Date: 6th September, 2023

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: Notice of Twenty Seventh Annual General Meeting ("AGM") and Annual Report for the Financial Year 2022-23

Pursuant to Regulation 34(1) and 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended **("SEBI Listing Regulations")**, please find enclosed herewith the Annual Report of the Company for the financial year 2022-23 along with the Notice of Twenty Seventh Annual General Meeting ("AGM") to be held on **Thursday, 28th September, 2023 at 4:00 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 2022-23 is available and can be downloaded from the Company's website at www.softtech-engr.com.

SoftTech Engineers Limited
CMMi/3, ISO 9001: 2015
CIN: L30107PN1996PLC016718
Registered Office : SoftTech Towers, 1 Baner Rd, Opp. Royal Enfield Showroom, Baner, Pune, Maharashtra 411045
+91 20 67183711 enquiries@softtech-engr.com www.softtech-engr.com

Information of AGM and E-Voting at a glance:

Particulars	**Details**
Date and time of AGM	Thursday, September 28, 2023 at 4:00 p.m. (I.S.T)
Web-link for participating at AGM through VC / OAVM	https://www.evoting.nsdl.com/
Cut Off Date for E-voting	Friday, September 22, 2023
Remote e-Voting Start Date and Time	Monday, September 25, 2023 at 09.00 a.m. (I.S.T)
Remote e-Voting End Date and Time	Wednesday, September 27, 2023 at 5:00 p.m. (I.S.T)
Remote E-Voting website	https://www.evoting.nsdl.com/

You are requested to take the same on record.

Thanking You,

Yours faithfully

FOR SOFTTECH ENGINEERS LIMITED

SHALAKA SATISH KHANDELWAL

Digitally signed by SHALAKA SATISH KHANDELWAL
Date: 2023.09.06 18:05:36 +05'30'

SHALAKA KHANDELWAL
COMPANY SECRETARY

NOTICE OF 27TH ANNUAL GENERAL MEETING

NOTICE is hereby given that Twenty Seventh Annual General Meeting (AGM) of the Members of SoftTech Engineers Limited will be held on Thursday, 28th September, 2023**,** at 4:00 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

a. the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon; and

b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023, and the report of Auditors thereon.

2. To appoint a director in place of Mr. Pratik Patel (DIN: 08798734), who retires by rotation and, being eligible, offers himself for re-appointment.

B. Special Business:

3. Appointment of Mr. Garth Brosnan (DIN: 09836995) as Nominee Director of the Company.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

RESOLVED THAT pursuant to SEBI circular No. SEBI/LAD-NRO/GN/2023/131 dated June 14, 2023, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the provisions of Section 152 and 161 and other applicable provisions if any, of The Companies Act, 2013 read with The Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable Rules, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of the Association of the Company, consent of the members be and is hereby accorded to appoint Mr. Garth Brosnan (DIN: 09836995) as Nominee Director (representative of RIB ITWO Software Private Limited) on the Board of Directors of the Company, not liable to retire by rotation.

4. Revision in remuneration of Mr. Vijay Gupta (DIN: 01653314), Managing Director of the Company.

To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof read with Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and such other approvals as may be necessary in this regard, approval of the members of the Company be and is hereby accorded for variation in terms of appointment and remuneration payable to Mr. Vijay Gupta (DIN: 01653314) who was re-appointed as the Chairman and Managing Director of the Company for a period of 5 (Five) years at the Annual General Meeting held on 30th September, 2019 for a further period of 5 years w.e.f. 24th February, 2020 and whose term expires on 23rd February, 2025 and whose remuneration has been approved by the Members in the Annual General Meeting held on 22nd September, 2022.

RESOLVED FURTHER THAT in addition to Mr. Vijay Gupta's (DIN:01653314) appointment as Chairman and Managing Director of the Company, his appointment in SoftTech Government Solutions INC, step down subsidiary of SoftTech Engineers Limited, as Chief Strategic Officer was approved in Board meeting dated 28th February, 2022, consent/concurrence/approval is hereby accorded for the remuneration payable to Mr. Vijay Gupta from its step up down subsidiary SoftTech Government Solutions INC with effect from 15th December, 2022 as approved by the Board on recommendation of Nomination and Remuneration Committee on November 10, 2022, shall be as under with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of remuneration:

Sr. No	Particulars	SoftTech Engineers Limited	SoftTech Government Solutions INC
I.	Salary and Allowance:	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	The salary is $150K per annum while he is in the USA and 50% of the same when he is not in USA.

		not availed of may be encashed, in accordance with the policies of the Company.	
II.	**<u>Other Perquisites:</u>**	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.	
III.	Reimbursement for Business Expenses	Expenses Reimbursement of all reasonable business expenses in connection with the performance of duties, reasonable expenditures for business entertainment and travel, upon submission of the required documentation and in line with Company/Subsidiary policy.	
IV.	Any other benefits to the Employee	As per Company/Subsidiary's Policy, employment agreement and applicable rules and regulations.	
V.	Location	India & USA.	

RESOLVED FURTHER THAT consent of the Company be and is hereby accorded to payment of Managerial Remuneration from the Company and the remuneration from SoftTech Government Solutions INC. to Mr. Vijay Gupta, Chief Strategic Officer, designated as Chairman & Managing Director of the Company of an amount not exceeding 20% of the net profits of the Company, as may be permitted under the applicable law, from time to time, and subject to the terms and conditions as set out in the Explanatory Statement annexed to the Notice and as per the draft Agreement, with liberty to the Board (which term shall include any Committee constituted or to be constituted by the Board) to alter and vary the terms and conditions of said appointment in such manner as may be agreed to between the Board of Directors and Mr. Vijay Gupta and as may be permissible under the applicable laws, without further reference to the Members of the Company.

RESOLVED FURTHER THAT notwithstanding anything herein, where in any financial year during the tenure of the Chairman and Managing Director, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary and perquisites specified above subject to requisite approval, if any, as may be required under the Companies Act, 2013 and rules made thereunder.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By Order of the Board of Directors
For SoftTech Engineers Limited

Place: Pune **Shalaka Khandelwal**
Date: August 10, 2023 **Company Secretary**

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. Pursuant to General Circular No. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 2/2022 dated May 5, 2022 and No.10/ 2022 dated December 28, 2022, issued by Ministry of Corporate Affairs ("MCA Circulars") and SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/PoD2/P/CIR/2023/4 dated January 5, 2023, read with master circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 issued by Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 27th Annual General Meeting ("AGM') of the Company will be conducted through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the above and the relevant provisions of the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the AGM of the Company is being held through VC / OAVM only on Thursday, 28th September, 2023 at 4:00 p.m. (IST).

