-	0.07	10.43
Cash on hand	1.50	0.31	0.06
Total Cash and cash equivalents	**63.08**	**10.78**	**12.16**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

NOTE 12: CONTRACT ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Unsecured, considered good			
Unbilled revenue	4,500.12	3,820.83	3,076.31
Total Contract assets	**4,500.12**	**3,820.83**	**3,076.31**

Ageing of Unbilled revenue	Outstanding for following periods from due date of payment 31st March, 2022					
Particulars	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed unbilled revenue – considered good	1,400.23	245.85	1,362.69	1,012.20	479.15	**4,500.12**

In certain cases above, although work is completed,invoices could not been raised due to delay in administrative clearances from government authorities on account of covid pandemic etc.

Ageing of Unbilled revenue	Outstanding for following periods from due date of payment 31st March, 2021					
Particulars	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed unbilled revenue – considered good	885.63	1,052.12	1,234.05	649.04	-	**3,820.83**

Ageing of Unbilled revenue	Outstanding for following periods from due date of payment 1st April, 2020					
Particulars	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed unbilled revenue – considered good	1,383.97	664.71	973.75	53.88	-	**3,076.31**

Refer Note 33 for Fair value measurements of financial assets and liabilities and refer Note 34 for Fair value hierarchy disclosures for financial assets and liabilities.

NOTE 13: OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Unsecured, considered good			
Expense reimbursement receivable from Related Parties*	28.66	7.76	9.06
Tender deposit	-	-	12.50
Total other current assets	**28.66**	**7.76**	**21.56**

Refer Note 33 for Fair value measurements of financial assets and liabilities and refer Note 34 for Fair value hierarchy disclosures for financial assets and liabilities.

*Refer Note 31(b) for receivables from related parties

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 14: OTHER CURRENT ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Prepaid expenses	29.99	32.83	19.77
Advance to suppliers	20.31	20.31	8.70
Advance to employees and others	35.33	50.58	26.41
Total other current assets	**85.63**	**103.71**	**54.88**

NOTE 15 (A): SHARE CAPITAL

Particulars	No. of Shares	Amount
Authorised Share Capital		
Equity shares of ₹ 10/- each		
As at 1st April, 2020	11,000,000	1,100
Increase during the year	-	-
As at 31st March, 2021	11,000,000	1,100
Increase during the year	-	-
As at 31st March, 2022	11,000,000	1,100

Particulars	No. of Shares	Amount
Issued, subscribed and fully paid up:		
Equity shares of ₹ 10/- each		
As at 1st April, 2020	**9,422,476**	**942.25**
Issued during the year	44,196	4.42
As at 31st March, 2021	**9,466,672**	**946.67**
Issued during the year	688,082	68.81
As at 31st March, 2022	**10,154,754**	**1,015.48**

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

Particulars	No. of Shares	Amount
As at 1st April, 2020	**9,422,476**	**942.25**
Exercise of options proceeds involved through ESOP	44,196	4.42
As at 31st March, 2021	**9,466,672**	**946.67**
Shares issued through Preferential allottment [refer note 37]	666,666	66.67
Exercise of options proceeds involved through ESOP	21,416	2.14
As at 31st March, 2022	**10,154,754**	**1,015.48**

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares, having par value of ₹ 10 per share. Each holder of equity share is entitled for one vote per share and has a right to receive dividend as recommended by the Board of Directors subject to the necessary approval from the shareholders. 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 in proportion to their shareholding. The distribution will be in proportion to the numbers of equity shares held by the shareholder.

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

C) Details of share holders holding more than 5% shares in the Company

Particulars	Audited		Audited		Audited	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Vijay Gupta	3,681,234	36.25%	3,681,234	38.89%	3,681,234	39.07%
School of Design and Entrepreneurship LLP	1,566,729	15.43%	1,233,396	13.03%	-	0.00%
East India Udyog Limited	702,400	6.92%	700,800	7.40%	-	0.00%
Pratik Babubhai Patel	671,104	6.61%	650,304	6.87%		0.00%
Rajasthan Trustee Company Private Limited	-	0.00%	-	0.00%	1,233,396	13.09%
Babubhai K. Patel	-	0.00%	-	0.00%	650,304	6.90%
Total	**6,621,467**	**65.21%**	**6,265,734**	**66.19%**	**5,564,934**	**59.06%**

C (i) Details of shares held by Promoter

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Promoter Name			
Vijay Gupta			
No of shares	3,681,234	3,681,234	3,681,234
Percentage of total shares	36.25%	38.89%	39.07%
Percentage Change	-2.63%	-0.18%	-
Chirag Vijay Gupta			
No of shares	94,400	94,400	52,800
Percentage of total shares	0.93%	1.00%	0.56%
Percentage Change	-0.07%	0.44%	-
Priti Vijay Gupta			
No of shares	33,090	33,090	33,090
Percentage of total shares	0.33%	0.35%	0.35%
Percentage Change	-0.02%	0.00%	-
Covisible Solutions India Private Limited			
No of shares	299,148	299,148	299,148
Percentage of total shares	2.95%	3.16%	3.17%
Percentage Change	-0.21%	-0.01%	-

(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the Standalone Balance Sheet date -

1. During the financial year ended March 31, 2018, 3,525,638 equity shares of ₹ 10 each had been allotted as fully paid up bonus shares by way of capitalisation of general reserves.
2. Pursuant to the resolution passed by the Board of Directors on 21st August, 2017 and shareholders on 22nd September, 2017, the Company has instituted "SoftTech Employees Stock Option Plan 2017" (ESOP 2017) for issue of stock options to the eligible employees. During the financial year ended 31st March, 2018, the Company had granted 35,116 shares under ESOP 2017 Plan wherein part consideration will be received in the form of employees' services. As per ESOP 2017, the options get adjusted for any bonus issue subsequent to the date of grant in the similar proportion of the bonus issue on equity shares.

(e) Share Application Money Pending Allotment:

During the FY 2019-20, pursuant to the scheme of "SoftTech Employees Stock Option Plan 2017" (ESOP 2017) for issue of stock options to the eligible employees, the company had received application money of ₹ 2.21 Lakhs till the reporting date. The Company has authorised capital of 110 Lakhs equity shares of face value of ₹ 10 each which is sufficient for allotment of 44,196 equity shares (including bonus shares). The respective shares has been allotted to employees on 5th May, 2020.

(All amounts in ₹ Lakhs unless otherwise stated)

(f) Aggregate number of shares issued for consideration other than cash

Particulars	As at 31st March, 2022		As at 31st March, 2021		As at 1st April, 2020	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Shares issued through ESOP	21,416	0.2%	44,196	0.5%	-	0.0%

Employee stock compensation (ESOP 2017 Scheme)

The Company had instituted Employees' Stock Option Plan "ESOP 2017" under which the stock options have been granted to the employees. The scheme was approved by the shareholders at the annual general meeting held on 22nd September,2017.

The details of activities under the ESOP 2017 scheme are summarised as follows:

Particulars	As at 31st March, 2022		As at 31st March, 2021		As at 1st April, 2020	
	No. of options	WAEP*	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	**22,682**	**5.00**	**66,878**	**5.00**	**70,232**	**5.00**
Granted during the year	-	-	-	-	-	-
Adjusted for bonus	-	-	-	-	-	-
Lapsed during the year	-	-	-	-	3,354	5.00
Exercised during the year	21,416	5.00	44,196	5.00	-	-
Outstanding at the end of the year	**1,266**	**5.00**	**22,682**	**5.00**	**66,878**	**5.00**
Exercisable at the end of the year	**1,266**	**5.00**	**22,682**	**5.00**	**44,585**	**5.00**

* WAEP denotes weighted average exercise price

The Company incurred ₹ Nil (Previous year: ₹ 1.62 Lakhs) towards employee stock compensation during the year.

The weighted average fair value of the options granted during the earlier year was ₹ 58.67 per share option issued. Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Dividend yield (%)	0.00%	0.00%
Expected volatility	15%	15%
Risk free interest rate	6.26%	6.26%
Exercise price	10.00	10.00
Expected life of options (in years)		
- Year I	2.00	2.00
- Year II	2.01	2.01
- Year III	3.01	3.01

The expected life of the options is based on historical data and current expectations and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may differ from the actuals.

The Company measures the cost of ESOP using intrinsic value method. Had the Company used fair value model to determine compensation, its profit after tax and earnings per share as reported would have changed to the amounts indicated below:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Profit after tax attributable to equity shareholders	577.57	378.43
Add: ESOP cost using intrinsic value method	-	1.62
Less: ESOP cost using fair value method	-	1.04
Proforma profit after tax	577.57	379.00

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Basic earnings per share		
- as reported	5.89	4.00
- proforma	5.89	4.01
Diluted earnings per share		
- as reported	5.89	3.99
- proforma	5.89	4.01

NOTE 15(B): RESERVES AND SURPLUS

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Retained earnings	4,462.93	3,868.22	3,479.92
Share options outstanding account	0.44	7.97	21.82
Securities premium	3,354.34	2,414.56	2,401.30
Total Reserves and surplus	**7,817.72**	**6,290.75**	**5,903.04**

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
i. Retained earnings			
Opening Balance	**3,868.22**	**3,479.92**	**2,753.76**
Net profit for the period	577.57	378.43	770.65
Items of other comprehensive income recogniseed directly in retained earnings	17.14	9.88	-
Dividends	-	-	(47.11)
Tax on Dividend	-	-	(9.69)
Adjustments on account of transition to Ind AS [refer note 41]	-	-	12.31
Closing Balance	**4,462.93**	**3,868.22**	**3,479.92**
ii. Share option outsatnding account			
Opening Balance	**7.97**	**21.82**	**18.02**
Employee Stock Option Scheme	-	1.62	3.80
Less: Transferred during the year to Share premium/ Share Capital Account	(7.52)	(15.47)	-
Closing Balance	**0.44**	**7.97**	**21.82**
iii. Securities premium			
Opening Balance	**2,414.56**	**2,401.30**	**2,401.30**
Exercise of option proceeds received	6.45	13.26	-
Premium on shares issed during the year	933.33	-	-
Closing balance	**3,354.34**	**2,414.56**	**2,401.30**

Nature and purpose of reserves

a) Share options outstanding account represents the balance that would be utilised for alloting the shares under the Stock option scheme

b) Securities premium

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

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Financial liabilities

NOTE 16(A): NON-CURRENT BORRWOINGS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Secured - at amortised cost [refer notes below]			
Term loans			
From banks	532.42	549.18	22.08
Axis Bank vehicle loan	10.56	16.57	22.08
Axis Bank ECGL	146.27	195.00	-
ICICI Bank	375.60	337.61	-
From financial institutions	140.00	210.00	373.50
Small Industries Development Bank of India (SIDBI)	-	-	153.50
Technology Development Board (TDB)	140.00	210.00	220.00
Unsecured			
Term loans from others			
RIB ITWO Soft Pvt Ltd	1,190.00	1,190.00	1,190.00
Loan from directors	189.24	201.77	140.77
Less: Current maturities of long term borrowings	(440.97)	(186.23)	(54.01)
Total non-current borrowings	**1,610.69**	**1,964.72**	**1,672.33**

The company is regular is repaying its debt and is not a declared wilful defaulter by any bank or financial Institution or other lender.

The company has used the borrowings taken for the specific purposes for which it was taken.

The company has registered all required charges with Registrar of Companies.

NOTE 16(B) : CURRENT BOROWINGS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Secured - at amortised cost			
From banks			
Working capital loans	1,057.23	1,057.40	1,086.30
Current maturities of long term borrowings	440.97	186.23	54.01
Total current borrowings	**1,498.20**	**1,243.63**	**1,140.31**

(a) Nature of security and terms of repayment of secured loans

Loan Amount, Nature of security	Terms of repayment
Term loans from banks	
(i) SIDBI Loan of Nil (As at 1st April, 2020: ₹ 12.50 Lakhs) is secured against: i) first charge by way of hypothecation on all moveable assets acquired from loan ii) first charge by way of hypothecation on all the book-debts arising out of the project of implementing integrated online building permission management system in urban local bodies in the state of Andhra Pradesh iii) extension of first charge by way of hypothecation on all IPRs owned by the Company and Vijay Gupta, both existing and future iv) pledge of fixed deposits to the tune of 40% of the loan amount	The loan has been completely repaid in the financial year 2020-21

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Loan Amount, Nature of security	Terms of repayment
v) pledge of fixed deposits of ₹ 15 Lakhs towards Debt Service Reserve Account (DSRA) vi) lien on contracted future receivables under the project to be deposited in designated escrow account. vi) Personal guarantee from Vijay Gupta and Priti Gupta.	
(ii) SIDBI Loan of Nil (As at 1st April, 2020: ₹ 141 Lakhs) is secured against: i) first charge by way of hypothecation on all movable assets acquired from loan. ii) extension of first charge by way of hypothecation of all the movable assets, book debts and actionable claims of the Company, acquired/ to be acquired/arising out of earlier assistance of ₹ 500 Lakhs. iii) extension of lien on deposits created for earlier borrowings. iv) extension of first charge by way of hypothecation on all IPRs owned by the Company, both existing and future. v) extension of lien on contracted future receivables under the project to be deposited in designated escrow account. vi) Personal guarantee from Vijay Gupta and Priti Gupta.	During the month of March 2021, this loan has been taken over by ICICI Bank. The details of the ICICI Bank loans have been mentioned in point (iii) below.
(iii) ICICI Bank This loan is towards take-over of SIDBI loan. The sanction amount of this loan is ₹ 135 Lakhs. The Company has availed a loan of ₹ 120.49 Lakhs (As at 1st April, 2020 : Nil, As at 31st March, 2021: ₹ 120.49 Lakhs, As at 31st March, 2022: ₹ 84.35 Lakhs) only. This loan is secured against: i) exclusive charge on movable fixed assets / tangible and intangible assets financed by SIDBI; ii) personal guarantee by Mr. Vijay S.Gupta and Ms. Priti V.Gupta.	Rate of interest is 9.25% p.a. The principal amount shall be repaid in 40 equal installments of ₹ 301,233 starting from April 2021 to July 2024
(iv) ICICI Bank This Loan is towards renovation and interiors of company's new office at Baner. The sanction amount of this loan is ₹ 350 Lakhs only. The Company has availed a loan of ₹ 325.17 Lakhs (as at 1st April, 2020 : Nil, as at 31st March, 2021: Nil, as at 31st March, 2022: ₹ 291.25 Lakhs). Loan is secured against: i) the exclusive charge on assets to be financed for interiors and setup of new office (furntiture, fixtures, networking systems etc); ii) personal guarantee by Mr. Vijay S. Gupta and Priti V.Gupta. iii) pledge of fixed deposits of ₹ 159 Lakhs	Rate of interest is 9.25%. Principal amount shall be repaid in 60 equal monthly installments of ₹ 546,393 starting from September 2021 to August 2026
(v) Axis Bank - ECLGS This ECLGS loan has been sanctioned to meet the working capital requirements arising out of COVID-19. Loan of ₹ 195 Lakhs (as at 1st April, 2020 : Nil, as at 31st March, 2021: ₹ 195 Lakhs, as at 31st March, 2022: ₹ 146.27 Lakhs). Loan is secured against: i) Hypothecation on entire current assets of the borrower; ii) personal guarantee by Mr. Vijay S.Gupta , Mrs. Priti V. Gupta and Mr. Chirag Gupta (limited to the value of property)	Rate of interest is 5.25% over the Repo rate, which will reset at interval of 3 months. The current rate of interest is 9.25% p.a. (i.e. Repo rate of 4% + 5.25%). The loan of ₹ 195 Lakhs disbursed is to be repaid in 36 installments after 12 months moratorium period starting from the month of July 2021.
(vi) Axis Bank - Vehicle Loan Vehicle loan was obtained by the Company in November 2018 at an interest rate of 8.70% p.a., secured against first charge on the underlying vehicle so purchased Loan of ₹ 29.18 Lakhs (As at 1st April, 2020 : 22.08 Lakhs, As at 31st March, 2021: ₹ 16.57 Lakhs, As at 31st March, 2022: ₹ 10.56 Lakhs) **Term loans from financial institutions**	Repayable in 60 monthly instalments of ₹ 60,149 starting from November 2018 to October 2023

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Loan Amount, Nature of security	Terms of repayment
(vii) TDB Loan of ₹ 210 Lakhs (previous year: ₹ 220 Lakhs) is secured against: i) Hypothecation of movable assets of the Company including assets created under the project ranking first pari pasu charge with other holders. ii) Personal guarantee from Vijay Gupta and Priti Gupta pledging 3 Lakhs shares of ₹ 10 each having face value of ₹ 30 Lakhs. iii) Own corporate guarantee of SoftTech Engineers Limited	Loan of ₹ 245 Lakhs was disbursed in 3 instalments, with two instalments of ₹ 75 Lakhs and ₹ 145 Lakhs disbursed on 28th March, 2017 and 16th February, 2019 and third instalment of ₹ 25 Lakhs on 4th November, 2020. The principal amount shall be repaid in 7 half-yearly installments, with the last installment payable in month of March 2024.

(b) Terms and conditions of Unsecured Loans

Unsecured loan from RIB ITWO Software Private Limited

The total sanctioned loan amount is ₹ 1,400 Lakhs which comprises of committed loan facility of ₹ 1,190 Lakhs and uncommitted loan facility of ₹ 210 Lakhs which is to be disbursed only at the sole discretion of the lender. The committed portion of loan facility was fully disbursed in the month of December 2019. Committed loan facility is carrying the interest rate of 6% p.a.. Loan facility amount shall be converted into equity shares of the company thereby ensuring Lender's shareholding of 10% (ten percent) of the equity shares of the Company, for the full facility amount, subject to the applicable laws in relation thereto. If the uncommitted portion of the facility amount is not disbursed and conversion is effected by the lender, then the committed portion as disbursed, shall be proportionately converted to 8.5% of the company's shareholding. The Conversion can be effected by lender within a period of 18 months from the date of disbursement. The repayment of this loan shall commence after the expiry of 3 years in 6 equal quarterly instalments.

During the financial year 2022 lender RIB ITWO Software Private Limited has expressed non-conversion of loan into equity. The loan amount will be repiad to lender in 6 equal quarterly installments of ₹ 198.33 Lakhs starting from January 2023 to April 2024

Loans from Directors

These includes loan availed from managing director Mr. Vijay Gupta of ₹ 150 Lakhs as at 31st March, 2022, ₹ 153.40 Lakhs (as at 31st March, 2021 and ₹ 134.40 Lakhs as at 1st April, 2021) and director Mrs. Priti Gupta ₹ 40 Lakhs (as at 31st March, 2022, ₹ 48.37 Lakhs as at 31st March, 2021 and ₹ 6.37 Lakhs as at 1st April, 2021). These loans do not have a repayment schedule and carrying an interest rate of 10% p.a.

(c) Loan repayable on demand - Current Borrowings

Working capital loan from banks

Loan Amount, Nature of security	Terms of repayment
(viii) Axis Bank Loan is secured against: i) First charge by way of hypothecation over entire current assets of the Company, both present and future along with residual / sub-servient charge with SIDBI ii) First pari pasu charge by way of hypothecation over entire movable fixed assets (excluding assets financed by SIDBI) of the Company, both present and future, with TDB and Residual / sub-servient charge with SIDBI iii) First charge over all the immovable assets of the Company with residual / sub-servient charge with SIDBI iv) Equitable mortgage on flat at Bibewadi, Pune, owned jointly in the name of Vijay Gupta and Priti Gupta v) Equitable mortgage on flat at Wagholi, Pune, owned jointly by Vijay Gupta and Priti Gupta	Interest rate is 3 month MCLR rate plus 1.95% p.a. currently 8.80% p.a.

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Loan Amount, Nature of security	Terms of repayment
vi) Lien on fixed deposits of ₹ 36 Lakhs and ₹ 243 Lakhs to be created. vii) Lien on recurring deposit of ₹ 42 Lakhs (₹ 1.75 Lakhs p.m. for 24 months starting from March 2018) and ₹ 120 Lakhs (12 monthly instalments of ₹ 10 Lakhs p.m. started from March 2019) viii) Assignment of LIC policies of ₹ 64 Lakhs in the name of Vijay Gupta having surrender value of ₹ 24 Lakhs (as on October 2016). ix) Negative lien on the office premises (Unit 5C, 5th Floor, Pentagon) located at Swargate, Pune, owned jointly by Vijay Gupta and Priti Gupta. x) Personal guarantee from Vijay Gupta and Priti Gupta.	

The statements of quarterly returns filed by the company with the banks are in agreement/reconciled with the books of account

NOTE 17 : OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Unsecured - at amortised cost			
Tender deposits	39.35	13.11	0.50
Total other non- current financial liabilities	**39.35**	**13.11**	**0.50**

NOTE 18: PROVISIONS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Non-current			
Gratuity [refer note:32]	83.84	88.08	77.48
Compensated absences	11.60	22.50	11.22
Non-current employee benefits obligations	**95.44**	**110.58**	**88.70**
Current			
Gratuity [refer note:32]	55.91	44.21	41.81
Compensated absences	8.54	12.46	6.35
Current employee benefits obligations	**64.45**	**56.67**	**48.16**

Movement in Provisions for compensated absences

Particulars	Amount
As at 1st April, 2020	**17.58**
Additional provisions recognised	17.38
Excess amounts reversed/utilised	-
As at 31st March, 2021	**34.96**
Additional provisions recognised	-
Excess amounts reversed/utilised	14.82
As at 31st March, 2022	**20.14**

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 19 : TRADE PAYABLES

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Trade payables			
total outstanding dues of micro and small enterprises	25.27	7.79	11.39
Total outstanding dues of creditors other than micro and small enterprises	885.74	828.26	500.98
Total Trade payables	**911.01**	**836.05**	**512.37**

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	25.27	7.79	11.39
- Principal amount outstanding (whether due or not) to micro and small enterprises	23.93	6.88	10.97
- Interest due thereon	0.25	0.18	0.04
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
The amount of payment made to the supplier beyond the appointed day during the year	15.50	124.87	25.95
Amount of interest due and payable on delayed payments	0.18	0.32	0.04
Amount of interest accrued and remaining unpaid as at year end	0.43	0.49	0.35
The amount of further interest remaining due and payable even in the succeeding year	1.34	0.91	0.42

To comply with the requirement of The Micro, Small And Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company requested its suppliers to confirm whether they are Micro, Small or Medium enterprise as defined in the said MSMED Act. Based on the communications received from such suppliers confirming their coverage as such enterprise, the Company has recognised them for the necessary treatment as provided under the MSMED Act, from the date of receipt of such confirmations.