3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business under Item Nos. 3 and 4 of the Notice to be transacted at the Annual General Meeting is annexed hereto.

4. As per Section 105 of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on their behalf. Since the 27th AGM is through VC as per 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 has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be made available for the 27th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. 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.

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

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

7. 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, May 05, 2022 and December 28, 2022 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.

8. 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 EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

9. 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 and MCA Circular No. 10/2022 dated December 28, 2022.

10. The following documents will be available for inspection by the Members electronically during the 27th AGM. Members seeking to inspect such documents can send an email to investors@softtech-engr.com

    a) Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013.
    b) All such documents referred to in this Notice and the Explanatory Statement.

➢ **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Monday, September 25, 2023 at 9:00 A.M. and ends on Wednesday, September, 27, 2023 at 5:00 P.M. 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. Friday, September, 22, 2023, 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 Friday, September, 22, 2023.

➢ **<u>How do I vote electronically using NSDL e-Voting system?</u>**
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 held 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. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in

	progress and also able to directly access the system of all e-Voting Service Providers.
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.

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

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 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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.

How to Log-in to NSDL e-Voting website?

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 use 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 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 cs@svdandassociates.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.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre 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 EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Members will be provided with a facility to attend the EGM/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" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join 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. Shareholders 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. Shareholders holding shares as on the cutoff date i.e. Friday, September 22, 2023, who would like to express their views / ask questions during the AGM, will have to register themselves as a "Speaker" and send their request mentioning their Name, Demat account number / folio number, email ID, mobile number at investors@softtech-engr.com between Friday, September 22, 2023 (9.00 a.m.) to Sunday, September 24, 2023 (6.00 p.m.). Those members who have registered themselves as a Speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM

11. Mr. Devesh Tudekar failing him Mr. Sridhar Mudaliar, Partners of M/s. DTSM & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.

12. The Scrutinizer shall immediately after the conclusion of AGM, unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall submit not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or the person authorized by him in writing who shall countersign the same. The Chairman or the person authorized by him, shall declare the result of the voting forthwith.

13. The results of voting along with the Scrutinizer's Report shall be placed on the Company's website www.softtech-engr.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

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

As required under Section 102 of the Companies Act, 2013 ("the Act"), the following Explanatory Statement sets out material facts relating to the Special Business as set out at Item Nos. 3 and 4 of the Notice.

ITEM NO. 3: Appointment of Mr. Garth Brosnan (DIN: 09836995) as Nominee Director of the Company:

RIB ITWO Software Private Limited had recommended Mr. Garth Brosnan (DIN: 09836995) as its representative to be appointed as Nominee Director on the Board of Directors of SoftTech Engineers Limited. The Board of Directors in their meeting held on November 10, 2022 approved appointment of Mr. Garth Brosnan as Nominee Director of the Company. Further, as per SEBI circular No. SEBI/LAD-NRO/GN/2023/131 dated June 14, 2023, the continuation of a director serving on the board of directors of a listed entity shall be subject to the approval by the shareholders in a general meeting at least once in every five years from the date of their appointment or reappointment, as the case may be. Mr. Garth Brosnan, Nominee Director of the Company has given consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of The Companies (Appointment & Qualifications of Directors) Rules, 2014, intimation in Form DIR-8 in terms of The Companies (Appointment & Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and that he is not debarred by SEBI or any other authority from being appointed or continuing as a Director of a company.

Information pursuant to Regulation 36 of SEBI LODR and SS-2:

1. ***Brief Profile of Mr. Garth Brosnan***: Garth Brosnan is a non-executive nominee director of the Company. He is currently the Finance BP for the International region of RIB ITWO Software Private Limited, headquartered in Stuttgart, Germany. Concurrently, Garth fulfils directorship roles on several Boards. Prior to his current role Garth fulfilled the role of Chief Financial Officer of CCS. Garth holds a Bachelor of Commerce in Accounting Sciences as well as an Honour's Degree in Accounting. Additionally, Garth is a registered Chartered Accountant in South Africa. Garth has 20 years of experience in the Software, Construction and Manufacturing sectors.

2. ***Experience:*** 20 years of experience. Currently Finance BP for RIB ITWO Software Private Limited and concurrently fulfil various directorships.

3. ***Nature of expertise:*** Software, Manufacturing, Construction

4. ***Date of Birth:*** 9 November, 1980

5. ***Age:*** 42 years

6. ***Education qualification***: Bcom, B Compt Honours and CA(SA)

7. ***Date of first appointment on the Board***: November 10, 2022

8. ***Details of remuneration to be paid:*** As being Nominee Director, he is not entitled to any Remuneration.

9. ***Relationship with other Directors, Managers, and other Key Managerial Personnel of the Company:*** Not related to any Director, Manager or Key Managerial Personnel.

10. ***Shareholding in the Company (as on September 06, 2023):*** None

11. ***Listed entities (other than SoftTech Engineers Limited) in which Mr. Garth Brosnan holds Directorships and Committee Membership (as on September 06, 2023):*** Nil

12. ***Listed entities from which Mr. Garth Brosnan has resigned as Director in past 3 years (as on September 06, 2023):*** Nil

13. ***No. of Board Meetings attended during the financial year ended March 31, 2023:***
Mr. Garth Brosnan was appointed in the Board meeting dated November 10, 2022, he was entitled to attend one meeting on dated February 10, 2023, but he was unable to attend the meeting.

14. ***Terms and conditions of re-appointment and details of remuneration***: The Convertible Loan Agreement between RIB ITWO Software Private Limited (Lender) and the Company, the Lender has an irrevocable and unconditional right to appoint, remove or replace its nominee on the Board of the Company ("Lender Director") till the last repayment date of the Loan Facility amount as per the terms and conditions. RIB ITWO Software Private Limited has nominated Mr. Garth Brosnan appointed as Nominee Director on the Board of the Company.

15. ***Remuneration last drawn (during FY 2022-23):*** As being Nominee Director, he is not entitled to any Remuneration.

The Board recommends the resolution as set out at Item No. 3 of this Notice for approval of the members as a Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives are in anyway concerned or interested in the resolution as set out at Item No. 3 of this Notice except Mr. Garth Brosnan who is concerned/ interested in the resolution to the extent of his appointment.

ITEM NO. 4: Approve payment and revision in remuneration to Mr. Vijay Gupta (DIN: 01653314), Managing Director of the Company:

Pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of members by way of Special Resolution is required, if the compensation payable to executive directors who are promoters or members of the promoter group, exceeds 5 per cent of the net profits of the Company.

The approval for increase in remuneration payable to Mr. Vijay Gupta (DIN: 01653314), Managing Director of the Company, which may be in excess of threshold limit prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013, with effect from 1st April, 2022 was taken in AGM dated 22nd September, 2022.

The wholly owned subsidiary of the Company viz; SoftTech Engineers Inc. had formed a subsidiary company in Common wealth of Virgina i.e. SoftTech Government Solutions Inc. (‘Subsidiary’) in 2015. SoftTech Government Solutions Inc. is the step down subsidiary of SoftTech Engineers Limited is in the business of Data Processing, Software Development and Computer Consultancy Services. In order to tap the opportunities in International Market, Mr. Vijay Gupta, Chairman and Managing Director was appointed as Chief Strategic Officer of the said subsidiary company w.e.f. 28th February, 2022, for a tenure of 3 years, to be amended as per situation and with terms and conditions as proposed by SoftTech Government Solutions Inc. and agreed by Mr. Vijay Gupta. Mr. Vijay Gupta will be providing his expertise services in the areas of business development in international market, evaluation and assessment of the new business opportunities in USA market, setting up of business unit. Further, on the recommendation of Nomination and Remuneration Committee and approval of Board on November 10, 2022, consent/concurrence/approval was accorded for the remuneration payable to Mr. Vijay Gupta from its step up down subsidiary SoftTech Government Solutions Inc. with effect from 15th December, 2022 subject to the approval of members, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of remuneration. It is proposed that the remuneration payable to Managing Director from the Company and the remuneration from SoftTech Government Solutions Inc. shall not exceed 20% or such higher percentage of the net profits of the Company as permitted under applicable laws from time to time. On basis of the recommendation of the Nomination and Remuneration Committee in their Meeting held on August 10, 2023 and resolution passed by the Board of Directors of the Company in their Meeting held on August 10, 2023, subject to approval of members, remuneration payable to Managing Director shall not exceed 20% or such higher percentage of the net profits. Accordingly, the Board of Directors felt it prudent to approach the Members of the Company seeking their approval by way of special resolution for remuneration payable to Mr. Vijay Gupta as specified in item No. 4.

None of the Directors, Key Managerial Personnel except Mr. Vijay Gupta and Mr. Priti Gupta and their relatives, is in any way concerned or interested in the said Resolution.

The Directors or Key Managerial Personnel are not holding any shares in the SoftTech Government Solutions Inc.

By Order of the Board of Directors
For SoftTech Engineers Limited

Place: Pune **Shalaka Khandelwal**
Date: August 10, 2023 **Company Secretary**

Building **Smarter**
Driving **Sustainability**
Expanding **Globally**

ANNUAL REPORT
2022-23

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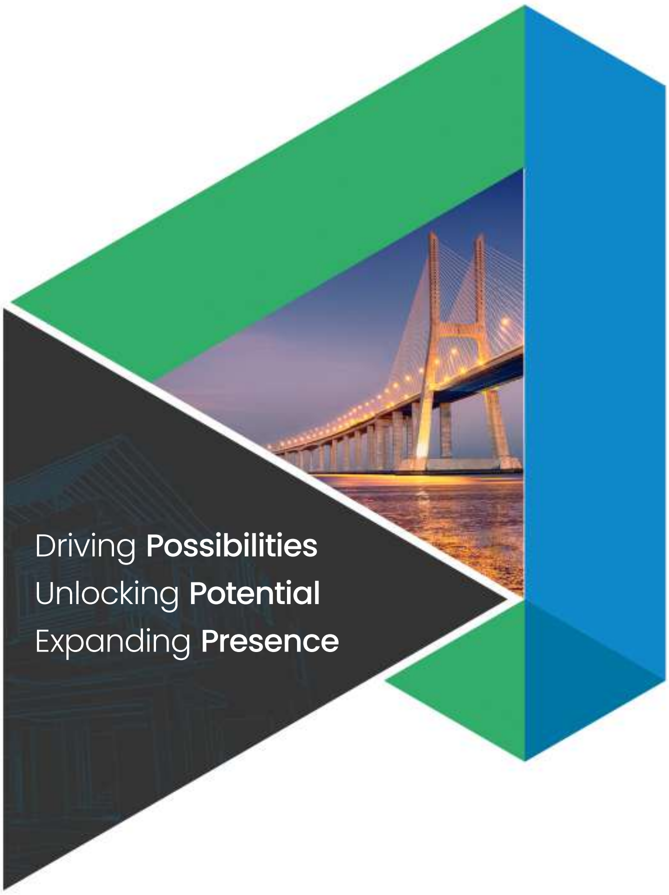
For more investor-related information, please visit

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

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

SCAN ME



Investor Information

Market Capitalisation as on 31st March, 2023	CIN
Rs. 144.37 crores	L30107PN1996PLC016718
BSE Code	**NSE Code**
543470	SOFTTECH
AGM Date	**AGM Mode**
Thursday, 28th Sept, 2023	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.

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 usiness 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. 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 .

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 .

Mr. Garth Brosnan

Nominee Director

Garth Brosnan is a nominee director of the Company. He is currently the Finance BP for the International region of RIB Software, headquartered in Stuttgart, Germany. Concurrently, Garth fulfils directorship roles on several Boards. Prior to his current role Garth fulfilled the role of Chief Financial Officer of CCS. Garth holds a Bachelor of Commerce in Accounting Sciences as well as an Honour's Degree in Accounting. Additionally, Garth is a registered Chartered Accountant in South Africa. Garth has 20 years' experience in the Software, Construction and Manufacturing sectors.

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

Mr. Garth Brosnan
Nominee Director

CHIEF FINANCIAL OFFICER

Mr. Kamal Agrawal

COMPANY SECRETARY

Ms. Shalaka Khandelwal

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

A letter from our
Chairman and Managing Director

Built upon continuous achievements and thriving partnerships, our journey signifies the synergy of innovation and sustainability. From groundbreaking collaborations to cutting-edge technologies, our path is digitally empowering the global AEC landscape. With sincere gratitude, we commemorate milestones that reflect our unwavering commitment to excellence, paving the way for a future where each accomplishment unfolds new horizons.