Ageing of Trade Payables	Outstanding for following periods from due date of payment 31st March, 2022				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade payables					
Micro enterprises and small enterprises	25.27	-	-	-	25.27
Others	581.26	25.95	-	17.49	624.70
Disputed trade payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Unbilled dues*	-	-	-	-	261.04
Total	**606.53**	**25.95**	**-**	**17.49**	**911.01**

* The same is not due as on the balance sheet date

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Ageing of Trade Payables	Outstanding for following periods from due date of payment 31st March, 2021				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade payables					
Micro enterprises and small enterprises	7.79	-	-	-	7.79
Others	444.67	46.84	-	-	491.52
Disputed trade payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Unbilled dues*	-	-	-	-	336.74
Total	**452.46**	**46.84**	**-**	**-**	**836.05**

* The same is not due as on the balance sheet date

Ageing of Trade Payables	Outstanding for following periods from due date of payment 1st April, 2020				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade payables					
Micro enterprises and small enterprises	11.39	-	-	-	11.39
Others	193.85	5.32982	-	-	199.18
Disputed trade payables					
Micro enterprises and small enterprises					-
Others					-
Unbilled dues*	-	-	-	-	301.80
Total	**205.24**	**5.33**	**-**	**-**	**512.37**

* The same is not due as on the balance sheet date

NOTE 20: OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Payable to employees	144.66	144.63	146.79
Interest accrued but not due on borrowings	16.86	56.79	42.41
Payable towards capital purchases	34.83	90.06	86.54
Total other current financial liabilities	**196.34**	**291.48**	**275.73**

NOTE 21: OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Statutory liabilities	63.14	104.12	263.19
Advance from customers	30.03	7.08	5.48
Unpaid Dividend	0.21	0.21	0.21
Total other current liabilities	**93.37**	**111.41**	**268.88**

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

22 (A) INCOME TAX EXPENSE

Particulars	31st March, 2022 Audited	31st March, 2021 Audited
Current tax	193.77	130.00
Deferred tax- Relating to origination and reversal of temporary differences	2.27	22.11
Income tax expense reported in the statement of profit and loss	**196.03**	**152.11**
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expenses	773.61	543.75
Tax Rate	25.17%	25.17%
Tax at the Indian tax rate	194.70	136.85
Adjustments:		
Tax effect of amounts which are not deductible in calculating taxable income	-	-
Change in income-tax rate	-	14.66
Others	1.33	0.59
Total	**1.33**	**15.25**
Net current tax expenses recognised in statement of profit & loss	**196.03**	**152.11**

22 (B) DEFERRED TAX (NET)

Particulars	As at 31st March, 2022 Audited	As at 31st March, 2021 Audited	As at 1st April, 2020 Audited
Net Deferred tax assets/(liabilities)**	97.73	105.76	131.20
Deferred tax assets/liabilities arise from the following:	(97.73)	(105.76)	(131.20)
Deferred tax assets			
Gratuity and compensated absences	40.24	42.09	39.85
Provision for doubtful debts, doubtful deposits and capital advance	17.84	16.49	23.00
Lease adjustment	(0.51)	-	-
	57.57	**58.58**	**62.85**
Deferred tax liability			
Property, plant & equipment and intangible assets	(38.06)	(47.18)	(68.34)
Fair valuation adjustment	(2.09)	-	-
	(40.16)	**(47.18)**	**(68.34)**

**Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

Movement in deferred tax (assets)/ liabilities:	As at 31st March, 2022 Audited	As at 31st March, 2021 Audited	As at 1st April, 2020 Audited
Opening deferred tax (assets) / liabilities	**(105.76)**	**(131.20)**	**(116.03)**
Movement in deferred tax (assets)/ liabilities:			
Gratuity & compensated absences	1.85	(2.24)	(12.23)
Provision for doubtful debts, doubtful deposits and capital advance	(1.35)	6.51	3.70
Ind AS assets	0.51	-	-

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Movement in deferred tax (assets)/ liabilities:	**As at 31st March, 2022**	**As at 31st March, 2021**	**As at 1st April, 2020**
	Audited	**Audited**	**Audited**
PP&E depreciation and intangible amortisation	9.12	21.16	(6.64)
Others	(2.09)	-	-
Closing deferred tax (assets) / liabilities	**(97.73)**	**(105.76)**	**(131.20)**
Deferred tax (expense)/income	**8.03**	**25.44**	**(15.17)**
- Recognised in statement of profit and loss	2.27	22.11	(15.17)
- Recognised in statement of other comprehensive income	5.76	3.33	-

NOTE 23: REVENUE FROM OPERATIONS

Particulars	**31st March, 2022**	**31st March, 2021**
Sale of services	5,038.41	3,610.45
Sale of products	707.26	546.91
Total revenue from operations	**5,745.67**	**4,157.36**

NOTE 24: OTHER INCOME

Particulars	**31st March, 2022**	**31st March, 2021**
Interest income from financial assets measured at ammortiseed cost	46.44	50.96
Net gain on sale of investments	13.02	9.33
Fair value gain on financial assets mandatorily measured at fair value through profit or loss	3.50	11.59
Foreign exchange fluctuation gain (net)	19.19	1.14
Total (A)	**82.15**	**73.02**
Other non-operating income		
Excess provision written back	40.14	5.84
Reversal of doubtful debts provision	54.11	13.48
Unwinding of disount on security deposits	4.53	3.26
Miscellaneous Income	16.26	6.75
Total (B)	**115.05**	**29.33**
Total other income (A+B)	**197.20**	**102.35**

NOTE 25: PURCHASE OF STOCK-IN-TRADE

Particulars	**31st March, 2022**	**31st March, 2021**
Purchase of traded software	617.32	475.38
Total purchases of stock-in-trade	**617.32**	**475.38**

NOTE 26: EMPLOYEE BENEFIT EXPENSES

Particulars	**31st March, 2022**	**31st March, 2021**
Salaries, wages and bonus	1,171.25	938.48
Contribution to provident and other funds [refer note 32]	49.93	43.86
Employee share-based payment expense [refer note 15 (f)]	-	1.62
Gratuity [refer note 32]	30.36	30.57
Staff welfare expenses	11.27	1.06
Total employee benefit expenses	**1,262.81**	**1,015.58**

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 27: FINANCE COST

Particulars	31st March, 2022	31st March, 2021
Interest cost on financial liabilities measured at amortiseed cost	268.62	223.57
Finance charges on finance leases [refer note 41(ii)]	10.36	1.65
Interest others	0.20	2.55
Other borrowing costs	7.27	11.45
Total finance cost	**286.44**	**239.22**

NOTE 28: DEPRECIATION AND AMORTISATION EXPENSES

Particulars	31st March, 2022	31st March, 2021
Depreciation on property, plant and equipment	97.97	44.46
Amortisation of right-of-use assets [Net of ₹ 29.84 Lakhs capitalised during the year]	82.38	60.64
Amortisation of intangible assets	583.89	445.18
Total depreciation and amortisation expenses	**764.24**	**550.28**

NOTE 29: OTHER EXPENSES

Particulars	31st March, 2022	31st March, 2021
Electricity charges	15.90	12.96
Rent	-	16.86
Repairs and maintenance	6.21	3.85
Insurance	19.28	17.31
Rates and taxes	4.04	6.91
Travelling and conveyance	59.96	47.15
Sub-contracting expenses	10.04	58.66
Professional fees for technical consultants	1,803.49	943.24
Auditors' remuneration [refer note (a) below]	13.03	15.24
Legal and professional expenses	55.27	60.49
Bank charges	14.27	19.93
Sales promotion expenses	25.79	40.29
Printing and stationery	2.40	8.26
Office expenses	16.94	14.41
Postage and telephone	8.30	8.27
Internet charges	79.18	72.37
Subscription charges	50.99	38.90
Bad debts	5.38	36.89
Expenditure towards Corporate Social Responsibility (CSR) activities [refer note (b) below]	27.99	11.13
Loss on sale of property, plant and equipment	-	4.35
Miscellaneous expenses	19.90	11.22
Total other expenses	**2,238.45**	**1,448.71**

Note 29(a): Payment to auditors

Particulars	31st March, 2022	31st March, 2021
As auditor		
Statutory audit	8.00	10.85
Limited reviews	2.00	3.15
Cerification fees	3.03	0.99
Reimbursement of expenses	0.01	0.25
Total payment to auditors	**13.03**	**15.24**

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Note 29(b): Corporate Social Responsibility expenditure

Particulars	31st March, 2022	31st March, 2021
(a) amount required to be spent by the company during the year	18.17	20.94
(b) amount of expenditure incurred	12.85	11.13
(c) shortfall at the end of the year	5.32	9.81
(d) total of previous years shortfall	-	-
(e) reason for shortfall	During current financial year 2021-22, things have started rolling back to normal and accordingly the unspent amount of FY 2020-21 was paid to PM Cares Fund well within the stipulated due date of 30th September, 2021. Further out of total liability of ₹ 18,17,471/- for the FY 2021-22, the company has already made a contribution of ₹ 12,85,000/- leaving a shortfall of ₹ 5,32,471/- which the company is committed to transfer well within the due date in compliance with the Companies Act, 2013.	In order to maintain the business continuity the Company was able to fulfill CSR liability partially only during the year. The balance has been transferred to the specified funds in the current year before September 30, 2021.
(f) nature of CSR activities	Activities covered under schedule VII and CSR policy of the Company	Activities covered under schedule VII and CSR policy of the Company
(g) details of related party transactions	The Company has transferred its CSR liability of ₹ 12,85,000 to Section 8 Company SoftTech Care Foundation which is subsidiary of SoftTech	NA
(h) whether a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision during the year shall be shown speparately	Nil	Nil

Note 29(c): Earnings per share

Particulars	31st March, 2022	31st March, 2021
(i) Basic earnings per share		
Profit attributable to equity shareholders of the Company	577.57	378.43
Weighted average number of equity shares**	97.99	94.63
Basic earnings per share	**5.89**	**4.00**
(ii) Diluted earnings per share		
Profit attributable to equity shareholders of the Company	577.57	378.43
Weighted average number of equity shares (including potential shares)	98.00	94.86
Diluted earnings per share	**5.89**	**3.99**

NOTE 30: CONTINGENCIES AND COMMITMENTS

i) Capital commitments

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	-	-

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

ii) Contingent liabilities

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
a. Claims against the company not acknowledged as debts			
Central Sales Tax liability for Financial Year 2012-13	41.32	41.32	41.32
Value Added Tax liability for Financial Year 2012-13	0.56	0.56	0.56
Income Tax demand for Assessement Year 2014-15*	201.01	201.01	-
b. Other matters for which the Company is contingently liable	7.62	7.62	7.62
Total	**250.51**	**250.51**	**49.49**

*The Assessing officer has filed an appeal with Income Tax Appellate Tribunal ('ITAT') against the order passed by Commissioner of Income Tax (Appeals) under section 143 (3) of the Income tax Act, 1961 for the Assessment Year (A.Y.) 2014 - 2015, resulting in net tax liability of ₹ 201.01 Lakhs. Amount of ₹ 30 Lakhs has been paid under protest and an amount of ₹ 74.55 Lakhs has been adjusted against the refund issued for Assessment Year 2019 - 2020. The entire amount of ₹ 201.01 Lakhs has been disclosed as a contingent liability.

c. During the financial year 2019-20, the Company has received communication under section 70 of the CGST Act, 2017 from the DGGI, Zonal Unit, Pune in relation to input tax credit allegedly wrongly availed by the Company. The GST officers have taken the relevant records of the Company for further investigation. The management of the Company based on discussions and frequent meetings with the GST officers, have paid the input tax credit availed of ₹ 17,900 Lakhs under protest.The Company has obtained appropriate legal opinion which clearly indicates that the Company has a good case to claim refund of the amount paid under protest and accordingly, the amount paid has been disclosed under the head "Balances with Government Authorities in the financial statements.The matter is still in the jurisdiction of DGGI Pune and is yet to be concluded. Further, the Company is yet to receive a show cause notice or any order in this regard. Refer Note 8 for the same.

NOTE 31: RELATED PARTY DISCLOSURES

a Names of related parties and their relationships

Name of the Related party	Nature of Relationship
Entities over which control exists	
SoftTech Finland OY	Wholly owned subsidiary
SoftTech Engineers Inc.	Subsidiary
SoftTech Government Solutions Inc.	Step down Subsidiary
SoftTech Care Foundation	Subsidiary
AmpliNxt Private Limited	Wholly owned subsidiary
Key Management Personnel (KMP)	
Vijay Gupta	Managing director
Priti Gupta	Executive Director
Pratik Patel	Executive Director (w.e.f 18th July, 2020)
Kamal Agrawal	Chief Financial Officer (W.e.f. 28th June, 2021)
Aishwarya Patwardhan	Company Secretary
Piranvez Irani	Chief Financial Officer (w.e.f. 20th April, 2019 to 31st December, 2020)
Sridhar Pillalamari	Independent Director
Rahul Gupta	Independent Director

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Name of the Related party	Nature of Relationship
Sundararajan Srinivasan	Independent Director
Dominik Keller	Nominee Director (w.e.f. 27th December, 2019 to 21st July, 2020)
Murray Freeman	Nominee Director (w.e.f. 13th October, 2020 to 11th February, 2021)
Wai Ki Chan	Nominee Director (w.e.f. 22nd March, 2021 upto 3rd January, 2022)
Relatives of KMP	
Chirag Gupta	Son of Vijay Gupta
Pawan Gupta	Relative of a Director
Entities over which significant influence exists	
CoVisible Solutions (India) Private Limited	Enterprises over which key managerial personnel and their relatives exercise significant influence

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 31: RELATED PARTY DISCLOSURES

b Nature of transactions and amounts

Nature of transactions	Key Management Personnel (KMP)		Relatives of KMP		Subsidiaries		Entities over which KMP and their relatives are able to exercise significant Influence	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
Salaries and allowances								
Aishwarya Patwardhan	(4.93)	(3.69)	-	-	-	-	-	-
Piranvez Irani	-	(13.81)	-	-	-	-	-	-
Kamal Agrawal	(22.75)	-	-	-	-	-	-	-
Directors remuneration								
Vijay Gupta	(60.00)	(55.50)	-	-	-	-	-	-
Priti Gupta	(15.00)	(13.69)	-	-	-	-	-	-
Pratik Patel	(14.46)	(8.75)	-	-	-	-	-	-
Loan obtained								
Vijay Gupta	51.22	171.00	-	-	-	-	-	-
Priti Gupta	15.00	115.00	-	-	-	-	-	-
Loan repaid								
Vijay Gupta	(54.62)	(152.00)	-	-	-	-	-	-
Priti Gupta	(24.13)	(73.00)	-	-	-	-	-	-
Rent paid- Priti Gupta	-	(4.41)	-	-	-	-	-	-
Services received- Pawan Gupta	-	-	0.50	(1.75)	-	-	-	-
Directors sitting fees								
Sridhar Pillalamari	(1.00)	(1.25)	-	-	-	-	-	-
Rahul Gupta	(0.50)	(1.50)	-	-	-	-	-	-
Sundararajan Srinivasan	(1.00)	(1.00)	-	-	-	-	-	-
Interest expense								
Vijay Gupta	(15.44)	(19.55)	-	-	-	-	-	-
Priti Gupta	(4.67)	(5.63)	-	-	-	-	-	-
Investment in share capital								
Amplinxt Private Limited	-	-	-	-	(1.00)	-	-	-
SoftTech Care Foundation	-	-	-	-	(0.90)	-	-	-
Investment in debentures								
SoftTech Engineers Inc. Debentures	-	-	-	-	(28.21)	(127.61)	-	-
Total	**(152.27)**	**(67.78)**	**0.50**	**(1.75)**	**(1.90)**	**-**	**-**	**-**

Note : Figures in bracket are outflows.

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Outstanding receivable/(payable) balances

Nature of transactions	Key Management Personnel (KMP)			Relatives of KMP			Subsidiaries			Entities over which KMP and their relatives are able to exercise significant Influence		
	31st March, 2022	31st March, 2021	1st April, 2020	31st March, 2022	31st March, 2021	1st April, 2020	31st March, 2022	31st March, 2021	1st April, 2020	31st March, 2022	31st March, 2021	1st April, 2020
Remuneration payable												
Vijay Gupta	(3.68)	(20.45)	(10.98)	-	-	-	-	-	-	-	-	-
Priti Gupta	(1.18)	(3.66)	(2.46)	-	-	-	-	-	-	-	-	-
Pratik Patel	(3.76)	(1.16)	-	-	-	-	-	-	-	-	-	-
Aishwarya Patwardhan	(0.38)	-	-	-	-	-	-	-	-	-	-	-
Kamal Agrawal	(2.50)	-	-	-	-	-	-	-	-	-	-	-
Loan payable												
Vijay Gupta	(150.00)	(153.40)	(134.40)	-	-	-	-	-	-	-	-	-
Priti Gupta	(39.24)	(48.37)	(6.37)	-	-	-	-	-	-	-	-	-
Interest payable												
Vijay Gupta	-	(31.57)	(22.31)	-	-	-	-	-	-	-	-	-
Priti Gupta	-	(5.61)	(1.83)	-	-	-	-	-	-	-	-	-
Expense reimbursement receivable												
CoVisible Solutions (India) Private Limited	-	-	-	-	-	-	4.88	4.88	6.18	-	-	-
SoftTech Finland OY	-	-	-	-	-	-	2.88	2.88	2.88	-	-	-
SoftTech Government Solutions Inc.	-	-	-	-	-	-	5.37	-	-	-	-	-
AmpliNxt Private Limited	-	-	-	-	-	-	15.53	-	-	-	-	-
Trade payables (for goods, assets and services)												
Priti Gupta	-	(2.33)	(0.79)	-	-	-	-	-	-	-	-	-
Pawan Gupta	-	-	-	-	(0.40)	(1.75)	-	-	-	-	-	-
SoftTech Government Solutions Inc.	-	-	-	-	-	-	-	(0.12)	(0.12)	-	-	-
Investment in share capital												
SoftTech Finland OY	-	-	-	-	-	-	2.03	2.03	2.03	-	-	-
SoftTech Engineers Inc	-	-	-	-	-	-	6.08	6.08	6.08	-	-	-
Amplinxt Private Limited	-	-	-	-	-	-	1.00	-	-	-	-	-
SoftTech Care Foundation	-	-	-	-	-	-	0.90	-	-	-	-	-
Investment in debentures												
SoftTech Finland OY	-	-	-	-	-	-	50.80	48.69	48.69	-	-	-
SoftTech Engineers Inc	-	-	-	-	-	-	278.21	241.33	113.72	-	-	-
Security deposits												
Vijay Gupta	5.53	5.53	5.53	-	-	-	-	-	-	-	-	-
Priti Gupta	2.02	2.02	2.02	-	-	-	-	-	-	-	-	-

Terms and conditions:

Management is of the view that all transactions with related parties are in ordinary course and on an arm's length basis.

As the liability of Leave encashment and Gratuity is provided on Actuarial basis for company as a whole, the said amounts are not included above.

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 32: EMPLOYEE BENEFIT OBLIGATIONS

A. Defined contribution plans (Refer Note 26)

Particulars	31st March, 2022	31st March, 2021
Employers contribution to provident fund and other funds	49.93	43.86
Total	**49.93**	**43.86**

B Defined benefit plans

The Company provides for gratuity benefit under a defined benefit retirement scheme (the "Gratuity Scheme") as laid out by the Payment of Gratuity Act, 1972 of India covering eligible employees. The Gratuity Scheme provides for a lump-sum payment to employees who have completed at least five years of service with the Company, based on salary and tenure of employment. Liabilities with regard to the Gratuity Scheme are determined by actuarial valuation carried out using the Projected Unit Credit Method by an independent actuary. The Gratuity Scheme is a non-funded scheme and the Company intends to discharge this liability through its internal resources.

(a) Movements in the present value of the defined obligation are as follows:

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Obligation at the beginning of the year	**132.29**	**119.28**	**89.05**
Current service cost	22.96	23.78	16.26
Interest expense	7.41	6.79	6.20
Benefits paid	-	(4.36)	(1.07)
Actuarial losses (gains) arising from experience adjustments	(22.90)	(13.21)	8.85
Liability at the end of the year	**139.75**	**132.29**	**119.28**

(b) The Plan has not been funded as on the balance sheet date.

(c) The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Present value of funded obligations	139.75	132.29	119.28
Fair value of plan assets	-	-	-
Deficit of Gratuity Plan	**139.75**	**132.29**	**119.28**
Current / Non Current Bifurcation			
Current liability	55.91	44.21	41.81
Non Current liability	83.84	88.08	77.48

(d) Expenses recognised in the Statement of Profit and Loss under employee benefit expenses.

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Service cost	22.96	23.78	16.26
Net interest (income)/expense	7.41	6.79	6.20
Past Service Cost	-	-	-
Expected return on plan assets	-	-	-
Settlement cost/(credit)	-	-	-
Net gratuity cost	**30.36**	**30.57**	**22.45**

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to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

(e) Expense recognised in statement of other comprehensive income:

Remeasurement	31st March, 2022	31st March, 2021	1st April, 2020
Remeasurement for the year - obligation (Gain)/ Loss	(22.90)	(13.21)	8.85
Total Remeasurement Cost/(Credit) for the year recognised in OCI	**(22.90)**	**(13.21)**	**8.85**

(f) Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Discount rate	5.70%	5.60%	5.80%
Rate of growth in compensation level	10.00%	10.00%	10.00%
Expected average remaining working lives of employees (in years)*	3.03	3.89	3.90
Retirement Age	58.00	58.00	58.00
Withdrawal Rate:	32.00%	25.00%	25.00%

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

(g) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Defined benefit obligation		
Change in Assumption	**31st March, 2022**	**31st March, 2021**	**1st April, 2020**
(i) 1% decrease in discount rate	143.58	127.93	115.47
(ii) 1% increase in discount rate	136.15	137.00	123.41
(iii) 1% increase in rate of salary escalation	142.29	135.74	122.31
(iv) 1% decrease in rate of salary escalation	137.31	129.02	116.42
(v) 1% increase in rate of withdrawal	139.19	131.44	118.53
(vi) 1% decrease in rate of withdrawal	140.34	133.20	120.09

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 1%, keeping all other actuarial assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method(present value of defined benefit obligation calculated with the projected unit credit method at the end of reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(h) The following payments are expected contributions to the defined benefits plan in future year.