I want to express my sincere gratitude for your consistent support and trust in our ambitious endeavours. May our journey of partnership continue with the same momentum. With this in mind, I am pleased to present the Annual Report 2022 – 2023 for SoftTech Engineers Limited, an industry leader in digitalization in Architecture, Engineering, Construction and Operations (AECO) sector.

Globally, sustainability has taken centre stage in the AEC realm due to heightened environmental consciousness, ESG reporting compliances need. Energy related CO2 emissions are about 40% in building industry. AEC stakeholders are embracing technologies such as BIM, GIS, IoT and AI-driven Analytics, while collaboration has emerged as a hallmark across the globe to execute and realize projects. This shift aligns harmoniously with SoftTech's mission - a software company with a 27-year legacy of empowering the construction industry. The dynamic landscape offers SoftTech manifold avenue to accelerate progress by extending innovative software products and solutions that seamlessly completes the cycle of Plan – Approve- Build – Operate.

The year gone by has been a period of significant growth and remarkable achievements with the company achieving annual turnover of Rs. 6,704.77 Lacs and PAT as Rs. 579.82 Lacs. We are delighted to share with you that SoftTech made significant strides in fortifying our position as a trailblazer in the AEC software landscape. Moreover, our collaborations and partnerships have expanded our horizons, driving us forward in our mission to revolutionize the industry.

One of our most exciting accomplishments is our overseas expansion plan. The year was a foundation year to create base in our US market entry. We successfully completed Proof-of-concept of our automated permitting system in Washington DC. We have established partnership with US based companies for taking our CIVIT platform to US cities and states. In line with our vision of digital transformation, we have extended our operations to Singapore and Dubai, strategically positioning ourselves to cater to the Middle East and Asia Pacific regions. We have established partnership with CDC International (CDCi), a vital agreement that will usher in a new wave of digitalization in the Malaysian AEC sector. The MoU signed to extend our CIVIT platform in the region underscores our commitment to global technological advancement. Furthermore, SoftTech has been chosen by Brazil's Florianopolis International

Airport Concessionaire for development of a Digital Twin. This innovation will drive energy optimization, epitomizing our commitment to environmental responsibility. Our partnership with Tech Mahindra for working together for digital transformation in construction and infrastructure industry globally has started bringing results this year. SoftTech secured a substantial digital transformation account with YIT, a leading Finland, Europe based construction company.

We are committed to expand our great success stories in India to global market in next 3 years.

Our dedication to excellence has been further affirmed by achieving CMMI Level 3 certification. This recognition is a testament to our unwavering focus on quality, efficient project management and client satisfaction. Furthermore, the company's commitment to quality and innovation is underscored by our achievement of the ISO:20000-1 certification, showcasing our dedication to industry best practices. Rising to SAP® Gold Partner status, SoftTech is poised to provide cutting-edge solutions in partnership with SAP®, driving innovation across private and public AEC realms.

One of the defining moments in the Indian Construction Industry was marked by SoftTech's introduction of their revolutionary AutoDCR® Software across Maharashtra state. Also, SoftTech's excellence extends to being selected by both Jaipur Smart City Limited and Jammu Smart City for the implementation of Works Information Management System, highlighting our pivotal role in urban development projects.

Notably, SoftTech achieved prestigious accolades last year, winning the FICCI Smart Urban Innovations Awards for industry-leading innovation and receiving a Recognition Trophy from India's Minister of State for Communications, in recognition of its pivotal role in advancing the nation's development. Moreover, SoftTech was awarded the "Software Brand of the Year 2022" award and I as CEO & Founder at SoftTech have been recognized as "Business Icon of the Year", by Outlook India, India's most prestigious publishing house. Excitingly, SoftTech has also forged a strategic Memorandum of Understanding (MoU) with NICMAR University, a collaboration aimed at fostering industry-academia partnerships. Our research initiatives with IIT, Mumbai for automation in BIM space is on-going effort to bring innovations in constructions. We have joined hands with Team Shunya of IIT Mumbai this year for bringing sustainable future with the help of innovations in

Our guiding principles are the foundation of our success. Extensive excellence, client value, integrity, transparency and fairness are ingrained in every facet of our operations. These values drive us to deliver the best solutions, uphold the highest standards of ethics and ensure optimized quality.

As we look to the future, SoftTech Engineers remains committed to our mission of driving digitalization in the AEC industry through innovation. In closing, I extend my heartfelt thanks to every one of you who has contributed to our success journey. Your dedication, trust and collaboration have been instrumental in our achievements.

Together, we shall continue to transform the AEC landscape, create sustainable solutions and shape a better tomorrow.

With best regards,

Vijay Gupta

Chairman & Managing Director

Building **Smarter**
Driving **Sustainability**
Expanding **Globally**

SoftTech, a global leader in the software product & solutions domain for the Architecture, Engineering and Construction (AEC) industry, boasts a remarkable 25-year legacy of innovation and leadership. In the current landscape, where the AEC industry is projected to experience a compound annual growth rate (CAGR) of 8.9% from 2021 to 2026, SoftTech stands as a significant driver of this progress.

Recent industry statistics indicate a steady growth trajectory, with the global AEC market expected to reach $14.2 trillion by 2025, reflecting an upward trend that SoftTech is well-poised to leverage. As we navigate the years 2022 to 2023, post-covid technology trends are reshaping the AEC sphere.

The increasing adoption of technologies like Artificial Intelligence (AI), Internet of Things (IoT), and Augmented Reality in the construction industry is precipitating a transformation in the construction-technology landscape. This shift is steering the industry towards integrated software platforms, and SoftTech is at the forefront of leveraging these advancements. By harnessing these digitization opportunities, SoftTech paves the way for the development of intelligent solutions that seamlessly automate every phase of a construction project's lifecycle.

Moreover, Building Information Modeling (BIM) continues its ascent, with the BIM market anticipated to grow at a CAGR of 14.5% from 2021 to 2026. SoftTech's expertise in BIM software equips professionals with tools to visualize, plan, and manage construction projects more effectively. Artificial Intelligence (AI) integration is becoming ubiquitous and AI in the construction market is expected to grow at a CAGR of 28.4% during the same period. SoftTech's AI-powered analytics enable informed decision-making reducing risks and optimizing resource allocation.