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Year 1	55.91	44.21	41.81
Year 2	26.74	22.78	17.74
Year 3	23.51	19.20	19.57
Year 4	22.08	19.14	16.65
Year 5	18.25	20.95	17.13
Year 6 to 10	49.48	79.10	75.82

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to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

(i) Average Duration

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate and interest rate) is 3.17 years

(j) Risk Exposure And Asset Liability Matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1. Liability Risks

a. Asset-Liability Mismatch Risk-

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralise valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b. Discount Rate Risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

c. Future Salary Escalation and Inflation Risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainities in estimating this increasing risk.

2. Unfunded Pan Risk

This represents unmanaged risk and a growing liability.There is an inherent risk here that the company may default on paying the benefits in adverse circumstances.Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan.

NOTE 33: FAIR VALUE MEASUREMENTS

i) Financial instruments by category

Particulars	31st March, 2022		31st March, 2021		1st April, 2020	
	Fair value through Profit & Loss	Amortised cost	Fair value through Profit & Loss	Amortised cost	Fair value through Profit & Loss	Amortised cost
Financial assets						
Non- current financial assets						
Non-current investments other than equity investments in subsidiaries*	332.83	-	293.85	-	166.24	-
Other non-current financial assets						
Term deposits with maturity more than 12 months from reporting date	-	764.02	-	769.55	-	792.77
Interest accrued but not due on bank deposits and others	-	149.88	-	111.84	-	135.02
Security deposits	-	76.54	-	72.01	-	62.64
Tender deposits	-	16.40	-	7.40	-	17.70
Retention money	-	20.73	-	19.54	-	39.59
Current financial assets						

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	31st March, 2022		31st March, 2021		1st April, 2020	
	Fair value through Profit & Loss	Amortised cost	Fair value through Profit & Loss	Amortised cost	Fair value through Profit & Loss	Amortised cost
Trade receivables	-	2,907.77	-	3,336.77	-	3,598.61
Current investments	556.91	-	510.40	-	864.49	-
Cash and cash equivalents	-	63.08	-	10.78	-	12.16
Contract assets	-	4,500.12	-	3,820.83	-	3,076.31
Other current financial assets	-	28.66	-	7.76	-	21.56
Total financial assets	**889.75**	**8,527.20**	**804.25**	**8,156.48**	**1,030.72**	**7,756.36**
Financial liabilities						
Non-current financial liabilities						
Non-current borrowings	-	1,610.69	-	1,964.72	-	1,672.33
Lease liabilities	-	239.98	-	354.80	-	18.55
Other financial liabilities	-	39.35	-	13.11	-	0.50
Current financial liabilities						
Current borrowings	-	1,498.20	-	1,243.63	-	1,140.31
Lease liabilities	-	114.82	-	95.88	-	6.71
Trade payables	-	911.02	-	836.05	-	512.37
Other current financial liabilities	-	196.34	-	291.48	-	275.73
Total financial liabilities	**-**	**4,610.40**	**-**	**4,799.66**	**-**	**3,626.50**

*Investment in Subsidiaries are shown at Cost in balance sheet as per Ind AS 27 : Separate Financial Statements

"The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts, largely due to the short term nature of these balances.

The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The management assessed that the carrying amounts of its financial instruments are reasonable approximations of fair values.

ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at 31st March, 2022

Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at Fair value through Profit & Loss				
Non-current investments	-	-	332.83	**332.83**
Current investments	556.91	-	-	**556.91**
Total financial assets	**556.91**	**-**	**332.83**	**889.75**

(All amounts in ₹ Lakhs unless otherwise stated)

As at 31st March, 2021

Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at Fair value through Profit & Loss				
Non-current investments	-	-	293.85	**293.85**
Current investments	510.40	-	-	**510.40**
Total financial assets	**510.40**	**-**	**293.85**	**804.25**

As at 31st March, 2020

Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at Fair value through Profit & Loss				
Non-current investments	-	-	166.24	**166.24**
Current investments	864.49	-		**864.49**
Total financial assets	**864.49**	**-**	**166.24**	**1,030.72**

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31st March, 2022, 31st March, 2021 and 1st April, 2020.

Level 1:The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of derivatives is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

iii) Financial assets and liabilities measured at amortised cost

The fair value of all financial instruments carried at amortised cost are not materially different from their carrying amounts, since they are either short-term in nature or the interest rate applicable are equal to the current market rate of interest.

NOTE 34: FINANCIAL RISK MANAGEMENT

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

(a) Credit risk

The Company is exposed to credit risk as a result of counterparties defaulting their obligations. The Company's exposure to credit risk primarily relates to trade receivables. The Company monitors and limits its exposure to credit risks on a reasonable basis. The Company's credit risk is associated with Trade Receivables is primarily related to customers not able to settle their obligations as agreed upon. To manage this, the Company periodically reviews the financial reliability of its customers, taken into account their financial conditions, current economic trends, analysis of historical bad debts and ageing of trade receivables.

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Financial instruments that are subject to such risks, principally consist of trade receivables,contract assets such as unbilled revenue, advances to subsidiaries, security deposits and cash and bank balances. None of the financial instruments of the Company results in material concentration of credit risk.

The Company assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The compliance with credit limits by customers is regularly monitored by the management.The maximum exposure to the credit risk at the reporting date is primarily from trade receivables and other financial assets. Trade receivables are majorly unsecured and are derived from revenue earned through customers. The Company has used the expected credit loss model under simplified approach to assess the impairment loss on trade receivables and other financial assets, and has provided it wherever appropriate.

All of the Company's other financial assets measured at amortised cost and the loss allowance recognised during the period was therefore limited to 12 months' expected losses. Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. Refer Note 9 for the ageing of receivables and movement in loss allowance.

(b) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and maintains adequate source of financing, if required, through the use of short term bank deposits. Processes and policies related to such risks are overseen by senior management.

Exposure to liquidity risk

The table below analyzes the Company's financial liabilities into relevent maturity groupings based on their contractual maturities:

31st March, 2022	Payable within 1 year	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	1,390.02	220.67	**1,610.69**
Lease liabilities	-	239.98	-	**239.98**
Other non-current financial liabilities		39.35	-	**39.35**
Current financial liabilities				
Current borrowings	1,498.20	-	-	**1,498.20**
Lease liabilities	114.82	-	-	**114.82**
Trade payables	911.02	-	-	**911.02**
Other current financial liabilities	196.34	-	-	**196.34**
Total	**2,720.39**	**1,669.34**	**220.67**	**4,610.40**

31st March, 2021	Payable within 1 year	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	511.44	1,453.28	**1,964.72**
Lease liabilities	-	354.80	-	**354.80**
Other non-current financial liabilities	-	13.11	-	**13.11**
Current financial liabilities				
Current borrowings	1,243.63	-	-	**1,243.63**
Lease liabilities	95.88	-	-	**95.88**
Trade payables	836.05	-	-	**836.05**
Other current financial liabilities	291.48	-	-	**291.48**
Total	**2,467.03**	**879.34**	**1,453.28**	**4,799.66**

(All amounts in ₹ Lakhs unless otherwise stated)

March 31, 2020	Payable within 1 year	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	341.57	1,330.77	**1,672.33**
Lease liabilities	-	18.55	-	**18.55**
Other non-current financial liabilities	-	-	-	**0.50**
Current financial liabilities				
Current borrowings	1,140.31			**1,140.31**
Lease liabilities	6.71			**6.71**
Trade payables	512.37			**512.37**
Other current financial liabilities	275.73			**275.73**
Total	**1,935.12**	**360.11**	**1,330.77**	**3,626.50**

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk.

a. The Company does not have any material foreign currency exchange risk as most of the financial instruments are denomintaed in Indian currency

b. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk because entire funds have been borrowed at fixed interest rates.

c. The Company's exposure to equity securities price risk arises from investments in mutual fund held by the Company and classified in the balance sheet at fair value through profit or loss.

NOTE 35: CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating in order to support its business activities and maximize brand value.

The Company manages its capital and makes adjustments to it in light of the changes in economic and market conditions.

The Company monitors capital gearing ratio, which is net debt divided by total capital. Net debt comprises of long term and short term borrowings less cash and bank balances, equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting period was as follows.

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Total Borrowings	3,108.89	3,208.35	2,812.65
Cash and bank balances	(63.08)	(10.78)	(12.16)
Net debt	**3,045.81**	**3,197.57**	**2,800.49**
Shareholders' funds			
Equity share capital	1,015.48	946.67	942.25
Reserves and surplus	7,817.72	6,290.75	5,905.25
Total equity	**8,833.20**	**7,237.41**	**6,847.50**
Net debt to equity ratio	**0.34**	**0.44**	**0.41**

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to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 36: FOREIGN CURRENCY EXPOSURES

Particulars	Currency	Amount in foreign currency			Equivalent amount in Indian Rupees		
		As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Receivables (asset)	USD	5,400	97,450	75,850	409,358	7,163,780	5,718,021
	MYR	700,000	700,000	700,000	12,635,000	12,362,000	12,114,690
	SGD	436,000	-	-	24,442,160	-	-
Payables (liability)	USD	-	163	163	-	12,015	12,015
Investment in debentures	Euro	60,000	60,000	60,000	5,079,594	4,868,951	4,868,951
	USD	379,000	330,000	160,000	27,821,206	24,133,354	11,372,099

NOTE 37: ISSUE OF EQUITY SHARES ON PREFERENTIAL ALLOTTMENT BASIS

The company has, issued 6,66,666 (Six Lakhs Sixty Six Thousand Six Hundred Sixty Six) equity shares of the Company of face value of ₹ 10 (Indian Rupees Ten only) each ("Equity Shares"), at a minimum issue price of ₹ 150 per Equity Share, including premium. There is no deviation in use of proceeds from the objects stated in the offer document done till year end.

Following are the details of utilisation of proceeds from private placement raised on 30th August, 2021 done till 31st March, 2022.

Purpose for which proceeds are used	(Amount ₹ in Lakhs)
1. To meet cost required for building marketing team for product penetration in US market	19.13
2. Development of Civit suite on SaaS platform	254.16
3. Investment into start-ups directly or through subsidiary	10.00
4. General corporate purposes	163.22
Total	**446.51**

NOTE 38: SEGMENT INFORMATION

The business segment have been identified on the basis of the nature of products and services, the risks and returns, internal organisation and management structure and the internal performance reporting systems.

1. In accordance with Indian Accounting Standard 108 - Segment Reporting, the Company has determined its single business segment as "design, development, installation and servicing of information technology related resource". Operating segments are reported in a manner consistent with the internal reporting provided to the board of directors based in India regarded as the Chief Operating Decision Maker ("CODM"). Since the entire Company's business is from information technology related resource there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation and amortisation during the year are all as reflected in the financial statements as at and for the year ended 31st March, 2022, 31st March, 2021 and 1st April, 2020.
2. Further, the Company operates primarily in India and there is no other significant geographical segment.

NOTE 39: DISCLOSURE PURSUANT TO IND AS 115 "CONTRACTS WITH CUSTOMER"

a. Disaggregation of revenue

Revenue Break-Up	31st March, 2022	31st March, 2021
One Time License Model	3,563.62	2,531.65
Pay Per Use / SaaS	1,234.24	810.75
BIM / GIS Services	240.55	305.76
Others	707.26	509.20
Total	**5,745.67**	**4,157.36**

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(All amounts in ₹ Lakhs unless otherwise stated)

The Company is an information technology and software services organisation, delivering end to end solution in Architectural-Engineering-Construction (AEC) space, catering to property developers, investors, real estate companies, contractors, architects and consultants.

1. Background :

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognise revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognise revenues when a performance obligation is satisfied. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

2. Performance Obligations :

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised product or service is combined and accounted as a single performance obligation.

3. Revenue Recognition

1) Fixed-price contracts: Revenue for fixed-price contracts where performance obligations are satisfied over time is recognised using percentage-ofcompletion method. In respect of such fixedprice contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs/ efforts incurred determining the degree of completion of the performance obligation.

   The fixed price revenue contracts of the Company are by their nature complex given the significant judgements involved in estimation of efforts required to complete any particular project.

   This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts input till date and efforts required to complete the remaining contract performance obligations, and the ability to deliver the contracts within planned timelines. The estimates involved are reviewed by the management on periodic basis.

   Changes in the estimates as contract progresses can result in material adjustments to revenue recorded by the Company.

   As a result of the complexities and judgment involved, and significance of the matter with respect to the standalone financial statements, this matter has been determined as a key audit matter in the audit of the accompanying standalone financial statements for the current year.

2) Time & material contracts: Revenues and costs relating to time and materials contracts are recognized as the related services are rendered.

3) Sale of licenses: Revenue from licenses where the customer obtains a "right to use "the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Revenue from sale of traded software licenses is recognised on delivery to the customer. Cost and earnings in excess of billings are classified as unbilled revenue while billings in excess of cost and earnings are classified as unearned revenue.

4) Revenue from annual technical service contracts is recognised on a pro-rata basis over the period in which such services are rendered.

5) Dividend income is recognised when the right to receive the dividend is established.

6) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

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to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

4. **Contract Assets**

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the transaction price to separately identifiable performance obligations based on their relative stand-alone selling price. In cases where the Company is unable to determine the stand-alone selling price the company uses expected cost-plus margin approach in estimating the stand-alone selling price.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

NOTE 40: RATIO ANALYSIS

Particulars	31st March, 2022	31st March, 2021	Change in the ratio compared to the preceding year	Explanation for change more than 25%
Current ratio	2.83	2.96	-4.31%	NA
Debt-Equity Ratio	0.35	0.44	-20.61%	NA
Debt Service Coverage ratio	0.96	0.84	14.86%	NA
Return on Equity ratio	0.07	0.05	33.76%	Increase in PAT for CY
Trade Receivable Turnover Ratio	1.84	1.20	53.49%	Better Receivable Management resulted to increase in the ratio.
Trade Payable Turnover Ratio	1.41	1.41	0.23%	NA
Net Capital Turnover Ratio	1.10	0.79	39.08%	Increase in Revenue for CY
Net Profit ratio	0.10	0.09	10.43%	NA
Return on Capital Employed	0.07	0.06	20.60%	NA
Return on Investment	0.03	0.03	1.78%	NA

Element of Ratio Ratios	Numerator	Denominator	As at 31st March, 2022		As at 31st March, 2021	
			Numerator	Denominator	Numerator	Denominator
Current ratio	Current Assets	Current Liabilities	8,142.17	2,878.20	7,790.25	2,635.11
Debt-Equity Ratio	Debt (borrowing)	Total Equity	3,108.89	8,833.20	3,208.35	7,237.41
Debt Service Coverage ratio	Profit for the year + Finance cost + Depreciation	Lease liabilities + Interest accrued on borrowings	1,824.30	1,899.47	1,320.04	1,578.72
Return on Equity ratio	Profit for the year	Average Total Equity	577.57	8,035.30	378.43	7,042.46
Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivable	5,745.67	3,122.27	4,157.36	3,467.69
Trade Payable Turnover Ratio	Total Purchases	Average Trade Payables	617.32	436.77	475.38	337.11

(All amounts in ₹ Lakhs unless otherwise stated)

Element of Ratio Ratios	Numerator	Denominator	As at 31st March, 2022		As at 31st March, 2021	
			Numerator	Denominator	Numerator	Denominator
Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital	5,745.67	5,209.55	4,157.36	5,242.62
Net Profit ratio	Profit for the period/year	Revenue from Operations	577.57	5,745.67	378.43	4,157.36
Return on Capital Employed	Profit for the period/year + Finance cost	Equity + Debt (Borrowing) - Cash & Cash Equivalents	864.01	12,319.98	617.65	10,621.21
Return on Investment	Income generated from invested funds	Average invested funds in treasury investments	16.53	533.66	20.92	687.44

NOTE 41: FIRST-TIME ADOPTION

Disclosure pursuant to Ind AS 101 "First time adoption of Indian Accounting Standards"

As stated in note 2, the separate financial statements for the year ended 31st March, 2022 are the first annual separate financial statements prepared in accordance with Ind AS. For periods up to and including the year ended 31st March, 2021, the Company has prepared its separate financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013 and other relevant provisions of the Act ('previous GAAP').

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2022, together with the comparative period data as at and for the year ended 31st March, 2021, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2020, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its IGAAP financial statements as at 1st April, 2020 and the financial statements as at and for the year ended 31st March, 2021

1. Exemptions availed:

a) **Deemed cost:** Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets including intangible assets under development covered by Ind AS 38 Intangible assets. Accordingly, the Company has elected to measure its property, plant and equipment and Intangible assets at their previous GAAP carrying value.

b) **Leases:** Ind AS 101 allows an entity to determine whether an arrangement existing at the date of transition to Ind AS contains a lease in accordance with Ind AS 116, on the basis of facts and circumstances existing at that date. The standard provides an option to apply Ind AS 116 on transition date either using full retrospective method or modified retrospective method along with some available practical expedients Accordingly, the Company has elected to follow full retrospective method for transition to Ind AS 116.

c) **Investment in Subsidiary:** The Company has elected to carry its investment in subsidiary at deemed cost which is its previous GAAP carrying amount at the date of transition to Ind AS.

d) **Fair Value of Financials Assets and Liabilities:** As per Ind AS exemption the Company has not fair valued the financial assets and liabilities retrospectively and has measured the same prospectively.

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

2. Exceptions applied:

a) Estimates:

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April, 2020 and 31st March,v2021 are consistent with the estimates as at the same date made in conformity with previous GAAP.

The Company made estimates for following item in accordance with Ind AS at the date of transition as this was not required under previous GAAP.

- Impairment of financial assets based on expected credit loss model.
- Incremental borrowing rate for measurement of lease liabilities and corresponding right of use assets.
- Determination of the discounted value for financial instruments carried at amortised cost.

b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets into amortised cost or FVTOCI or FVTPL on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Further, the standard permits measurement of financial assets accounted at amortised cost based on the facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification and measurement of financial assets into amortised cost or FVTOCI or FVTPL based on the facts and circumstances that exist on the date of transition.

c) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of entity's choosing provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

Explanation of transition to Ind AS

An explanation of how the transition from Indian GAAP to Ind AS has affected the Company's financial position, financial performance and cash flow is set out in the notes below along with accompany reconcilliation tables. The reconciliations include-

- equity reconciliation as at 1st April, 2020;
- equity reconciliation as at 31st March, 2021;
- profit reconciliation for the year ended March, 2021.

There are no material adjustments to the cash flow statements.

Line items having Ind AS impacts:

i Remeasurements of post-employment benefit obligations

Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to statement of Profit & Loss. Under Ind AS, remeasurement (comprising of actuarial gains and losses, the effect of the assets ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined liability) are recognised in retained earning through Other Comprehensive Income (OCI). (refer note no. 32)

ii Leases

Under Ind AS 116, all lease contracts, with limited exceptions for short term and low value leases, are recognized in the financial statements by way of right-of use assets and corresponding lease liabilities. This resulted in

(All amounts in ₹ Lakhs unless otherwise stated)

recognition of "Right-of-Use asset" (ROU) of ₹ 25.25 Lakhs. and a corresponding "lease liability" of ₹ 25.15 Lakhs as on 1st April, 2020.

The rental expenses recognised in statement of profit and loss for the year ended 31st March, 2021 under previous GAAP has been replaced by the recognition of depreciation expense on ROU asset and interest expense on lease liability. The related impact on statement of Profit and Loss is as given below

Particulars	Statement of profit and loss	Change in Equity
	For the year ended 31st March, 2021	As at 31st March, 2021
Depreciation and amortisation expenses	60.64	60.64
Finance Cost	1.65	1.65
Finance income on deposits	(3.26)	(3.26)
Other expenses	(55.06)	(55.06)
Total	**3.97**	**3.97**

iii Fair Valuation of current investments (mutual funds)

Under the previous GAAP, current investments were carried at cost of NAV whichever is lower. Under Ind AS,the financial instrument needs to be fair valued at each reporting date. Accordingly. Mutual funds as on 1st April, 2020 and 31st March, 2021 have been fair valued. The resultant gain/ loss has been debited/ credited to Statement of profit and loss for the year ended 31st March, 2021 and to reatined earnings as of 1st April, 2020.

iv Deferred tax

Deferred tax have been recognised on the adjustments made on transition to Ind AS.

Reconciliations between Ind AS and previous GAAP for equity and profit or loss are given below:

Particulars	Profit Reconciliation	Equity Reconciliation	
	Year Ended 31st March, 2021	As at 31st March, 2021	As at 1st April, 2020
Profit after tax/ Equity as per previous GAAP	392.82	7,229.63	6,835.19
Ind AS adjustments [Increase in Equity/ (Decrease in Equity)]:			
a) Actuarial gain/ loss in respect of employee benefits schemes transferred to other comprehensive income (Net of Tax)	(13.21)	-	-
b) Ind AS 116 impact	(3.97)	(3.97)	-
c) Ind AS 109 impact	(0.54)	11.76	12.31
d) Deferred tax impact on above adjustments	3.33		
Profit after tax/ Equity as per Ind AS	**378.43**	**7,237.42**	**6,847.50**
Other comprehensive income -remeasurement of defined benefit obligation (net of tax)	9.88		
Total Other comprehensive income as per Ind AS	**388.31**		

Notes
to Accounts for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 42: OTHER NOTES

a. To the best of our knowledge and information available the Company has not transacted with any company struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year.

b. The Company has not surrendered or disclosed any income during the year in tax assessment under Income Tax Act, 1961

c. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

NOTE 43: The code on Social security, 2020 relating to employee benefits has been approved by the Parliament and has also been published in Official Gazette of India. However, the date on which it comes into effect has not been notified and the rules are yet to be framed. The Company will complete its evaluation and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules are published.

NOTE 44: Previous years figures have been regrouped/ reclassified wherever neceesary to correspond with the current year's classification / disclosure.

Notes 3 to 44 form an integral part of the standalone financial statements.

As per our report of even date attached

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership No.: 136835

Place: Pune
Date: 27th May, 2022

For and on behalf of the Board of Directors

Vijay Gupta
Managing Director
DIN: 1653314

Priti Gupta
Director
DIN: 1735673
Place: Ashburn village, Virginia state

Aishwarya Patwardhan
Company Secretary
Membership No. A54477

Kamal Agrawal
Chief Financial Officer

Place: Pune
Date: 27th May, 2022

Independent Auditors' Report

To the Members of SoftTech Engineers Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Consolidated Financial Statements of SoftTech Engineers Limited (hereinafter referred to as the "Holding Company") and its Subsidiaries (Holding Company and its Subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the other financial statements/financial information prepared by the Management 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, 2022, of the consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

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 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 obtained by us, and the financial statements/financial information prepared by the Management referred to in the "Other Matter" paragraph, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Principle Audit Procedures
Revenue recognition - fixed price contracts: Refer note 2(h) to the accompanying Consolidated Financial Statements for accounting policy and Note 23 for the revenues recorded during the year). Revenue from fixed price contracts is recognised based on the milestones achieved as specified in the contracts and for interim stages, until the next milestone is achieved, on the basis of proportionate completion method. The fixed price revenue contracts of the Holding Company are by their nature complex given the significant judgements involved in estimation of efforts required to complete any particular project. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts input till date and efforts required to complete the remaining contract performance obligations, and the ability to deliver the contracts within planned timelines. The estimates involved are reviewed by the Management on periodic basis.	• Obtained and updated understanding of the revenue stream relating to fixed price contracts. • Evaluated the appropriateness of the Holding Company's revenue recognition policies; • Evaluated the design and implementation of key controls over the recognition of contract revenue and tested the operating effectiveness of these controls; • For a sample of contracts, evaluated key Management judgements inherent in the estimated hours to complete the underlying ongoing projects, that drive the accounting under proportionate completion method, by performing the following procedures: - evaluated the contract terms and conditions; - obtained an understanding of the assumptions applied in determining the estimated hours to complete, and tested the same for appropriateness; - obtained reasons for any change in estimates of continuing contracts from prior period impacting revenue recognition in previous periods;

Independent Auditors' Report (Contd.)

Key Audit Matters	Principle Audit Procedures
Changes in the estimates as contract progresses can result in material adjustments to revenue recorded by the Holding Company. As a result of the complexities and judgment involved, and significance of the matter with respect to the Consolidated Financial Statements, this matter has been determined as a key audit matter in the audit of the accompanying Consolidated Financial Statements for the current year.	- Tested a sample of contracts with unbilled revenue to identify possible delays in achieving milestones, which requires change in estimated efforts to complete the remaining performance obligations; - Verified the actual hours attributed to the projects; - Evaluated the appropriateness and adequacy of the disclosures made in the Consolidated Financial Statements with respect to fixed price contract revenue in accordance with the requirements of applicable accounting standards.
Development costs towards intangible assets under Development Refer Note 2(e) to the accompanying Consolidated Financial Statements for accounting policy and Note 3(b) of Consolidated Balance Sheet for related disclosure. The Holding Company's software development personnel are involved in development of new software offerings, as well as enhancements to existing software. The eligible development costs are capitalized by the Holding Company in accordance with Ind AS 38, Intangible assets. Significant judgements relevant for capitalization of development costs include determining whether the recognition criteria under Ind AS 38 have been met which includes assessment of technical and economic feasibility of completing the intangible asset, the entity's ability to identify and control the intangible asset, intention and ability to generate future economic benefits, and the entity's ability to measure reliably the expenditure attributable to the intangible asset during its development. Our audit focused on this area due to the value of the development costs incurred by the Holding Company, and assessing eligible developments costs to be capitalized, the allocation of costs incurred towards the respective ongoing projects, and the judgement involved in assessing recognition criteria for capitalization of development costs as per accounting standard requirements. Accordingly, this matter has been determined as a key audit matter for the current year audit.	Obtained an understanding of the Management process of identifying and measuring costs incurred towards development of intangible assets, assessing eligibility of such costs for capitalization and determining the appropriate accounting treatment of such items; • Tested the design and operating effectiveness of the controls that the Holding Company has established in relation to intangible assets under development including controls around approvals, costs estimation, allocation of costs and capitalization; • Evaluated the accounting policy for appropriateness in accordance with Ind AS 38, Intangible Assets. • Discussed with Management, including development personnel, the nature and amount of work completed for each product group, and their assessment of the areas of judgement for each, in particular the stage of technical development and economic feasibility, and their assessment of recognition criteria of intangible assets; • Tested the underlying costs by inspection of supporting documents such as payroll records, vendor contracts, invoices and delivery evidence, • For intangible assets under development that are capitalized upon successful completion of their development, tested the accuracy of cost calculations and evaluated Management's assessment of amortization period and amortization method used. • Evaluated the appropriateness and adequacy of the disclosures made in the Consolidated Financial Statements with respect to intangible assets under development in accordance with the requirements of applicable accounting standards.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis; Board of Directors' Report along with its Annexures and Corporate Governance Report included in the Annual Report but does not include the Consolidated Financial Statements and our Auditors' Report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), the consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the 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 companies included in the Group 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 Group 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 companies in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Group has adequate internal financial controls with reference to the Consolidated Financial Statements 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the companies included in the Group to cease to continue as a going concern.

Independent Auditors' Report (Contd.)

- 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.

We communicate with those charged with governance of the Holding Company and other companies included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

i. The Consolidated Financial Statements include the financial statements/financial information of four subsidiaries which have not been audited by us, whose financial statements reflect total assets of Rs. 292.87 Lakhs and net assets of Rs. (377.35) Lakhs as at March 31, 2022, revenues from operations of Rs Nil Lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs. (110.55) Lakhs and net cash outflows of Rs. (15.19) Lakhs, for the year ended as on that date. The financial statements/financial information of these subsidiaries are Management drawn. According to the information and explanations given to us by the Management and in our opinion, these financial statements are not material to the Group.

ii. The comparative financial information of the Holding Company for the year ended March 31, 2021 and the transition date opening balance sheet as at April 1, 2020 included in these Consolidated Financial Statements, are based on the previously issued statutory Financial Statements for the years ended March 31, 2020 and March 31, 2021 prepared in accordance with Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, which were audited by the predecessor auditor, who expressed an unmodified opinion vide reports dated July 10, 2020 and June 25, 2021 respectively. The adjustments to those Financial Statements for the differences in accounting principles adopted by the Holding Company on transition to Ind AS have been audited by us.

Our audit opinion is not modified in respect of these matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and the other financial statements/ information prepared by the Management, as noted in the 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, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the 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 Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

f) For our opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in Annexure I.

g) As required by section 197 (16) of the Act; in our opinion and according to the information and explanations given to us, the remuneration paid during the current year to its Directors by the Holding Company is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under 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 and on the consideration of reports of the other auditors on separate financial statements:

(i) The Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2022 on the consolidated financial position of the Group- Refer Note 42 to the Consolidated Financial Statements.

(ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There are no amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2022.

iv) (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiaries which are companies incorporated in India, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The Holding Company has not declared or paid any dividend during the year under section Section 123 of the Act.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report is not applicable since none of the subsidiaries have been audited. Refer Other Matters Paragraph above.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership Number: 136835
UDIN: 22136835AKRHWK9095

Pune
May 27, 2022

Annexure I

to the Independent Auditors' Report

Referred to in paragraph 2 (f) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the Consolidated Financial Statements of SoftTech Engineers Limited (hereinafter referred to as the "Holding Company") and its Subsidiaries (Holding Company and its Subsidiaries together referred to as "the Group") for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls with reference to the Consolidated 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, to the extent applicable to an audit of internal financial controls, 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 with reference to Consolidated Financial Statements 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 internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial with reference to Consolidated 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 Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group internal financial controls with reference to Consolidated Financial Statements.

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 Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated 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 Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Other Matters

The Consolidated Financial Statements include the financial statements/financial information of four subsidiaries which have not been audited by us, whose financial statements reflect total assets of Rs. 292.87 Lakhs and net assets of Rs. (377.35) Lakhs as at March 31, 2022, revenues from operations of Rs Nil Lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs. (110.55) Lakhs and net cash outflows of Rs. (15.19) Lakhs, for the year ended as on that date. The financial statements/financial information of these subsidiaries are Management drawn. According to the information and explanations given to us by the Management and in our opinion, these Consolidated Financial Statements are not material to the Group.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership Number: 136835
UDIN: 22136835AKRHWK9095

Pune
May 27, 2022

Consolidated Balance Sheet

as at 31st March, 2022

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
ASSETS				
Non-current assets				
Property plant and equipment	3	475.64	412.75	91.37
Right-of-use assets	4	356.82	469.04	25.25
Other intangible assets	3 (a)	2,367.01	1,585.08	1,001.77
Intagible assets under development	3 (b)	377.70	308.10	605.77
Financial assets				
Investments	5	4.73	3.83	3.83
Other financial assets	6	1,030.71	981.63	1,043.79
Income tax assets (net)	7	275.22	143.78	-
Deferred tax assets (net)	22 (b)	97.73	105.76	131.20
Other non-current assets	8	234.81	218.68	220.05
Total non-current assets		**5,220.37**	**4,228.65**	**3,123.03**
Current assets				
Financial assets				
Investments	9	556.91	510.40	864.49
Trade receivables	10	2,907.78	3,336.77	3,598.61
Cash and cash equivalents	11	75.03	37.91	25.11
Contract assets	12	4,500.12	3,820.83	3,076.31
Other financial assets	13	4.88	4.88	12.50
Other current assets	14	85.67	103.71	68.41
Total current assets		**8,130.39**	**7,814.50**	**7,645.43**
Total assets		**13,350.76**	**12,043.15**	**10,768.46**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15(a)	1,015.48	946.67	942.25
Other equity				
Reserves and surplus	15(b)	7,454.88	6,028.78	5,744.73
Share application money pending allotment		-	-	2.21
Other equity attributable to owners of the Company		7,454.88	6,028.78	5,746.94
Total equity attributable to owners of the Company		8,470.36	6,975.45	6,689.19
Non controlling interest		(30.05)	(16.36)	0.74
Total equity		**8,440.31**	**6,959.09**	**6,689.93**
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
Borrowings	16(a)	1,648.60	1,964.72	1,672.33
Lease liabilities	4	239.98	354.80	18.55
Other financial liabilities	17	39.35	13.11	0.50
Provisions	18	95.44	110.58	88.70
Total non-current liabilities		**2,023.37**	**2,443.21**	**1,780.08**
Current Liabilities				
Financial Liabilities				
Borrowings	16(b)	1,498.20	1,243.63	1,140.31
Lease liabilities	4	114.82	95.88	6.71
Trade payables	19			
Total outstanding dues of micro enterprises and small enterprises		25.12	7.79	11.39
Total outstanding dues of creditors other than micro enterprises and small enterprises		893.53	831.96	501.52
Other financial liabilities	20	196.34	291.48	275.73
Other current liabilities	21	94.62	113.45	268.88
Provisions	18	64.45	56.66	48.16
Current tax liabilities (net)		-	-	45.75
Total current liabilities		**2,887.08**	**2,640.85**	**2,298.45**
Total liabilities		**4,910.45**	**5,084.06**	**4,078.53**
Total equity & liabilities		**13,350.76**	**12,043.15**	**10,768.46**
Summary of significant accounting policies	1 - 2			
The accompanying notes form an integral part of the Financial Statements	3 - 45			

As per our report of even date attached

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership No.: 136835

Place: Pune
Date: 27th May, 2022

For and on behalf of the Board of Directors

Vijay Gupta
Managing Director
DIN: 1653314

Priti Gupta
Director
DIN: 1735673
Place: Ashburn village, Virginia state

Aishwarya Patwardhan
Company Secretary
Membership No. A54477

Kamal Agrawal
Chief Financial Officer

Place: Pune
Date: 27th May, 2022

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2022

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Income			
Revenue from operations	23	5,745.67	4,157.36
Other income	24	186.42	102.35
Total Income		**5,932.09**	**4,259.71**
Expenses			
Purchase of stock-in-trade	25	617.32	475.38
Employess benefit expenses	26	1,316.63	1,098.46
Finance Costs	27	287.48	239.22
Depreciation and amortisation expense	28	764.35	550.28
Other expenses	29	2,285.25	1,486.19
Total Expenses		**5,271.03**	**3,849.53**
Profit before tax		**661.06**	**410.18**
Tax expense			
Current Tax	22 (a)	193.77	130.00
Deferred Tax	22 (b)	2.27	22.11
Total tax expense		**196.04**	**152.11**
Profit for the year		**465.02**	**258.07**
Other comprehensive income			
Item that will be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(2.03)	(0.29)
Item that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		22.90	13.21
Income tax relating to these items		(5.76)	(3.33)
Other comprehensive income for the year, net of tax [B]		**15.11**	**9.59**
Total comprehensive income for the year [A+B]		**480.13**	**267.66**
Profit for the year attributable to:			
- Owners of the Company		478.71	275.05
- Non controlling interests		(13.69)	(16.99)
Other comprehensive income (net of tax) attributable to:			
- Owners of the Company		15.11	9.59
- Non controlling interests		-	-
Total comprehensive income for the year attributable to:			
- Owners of the Company		493.82	284.65
- Non controlling interests		(13.69)	(16.99)
Earnings per share of face value ₹ 10/- per share			
Basic earnings per share		**4.89**	**2.91**
Diluted earnings per share		**4.88**	**2.90**
Summary of significant accounting policies	1-2		
The accompanying notes form an integral part of the Financial Statements	3-45		

As per our report of even date attached

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership No.: 136835

Place: Pune
Date: 27th May, 2022

For and on behalf of the Board of Directors

Vijay Gupta
Managing Director
DIN: 1653314

Priti Gupta
Director
DIN: 1735673
Place: Ashburn village, Virginia state

Aishwarya Patwardhan
Company Secretary
Membership No. A54477

Kamal Agrawal
Chief Financial Officer

Place: Pune
Date: 27th May, 2022

Consolidated Statement of Cash Flows

for the year ended 31st March, 2022

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Year ended	
	31st March, 2022	31st March, 2021
Cash flow from operating activities		
Net profit before tax	661.06	410.18
Adjustments for		
Depreciation and amortisation expense	764.35	550.28
Provision for doubtful debts net of reversal	(48.72)	17.58
Changes in fair value of financial assets at fair value through profit or loss	(3.50)	(11.59)
Unwinding of discount on security deposits	(4.53)	(3.26)
Dividend and interest income classified as investing cash flows	(59.46)	(60.29)
Foreign currency transaltion reserve	(2.03)	(0.29)
Finance cost	287.48	239.22
Net exchange differences	(8.42)	(1.14)
Cash generated from operations before working capital changes	**1,586.24**	**1,140.69**
Change in operating assets and liabilities		
(Increase)/ Decrease in trade recievables	486.13	245.40
Increase/ (Decrease) in trade payables	78.90	326.84
(Increase)/Decrease in contract assets	(679.29)	(744.52)
(Increase)/ Decrease in other current asset	18.04	(35.30)
(Increase)/ Decrease in other financial assets	(12.05)	32.96
Increase/(Decrease) in other non current assets	(16.13)	1.37
Increase/ (Decrease) in other financial liabilities	26.28	10.45
Increase/(Decrease) in provisions	15.56	43.59
Increase/(Decrease) in other current liabilities	(18.83)	(155.43)
Cash generated from operations	**1,484.83**	**866.05**
Income taxes paid	(325.20)	(319.53)
Net cash generated from operating activities	**1,159.64**	**546.51**
Cash flows from investing activities		
Payments for property, plant and equipment	(186.34)	(392.72)
Payments for intangibles development costs	(1,435.43)	(730.82)
Purchase of long term investments	(0.90)	-
Purchase of current investments	(43.01)	365.67
Dividend income	13.02	9.33
Interest income	8.40	74.15
Investment in fixed deposits with banks	5.53	23.22
Net cash (used in) investing activities	**(1,638.73)**	**(651.17)**

Consolidated Statement of Cash Flows for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Cash flows from financing activities		
Proceeds from issues of shares	1,001.07	-
Proceeds from borrowings	144.67	503.71
Repayment of borrowings	(206.23)	(108.01)
Lease payments	(106.23)	(55.06)
Interest paid	(317.06)	(223.18)
Net cash generated from financing activities	**516.22**	**117.46**
Net increase in cash and cash equivalents	**37.12**	**12.80**
Cash and cash equivalents at the beginning of the financial year	37.91	25.11
Cash and cash equivalents at end of the year	**75.03**	**37.91**

As per our report of even date attached

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership No.: 136835

Place: Pune
Date: 27th May, 2022

For and on behalf of SoftTech Engineers Limited

Vijay Gupta
Managing Director
DIN: 1653314

Priti Gupta
Director
DIN: 1735673
Place: Ashburn village, Virginia state

Aishwarya Patwardhan
Company Secretary
Membership No. A54477

Place: Pune
Date: 27th May, 2022

Kamal Agrawal
Chief Financial Officer

SoftTech®
Empowering Transformation

Consolidated Statement of changes in equity

for the year ended 31st March, 2022

(All amounts in ₹ Lakhs unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Total
As at 1st April 2020	**942.25**
Shares issued during the year	4.42
As at 31st March 2021	**946.67**
Shares issued during the year	68.81
As at 31st March 2022	**1,015.48**

B. OTHER EQUITY

Particulars	Reserves and surplus			Share Application money pending allotment	Total attributable to Owners of the Company	Non Controlling Interest	Total
	Securities premium account	Share option outsatnding account	Retained earnings				
As at 1st April, 2020	2,401.30	21.82	3,321.61	2.21	5,746.94	0.74	5,747.69
Profit for the year	-	-	275.05	-	275.05	(16.99)	258.07
Other comprehensive income	-	-	9.59	-	9.59	-	9.59
Employee Stock Option Scheme	-	1.62	-	-	1.62	-	1.62
Transferred during the year to Share premium/ Share Capital Account on account of allotment of shares	13.26	(15.47)	-	(2.21)	(4.42)	-	(4.42)
Adjustments on account of transition to Ind AS	-	-	-	-	-	(0.11)	(0.11)
Balance as at 31st March, 2021	**2,414.56**	**7.97**	**3,606.26**	**-**	**6,028.78**	**(16.36)**	**6,012.42**
Profit for the year	-	-	478.71	-	478.71	(13.69)	465.02
Other comprehensive income	-	-	15.11	-	15.11	-	15.11
Transferred during the year to Share premium/ Share Capital Account on account of allotment of shares	6.45	(7.52)	-	-	(1.07)	-	(1.07)
Premium on shares issued during the year	933.34	-	-	-	933.34	-	933.34
Balance as at 31st March, 2022	**3,354.35**	**0.45**	**4,100.08**	**-**	**7,454.88**	**(30.05)**	**7,424.83**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership No.: 136835

Place: Pune
Date: 27th May, 2022

For and on behalf of SoftTech Engineers Limited

Vijay Gupta
Managing Director
DIN: 1653314

Priti Gupta
Director
DIN: 1735673
Place: Ashburn village, Virginia state

Aishwarya Patwardhan
Company Secretary
Membership No. A54477

Kamal Agrawal
Chief Financial Officer

Place: Pune
Date: 27th May, 2022

Notes

Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022

1. GENERAL INFORMATION AND BACKGROUND

The Consolidated Financial Statements present the Consolidated Accounts of SoftTech Engineers Limited with its following Subsidiaries:

Name	Country of incorporation	Proportion of ownership of interest	
		As at 31st March 2022	As at 31st March 2021
Foreign subsidiaries:			
SoftTech Engineers Inc.	United States of America	92.00%	92.00%
SoftTech Finland OY	Finland	100.00%	100.00%
*SoftTech Government Solutions Inc.	United States of America	93.00%*	93.00%*
SoftTech Care Foundation	India	100.00%	NA
AmpliNxt Private Limited	India	100.00%	NA

*Held by SoftTech Engineers Inc. 8.

The Holding company is an information technology and software services organisation, delivering end to end solution in Architectural-Engineering-Construction (AEC) space, catering to property developers, municipal corporations, investors, real estate companies, contractors, architects and consultants.

These consolidated financial statements of the Group as at and for the year ended on 31st March, 2022 were approved for issue in accordance with the resolution of the Board of Directors on 27th May, 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

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

Ind AS has become applicable to the Group with effect from 1st April, 2021 and the comparative figures have been restated accordingly. The impact of transition has been recorded in opening reserves as at 1st April, 2020

The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Employee defined benefit plan
- Certain financial instruments (refer note 34)

The consolidated financial statements are presented in Indian Rupees ("₹"), which is also the Group functional currency and all values are rounded off to the nearest Lakhs, except when otherwise indicated. Wherever, an amount is presented as ₹ '0' (zero) it construes value less than ₹ 50,000.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III as amended to the Act

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities for product business.

2.2A Significant accounting estimates, assumptions and judgements

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities effected in future periods.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Estimation of defined benefit plan
- Useful lives of Property, plant and equipment
- Creation of deferred tax asset
- Provision for litigation and claims
- Fair value measurements of Financial instruments

Defined benefit plans

Employee benefit obligations are determined using independent actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual results in the future. These include the determination of the discount rate, future salary increases, experience of employee departures and mortality rates. Due to the complexities involved in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Useful lives of Property, plant and equipment ('PPE')

The Management reviews the estimated useful lives and residual value of PPE at the end of each reporting period. Factors such as changes in the expected level of usage, number of shifts of production, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of PPE, consequently leading to a change in the future depreciation charge.

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

Provisions for litigation and claims

From time to time, the Group is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the charge/ expense can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcomes and the ability to make a reasonable estimate of the amount of potential loss. Litigation prossvisions are reviewed at each accounting period and revisions are made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the consolidated financial statements. Contingent assets are not disclosed in the consolidated financial statements unless an inflow of economic benefits is probable.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash flow ("DCF") model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing their fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair values of financial instruments.

2.2B

(a) Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

Changes in ownership interests:

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

(b) Revenue recognition

Sale of Products and Services

Revenue from services is recognised when the provision of services is complete and there is either no unfulfilled obligations on the Group or unfulfilled obligations are inconsequential or perfunctory and will not affect the customer's final acceptance of the services.

Revenue from fixed price contracts are recognised based on the milestones achieved as specified in the contracts and for interim stages, until the next milestone is achieved, on the basis of proportionate completion method. Provisions for future estimated losses on incomplete contracts are recorded in the period in which such losses become probable based on the current estimates.

Revenue from annual technical service contracts is recognised on a pro-rata basis over the period in which such services are rendered. Revenue from sale of traded software licenses is recognised on delivery to the customer.

Cost and earnings in excess of billings are classified as unbilled revenue while billings in excess of cost and earnings are classified as unearned revenue.

Dividend income is recognised when the right to receive the dividend is established.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Consolidated statement of profit and loss.

(c) Property, plant and equipment

An item of property, plant and equipment ('PPE') is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. These recognition principles are applied to the costs incurred initially to acquire an item of PPE, to the pre-operative and trial run costs incurred (net of sales), if any and also to the costs incurred subsequently to add to, replace part of, or service it and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of PPE includes interest on borrowings directly attributable to the acquisition, construction or production of a qualifying asset. A qualifying asset is an asset that necessarily takes a substantial period of time to be made ready for its intended use or sale. Borrowing costs and other directly attributable cost are added to the cost of those assets until such time as the assets are substantially ready for their intended use, which generally coincides with the commissioning date of those assets.