SoftTech's commitment to empowering the AEC sector is further amplified by its emphasis on sustainability and net-zero initiatives. With global initiatives aiming for net-zero carbon emissions by 2050, SoftTech's solutions facilitate the incorporation of sustainable materials, energy-efficient designs, and environmentally conscious construction practices.

In the aftermath of the COVID-19 pandemic, the AEC industry has witnessed a surge in remote work and virtual collaboration. SoftTech's cloud-based platforms have been pivotal in ensuring seamless communication and project management, underscoring its ability to adapt to dynamic industry demands.

In summation, SoftTech's indelible impact on the AEC industry continues to reverberate. With a legacy built on innovation and a focus on the future, SoftTech catalyzes positive change in an ever-evolving sector. As industry growth accelerates, technology trends evolve, and sustainability takes center stage, SoftTech remains a steadfast partner in the journey of shaping the AEC landscape for the better.

Evolving Boldly Globally Transforming

> SoftTech is driving possibilities and change within the AEC industry in full swing. Our innovative solutions and deep industry insights pave the way for a future where technology and collaboration redefine how the world builds

Incorporated in 1996, SoftTech Engineers Limited ('The Company' or 'SoftTech') has emerged as a leader in the realm of global digital solutions for the AEC (Architecture, Engineering, and Construction) sector. For over 25 years, the company has been a beacon of innovation within the AEC domain. This longevity has endowed SoftTech with profound insights into the intricacies of the AEC sector, which it has harnessed to develop cutting-edge digital solutions that are poised to transform the infrastructure and construction industry.

At the heart of SoftTech's success lies its unwavering commitment to creating value for businesses operating within the AEC landscape. The company's expansive portfolio of innovative digital solutions encompasses every facet of the industry, from architecture and engineering to construction. This comprehensive approach sets SoftTech apart, positioning it as the sole entity providing technology solutions to all stakeholders within the construction ecosystem.

SoftTech's prowess in driving possibilities and change is vividly evident through its impressive success stories across the globe. The company's leadership in the industry has paved the way for remarkable achievements, solidifying its status as a true pioneer. As part of its strategic growth vision, SoftTech has set its sights on international expansion. Over the next three years, the company plans to establish a strong presence in key markets such as the United States, the United Kingdom, MEA and the APAC region, thereby propelling its influence on a global scale.

In tandem with its growth trajectory, SoftTech is resolutely aligned with the rapid shifts and advancements within the construction technology landscape. While the industry is teeming with players offering limited solutions, SoftTech envisions a dynamic coexistence of multiple extensive platforms. The company's astute mapping of the construction technology terrain anticipates a future where synergistic combinations of technologies will flourish, ushering in a new era of efficiency and collaboration.

The seismic impact of the pandemic has been felt across industries, including construction. The imperative to ensure worker safety and boost productivity has accelerated the adoption of digitization and technology integration. SoftTech's forward-thinking approach has enabled it to anticipate and adapt to this paradigm shift. By developing a suite of technologically advanced products and solutions such as AutoDCR®, PWIMS®, CivitBUILD®, BIMDCR®, RuleBUDDY®, and the CIVIT cloud platform, SoftTech empowers stakeholders with real-time data insights and substantial cost savings. These solutions facilitate heightened productivity, optimal resource alloca -tion, cost-savings and stringent project control measures, thereby cementing SoftTech's status as a transformative force within the AEC sector.

In conclusion, SoftTech Engineers Limited stands as a beacon of innovation and transformation within the construction industry. With a legacy spanning over two decades, the company's deep-rooted knowledge, unwavering commitment, and technologically advanced solutions underscore its role as a catalyst for driving possibilities, embracing change, and steering the industry toward a future of unparalleled growth and innovation.

Key Differentiators

Ensures whether approvals are done after a compliance check of all the relevant building codes eliminating the chance of omission

- 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 Global Leaders

- 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

Pioneering Digital Transformation

27 years driving change with domain expertise and innovative solutions.

Architecting Value Through Expertise

Indian AEC leader crafting competitiveness with tailored software for sustainable edge.

Frameworks for Enduring Success

Scalable, research-driven products ensuring lasting quality across critical business aspects.

Delivering Innovation

Creators of AutoDCR®, OPTICON®, BIMDCR®, RuleBuddy®, PWIMS® addressing complex industry

Customer-Centric Excellence

4500 clients, 600+ Government Organizations and 1,00,000 users worldwide; with understanding of diverse industry needs.

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 Building +
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

Unleashing Capabilities via Efficient Solutions: Our Product Portfolio

"The Company is dedicated to revolutionizing the entire Architectural, Engineering, and Construction (AEC) lifecycle through digital innovation. Through the development of sophisticated services such as Building Information Modeling (BIM) and Geographic Information Systems (GIS), as well as groundbreaking technological offerings available on the Civit Suite platform, including award winning products like AutoDCR®,PWIMS®, OPTICON®, BIMDCR®, and RuleBuddy®, the Company is at the forefront of driving innovation within the industry."

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

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

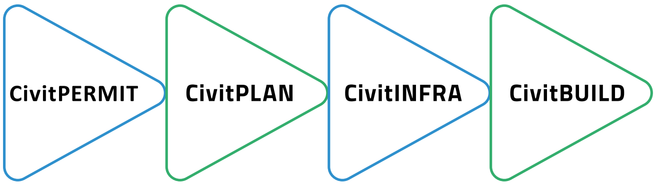
Civit Suite is a first-of-its-kind cloud-based platform, being developed by SoftTech, for connecting all the processes around the construction lifecycle of a project. It covers all the stages, right from planning to designing to approvals for building, operations and maintenance. The platform will leverage 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.

Our multi-dimensional BIM service comprises

600+
Organisations

10,00,000+
Users

The major services offered by Civit Suite are classified as:



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

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 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

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

CivitOPERATE

SoftTech's CivitOPERATE services are a pioneering solution that drives sustainability and facilitates the attainment of net-zero objectives, while concurrently enhancing efficiency, cost savings, agility, and boosting return on investment (ROI).

Features of CivitOPERATE

- Comprehensive suite of tools and strategies for driving sustainability and achieving net-zero goals.
- Integration of advanced technologies and data-driven insights for optimized operations.
- Resource wastage reduction and streamlined processes for enhanced efficiency.
- Real-time monitoring and predictive maintenance through Digital Twins Services.
- Increased operational resilience, reduced downtime, and proactive issue resolution.