An item of property, plant and equipment is derecognised upon disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised within other income/expenses in the statement of profit and loss.

The cost of internally generated computer software developed for providing services by integrating it with computer system is recognised as tangible asset. The cost of computer and computer software for providing such services are grouped as 'Service Cell System'.

Depreciation on property, plant and equipment is provided using the straight-line method based on the useful lives of assets as estimated by the management. Depreciation is charged on pro-rata basis for assets purchased/sold during the year.

The following assets are depreciated at a rate which are in line with Schedule II of the Companies Act, 2013 considering the estimated useful life of the assets and obsolescence:

Class of assets	Useful life as followed by the Group (in Years)
Furniture, fixtures and fittings	10
Vehicles	8
Office equipment	5
Computers	3
Servers	6
Service cell system	5
Leasehold improvements	Over the lease period

(d) Intangible assets

- **Recognition and measurement**

  Intangible assets are recognised when the asset is identifiable, is within the control of the Group, it is probable that the future economic benefits that are attributable to the asset will flow to the Group and cost of the asset can be reliably measured.

  Intangible assets acquired by the Group that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

- **Research and development expenditure on new products:**

  Expenditure on research is expensed under respective heads of account in the period in which it is incurred. Development expenditure on new products is capitalised as intangible asset, if all of the following can be demonstrated:

  1. the technical feasibility of completing the intangible asset so that it will be available for use or sale;
  2. the Group has intention to complete the intangible asset and use or sell it;
  3. the Group has ability to use or sell the intangible asset;
  4. the manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;
  5. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
  6. the Group has ability to reliably measure the expenditure attributable to the intangible asset during its development.

  Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as Intangible assets under development.

- **Subsequent measurement**

  Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

- **Amortisation**

  Amortisation of the asset begins when development is complete and the asset is available for use. Internally generated intangible assets are amortised on a straight line basis over their estimated useful life of 4 years, and computer software are amortised on a straight line basis over their estimated useful life of five years.

  The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

  Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

(e) Finance costs

Finance costs are interest and other costs that an entity incurs in connection with the borrowing of funds. It also includes exchange differences in relation to the foreign currency borrowings to the extent those are regarded as an adjustment to the borrowing costs.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and

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prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale which is usually 12 months or more.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they are incurred.

(f) Foreign currency transactions and balances

The functional currency of the Group (i.e. the currency of the primary economic environment in which the Group operates) is the Indian Rupee (₹). On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities, denominated in a foreign currency, are translated at the exchange rate prevailing on the Balance Sheet date and the resultant exchange gains or losses are recognised in the consolidated Statement of Profit and Loss. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Foreign operations

Assets and liabilities of entities with functional currencies other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the Balance Sheet date. The Statement of Profit and Loss has been translated using the average exchange rates. The net impact of such translation are recognised in OCI and held in foreign currency translation reserve ('FCTR'), a component of Equity.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control, over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement that includes a foreign operation of which the retained interest becomes a financial asset), the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to the consolidated Statement of Profit and Loss as part of the gain or loss on disposal.

In case of a partial disposal of interests in a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to NCI and are not recognised in the consolidated Statement of Profit and Loss. For all other partial disposal (i.e. partial disposals of joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to the consolidated Statement of Profit and Loss.

(g) Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets: Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

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

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the consolidated Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

b) The asset's contractual cash flows represent SPPI. Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the consolidated Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the consolidated Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the consolidated Statement of Profit and Loss.

Impairment of financial assets

The Group recognises loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the consolidated Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group balance sheet) when:

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

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

Financial liabilities

Financial liabilities are classified and measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in consolidated Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in consolidated Statement of Profit and Loss.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Derecognition

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

Derivative financial instruments

The Group uses various types of derivative financial instruments to hedge its currency and interest risk etc. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time of issuance of guarantee. The liability is initially measured at fair value and is subsequently measured at the higher of the amount of loss allowance determined, or the amount initially recognised less, the cumulative amount of income recognised.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value.

(h) Leases

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a define period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Group assesses whether: (i) the contact involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

As a lessee, the Group recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. The Group has elected not to recognise right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Group has applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) Impairment of non-financial assets

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

In assessing value in use, the estimated future cashflows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken in account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded entities or other available fair value indicators. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment loss no longer exist or has decreased. If such indication exists, the Group estimates the assets' or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the assets' recoverable amount, since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Such reversal is recognised in the consolidated Statement of Profit and Loss.

(j) Provisions

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

When the Group expects some or all of a provision to be reimbursed, for example, under an insurancecontract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated Statement of Profit and Loss. net of any reimbursements.

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

(k) Employee benefits

Employee benefits consist of provident fund, superannuation fund, gratuity fund, compensated absences, long service awards, post-retirement medical benefits, directors' retirement obligations and family benefit scheme.

Post-employment benefit plans

Defined contribution plans

Payments to a defined contribution retirement benefit scheme for eligible employees in the form of provident fund and superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made.

Defined benefit plans

For defined benefit schemes in the form of gratuity fund, the cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. The retirement benefit obligation recognised in the consolidated balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets. The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability. The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset.

The net interest income / (expense) on the net defined benefit liability is recognised in the consolidated Statement of Profit and Loss. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if any), are recognised immediately in the consolidated Balance Sheet with a corresponding charge or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the consolidated Statement of Profit and Loss in subsequent periods. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the consolidated Statement of Profit and Loss as past service cost.

Short-term employee benefits

The short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave and performance incentives which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

The cost of compensated absences is accounted as under:

(a) In case of accumulating compensated absences, when employees render service that increase their entitlement of future compensated absences; and

(b) In case of non - accumulating compensated absence, when the absences occur.

Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability. The cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. Long Service Awards are recognised as a liability at the present value of the obligation at the Balance Sheet date. All gains/losses due to actuarial valuations are immediately recognised in the consolidated Statement of Profit and Loss.

(l) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

(m) Cash dividend

The Group recognises a liability to make cash distributions to equity shareholders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders of the Group.

(n) Income taxes

Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted at the reporting date.

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

Deferred income tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or in respect of taxable temporary differences associated with investment in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets on deductible temporary differences, the carry forward of unused tax credits and any unused tax losses are recognised to the extent that there is reasonably certainty that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset or liability is settled based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(o) Employee stock compensation cost

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

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Holding Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the Consolidated Statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognised is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total intrinsic value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

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(p) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purposes of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Segment reporting

Based on the "Management approach" as defined in Ind AS 108: Operating Segments, the Chief Operating Decision Maker evaluates the Group performance and allocates resources based on an analysis of various performance indicators by business segments. Inter-segment sales and transfers are reflected at market prices.

(r) Contingent Liability and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of economic resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the consolidated financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

(s) Changes in significant accounting policies

The Holding company has migrated to the main board of the National Stock Exchange and Bombay Stock Exchange w.e.f. 25th February, 2022 from NSE-SME platform. The Group has prepared the financial results as per Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 as amended. Ind AS has become applicable to the Group with effect from 1st April, 2021 and the comparative figures have been restated accordingly. The impact of transition has been recorded in opening reserves as at 1st April, 2020.

(t) Recent Pronouncements

1. Recent Accounting Pronouncements

The Ministry of Corporate Affairs (MCA) on 5th April, 2022, vide Notification dated 23rd March, 2022 has issued Companies (Indian Accounting Standard) Amendment Rules, 2022 in consultation with the National Financial Reporting Authority (NFRA).

The notification states that these rules shall be applicable from 1st April, 2022 and would thus be applicable for the financial year ending 31st March, 2023.

The amendments to Ind ASs are intended to keep the Ind ASs aligned with the amendments made in IFRS.

Ind AS 16, "Property, Plant and Equipment"

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss.

Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets"

The amendments to Ind AS 37 issued by the Ministry of Corporate Affairs amends provisions regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.

Ind AS 101, "First-time Adoption of Indian Accounting Standards"

The amendments to Ind AS 101 issued by the Ministry of Corporate Affairs amends provisions to simplify the application of Ind AS 101 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.

Ind AS 103, "Business Combination"

The amendments to Ind AS 103 issued by the Ministry of Corporate Affairs amends provisions to:

- substitute the word 'Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework)' with the words 'Conceptual Framework of Financial Reporting in Ind AS'.
- add to Ind AS 103 a requirement that, for transactions and other events within the scope of Ind AS 37, an acquirer applies Ind AS 37 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination, add to Ind AS 103 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

Ind AS 109, "Financial Instruments"

The amendments to Ind AS 109 issued by the Ministry of Corporate Affairs amends provisions to prescribe the treatment of fees involved during exchange between an existing borrower and lender of debt instruments with substantially different terms. The amendment clarifies that if an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability

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(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

Particulars	Furniture and fixtures	Vehicles	Office equipment	Computers	System cell service	Leasehold improvements	Total
Deemed cost as at 1st April, 2020	**11.64**	**27.76**	**10.87**	**40.48**	**0.63**	**-**	**91.37**
Additions during the year	164.71	-	172.34	4.81	-	28.33	**370.19**
Disposals during the year	6.24	-	-	-	-	-	**6.24**
Gross carrying amount as at 31st March, 2021	**170.11**	**27.76**	**183.21**	**45.29**	**0.63**	**28.33**	**455.32**
Accumulated depreciation as at 1st April, 2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation charge during the year	6.83	4.24	11.61	20.88	0.23	0.68	**44.46**
Accumulated depreciation on disposals during the year	1.88	-	-	-	-	-	**1.88**
Gross accumulated depreciation as at 31st March, 2021	**4.94**	**4.24**	**11.61**	**20.88**	**0.23**	**0.68**	**42.58**
Net carrying amount as at 31st March, 2021	**165.16**	**23.52**	**171.60**	**24.40**	**0.40**	**27.65**	**412.75**

Particulars	Furniture and fixtures	Vehicles	Office equipment	Computers	System cell service	Leasehold improvements	Total
Gross carrying amount as at 1st April, 2021	**170.11**	**27.76**	**183.21**	**45.29**	**0.63**	**28.33**	**455.32**
Additions during the year	10.00	-	96.53	54.44	-	-	**160.97**
Disposals during the year	-	-	-	-	-	-	**-**
Gross carrying amount as at 31st March, 2022	**180.11**	**27.76**	**279.74**	**99.72**	**0.63**	**28.33**	**616.29**
Accumulated depreciation as at 31st March, 2021	**4.94**	**4.24**	**11.61**	**20.88**	**0.23**	**0.68**	**42.58**
Depreciation charge during the year	17.92	4.24	49.91	22.95	0.23	2.83	**98.07**
Accumulated depreciation on disposals during the year	-	-	-	-	-	-	**-**
Gross accumulated depreciation as at 31st March, 2022	**22.86**	**8.48**	**61.52**	**43.83**	**0.45**	**3.51**	**140.65**
Net carrying amount as at 31st March, 2022	**157.25**	**19.29**	**218.22**	**55.89**	**0.18**	**24.82**	**475.64**

For all items of property, plant and equipment, the Group has elected to continue with the carrying value as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and have used that as deemed cost.

Refer Note 16 foot note for information on Property, plant and equipment provided as security by the Group.

Refer Note 2(vii) for policy on depreciation

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 3 (A): OTHER INTANGIBLE ASSETS

Particulars	Computer software	Internally generated software	Total
Deemed cost as at 1st April, 2020	13.24	988.52	1,001.77
Additions during the year	12.46	1,016.03	1,028.49
Disposals during the year	-	-	-
Gross carrying amount as at 31st March, 2021	**25.70**	**2,004.55**	**2,030.26**
Accumulated amortisation as at 1st April, 2020	-	-	-
Amortisation charge for the year	5.98	439.20	445
Reversal on disposals	-	-	-
Gross accumulated depreciation as at 31st March, 2021	**5.98**	**439.20**	**445.18**
Net carrying amount as at 31st March, 2021	**19.73**	**1,565.35**	**1,585.08**

Particulars	Computer software	Internally generated software	Total
Gross carrying amount as at 1st April, 2021	25.70	2,004.55	2,030.26
Additions during the year	9.31	1,356.53	1,366
Disposals during the year	-	-	-
Gross carrying amount as at 31st March, 2022	**35.01**	**3,361.08**	**3,396.09**
Accumulated depreciation as at 31st March, 2021	**5.98**	**439.20**	**445.18**
Amortisation charge for the year	7.77	576.13	583.89
Reversal on Disposal	-	-	-
Gross accumulated depreciation as at 31st March, 2022	**13.74**	**1,015.33**	**1,029.08**
Net carrying amount as at 31st March, 2022	**21.27**	**2,345.75**	**2,367.01**

For all items of Intangible assets, the Group has elected to continue with the carrying value as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and have used that as deemed costs.

Refer Note 2(viii) for policy on amortisation.

NOTE 3 (B) INTAGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Internally generated software
Gross carrying amount as on 1st April, 2020	605.77
Add: Additions	718.36
Less: Capitalised during the year	(1,016.03)
Gross carrying amount as at 31st March, 2021	**308.10**

Particulars	Internally generated software
Gross carrying amount as on 1st April, 2021	308.10
Add: Additions	1,426.13
Less: Capitalised during the year	(1,356.53)
Gross carrying amount as on 31st March, 2022	**377.70**

Projects whose completion is overdue or has exceeded its cost compared to its original plan the year ended 31st March, 2022 ₹ NIL (31st March, 2021 ₹ Nil, 1st April, 2020 ₹ Nil)

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Intangible assets under development aging schedule

As at 1st April, 2020

Intangible assets under development	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	119.31	130.33	154.14	201.99	605.77
Projects teamporarily suspended	-	-	-	-	-
Total	**119.31**	**130.33**	**154.14**	**201.99**	**605.77**

As at 31st March, 2021

Intangible assets under development	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3years	Total
Projects in progress	149.58	37.75	120.77	-	308.10
Projects teamporarily suspended	-	-	-	-	-
Total	**149.58**	**37.75**	**120.77**	**-**	**308.10**

As at 31st March, 2022

Intangible assets under development	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3years	Total
Projects in progress	191.60	27.57	37.75	120.77	377.70
Projects teamporarily suspended	-	-	-	-	-
Total	**191.60**	**27.57**	**37.75**	**120.77**	**377.70**

NOTE 4

(a) Right-of-use assets

Particulars	Premises
Gross carrying amount as at 1st April, 2020	25.25
Add: Additions	504.43
Less: Disposals	
Gross carrying amount as at 31st March, 2021	**529.68**
Accumulated amortisation as at 1st April, 2020	**-**
Add: Amortisation charge on right-of-use assets	60.64
Accumulated amortisation as at 31st March, 2021	**60.64**
Net carrying amount as at 31 March, 2021	**469.04**
Gross carrying amount as at 1st April, 2021	**529.68**
Add: Additions	
Less: Disposals	-
Gross carrying amount as at 31st March, 2022	**529.68**
Accumulated amortisation as at 1st April, 2021	**60.64**
Add: Amortisation charge on right-of-use assets*	112.22
Accumulated amortisation as at 31st March, 2022	**172.86**
Net carrying amount as at 31st March, 2022	**356.82**

*Includes ₹ 29.84 Lakhs capitalised during the year.

The aggregate amortisation expense on ROU assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

b. Lease liabilities

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Non-current	239.98	354.80	18.55
Current	114.82	95.88	6.71
Total	**354.80**	**450.68**	**25.25**

c. Interest expenses on lease liabilities

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Interest on lease liabilities	10.36	1.65	-

d. Expenses on short term leases / low value assets

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Short term leases	-	16.86	-
Low value assets	-	-	-

e. Amounts recognised in the statement of cash flow

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Total cash outflow for leases	106.23	55.06	-

f. Maturity analysis – contractual undiscounted cash flows

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Less than one year	114.82	95.88	6.71
One to five years	239.98	354.80	18.55
More than five years	-	-	-
Total undiscounted lease liabilities at year end	**354.80**	**450.68**	**25.25**

Other Information:

The Group has leases for Corporate building. These lease contracts provide for payment to increase each year by inflation.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases reported as at 31st March, 2022 compared to the lease liability as accounted as at 1st April, 2021 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Group has chosen to apply the practical expedient as per the standard.

The Group does not face significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.There are no variable lease payments and guaranteed residual value in existing lease agreements.

The incremental borrowing rate of 9.50% p.a. has been applied to lease liabilities recognised in the Balance Sheet.

Financial assets

NOTE 5: NON CURRENT INVESTMENTS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Investment in equity instruments (fully paid-up)			
Unquoted			
Investments in subsidiary companies carried at cost*			
SoftTech Care Foundation (Section 8 company)	0.90	-	-
[9,000 (March 2021:Nil, April 2020: Nil) equity shares of ₹ 10 each fully paid up]			
Total	**0.90**	**-**	**-**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Investments in others (fair value through profit and loss)*			
The Mahesh Sahakari Bank Limited	3.58	3.58	3.58
(14,192 (March 2021: 14,192, April 2020: 14,192) equity shares of ₹ 25 each fully paid up)			
The Saraswat Co-operative Bank Limited	0.25	0.25	0.25
(2,500 (March 2021: 2,500, April 2020: 2500) equity shares of ₹ 10 each fully paid up)			
Total	**3.83**	**3.83**	**3.83**
Total	**4.73**	**3.83**	**3.83**
Aggregate book value of unquoted investments	**4.73**	**3.83**	**3.83**
Aggregate amount of impairment in the value of investments	-	-	-

* Number of shares are in full figures.

The Holding company and its subsidiaries have complied with the number of layers of companies as prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Refer Note 33 for Fair value measurements of financial assets and liabilities and refer Note 34 for Fair value hierarchy disclosures for financial assets and liabilities.

NOTE 6: OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Unsecured, considered good			
Bank deposits with maturity of more than 12 months (Refer note (a) below)	764.02	769.55	792.77
Interest accrued but not due on bank deposits and others	149.88	111.84	135.02
Security deposits	79.69	73.29	65.03
Tender deposits	16.40	7.40	11.38
Retention money	20.73	19.54	39.59
Total other non-current financial assets	**1,030.71**	**981.63**	**1,043.79**

(a) Details of bank deposits pledged

(1) Deposit of ₹ 159 Lakhs (31 March, 2021: ₹ 159 Lakhs, 01 April, 2020: ₹ 215 Lakhs) are pledged as security against the long-term borrowings.

(2) Deposit of ₹ 426.38 Lakhs (31 March, 2021: ₹ 399 Lakhs, 01 April, 2020: ₹ 399 Lakhs) are pledged as security against the short-term borrowings.

(3) Deposit of ₹ 178.64 Lakhs (31 March, 2021: ₹ 190.76 Lakhs, 01 April, 2020: ₹ 178.76 Lakhs) are held against bank guarantees.

Refer Note 33 for Fair value measurements of financial assets and liabilities and refer Note 34 for Fair value hierarchy disclosures for financial assets and liabilities.

*Refer Note 31(b) for Security deposits receivable from related parties.

NOTE 7: INCOME TAX ASSETS (NET)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Advance tax and tax deducted at source (net of provision)	275.22	143.78	(45.75)
Total Income-tax assets	**275.22**	**143.78**	**(45.75)**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 8: OTHER NON-CURRENT ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Balances with government authorities (GST, Income tax) [refer note 30(ii)(c)]	229.97	209.97	209.97
Prepaid expenses	4.83	4.83	10.08
Advance to supplier	-	3.88	-
Total other non- current assets	**234.81**	**218.68**	**220.05**

NOTE 9: CURRENT INVESTMENTS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Investments in Mutual Funds (measured at fair value through profit and loss)			
Quoted			
SBI Magnum Low Duration Fund - Growth	66.97	500.87	-
2,352.02 (March 2021: 18,210.89, April 2020 : Nil) units			
HDFC Low Duration Fund	-	-	256.29
Nil (March 2021: Nil, April 2020 : 6,540.40) units			
HDFC Liquid fund - Growth	489.95	9.53	-
11,800.88 (March 2021: 237.44, April 2020 : Nil) units			
SBI Liquid Fund - Regular plan -Growth	-	-	608.19
Nil (March 2021: Nil, April 2020 : 19,482.19) units			
Total current investments	**556.91**	**510.40**	**864.49**
Aggregate carrying value of quoted investments	**556.91**	**510.40**	**864.49**
Aggregate market value of quoted investments	**556.91**	**510.40**	**864.49**

Refer Note 33 for Fair value measurements of financial assets and liabilities and refer Note 34 for Fair value hierarchy disclosures for financial assets and liabilities.

NOTE 10: TRADE RECEIVABLES

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Trade receivables from contract with customers	2,919.18	3,402.27	3,677.59
Less: Loss allowance	(11.40)	(65.51)	(78.99)
Total trade receivables	**2,907.78**	**3,336.77**	**3,598.61**
Break up of security details			
Trade receivables considered good - secured	-	-	-
Trade receivables considered good - unsecured	2,907.78	3,336.77	3,598.61
Trade receivables - credit impaired	11.40	65.51	78.99
Total	**2,919.18**	**3,402.27**	**3,677.59**
Less: Loss allowance	(11.40)	(65.51)	(78.99)
Total trade receivables	**2,907.78**	**3,336.77**	**3,598.61**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Ageing of trade receivables	Outstanding for following periods from due date of payment as at 31st March 2022					
Particulars	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	1,330.71	212.73	493.73	758.85	111.77	2,907.78
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	11.40	11.40
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	(11.40)	(11.40)
Total	**1,330.71**	**212.73**	**493.73**	**758.85**	**111.77**	**2,907.78**

Ageing of trade receivables	Outstanding for following periods from due date of payment as at 31st March 2021					
Particulars	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	1,569.33	252.03	1,364.26	151.16	-	3,336.77
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	6.92	58.58	65.51
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Less: Loss allowance	-	-	-	(6.92)	(58.58)	(65.51)
Total	**1,569.33**	**252.03**	**1,364.26**	**151.16**	**-**	**3,336.77**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Ageing of trade receivables	Outstanding for following periods from due date of payment as at 1st April 2020					
Particulars	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	2,862.05	266.17	460.60	9.78	-	3,598.61
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-			-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	4.59	74.40	78.99
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Less: Loss allowance	-	-	-	(4.59)	(74.40)	(78.99)
Total	**2,862.05**	**266.17**	**460.60**	**9.78**	**-**	**3,598.61**

Movement in provision for loss allowance:

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Balance at beginning of the year	65.51	78.99	91.71
Less: Reversed / utilised during the year	(54.11)	(13.48)	(12.72)
Balance as at the end of the year	**11.40**	**65.51**	**78.99**

Trade receivables have been offered as security against the working capital facilities provided by the banks (refer note 16).