Why Choose CivitOPERATE?

- Holistic approach to sustainability and operational excellence.
- Demonstrates commitment to environmental stewardship, enhancing reputation.
- Business benefits including efficiency improvement, cost savings, and agility.
- Simultaneous pursuit of sustainability goals and enhanced return on investment.
- Strategic choice for organizations aiming to excel in a sustainable and competitive landscape.

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 AutoDCR

- 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® 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

Discovering Opportunities & Possibilities
Our Business Environment

Building upon the previous year's progress, India's digital advancement persists, spanning various sectors embracing ongoing digital transformations. Post-pandemic, digital integration for businesses and the public has solidified. To sustain digital leadership, the Government continues augmenting investments in digital infrastructure. Strategic decisions by key stakeholders in 2022-2023 will propel hybrid operations, customer-centricity, personalized employee engagement, digital upskilling, and sustainable business practices.

Few of the growth figures are mentioned below

Total revenue of Indian Tecnology Industry is estimated at **USD 245 Billion,** with **38%** revenue growth, from 2018-19, **7.9%** y-o-y growth

Indian technology industry led the economic revival of the country in 2022-23, with **7.5%** relative share in country's GDP and **53%** relative share in service exports

India is the **largest** tech start-up hub in the world, with **~27,000** start-ups and **1300+** new start-ups, alongside **23** new unicorns

The share of digital revenue stood at **48%** with **2x** project growth rate

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 **Rs. 20,000 Crores** for integrated planning and coordinated implementation of infrastructure connectivity projects

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

Under PMAY, the Government allocated **Rs. 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 **Rs.8,000** Crores for initiating various projects"

What's there for SoftTech

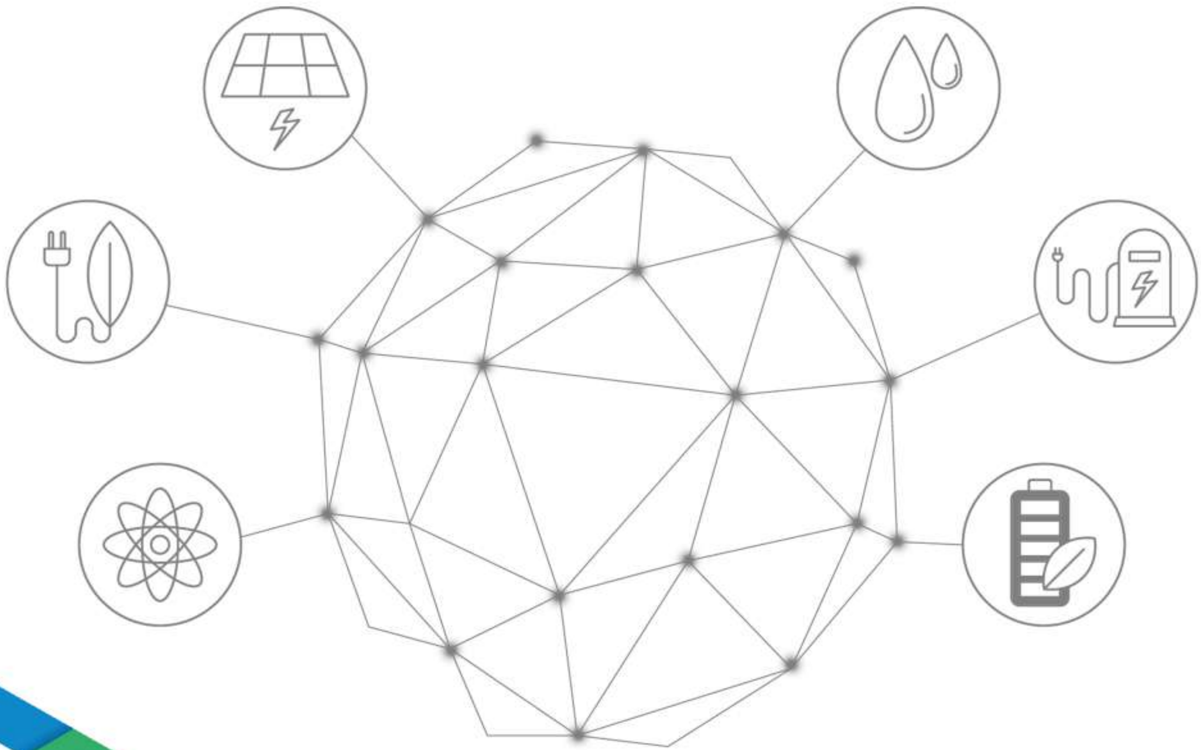
Given that the infrastructure and technology segments are concurrently developing, SoftTech being a tech player in the construction development industry is exploring and capitalising on these opportunities. Indian technology industry as well as the infrastructure industry is currently on a dream ride, 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.

AmpliNxt: Seizing India's Startup Ecosystem Opportunities

Launched in 2021, AmpliNxt is a hybrid corporate program supporting AEC startups. In 2022, we introduced our second cohort program, Beta, with **14 startups** enrolled, **700 applications** received, and **40 startup boot camps** held. In India's thriving innovation and entrepreneurship scene, AmpliNxt holds promising growth potential.

India's entrepreneurial prowess shines with 23 new unicorns, ranking second worldwide. In 2022, 50% of tech startups achieved over **20% revenue growth**, showcasing a thriving market. 25% of mature startups aim for EBITDA positivity by mid-2023, highlighting India's startup maturity.

India's internet economy may hit $1 trillion by 2030, up from $175 billion in 2022, offering a vast opportunity for AmpliNxt. With a **2x global market share growth** and India's 59 SaaS unicorns and potential unicorns, AmpliNxt can drive innovation and growth, bolstering India's global prominence



A Strategic Approach: Expanding Global Presence

> Expanding our global presence requires a well-rounded approach involving targeted market analysis, product adaptation, strategic partnerships, localized branding and identity, continuous research and innovation, the integration of digital twins (BIM & IoT), and top-notch customer support.

In today's interconnected world, expanding the global presence of SoftTech is a paramount strategy for sustained growth. By strategically approaching international markets, we can tap into new opportunities and maximize our impact. Here's a comprehensive plan to achieve this:

Market Expertise and Prioritization

Conduct thorough market scrutiny to identify regions with a growing construction industry and a demand for software solutions. Prioritize markets based on factors such as market size, competition, regulatory

Localized Product Customization

Tailor our software to suit the specific needs and preferences of each target market. This could involve language localization, adapting to regional construction practices, and incorporating features that address unique challenges in different regions.