Refer Note 33 for Fair value measurements of financial assets and liabilities and refer Note 34 for Fair value hierarchy disclosures for financial assets and liabilities.

There are no debts due by companies in which any director is a director or member.

NOTE11: CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Balances with banks			
in current accounts	73.52	37.61	14.76
in escrow account	-	-	10.29
Cash on hand	1.50	0.31	0.06
Total Cash and cash equivalents	**75.03**	**37.91**	**25.11**

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

NOTE 12: CONTRACT ASSETS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Unsecured, considered good			
Unbilled revenue	4,500.12	3,820.83	3,076.31
Total Contract assets	**4,500.12**	**3,820.83**	**3,076.31**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Ageing of Unbilled revenue	**Outstanding for following periods from due date of payment as at 31st March, 2022**					
Particulars	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed unbilled revenue – considered good	1,400.23	245.85	1,362.69	1,012.20	479.15	**4,500.12**

Ageing of Unbilled revenue	**Outstanding for following periods from due date of payment as at 31st March, 2021**					
Particulars	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed unbilled revenue – considered good	885.63	1,052.12	1,234.05	649.04	-	**3,820.83**

Ageing of Unbilled revenue	**Outstanding for following periods from due date of payment as at 1st April, 2020**					
Particulars	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed unbilled revenue – considered good	1,383.97	664.71	973.75	53.88	-	**3,076.31**

Refer Note 33 for Fair value measurements of financial assets and liabilities and refer Note 34 for Fair value hierarchy disclosures for financial assets and liabilities.

NOTE 13: OTHER CURRENT FINANCIAL ASSETS

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**	**As at 1st April, 2020**
Unsecured, considered good			
Expense reimbursement receivable from Related Parties*	4.88	4.88	-
Tender deposit	-	-	12.50
Total other current assets	**4.88**	**4.88**	**12.50**

Refer Note 33 for Fair value measurements of financial assets and liabilities and refer Note 34 for Fair value hierarchy disclosures for financial assets and liabilities.

*Refer Note 31(b) for receivables from related parties.

NOTE 14: OTHER CURRENT ASSETS

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**	**As at 1st April, 2020**
Prepaid expenses	30.03	32.83	19.76
Advance to suppliers	20.31	20.31	8.70
Advance to employees and others	35.33	50.58	39.95
Total other current assets	**85.67**	**103.71**	**68.41**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 15(A): SHARE CAPITAL

Particulars	No. of Shares	Amount
Authorised Share Capital		
Equity shares of ₹ 10/- each		
As at 1st April, 2020	11,000,000	1,100.00
Increase during the year	-	-
As at 31st March, 2021	11,000,000	1,100.00
Increase during the year	-	-
As at 31st March, 2022	11,000,000	1,100.00

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

Particulars	No. of Shares	Amount
Issued, subscribed and fully paid up:		
Equity shares of ₹ 10/- each		
As at 1st April, 2020	**9,422,476**	**942.25**
Exercise of options proceeds involved through ESOP	44,196	4.42
As at 31st March, 2021	**9,466,672**	**946.67**
Shares issued during the year	666,666	66.67
Exercise of options proceeds involved through ESOP	21,416	2.14
As at 31st March, 2022	**10,154,754**	**1,015.48**

b) Rights, preferences and restrictions attached to equity shares

The Group has only one class of equity shares, having par value of ₹ 10 per share. Each holder of equity share is entitled for one vote per share and has a right to receive dividend as recommended by the Board of Directors subject to the necessary approval from the shareholders. In the event of liquidation of the Group the holders of equity share will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts in proportion to their shareholding. The distribution will be in proportion to the numbers of equity shares held by the shareholder.

c) Details of share holders holding more than 5% shares in the Group

Particulars	31st March, 2022		31st March, 2021		1st April, 2020	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Vijay Gupta	3,681,234	36.25%	3,681,234	38.89%	3,681,234	39.07%
School of Design and Entrepreneurship LLP	1,566,729	15.43%	1,233,396	13.03%	-	0.00%
East India Udyog Limited	702,400	6.92%	700,800	7.40%	-	0.00%
Pratik Babubhai Patel	671,104	6.61%	650,304	6.87%	-	0.00%
Rajasthan Trustee Company Private Limited	-	0.00%	-	0.00%	1,233,396	13.09%
Babubhai K. Patel	-	0.00%	-	0.00%	650,304	6.90%
Total	**6,621,467**	**65.21%**	**6,265,734**	**66.19%**	**5,564,934**	**59.06%**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

C (i) Details of shares held by Promoter

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Promoter Name			
Vijay Gupta			
No of shares	3,681,234	3,681,234	3,681,234
Percentage of total shares	36.25%	38.89%	39.07%
Percentage Change	(2.63%)	(0.18%)	-
Chirag Vijay Gupta			
No of shares	94,400	94,400	52,800
Percentage of total shares	0.93%	1.00%	0.56%
Percentage Change	(0.07%)	0.44%	-
Priti Vijay Gupta			
No of shares	33,090	33,090	33,090
Percentage of total shares	0.33%	0.35%	0.35%
Percentage Change	(0.02%)	0.00%	-
Covisible Solutions India Private Limited			
No of shares	299,148	299,148	299,148
Percentage of total shares	2.95%	3.16%	3.17%
Percentage Change	(0.21%)	(0.01%)	-

(d) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the Standalone Balance Sheet date -

1. During the financial year ended 31 March, 2018, 3,525,638 equity shares of ₹ 10 each had been allotted as fully paid up bonus shares by way of capitalisation of general reserves.
2. Pursuant to the resolution passed by the Board of Directors on 21st August, 2017 and shareholders on 22nd September, 2017, the Group has instituted "SoftTech Employees Stock Option Plan 2017" (ESOP 2017) for issue of stock options to the eligible employees. During the financial year ended 31st March, 2018, the Group had granted 35,116 shares under ESOP 2017 Plan wherein part consideration will be received in the form of employees' services. As per ESOP 2017, the options get adjusted for any bonus issue subsequent to the date of grant in the similar proportion of the bonus issue on equity shares.

(e) Share Application Money Pending Allotment:

During the previous year, pursuant to the scheme of "SoftTech Employees Stock Option Plan 2017" (ESOP 2017) for issue of stock options to the eligible employees, the Group has received application money of ₹ 2.21 Lakhs till the reporting date. The Group has authorised capital of 11,000,000 equity shares of face value of ₹ 10 each which is sufficient for allotment of 44,196 equity shares (including bonus shares). The respective shares has been allotted to employees on 5 May, 2020.

(f) Aggregate number of shares issued for consideration other than cash

Particulars	As at 31st March, 2022		As at 31st March, 2021		As at 1st April, 2020	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Shares issued through ESOP	21,416.00	0.00	44,196.00	0.5%	-	0.0%

Employee stock compensation (ESOP 2017 Scheme)

The Group had instituted Employees' Stock Option Plan "ESOP 2017" under which the stock options have been granted to the employees. The scheme was approved by the shareholders at the annual general meeting held on 22nd September, 2017.

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

The details of activities under the ESOP 2017 scheme are summarised as follows:

Particulars	As at 31st March, 2022		As at 31st March, 2021		As at 1st April, 2020	
	No. of options	WAEP*	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	**22,682.00**	**5.00**	**66,878.00**	**5.00**	**70,232**	**5.00**
Granted during the year			-	-	-	-
Adjusted for bonus		-	-	-	-	-
Lapsed during the year		-	-	-	3,354	5.00
Exercised during the year	21,416.00	5.00	44,196.00	5.00	-	-
Outstanding at the end of the year	**1,266.00**	**5.00**	**22,682.00**	**5.00**	**66,878**	**5.00**
Exercisable at the end of the year	**1,266.00**	**5.00**	**22,682.00**	**5.00**	**44,585**	**5.00**

* WAEP denotes weighted average exercise price in Rupees.

The Group incurred ₹ Nil. Previous year: ₹ 161,620 towards employee stock compensation during the year.

The weighted average fair value of the options granted during the earlier year was ₹ 58.67 per share option issued. Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Dividend yield (%)	0.00%	0.00%
Expected volatility	15%	15%
Risk free interest rate	6.26%	6.26%
Exercise price	10.00	10.00
Expected life of options (in years)		
- Year I	2.00	2.00
- Year II	2.01	2.01
- Year III	3.01	3.01

The expected life of the options is based on historical data and current expectations and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may differ from the actuals.

The Group measures the cost of ESOP using intrinsic value method. Had the Group used fair value model to determine compensation, its profit after tax and earnings per share as reported would have changed to the amounts indicated below:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Profit after tax attributable to equity shareholders	480.13	267.66
Add: ESOP cost using intrinsic value method	-	1.62
Less: ESOP cost using fair value method	-	1.04
Proforma profit after tax	480.13	268.23
Basic earnings per share		
- as reported	4.89	2.91
- proforma	4.90	2.83
Diluted earnings per share		
- as reported	4.88	2.90
- proforma	-	2.83

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 15(B): RESERVES AND SURPLUS

Particulars	**31st March, 2022**	**31st March, 2021**	**1st April, 2020**
Retained earnings	4,100.08	3,606.26	3,321.61
Share options outstanding account	0.45	7.97	21.82
Securities premium	3,354.35	2,414.56	2,401.30
Total Reserves and surplus	**7,454.88**	**6,028.78**	**5,744.73**

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**	**As at 1st April, 2020**
i. Retained earnings			
Opening Balance	3,606.26	3,321.61	2,717.02
Net profit for the period	478.71	275.05	649.09
Items of other comprehensive income recognised directly in retained earnings	15.11	9.59	
Less: Dividends	-	-	(47.11)
Less: Tax on Dividend	-	-	(9.69)
Adjustments on account of transition to Ind AS			12.31
Closing Balance	**4,100.08**	**3,606.26**	**3,321.61**
ii. Share option outsatnding account			
Opening Balance	7.97	21.82	18.02
Employee Stock Option Scheme		1.62	3.80
Less: Transferred during the year to Share premium/ Share Capital Account	(7.52)	(15.47)	-
Closing Balance	**0.45**	**7.97**	**21.82**
iii. Securities premium			
Opening Balance	2,414.56	2,401.30	2,401.30
Exercise of option proceeds received	6.45	13.26	-
Premium on shares issed during the year	933.34	-	-
Closing balance	**3,354.35**	**2,414.56**	**2,401.30**

Nature and purpose of reserves

a) Share options outstanding account represents the balance that would be utilised for alloting the shares under the Stock option scheme.

a) Securities premium

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

NOTE 16(A): NON-CURRENT BORRWOINGS

Particulars	**As at 31st March, 2022**	**As at 31st March, 2021**	**As at 1st April, 2020**
Secured - at amortised cost [refer notes below]			
Term loans			
From banks	532.42	549.18	22.08
Axis Bank vehicle loan	10.56	16.57	22.08
Axis Bank ECGL	146.27	195.00	-
ICICI Bank	375.60	337.61	-

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
From financial institutions	140.00	210.00	373.50
Small Industries Development Bank of India (SIDBI)	-	-	153.50
Technology Development Board (TDB)	140.00	210.00	220.00
Unsecured			
Term loans			
RIB ITWO Soft Private Limited	1,190.00	1,190.00	1,190.00
Loan from directors	189.24	201.77	140.77
Loan from others	37.90	-	-
Less: Current maturities of long term borrowings	(440.97)	(186.23)	(54.01)
Total non-current borrowings	**1,648.60**	**1,964.72**	**1,672.33**

The Group has used the borrowings taken for the specific purposes for which it was taken.

The group is regular is repaying its debt and is not a declared wilful defaulter by any bank or financial Institution or other lender.

NOTE 16(B) : CURRENT BOROWINGS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Secured - at amortised cost			
From banks			
Working capital loans	1,057.23	1,057.40	1,086.30
Current maturities of long term borrowings	440.97	186.23	54.01
Total current borrowings	**1,498.20**	**1,243.63**	**1,140.31**

(a) Nature of security and terms of repayment of secured loans

Loan Amount, Nature of security	Terms of repayment
Term loans from banks	
(i) SIDBI Loan of Nil (As at 1st April, 2020: ₹ 12.50 Lakhs) is secured against: i) first charge by way of hypothecation on all moveable assets acquired from loan ii) first charge by way of hypothecation on all the book-debts arising out of the project of implementing integrated online building permission management system in urban local bodies in the state of Andhra Pradesh iii) extension of first charge by way of hypothecation on all IPRs owned by the Group and Vijay Gupta, both existing and future iv) pledge of fixed deposits to the tune of 40% of the loan amount v) pledge of fixed deposits of ₹ 15 Lakhs towards Debt Service Reserve Account (DSRA) vi) lien on contracted future receivables under the project to be deposited in designated escrow account. vi) Personal guarantee from Vijay Gupta and Priti Gupta.	The loan has been completely repaid in the financial year 2020-21

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Loan Amount, Nature of security	Terms of repayment
(ii) SIDBI	
Loan of Nil (As at 1st April, 2020: ₹ 141 Lakhs) is secured against: i) first charge by way of hypothecation on all movable assets acquired from loan. ii) extension of first charge by way of hypothecation of all the movable assets, book debts and actionable claims of the Group, acquired/to be acquired/arising out of earlier assistance of ₹ 500 Lakhs. iii) extension of lien on deposits created for earlier borrowings. iv) extension of first charge by way of hypothecation on all IPRs owned by the Group, both existing and future. v) extension of lien on contracted future receivables under the project to be deposited in designated escrow account. vi) Personal guarantee from Vijay Gupta and Priti Gupta.	During the month of March 2021, this loan has been taken over by ICICI Bank. The details of the ICICI Bank loans have been mentioned in point (iii) below.
(iii) ICICI Bank	
This loan is towards take-over of SIDBI loan. The sanction amount of this loan is ₹ 135 Lakhs. The Group has availed a loan of ₹ 120.49 Lakhs (As at 1st April, 2020 : Nil, As at 31st March, 2021: ₹ 120.49 Lakhs, As at 31st March, 2022: ₹ 84.35 Lakhs) only. This loan is secured against: i) exclusive charge on movable fixed assets / tangible and intangible assets financed by SIDBI; ii) personal guarantee by Mr. Vijay S.Gupta and Ms. Priti V.Gupta.	Rate of interest is 9.25% p.a. The principal amount shall be repaid in 40 equal installments of ₹ 301,233 starting from April 21 to July-2024
(iv) ICICI Bank	
This Loan is towards renovation and interiors of Group's new office at Baner. The sanction amount of this loan is ₹ 350 Lakhs only. The Group has availed a loan of ₹ 325.17 Lakhs (as at 1st April, 2020 : Nil, as at 31st March, 2021: Nil, as at 31st March, 2022: ₹ 291.25 Lakhs). Loan is secured against: i) the exclusive charge on assets to be financed for interiors and setup of new office (furntiture, fixtures, networking systems etc); ii) personal guarantee by Mr. Vijay S. Gupta and Priti V.Gupta.	Rate of interest is 9.25%. Principal amount shall be repaid in 60 equal monthly installments of ₹ 546,393 starting from Sept-2021 to August-2026
iii) pledge of fixed deposits of ₹ 159 Lakhs	
(v) Axis Bank - ECLGS	
This ECLGS loan has been sanctioned to meet the working capital requirements arising out of COVID-19. Loan of ₹ 195 Lakhs (as at 1st April, 2020 : Nil, as at 31st March, 2021: ₹ 195 Lakhs, as at 31st March, 2022: ₹ 146.27 Lakhs). Loan is secured against: i) Hypothecation on entire current assets of the borrower; ii) personal guarantee by Mr. Vijay S.Gupta , Mrs. Priti V. Gupta and Mr. Chirag Gupta (limited to the value of property)	Rate of interest is 5.25% over the Repo rate, which will reset at interval of 3 months. The current rate of interest is 9.25% p.a. (i.e. Repo rate of 4% + 5.25%). The loan of ₹ 195 Lakhs disbursed is to be repaid in 36 installments after 12 months moratorium period starting from the month of July-21.
(vi) Axis Bank - Vehicle Loan	
Vehicle loan was obtained by the Group in November 2018 at an interest rate of 8.70% p.a., secured against first charge on the underlying vehicle so purchased Loan of ₹ 29.18 Lakhs (As at 1st April, 2020 : 22.08 Lakhs, As at 31st March, 2021: ₹ 16.57 Lakhs, As at 31st March, 2022: ₹ 10.56 Lakhs) **Term loans from financial institutions**	Repayable in 60 monthly instalments of ₹ 60,149 starting from Nov-18 to Oct-23

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Loan Amount, Nature of security	Terms of repayment
(vii) TDB Loan of ₹ 210 Lakhs (previous year: ₹ 220 Lakhs) is secured against: i) Hypothecation of movable assets of the Group including assets created under the project ranking first pari pasu charge with other holders. ii) Personal guarantee from Vijay Gupta and Priti Gupta pledging 3 Lakh shares of ₹ 10 each having face value of ₹ 30 Lakhs. iii) Own corporate guarantee of SoftTech Engineers Limited	Loan of ₹ 245 Lakhs was disbursed in 3 instalments, with two instalments of ₹ 75 Lakhs and ₹ 145 Lakhs disbursed on 28th March, 2017 and 16th February, 2019 and third instalment of ₹ 25 Lakhs on 4th November, 2020. The principal amount shall be repaid in 7 half-yearly installments, with the last installment payable in month of March 2024.

(b) Terms and conditions of Unsecured Loans

Unsecured loan from RIB ITWO Software Private Limited

The total sanctioned loan amount is ₹ 1,400 Lakhs which comprises of committed loan facility of ₹ 1,190 Lakhs and uncommitted loan facility of ₹ 210 Lakhs which is to be disbursed only at the sole discretion of the lender. The committed portion of loan facility was fully disbursed in the month of December 2019. Committed loan facility is carrying the interest rate of 6% p.a.. Loan facility amount shall be converted into equity shares of the Group thereby ensuring Lender's shareholding of 10% (ten percent) of the equity shares of the Group, for the full facility amount, subject to the applicable laws in relation thereto. If the uncommitted portion of the facility amount is not disbursed and conversion is effected by the lender, then the committed portion as disbursed, shall be proportionately converted to 8.5% of the Group's shareholding. The Conversion can be effected by lender within a period of 18 months from the date of disbursement. The repayment of this loan shall commence after the expiry of 3 years in 6 equal quarterly instalments.

During the financial year 2022 lender RIB ITWO Software Private Limited has expressed non-conversion of loan into equity. The loan amount will be repiad to lender in 6 equal quarterly installments of ₹ 198.33 Lakhs starting from Jan-2023 to April-2024.

Loans from Directors

These includes loan availed from managing director Mr. Vijay Gupta of ₹ 150 Lakhs as at 31st March, 2022, ₹ 153.40 Lakhs (as at 31st March, 2021 and ₹ 134.40 Lakhs as at 1st April, 2021) and director Mrs. Priti Gupta ₹ 40 Lakhs (as at 31st March, 2022, ₹ 48.37 Lakhs as at 31st March, 2021 and ₹ 6.37 Lakhs as at 1st April, 2021). These loans do not have a repayment schedule and carrying an interest rate of 10% p.a.

(c) Loan repayable on demand - Current Borrowings

Working capital loan from banks

Loan Amount, Nature of security	Terms of repayment
(viii) Axis Bank Loan is secured against: i) First charge by way of hypothecation over entire current assets of the Group, both present and future along with residual / sub-servient charge with SIDBI ii) First pari pasu charge by way of hypothecation over entire movable fixed assets (excluding assets financed by SIDBI) of the Group, both present and future, with TDB and Residual / sub-servient charge with SIDBI iii) First charge over all the immovable assets of the Group with residual / sub-servient charge with SIDBI iv) Equitable mortgage on flat at Bibewadi, Pune, owned jointly in the name of Vijay Gupta and Priti Gupta v) Equitable mortgage on flat at Wagholi, Pune, owned jointly by Vijay Gupta and Priti Gupta	Interest rate is 3 month MCLR rate plus 1.95% p.a. currently 8.80% p.a.

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Loan Amount, Nature of security	Terms of repayment
vi) Lien on fixed deposits of ₹ 36 Lakhs and ₹ 243 Lakhs to be created. vii) Lien on recurring deposit of ₹ 42 Lakhs (₹ 1.75 Lakhs p.m. for 24 months starting from March 2018) and ₹ 120 Lakhs (12 monthly instalments of ₹ 10 Lakhs p.m. started from March 2019) viii) Assignment of LIC policies of ₹ 64 Lakhs in the name of Vijay Gupta having surrender value of ₹ 24 Lakhs (as on October 2016). ix) Negative lien on the office premises (Unit 5C, 5th Floor, Pentagon) located at Swargate, Pune, owned jointly by Vijay Gupta and Priti Gupta. x) Personal guarantee from Vijay Gupta and Priti Gupta.	

NOTE 17 : OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Unsecured - at amortised cost			
Tender deposits	39.35	13.11	0.50
Total other non- current financial liabilities	**39.35**	**13.11**	**0.50**

NOTE 18: PROVISIONS

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Non-current			
Gratuity [refer note:32]	83.84	88.08	77.48
Compensated absences	11.60	22.50	11.22
Non- current employee benefits obligations	**95.44**	**110.58**	**88.70**
Current			
Gratuity [refer note:32]	55.91	44.20	41.81
Compensated absences	8.54	12.46	6.35
Current employee benefits obligations	**64.45**	**56.66**	**48.16**

Movement in Provisions for compensated absences

Particulars	Amount
As at 1 April, 2020	**17.58**
Additional provisions recognised	17.38
Excess amounts reversed/utilised	-
As at 31 March, 2021	**34.96**
Additional provisions recognised	-
Excess amounts reversed/utilised	14.82
As at 31 March, 2022	**20.14**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 19 : TRADE PAYABLES

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Trade payables			
total outstanding dues of micro and small enterprises	25.27	7.79	11.39
total outstanding dues of creditors other than micro and small enterprises	893.38	831.96	501.52
Total Trade payables	**918.65**	**839.75**	**512.91**

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	25.27	7.79	11.39
- Principal amount outstanding (whether due or not) to micro and small enterprises	23.93	6.88	10.97
- Interest due thereon	0.25	0.18	0.04
The amount of interest paid by the Group in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
The amount of payment made to the supplier beyond the appointed day during the year	15.50	124.87	25.95
Amount of interest due and payable on delayed payments	0.18	0.32	0.04
Amount of interest accrued and remaining unpaid as at year end	0.43	0.49	0.35
The amount of further interest remaining due and payable even in the succeeding year	1.34	0.91	0.42

To comply with the requirement of The Micro, Small And Medium Enterprises Development Act, 2006 ('MSMED Act'), the Group requested its suppliers to confirm whether they are Micro, Small or Medium enterprise as defined in the said MSMED Act. Based on the communications received from such suppliers confirming their coverage as such enterprise, the Group has recognised them for the necessary treatment as provided under the MSMED Act, from the date of receipt of such confirmations.