Strategic Partnerships

Forge partnerships with local construction firms, technology resellers, and industry associations in target markets. Collaborating with established players can facilitate market entry, provide insights, and enhance our credibility within the local industry.

Digital Twins Offerings (BIM & IoT)

We will position SoftTech as a digital AEC leader through extending advanced Digital Twin Services, integrating BIM and IoT capabilities. With real-time project visualization, progress tracking and predictive maintenance, SoftTech can optimize business value & sustainability goals of clients

Localized Branding and Identity

Create a strong localized brand identity that resonates with the cultural nuances and preferences of each target market. Tailor our branding, messaging, and visuals to establish a connection with local customers, fostering trust and recognition.

Continuous Research and Innovation

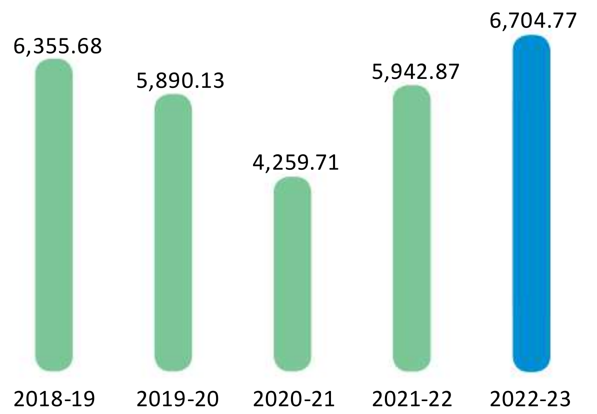
Invest in constant research and development to stay ahead of industry trends and technological advancements. Regularly update our software with cutting-edge features, ensuring that our solutions remain relevant and competitive in the global market.

Client Support and Training

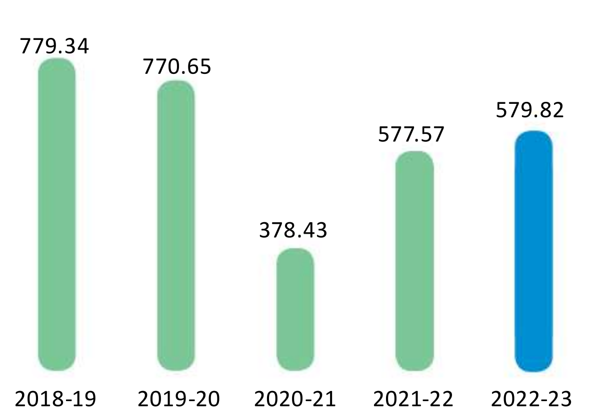
Offer exceptional client support that spans time zones and languages. Provide comprehensive training resources, both online and in-person, to ensure that clients can effectively use our software to streamline their construction processes.

Performance Asserting Our Potential
Our Financial Highlights

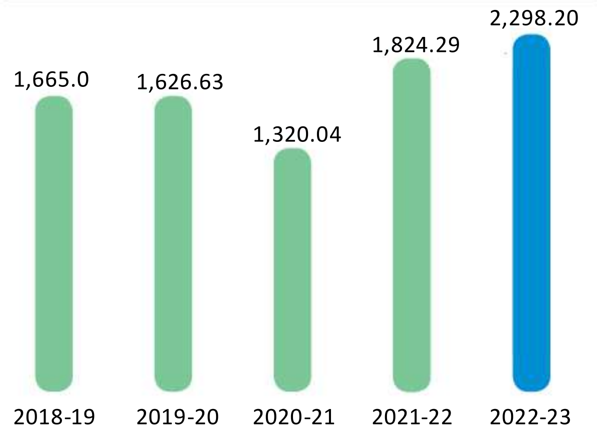
Total Revenue
(₹ in lakhs)



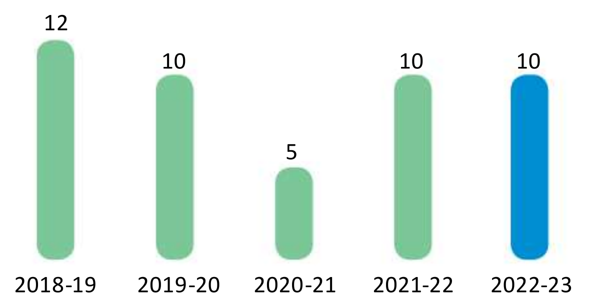
PAT
(₹ in lakhs)



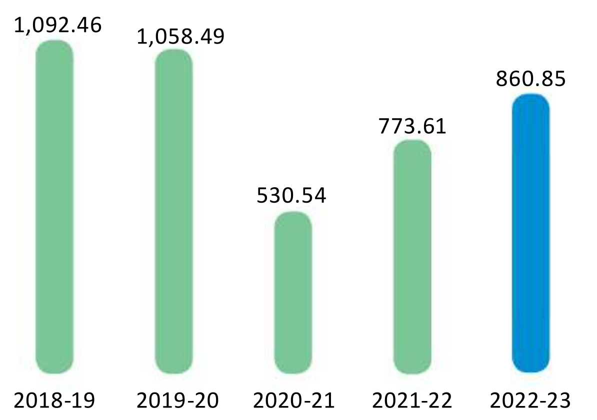
EBITDA
(₹ in lakhs)



ROCE
(%)



PBT
(₹ in lakhs)



ROE
(%)

Awards and Recognitions

Year

2007
- World Leadership Award

2010
- The Manthan Award, South Asia
- Good Governance Award for National Technology Leadership

2011
- AutoDCR® receives Best Practices Symposium and Citation ceremony 2010 Award for Hubli Dharwad Municipal Corporation
- Identified as best practice for building plan approval by JNNURM

2012
- e-Maharashtra Award for Best Urban ICT Initiative

2013
- MCCIA Innovation & Entrepreneurship Award

2013
- AutoDCR® wins the National e-Governance award
- Smart City National Award
- Skoch Order of Merit Certificate.
- Adjudged as India's Most Innovative Top 50 Emerging IT Product Companies

2015
- Rated by CARE Ratings as SE-1A (High Growth and Moderate Financial Potential) 2015