Ageing of Trade Payables	Outstanding for following periods from due date of payment 31st March 2022				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade payables					
Micro enterprises and small enterprises	25.27	-	-	-	25.27
Others	588.90	25.95	-	17.49	632.34
Disputed trade payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Unbilled dues*	-	-	-	-	261.04
Total	**614.17**	**25.95**	**-**	**17.49**	**918.65**

* The same is not due as on the balance sheet date.

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Ageing of Trade Payables	Outstanding for following periods from due date of payment 31st March, 2021				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade payables					
Micro enterprises and small enterprises	7.79	-	-	-	7.79
Others	448.37	46.84	-	-	495.22
Disputed trade payables					
Micro enterprises and small enterprises	-	-	-	-	-
Others	-	-	-	-	-
Unbilled dues*	-	-	-	-	336.74
Total	**456.16**	**46.84**	**-**	**-**	**839.75**

* The same is not due as on the balance sheet date.

Ageing of Trade Payables	Outstanding for following periods from due date of payment 1st April, 2020				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade payables					
Micro enterprises and small enterprises	11.39	-	-	-	11.39
Others	193.97	5.33	-	-	199.30
Disputed trade payables					-
Micro enterprises and small enterprises					-
Others	-	-	-	-	-
Unbilled dues*	-	-	-	-	302.22
Total	**205.36**	**5.33**	**-**	**-**	**512.91**

* The same is not due as on the balance sheet date.

NOTE 20: OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Payable to employees	144.66	144.63	146.79
Interest accrued but not due on borrowings	16.86	56.79	42.41
Payable towards capital purchases	34.83	90.06	86.54
Total other current financial liabilities	**196.34**	**291.48**	**275.73**

NOTE 21: OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Statutory liabilities	64.09	106.16	263.19
Advance from customers	30.33	7.08	5.48
Unpaid Dividend	0.21	0.21	0.21
Total other current liabilities	**94.62**	**113.45**	**268.88**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

22 (A) INCOME TAX EXPENSE

Particulars	31st March, 2022	31st March, 2021
	Audited	Audited
Current tax	193.77	130.00
Deferred tax- Relating to origination and reversal of temporary differences	2.27	22.11
Income tax expense	**196.03**	**152.11**
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expenses	661.06	410.18
Tax Rate	25.17%	25.17%
Tax at the Indian tax rate	166.38	103.23
Adjustments:		
Tax effect of amounts which are not deductible in calculating taxable income	28.33	48.28
Others	1.33	0.59
Total	**29.66**	**48.87**
Net current tax expenses recognised in statement of profit & loss	**196.03**	**152.11**

22 (B) DEFERRED TAX (NET)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
	Audited	Audited	Audited
Net Deferred tax assets/(liabilities)**	97.73	105.76	131.20
Deferred tax assets/liabilities arise from the following:	(97.73)	(105.76)	(131.20)
Deferred tax assets			
Gratuity and compensated absences	40.24	42.09	39.85
Provision for doubtful debts, doubtful deposits and capital advance	17.84	16.49	23.00
Lease adjustment	(0.51)	-	-
	57.57	**58.58**	**62.85**
Deferred tax liability			
Property, plant & equipment and intangible assets	(38.06)	(47.18)	(68.34)
Fair valuation adjustment	(2.09)	-	-
	(40.16)	**(47.18)**	**(68.34)**

**Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

Movement in deferred tax (assets)/ liabilities:	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
	Audited	Audited	Audited
Opening deferred tax (assets) / liabilities	**(105.76)**	**(131.20)**	**(116.03)**
Movement in deferred tax (assets)/ liabilities:			
Gratuity and compensated absences	1.85	(2.24)	(12.23)
Provision for doubtful debts, doubtful deposits and capital advance	(1.35)	6.51	3.70
Ind AS assets	0.51	-	-
PPE depreciation and intangible amortisation	9.12	21.16	(6.64)

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Movement in deferred tax (assets)/ liabilities:	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
	Audited	Audited	Audited
Others	(2.09)	-	-
Closing deferred tax (assets) / liabilities	**(97.73)**	**(105.76)**	**(131.20)**
Deferred tax (expense)/income	**8.03**	**25.44**	**(15.17)**
- Recognised in statement of profit and loss	2.27	22.11	(15.17)
- Recognised in statement of other comprehensive income	5.76	3.33	-

NOTE 23: REVENUE FROM OPERATIONS

Particulars	31st March, 2022	31st March, 2021
Sale of services	5,038.41	3,610.45
Sale of products	707.26	546.91
Total revenue from operations	**5,745.67**	**4,157.36**

NOTE 24: OTHER INCOME

Particulars	31st March, 2022	31st March, 2021
Interest income from financial assets measured at ammortised cost	46.44	50.96
Net gain on sale of investments	13.02	9.33
Fair value gain on financial assets mandatorily measured at fair value through profit or loss	3.50	11.59
Foreign exchange fluctuation gain (net)	8.42	1.14
Total (A)	**71.38**	**73.02**
Other non-operating income		
Excess provision written back	40.14	5.84
Reversal of doubtful debts provision	54.11	13.48
Unwinding of disount on security deposits	4.53	3.26
Miscellaneous Income	16.26	6.75
Total (B)	**115.05**	**29.33**
Total other income	**186.42**	**102.35**

NOTE 25: PURCHASE OF STOCK-IN-TRADE

Particulars	31st March, 2022	31st March, 2021
Purchase of traded software	617.32	475.38
Total purchases of stock-in-trade	**617.32**	**475.38**

NOTE 26: EMPLOYEE BENEFIT EXPENSES

Particulars	31st March, 2022	31st March, 2021
Salaries, wages and bonus	1,225.06	1,021.35
Contribution to provident and other funds[refer note 32]	49.93	43.86
Employee share-based payment expense [refer note 15 (f)]	-	1.62
Gratuity [Refer note 32]	30.36	30.57
Staff welfare	11.27	1.06
Total employee benefit expense	**1,316.63**	**1,098.46**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 27: FINANCE COST

Particulars	31st March, 2022	31st March, 2021
Interest cost on financial liabilities measured at amortised cost	269.66	223.57
Finance charges on finance leases [refer note 41(ii)]	10.36	1.65
Interest others	0.20	2.55
Other borrowing costs	7.27	11.45
Total finance costs	**287.48**	**239.22**

NOTE 28: DEPRECIATION AND AMORTISATION EXPENSES

Particulars	31st March, 2022	31st March, 2021
Depreciation on property, plant and equipment	98.07	50.44
Amortisation of right-of-use assets [Net of ₹ 29.84 Lakhs capitalised during the year]	82.38	60.64
Amortisation of intangible assets	583.89	439.20
Total depreciation and amortisation expenses	**764.35**	**550.28**

NOTE 29: OTHER EXPENSES

Particulars	31st March, 2022	31st March, 2021
Electricity charges	15.90	12.96
Rent	1.47	32.44
Repairs and maintenance	6.21	3.85
Insurance	19.28	17.31
Rates and taxes	6.28	7.05
Travelling and conveyance	63.72	50.81
Sub-contracting expenses	10.04	58.66
Professional fees for technical consultants	1,810.94	949.92
Auditors' remuneration	14.23	14.99
Legal and professional expenses	67.51	64.88
Bank charges	14.59	20.27
Sales promotion expenses	25.79	40.29
Printing and stationery	2.40	8.26
Office expenses	19.87	16.86
Postage and telephone	8.56	8.27
Internet charges	79.18	72.37
Subscription Charge	50.99	38.90
Brokerage and commission	-	0.17
Bad debts	5.38	36.89
Expenditure towards Corporate Social Responsibility (CSR) activities	27.99	11.13
Loss on sale of property, plant and equipment	-	4.35
Miscellaneous expenses	34.80	15.55
Total other expenses	**2,285.25**	**1,486.19**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Note : 29 (a) Earnings per share

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
(i) Basic earnings per share (BEPS)		
Profit attributable to equity shareholders of the Group	478.71	275.05
Weighted average number of equity shares**	97.99	94.63
Basic earnings per share	**4.89**	**2.91**
(ii) Diluted earnings per share (DEPS)		
Profit attributable to equity shareholders of the Group	478.71	275.05
Weighted average number of equity shares (including potential shares)	98.00	94.84
Diluted earnings per share	**4.88**	**2.90**

NOTE 30: CONTINGENCIES AND COMMITMENTS

i) Capital commitments

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	-	-

ii) Contingent liabilities (to the extent not provided for)

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
a. Claims against the Group not acknowledged as debts			
Central Sales Tax liability for Financial Year 2012-13	41.32	41.32	41.32
Value Added Tax liability for Financial Year 2012-13	0.56	0.56	0.56
Income Tax demand for Assessement Year 2014-15*	201.01	201.01	-
b. Other matters for which the Group is contingently liable	7.62	7.62	7.62
Total	**250.51**	**250.51**	**49.49**

*The Assessing officer has filed an appeal with Income Tax Appellate Tribunal ('ITAT') against the order passed by Commissioner of Income Tax (Appeals) under section 143 (3) of the Income tax Act, 1961 for the Assessment Year (A.Y.) 2014 - 2015, resulting in net tax liability of ₹ 201.01 Lakhs. Amount of ₹ 30 Lakhs has been paid under protest and an amount of ₹ 74.55 Lakhs has been adjusted against the refund issued for Assessment Year 2019 - 2020. The entire amount of ₹ 201.01 Lakhs has been disclosed as a contingent liability.

c. During the financial year 2019-20, the Group has received communication under section 70 of the CGST Act, 2017 from the DGGI, Zonal Unit, Pune in relation to input tax credit allegedly wrongly availed by the Group. The GST officers have taken the relevant records of the Group for further investigation. The management of the Group based on discussions and frequent meetings with the GST officers, have paid the input tax credit availed of ₹ 17,900 Lakhs under protest.The Group has obtained appropriate legal opinion which clearly indicates that the Group has a good case to claim refund of the amount paid under protest and accordingly, the amount paid has been disclosed under the head "Balances with Government Authorities in the financial statements.The matter is still in the jurisdiction of DGGI Pune and is yet to be concluded. Further, the Group is yet to receive a show cause notice or any order in this regard. Refer Note 8 for the same.

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 31: RELATED PARTY DISCLOSURES

a Names of related parties and their relationships

Name of the Related party	Nature of Relationship
Key Management Personnel (KMP)	
Vijay Gupta	Managing director
Priti Gupta	Executive Director
Pratik Patel	Executive Director (w.e.f 18th July, 2020)
Kamal Agrawal	Chief Financial Officer (W.e.f. 28th June, 2021)
Aishwarya Patwardhan	Company Secretary
Piranvez Irani	Chief Financial Officer (w.e.f. 20th April, 2019 to 31st December, 2020)
Sridhar Pillalamari	Independent Director
Rahul Gupta	Independent Director
Sundararajan Srinivasan	Independent Director
Dominik Keller	Nominee Director (w.e.f. 27th December, 2019 to 21st July, 2020)
Murray Freeman	Nominee Director (w.e.f. 13th October, 2020 to 11th February, 2021)
Wai Ki Chan	Nominee Director (w.e.f. 22nd March, 2021 upto 3rd January, 2022)
Relatives of KMP	
Chirag Gupta	Son of Vijay Gupta
Pawan Gupta	Relative of a Director
Entities over which significant influence exists	
CoVisible Solutions (India) Private Limited	Enterprises over which key managerial personnel and their relatives exercise significant influence

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 31: RELATED PARTY DISCLOSURES

b Nature of transactions and amounts

Nature of transactions	Key Management Personnel (KMP)		Relatives of KMP		Subsidiaries		Entities over which KMP and their relatives are able to exercise significant Influence	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
Salaries and allowances								
Aishwarya Patwardhan	(4.93)	(3.69)	-	-	-	-	-	-
Piranvez Irani	-	(13.81)	-	-	-	-	-	-
Kamal Agrawal	(22.75)	-	-	-	-	-	-	-
Directors remuneration								
Vijay Gupta	(60.00)	(55.50)	-	-	-	-	-	-
Priti Gupta	(15.00)	(13.69)	-	-	-	-	-	-
Pratik Patel	(14.46)	(8.75)	-	-	-	-	-	-
Loan obtained								
Vijay Gupta	51.22	171.00	-	-	-	-	-	-
Priti Gupta	15.00	115.00	-	-	-	-	-	-
Loan repaid								
Vijay Gupta	(54.62)	(152.00)	-	-	-	-	-	-
Priti Gupta	(24.13)	(73.00)	-	-	-	-	-	-
Rent paid- Priti Gupta	-	(4.41)	-	-	-	-	-	-
Services received- Pawan Gupta	-	-	0.50	(1.75)	-	-	-	-
Directors sitting fees								
Sridhar Pillalamari	(1.00)	(1.25)	-	-	-	-	-	-
Rahul Gupta	(0.50)	(1.50)	-	-	-	-	-	-
Sundararajan Srinivasan	(1.00)	(1.00)	-	-	-	-	-	-
Interest expense								
Vijay Gupta	(15.44)	(19.55)	-	-	-	-	-	-
Priti Gupta	(4.67)	(5.63)	-	-	-	-	-	-
Investment in share capital								
SoftTech Care Foundation	-	-	-	-	(0.90)	-	-	-
Total	**(152.27)**	**(67.78)**	**0.50**	**(1.75)**	**(0.90)**	**-**	**-**	**-**

Note : Figures in bracket are outflows.

(All amounts in ₹ Lakhs unless otherwise stated)

Outstanding receivable/(payable) balances

Nature of transactions	Key Management Personnel (KMP)			Relatives of KMP			Subsidiaries			Entities over which KMP and their relatives are able to exercise significant Influence		
	31st March, 2022	31st March, 2021	1st April, 2020	31st March, 2022	31st March, 2021	1st April, 2020	31st March, 2022	31st March, 2021	1st April, 2020	31st March, 2022	31st March, 2021	1st April, 2020
Remuneration payable												
Vijay Gupta	(3.68)	(20.45)	(10.98)	-	-	-	-	-	-	-	-	-
Priti Gupta	(1.18)	(3.66)	(2.46)	-	-	-	-	-	-	-	-	-
Pratik Patel	(3.76)	(1.16)	-	-	-	-	-	-	-	-	-	-
Aishwarya Patwardhan	(0.38)	-	-	-	-	-	-	-	-	-	-	-
Piranvez Irani	-	-	-	-	-	-	-	-	-	-	-	-
Kamal Agrawal	(2.50)	-	-	-	-	-	-	-	-	-	-	-
Loan payable												
Vijay Gupta	(150.00)	(153.40)	(134.40)	-	-	-	-	-	-	-	-	-
Priti Gupta	(39.24)	(48.37)	(6.37)	-	-	-	-	-	-	-	-	-
Interest payable												
Vijay Gupta	-	(31.57)	(22.31)	-	-	-	-	-	-	-	-	-
Priti Gupta	-	(5.61)	(1.83)	-	-	-	-	-	-	-	-	-
Expense reimbursement receivable												
CoVisible Solutions (India) Private Limited	-	-	-	-	-	-	4.88	4.88	6.18	-	-	-
Trade payables (for goods, assets and services)												
Priti Gupta	-	(2.33)	(0.79)	-	-	-	-	-	-	-	-	-
Pawan Gupta	-	-	-	-	(0.40)	(1.75)	-	-	-	-	-	-
Investment in share capital												
SoftTech Care Foundation	-	-	-	-	-	-	0.90	-	-	-	-	-
Security deposits												
Vijay Gupta	5.53	5.53	5.53	-	-	-	-	-	-	-	-	-
Priti Gupta	2.02	2.02	2.02	-	-	-	-	-	-	-	-	-

Terms and conditions:

Management is of the view that all transactions with related parties are in ordinary course and on an arm's length basis.

As the liability of Leave encashment and Gratuity is provided on Actuarial basis for company as a whole, the said amounts are not included above.

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 32: EMPLOYEE BENEFIT OBLIGATIONS

A. Defined contribution plans (Refer Note 26)

Particulars	31st March, 2022	31st March, 2021
Employers contribution to provident fund and other funds	49.93	43.86
Total	**49.93**	**43.86**

B Defined benefit plans

The Group provides for gratuity benefit under a defined benefit retirement scheme (the "Gratuity Scheme") as laid out by the Payment of Gratuity Act, 1972 of India covering eligible employees. The Gratuity Scheme provides for a lump-sum payment to employees who have completed at least five years of service with the Group, based on salary and tenure of employment. Liabilities with regard to the Gratuity Scheme are determined by actuarial valuation carried out using the Projected Unit Credit Method by an independent actuary. The Gratuity Scheme is a non-funded scheme and the Group intends to discharge this liability through its internal resources.

(a) Movements in the present value of the defined obligation are as follows:

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Obligation at the beginning of the year	**132.29**	**119.28**	**89.05**
Current service cost	22.96	23.78	16.26
Interest expense	7.41	6.79	6.20
Benefits paid	-	(4.36)	(1.07)
Actuarial losses (gains) arising from experience adjustments	(22.90)	(13.21)	8.85
Liability at the end of the year	**139.75**	**132.29**	**119.28**

(b) The Plan has not been funded as on the balance sheet date.

(c) The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Present value of funded obligations	139.75	132.29	119.28
Fair value of plan assets	-	-	-
Deficit of Gratuity Plan	**139.75**	**132.29**	**119.28**
Current / Non Current Bifurcation			
Current liability	55.91	44.21	41.81
Non Current liability	83.84	88.08	77.48

(d) Expenses recognised in the Statement of Profit and Loss under employee benefit expenses.

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Service cost	22.96	23.78	16.26
Net interest (income)/expense	7.41	6.79	6.20
Past Service Cost	-	-	-
Expected return on plan assets	-	-	-
Settlement cost/(credit)	-	-	-
Net gratuity cost	**30.36**	**30.57**	**22.45**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

(e) Expense recognised in statement of other comprehensive income:

Remeasurement	31st March, 2022	31st March, 2021	1st April, 2020
Remeasurement for the year - obligation (Gain)/ Loss	(22.90)	(13.21)	8.85
Total Remeasurement Cost/(Credit) for the year recognised in OCI	**(22.90)**	**(13.21)**	**8.85**

(f) Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Discount rate	5.70%	5.60%	5.80%
Rate of growth in compensation level	10.00%	10.00%	10.00%
Expected average remaining working lives of employees (in years)*	3.03	3.89	3.90
Retirement Age	58.00	58.00	58.00
Withdrawal Rate:	32.00%	25.00%	25.00%

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

(g) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Defined benefit obligation		
Change in Assumption	**31st March, 2022**	**31st March, 2021**	**1st April, 2020**
(i) 1% decrease in discount rate	143.58	127.93	115.47
(ii) 1% increase in discount rate	136.15	137.00	123.41
(iii) 1% increase in rate of salary escalation	142.29	135.74	122.31
(iv) 1% decrease in rate of salary escalation	137.31	129.02	116.42
(v) 1% increase in rate of withdrawal	139.19	131.44	118.53
(vi) 1% decrease in rate of withdrawal	140.34	133.20	120.09

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 1%, keeping all other actuarial assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method(present value of defined benefit obligation calculated with the projected unit credit method at the end of reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(h) The following payments are expected contributions to the defined benefits plan in future year.

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Year 1	55.91	44.21	41.81
Year 2	26.74	22.78	17.74
Year 3	23.51	19.20	19.57
Year 4	22.08	19.14	16.65
Year 5	18.25	20.95	17.13
Year 6 to 10	49.48	79.10	75.82

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

(i) Average Duration

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate and interest rate) is 3.17 years

(j) Risk Exposure And Asset Liability Matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1. Liability Risks

a. Asset-Liability Mismatch Risk-

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Group is successfully able to neutralise valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b. Discount Rate Risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

c. Future Salary Escalation and Inflation Risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainities in estimating this increasing risk.

2. Unfunded Pan Risk

This represents unmanaged risk and a growing liability.There is an inherent risk here that the Group may default on paying the benefits in adverse circumstances.Funding the plan removes volatility in Group's financials and also benefit risk through return on the funds made available for the plan.

NOTE 33: FAIR VALUE MEASUREMENTS

i) Financial instruments by category

Particulars	31st March, 2022		31st March, 2021		1st April, 2020	
	Fair value through Profit & Loss	Amortised cost	Fair value through Profit & Loss	Amortised cost	Fair value through Profit & Loss	Amortised cost
Financial assets						
Non- current financial assets						
Non-current investments	3.83	0.90	3.83	-	3.83	-
Other non-current financial assets						
Term deposits with maturity more than 12 months from reporting date	-	764.02	-	769.55	-	792.77
Interest accrued but not due on bank deposits and others	-	149.88	-	111.84	-	135.02
Security deposits	-	79.69	-	73.29	-	65.03
Tender deposits	-	16.40	-	7.40	-	11.38
Retention money	-	20.73	-	19.54	-	39.59
Current financial assets						
Trade receivables	-	2,907.78		3,336.77	-	3,598.61

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	31st March, 2022		31st March, 2021		1st April, 2020	
	Fair value through Profit & Loss	Amortised cost	Fair value through Profit & Loss	Amortised cost	Fair value through Profit & Loss	Amortised cost
Current investments	556.91	-	510.40	-	864.49	-
Cash and cash equivalents	-	75.03	-	37.91	-	25.11
Contract assets	-	4,500.12	-	3,820.83	-	3,076.31
Other current financial assets	-	4.88	-	4.88	-	12.50
Total financial assets	**560.74**	**8,519.42**	**514.23**	**8,182.02**	**868.31**	**7,756.32**
Financial liabilities						
Non-current financial liabilities						
Non-current borrowings	-	1,648.60	-	1,964.72	-	1,672.33
Lease liabilities	-	239.98	-	354.80	-	18.55
Other financial liabilities	-	39.35	-	13.11	-	0.50
Current financial liabilities						
Current borrowings	-	1,498.20	-	1,243.63	-	1,140.31
Lease liabilities	-	114.82	-	95.88	-	6.71
Trade payables	-	918.65	-	839.75	-	512.91
Other current financial liabilities	-	196.34	-	291.48	-	275.73
Total financial liabilities	**-**	**4,655.94**	**-**	**4,803.36**	**-**	**3,627.04**

The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts, largely due to the short term nature of these balances.

The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The management assessed that the carrying amounts of its financial instruments are reasonable approximations of fair values.

ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at 31st March, 2022

Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at Fair value through Profit & Loss				
Non-current investments	-	-	3.83	3.83
Current investments	556.91	-	-	556.91
Total financial assets	**556.91**	**-**	**3.83**	**560.74**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

As at 31st March, 2021

Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at Fair value through Profit & Loss				
Non-current investments	-	-	3.83	3.83
Current investments	510.40	-	-	510.40
Total financial assets	**510.40**	**-**	**3.83**	**514.23**

As at 31 March, 2020

Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at Fair value through Profit & Loss				
Non-current investments	-	-	3.83	3.83
Current investments	864.49	-		864.49
Total financial assets	**864.49**	**-**	**3.83**	**868.31**

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31st March, 2022, 31st March, 2021 and 1st April, 2020.

Level 1:The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of derivatives is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

iii) Fair value of financial assets and liabilities measured at amortised cost

The fair value of all financial instruments carried at amortised cost are not materially different from their carrying amounts, since they are either short-term in nature or the interest rate applicable are equal to the current market rate of interest.

NOTE 34: FINANCIAL RISK MANAGEMENT

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

(a) Credit risk

The Group is exposed to credit risk as a result of counterparties defaulting their obligations. The Group's exposure to credit risk primarily relates to trade receivables. The Group monitors and limits its exposure to credit risks on a reasonable basis. The Group's credit risk is associated with Trade Receivables is primarily related to customers not able to settle their obligations as agreed upon. To manage this, the Group periodically reviews the financial reliability of its customers, taken into account their financial conditions, current economic trends, analysis of historical bad debts and ageing of trade receivables.

(All amounts in ₹ Lakhs unless otherwise stated)

Financial instruments that are subject to such risks, principally consist of trade receivables,contract assets such as unbilled revenue, advances to subsidiaries, security deposits and cash and bank balances. None of the financial instruments of the Group results in material concentration of credit risk.

The Group assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The compliance with credit limits by customers is regularly monitored by the management.The maximum exposure to the credit risk at the reporting date is primarily from trade receivables and other financial assets. Trade receivables are majorly unsecured and are derived from revenue earned through customers. The Group has used the expected credit loss model under simplified approach to assess the impairment loss on trade receivables and other financial assets, and has provided it wherever appropriate.

All of the Group's other financial assets measured at amortised cost and the loss allowance recognised during the period was therefore limited to 12 months' expected losses. Management considers instruments to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. Refer Note 9 for the ageing of receivables and movement in loss allowance.

(b) Liquidity Risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. The Group's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Group closely monitors its liquidity position and maintains adequate source of financing, if required, through the use of short term bank deposits. Processes and policies related to such risks are overseen by senior management.

Exposure to liquidity risk

The table below analyses the Group's financial liabilities into relevent maturity groupings based on their contractual maturities:

31st March, 2022	Current	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	1,390.02	258.58	1,648.60
Lease liabilities	-	239.98	-	239.98
Other non-current financial liabilities	-	39.35	-	39.35
Current financial liabilities				
Current borrowings	1,498.20	-	-	1,498.20
Lease liabilities	114.82	-	-	114.82
Trade payables	918.65	-	-	918.65
Other current financial liabilities	196.34	-	-	196.34
Total	**2,728.01**	**1,669.34**	**258.58**	**4,655.94**

31st March, 2021	Current	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	511.44	1,453.28	1,964.72
Lease liabilities	-	354.80	-	354.80
Other non-current financial liabilities	-	13.11	-	13.11
Current financial liabilities				
Current borrowings	1,243.63	-	-	1,243.63
Lease liabilities	95.88	-	-	95.88
Trade payables	839.75	-	-	839.75
Other current financial liabilities	291.48	-	-	291.48
Total	**2,470.73**	**879.34**	**1,453.28**	**4,803.36**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

31st March, 2020	Current	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	341.57	1,330.77	1,672.33
Lease liabilities	-	18.55	-	18.55
Other non-current financial liabilities	-	0.50	-	0.50
Current financial liabilities				
Current borrowings	1,140.31	-	-	1,140.31
Lease liabilities	6.71	-	-	6.71
Trade payables	512.91	-	-	512.91
Other current financial liabilities	275.73	-	-	275.73
Total	**1,935.66**	**360.61**	**1,330.77**	**3,627.04**

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk.

a. The Group does not have any material foreign currency exchange risk as most of the financial instruments are denomintaed in Indian currency

b. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is not exposed to interest rate risk because entire funds have been borrowed at fixed interest rates.

c. The Group's exposure to equity securities price risk arises from investments in mutual fund held by the Group and classified in the balance sheet at fair value through profit or loss.

NOTE 35: CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating in order to support its business activities and maximise brand value.

The Group manages its capital and makes adjustments to it in light of the changes in economic and market conditions.

The Group monitors capital gearing ratio, which is net debt divided by total capital. Net debt comprises of long term and short term borrowings less cash and bank balances, equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting period was as follows.

Particulars	31st March, 2022	31st March, 2021	1st April, 2020
Total Borrowings	3,146.79	3,208.35	2,812.65
Cash and bank balances	(75.03)	(37.91)	(25.11)
Net debt	**3,071.77**	**3,170.44**	**2,787.54**
Shareholders' funds			
Equity share capital	1,015.48	946.67	942.25
Reserves and surplus	7,454.88	6,028.78	5,744.73
Total equity	**8,470.36**	**6,975.45**	**6,686.98**
Net debt to equity ratio	**0.36**	**0.45**	**0.42**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 36: FOREIGN CURRENCY EXPOSURES

Particulars	Currency	Amount in foreign currency			Equivalent amount in Indian Rupees		
		As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Receivables (asset)	USD	5,400	97,450	75,850	409,358	7,163,780	5,718,021
	MYR	700,000	700,000	700,000	12,635,000	12,362,000	12,114,690
	SGD	436,000	-	-	24,442,160	-	-
Payables (liability)	USD	-	163	163	-	12,015	12,015

NOTE 37: ISSUE OF EQUITY SHARES ON PREFERENTIAL ALLOTTMENT BASIS

The Group has, issued 6,66,666 (Six Lakh Sixty Six Thousand Six Hundred Sixty Six) equity shares of the Group of face value of ₹ 10 (Indian Rupees Ten only) each ("Equity Shares"), at a minimum issue price of ₹ 150 per Equity Share, including premium. There is no deviation in use of proceeds from the objects stated in the offer document done till year end.

Following are the details of utilisation of proceeds from private placement raised on 30th August, 2021 done till 31st March, 2022.

Purpose for which proceeds are used	(Amount ₹ in Lakhs)
1. To meet cost required for building marketing team for product penetration in US market	19.13
2. Development of Civit suite on SaaS platform	238.96
3. General corporate purposes	188.42
Total	**446.51**

NOTE 38: SEGMENT INFORMATION

The business segment have been identified on the basis of the nature of products and services, the risks and returns, internal organisation and management structure and the internal performance reporting systems.

1. In accordance with Indian Accounting Standard 108 - Segment Reporting, the Group has determined its single business segment as "design, development, installation and servicing of information technology related resource". Operating segments are reported in a manner consistent with the internal reporting provided to the board of directors based in India regarded as the Chief Operating Decision Maker ("CODM"). Since the entire Group's business is from information technology related resource there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation and amortisation during the year are all as reflected in the financial statements as at and for the year ended 31st March, 2022, 31st March, 2021 and 1st April, 2020.
2. Further, the Group operates primarily in India and there is no other significant geographical segment.

NOTE 39 DISCLOSURE PURSUANT TO IND AS 115 "CONTRACTS WITH CUSTOMER"

a. Disaggregation of revenue

Revenue Break-Up	31st March, 2022	31st March, 2021
One Time License Model	3,563.62	2,531.65
Pay Per Use / SaaS	1,234.24	810.75
BIM / GIS Services	240.55	305.76
Others	707.26	509.20
Total	**5,745.67**	**4,157.36**

The Group is an information technology and software services organisation, delivering end to end solution in Architectural-Engineering-Construction (AEC) space, catering to property developers, investors, real estate companies, contractors, architects and consultants.

Notes

Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

1. Background :

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services. To recognise revenues, the Group applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognise revenues when a performance obligation is satisfied. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

2. Performance Obligations :

At contract inception, the Group assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Group applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised product or service is combined and accounted as a single performance obligation.

3. Revenue Recognition

1) Fixed-price contracts: Revenue for fixed-price contracts where performance obligations are satisfied over time is recognised using percentage-ofcompletion method. In respect of such fixedprice contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs/ efforts incurred determining the degree of completion of the performance obligation.

The fixed price revenue contracts of the Group are by their nature complex given the significant judgements involved in estimation of efforts required to complete any particular project.

This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts input till date and efforts required to complete the remaining contract performance obligations, and the ability to deliver the contracts within planned timelines. The estimates involved are reviewed by the management on periodic basis.

Changes in the estimates as contract progresses can result in material adjustments to revenue recorded by the Group.

As a result of the complexities and judgment involved, and significance of the matter with respect to the standalone financial statements, this matter has been determined as a key audit matter in the audit of the acGrouping standalone financial statements for the current year.

2) Time & material contracts: Revenues and costs relating to time and materials contracts are recognised as the related services are rendered.

3) Sale of licenses: Revenue from licenses where the customer obtains a "right to use "the licenses is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognised over the access period. Revenue from sale of traded software licenses is recognised on delivery to the customer. Cost and earnings in excess of billings are classified as unbilled revenue while billings in excess of cost and earnings are classified as unearned revenue.

4) Revenue from annual technical service contracts is recognised on a pro-rata basis over the period in which such services are rendered.

5) Dividend income is recognised when the right to receive the dividend is established.

6) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

4. **Contract Assets**

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The Group applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Group allocates the transaction price to separately identifiable performance obligations based on their relative stand-alone selling price. In cases where the Group is unable to determine the stand-alone selling price the Group uses expected cost-plus margin approach in estimating the stand-alone selling price.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

NOTE 40: ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013

Statement of Net Assets and Profit or Loss Attributable to Owners and Non-controlling Interests

For the year ended 31st march, 2022

Name of Entities	Net Assets		Share in profit or loss		Other comprehensive income (OCI)		Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated P&L	Amount	As % of consolidated OCI	Amount	As % of consolidated Total comprehensive Income	Amount
Parent								
SoftTech Engineers Limited	104.65%	8,833.20	124.20%	577.57	113.42%	17.14	123.86%	594.71
Subsidiaries								
Indian								
SoftTech Finland OY	(0.59%)	(50.07)	(0.04%)	(3.12)	0.00%	(0.36)	(0.04%)	(3.48)
SoftTech Engineers Inc.	0.01%	1.10	0.02%	2.00	0.09%	7.30	0.11%	9.30
SoftTech Government Solutions Inc.	(3.72%)	(314.28)	(1.11%)	(93.68)	(0.11%)	(8.97)	(1.22%)	(102.64)
AmpliNxt Private Limited	(0.17%)	(14.76)	(0.19%)	(15.76)	0.00%	-	(0.19%)	(15.76)
	(4.48%)	**(378.00)**	**(1.31%)**	**(110.55)**	**(0.02%)**	**(2.03)**	**(1.33%)**	**(112.58)**
Non-controlling interests in all subsidiaries	(0.36%)	(30.05)	(2.94%)	(13.69)	0.00%	-	(2.85%)	(13.69)
Adjustment arising out of Consolidation	0.18%	15.16	(19.95%)	11.69	(13.40%)	-	(19.68%)	11.69
Total after elimination on account of consolidation	**100.00%**	**8,440.31**	**100.00%**	**465.02**	**100.00%**	**15.11**	**100.00%**	**480.13**

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

For the year ended 31st march, 2021

Name of Entities	Net Assets		Share in profit or loss		Other comprehensive income (OCI)		Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated P&L	Amount	As % of consolidated OCI	Amount	As % of consolidated Total comprehensive Income	Amount
Parent								
SoftTech Engineers Limited	104.00%	7,237.42	5.44%	378.43	0.14%	9.88	5.58%	388.31
Subsidiaries								
Indian								
SoftTech Finland OY	(0.67%)	(46.94)	0.01%	0.49	0.02%	1.42	0.03%	1.91
SoftTech Engineers Inc.	0.05%	3.62	(0.06%)	(4.40)	(0.08%)	(5.80)	(0.15%)	(10.20)
SoftTech Government Solutions Inc.	(3.17%)	(220.46)	(1.66%)	(115.20)	0.06%	4.09	(1.60%)	(111.11)
AmpliNxt Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	(3.79%)	**(263.79)**	**(1.71%)**	**(119.11)**	**0.00%**	**(0.29)**	**(1.72%)**	**(119.40)**
Non-controlling interests in all subsidiaries	(0.24%)	(16.36)	(0.24%)	(16.99)	0.00%	-	(0.24%)	(16.99)
Adjustment arising out of Consolidation	0.03%	1.82	0.23%	15.74	0.00%	-	0.23%	15.74
Total after elimination on account of consolidation	**100.00%**	**6,959.09**	**100.00%**	**258.07**	**100.00%**	**9.59**	**100.00%**	**267.66**

For the year ended 1st April, 2020

Name of Entities	Net Assets	
	As % of consolidated net assets	Amount
Parent		
SoftTech Engineers Limited	102.36%	6,847.50
Subsidiaries		
Indian		
SoftTech Finland OY	(0.71%)	(47.44)
SoftTech Engineers Inc.	0.14%	9.32
SoftTech Government Solutions Inc.	(1.57%)	(104.91)
AmpliNxt Private Limited	0.00%	-
	(2.14%)	**(143.02)**
Non-controlling interests in all subsidiaries	0.01%	0.74
Adjustment arising out of Consolidation	(0.23%)	(15.29)
Total after elimination on account of consolidation	**100.00%**	**6,689.93**

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 41: FIRST-TIME ADOPTION

Disclosure pursuant to Ind AS 101 "First time adoption of Indian Accounting Standards"

As stated in note 2, the separate financial statements for the year ended 31st March, 2022 are the first annual separate financial statements prepared in accordance with Ind AS. For periods up to and including the year ended 31st March, 2021, the Group has prepared its separate financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013 and other relevant provisions of the Act ('previous GAAP').

Accordingly, the Group has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2022, together with the comparative period data as at and for the year ended 31st March, 2021, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at 1st April, 2020, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its IGAAP financial statements as at 1st April, 2020 and the financial statements as at and for the year ended 31st March, 2021

1. **Exemptions availed:**

   a) **Deemed cost:** Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets including intangible assets under development covered by Ind AS 38 Intangible assets. Accordingly, the Group has elected to measure its property, plant and equipment and Intangible assets at their previous GAAP carrying value.

   b) **Leases:** Ind AS 101 allows an entity to determine whether an arrangement existing at the date of transition to Ind AS contains a lease in accordance with Ind AS 116, on the basis of facts and circumstances existing at that date. The standard provides an option to apply Ind AS 116 on transition date either using full retrospective method or modified retrospective method along with some available practical expedients Accordingly, the Group has elected to follow full retrospective method for transition to Ind AS 116.

   c) **Investment in Subsidiary:** The Group has elected to carry its investment in subsidiary at deemed cost which is its previous GAAP carrying amount at the date of transition to Ind AS.

   d) **Fair Value of Financials Assets and Liabilities:** As per Ind AS exemption the Group has not fair valued the financial assets and liabilities retrospectively and has measured the same prospectively.

2. **Exceptions applied:**

   a) **Estimates:**

   An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April, 2020 and 31st March, 2021 are consistent with the estimates as at the same date made in conformity with previous GAAP.

   The Group made estimates for following item in accordance with Ind AS at the date of transition as this was not required under previous GAAP.

   - Impairment of financial assets based on expected credit loss model.

   - Incremental borrowing rate for measurement of lease liabilities and corresponding right of use assets.

   - Determination of the discounted value for financial instruments carried at amortised cost.

   b) **Classification and measurement of financial assets**

   Ind AS 101 requires an entity to assess classification and measurement of financial assets into amortised cost or FVTOCI or FVTPL on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Further, the standard permits measurement of financial assets accounted at amortised cost based on the facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Group has determined the classification and measurement of financial assets into amortised cost or FVTOCI or FVTPL based on the facts and circumstances that exist on the date of transition.

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

c) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of entity's choosing provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

Explanation of transition to Ind AS

An explanation of how the transition from Indian GAAP to Ind AS has affected the Group's financial position, financial performance and cash flow is set out in the notes below along with acGroup reconcilliation tables. The reconciliations include-

- equity reconciliation as at 1st April, 2020;

- equity reconciliation as at 31st March, 2021;

- profit reconciliation for the year ended March, 2021.

There are no material adjustments to the cash flow statements.

Line items having Ind AS impacts:

i Remeasurements of post-employment benefit obligations

Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to statement of Profit & Loss. Under Ind AS, remeasurement (comprising of actuarial gains and losses, the effect of the assets ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined liability) are recognised in retained earning through Other Comprehensive Income (OCI). (refer note no. 32)

ii Leases

Under Ind AS 116, all lease contracts, with limited exceptions for short term and low value leases, are recognised in the financial statements by way of right-of use assets and corresponding lease liabilities. This resulted in recognition of "Right-of-Use asset" (ROU) of ₹ 25.25 Lakhs. and a corresponding "lease liability" of ₹ 25.15 Lakhs /- as on 1st April, 2020.

The rental expenses recognised in statement of profit and loss for the year ended 31st March, 2021 under previous GAAP has been replaced by the recognition of depreciation expense on ROU asset and interest expense on lease liability. The related impact on statement of Profit and Loss is as given below

Particulars	**Statement of profit and loss**	**Change in Equity**
	For the year ended 31st March, 2021	**As at 31st March, 2021**
Depreciation and amortisation expenses	60.64	60.64
Finance Cost	1.65	1.65
Finance income on deposits	(3.26)	(3)
Other expenses	(55.06)	(55)
Total	**3.97**	**3.97**

iii Fair Valuation of current investments (mutual funds)

Under the previous GAAP, current investments were carried at cost of NAV whichever is lower. Under Ind AS,the financial instrument needs to be fair valued at each reporting date. Accordingly. Mutual funds as on 1st April, 2020 and 31st March, 2021 have been fair valued. The resultant gain/ loss has been debited/ credited to Statement of profit and loss for the year ended 31st March, 2021 and to reatined earnings as of 1st April, 2020.

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

iv Deferred tax

Deferred tax have been recognised on the adjustments made on transition to Ind AS.

Reconciliations between Ind AS and previous GAAP for equity and profit or loss are given below:

Particulars	**Profit Reconciliation**	**Equity Reconciliation**		**Non-controlling interest**
	Year Ended 31st March, 2021	**As at 31st March, 2021**	**As at 1st April, 2020**	**As at 31st March, 2021**
Profit after tax/ Equity as per previous GAAP	272.17	6,951.03	6,676.88	0.27
Ind AS adjustments:				
a) Actuarial gain/ loss in respect of employee benefits schemes transferred to other comprehensive income (Net of Tax)	(13.21)	-	-	-
b) Ind AS 116 impact	(3.97)	(3.97)	-	-
c) Ind AS 109 impact	(0.54)	11.76	12.31	-
d) Deferred tax impact on above adjustments	3.33	-	-	-
e) Ind AS 101 First time adoption adjustments	0.29	16.63		(16.63)
Profit after tax/ Equity as per Ind AS	**258.07**	**6,975.44**	**6,689.19**	**(16.36)**
Other comprehensive income -remeasurement of defined benefit obligation (net of tax)	9.88			
Ind AS 101 First time adoption adjustments	(0.29)			
Total Other comprehensive income as per Ind AS	**267.66**			

NOTE 42: The code on Social security, 2020 relating to employee benefits has been approved by the Parliament and has also been published in Official Gazette of India. However, the date on which it comes into effect has not been notified and the rules are yet to be framed. The Group will complete its evaluation and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules are published.

Notes
Forming Part of Consolidated Financial Statements for the year ended 31st March, 2022 (Contd.)

(All amounts in ₹ Lakhs unless otherwise stated)

NOTE 43 : GROUP INFORMATIONS:

Particulars of subsidiaries and joint operation which have been considered in the preparation of the Consolidated Financial Statements:

Entity name	Country of incorporation	Nature of business	% Equity interest		
			31st March, 2022	31st March, 2021	1st April, 2020
SoftTech Finland OY	Finland	Delivering end to end solution in Architectural-Engineering Construction (AEC) space, catering to property developers, municipal corporations, investors, real estate companies, contractors, architects and consultants.	100.00%	100.00%	100.00%
SoftTech Engineers Inc.	United States of America		92.00%	92.00%	92.00%
SoftTech Government Solutions Inc.*	United States of America		93.00%	93.00%	93.00%
SoftTech Care Foundation	India		100.00%	NA	NA
AmpliNxt Private Limited	India		100.00%	NA	NA

The Group has incorporated two wholly owned subsidiaries AmpliNxt Private Limited on 29th October, 2021 and SoftTech Care Foundation to carry charitable objects on 14th April, 2021.

The Group has not consolidated its subsidiary, SoftTech Care Foundation as it is a Section 8 company formed for CSR purpose.

*Held by SoftTech Engineers Inc. 8.

NOTE 44 : OTHER NOTES

1. As per the information available with the Group, no transactions have been entered with any company struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year.
2. The holding company and Indian subsidiaries has not surrendered or disclosed any income during the year in tax assessment under Income Tax Act, 1961.

NOTE 45: Previous years figures have been regrouped/ reclassified wherever neceesary to correspond with the current year's classification / disclosure.

Notes 3 to 45 form an integral part of the standalone financial statements.

As per our report of even date attached

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership No.: 136835

Place: Pune
Date: 27th May, 2022

For and on behalf of SoftTech Engineers Limited

Vijay Gupta
Managing Director
DIN: 1653314

Priti Gupta
Director
DIN: 1735673
Place: Ashburn village, Virginia state

Aishwarya Patwardhan
Company Secretary
Membership No. A54477

Kamal Agrawal
Chief Financial Officer

Place: Pune
Date: 27th May, 2022

Notes

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Empowering Transformation

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