2016
- AIMA Award for Creativity and Innovation in Micro, small and Medium Enterprises 2016

2017
- Amravati Municipal Corporationb Gets SKOCH Award

2018
- SoftTech received India's 'Small Giants Award'

2021
- Economic Times Inspiring Leaders Award to Mr. Vijay Gupta (Founder & CEO at SoftTech)

2021
- Economic Times Inspiring Leaders Award to Mr. Vijay Gupta (Founder & CEO at SoftTech)

2022
- SoftTech receives "Software Brand of the Year 2022" award and Mr. Vijay Gupta (Founder &CEO at SoftTech) has been recognized as "Business Icon of the Year", by Outlook India
- SoftTech wins FICCI Smart Urban Innovations Awards
- Mr. Vijay Gupta felicitated with a recognition trophy by Mr. Devusinh Chauhan (Minister of State for Communications of India)

Our Partners

Microsoft GOLD CERTIFIED Partner	Microsoft Gold Certified Partner	SAP Partner	SAP Partner
Autodesk	AUTODESK Partner	Dassault System Partner	DASSAULT SYSTEMES Partner
MITSUBISHI ELECTRIC Partner	Mitsubishi Electrical Partner	RIB Partner	RIB Software Partner
ESRI Partner	esri THE SCIENCE OF WHERE	IIT Mumbai Partner	IIT BOMBAY Partner
AUTODESK AUTOCAD OEM Partner	AutoCAD OEM Partner	Microsoft Partner Gold Application Development Partner	Microsoft Gold Application Development Partner

BOARD'S REPORT

Dear Members,

Your directors have pleasure in presenting the 27th 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, 2023.

1. FINANCIAL SUMMARY AND HIGHLIGHTS:

The Company's financial performance for the year under review is given hereunder: (₹ in Lakhs)

Particulars	Standalone		Consolidated	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Revenue from Operations (Net)	6534.09	5745.67	6540.48	5745.67
Other Income	170.68	197.20	142.97	186.42
Total Revenue	6704.77	5942.87	6683.45	5932.09
Depreciation and Amortization	1045.58	764.24	1046.20	764.35
Total Expenses (including Depreciation and Amortization)	5843.92	5169.26	6040.90	5271.03
Profit/ (Loss) Before Tax	860.85	773.61	642.55	661.06
Tax Expenses:				
1. Current Tax	269.72	193.77	269.72	193.77
2. Deferred Tax	(11.80)	2.27	(11.80)	2.27
Net Profit/ (Loss) After Tax	579.82	577.57	361.52	465.02
Earnings per share				
Basic	5.53	5.89	3.81	4.89
Diluted	5.48	5.89	3.78	4.88

During the year under review, the Company has achieved a gross turnover of ₹ 6,704.77 lakhs in comparison to previous year's turnover which was ₹ 5,942.87 lakhs . It represented an increase of 12.82 % over the previous year. The Profit after tax stood at ₹ 579.82 lakhs as against ₹577.57 lakhs in previous year. Key aspects of financial performance of your Company for the Current Financial year 2022-23 along with the Previous Financial year 2021-22 are tabulated in the Financial Results above.

2. KEY DEVELOPMENTS OF THE COMPANY:

- The Company has incorporated a Wholly Owned Subsidiary Company named "SoftTech Digital Pte. Ltd." in Singapore on 3rd October, 2022 with the object of International Market Penetration of SoftTech's products established in India.
- The Company SoftTech Engineers Limited, a holding company of SoftTech Care Foundation has acquired beneficial ownership of shares in SoftTech Care Foundation registered in the name of Mr. Vijay Gupta to make SoftTech Care Foundation a wholly owned subsidiary Company.
- The Company SoftTech Digital Pte. Ltd., subsidiary of SoftTech Engineers Limited ("Company") has acquired subsidiary with name SoftTech Digital Software L.L.C in the Emirates of Dubai, UAE on 10th April, 2023 with the object of International Market Penetration of SoftTech's products established in India.
- SoftTech Digital Pte. Ltd., Singapore, a Wholly Owned Subsidiary Company has been selected by Florianópolis International Airport Concessionaire, Brazil for the development of a digital twin to enable energy optimization on 3rd March, 2023.
- SoftTech has secured a substantial deal to deliver technology service and drive digitalization for YIT in partnership with Tech Mahindra on 19th April, 2023.
- SoftTech and CDCi sign an agreement to offer software products and services under CIVIT Platform to Malaysian AEC industry on 22nd July, 2023.

3. DIVIDEND:

Considering the situation and in order to conserve the resources, the Board of Directors do not recommend dividend for the Financial Year 2022-23.

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, 2023.

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 and BSE Limited. 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/investor-relations-in-softtech-engineers/

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

I. Changes in Composition of the Board of Directors:

a. 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 at the 26th AGM held on 22nd September, 2022.
b. Mr. Garth Brosnan (DIN: 09836995) is appointed as the Nominee Director of the Company representing RIB ITWO Software Private Limited w.e.f. 26th December, 2022.
c. As per the provisions of Section 152(6) of the Companies Act, 2013 and other applicable provisions thereunder, Mr. Pratik Patel (DIN: 08798734), 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 his re-appointment to the shareholders in the ensuing Annual General Meeting.
d. Mr. Rahul Gupta and Mr. Shridhar Pillalamarri were re-appointed as Independent Director w.e.f 03.03.2023 in AGM held on 22.09.2022.

II. Appointment / Resignation of Key Managerial Personnel:

a. Ms. Aishwarya Patwardhan resigned as a Company Secretary & Compliance Officer of the Company w.e.f. 25th November, 2022.
b. Ms. Shalaka Khandelwal is appointed as a Company Secretary & Compliance Officer of the Company w.e.f. 25th May, 2023.

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. Further, in terms of Regulation 25(8) of the SEBI Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstances or situations, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

Independent Director 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 on 31st March, 2023 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.	Dr. Rakesh Kumar Singh	Independent Director
8.	Mr. Garth Brosnan	Nominee Director
9.	Mr. Kamal Agrawal	Chief Financial Officer
10.	Ms, Shalaka Khandelwal	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 Five (5) times on 27th May, 2022, 12th August, 2022, 12th October, 2022, 10th November, 2022 and 10th February, 2023. The maximum interval between any two meetings was well within the maximum allowed gap of 120 days. Details of these Board meetings are provided in the Corporate Governance Report which is '**Annexure E'** to this Report.

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 the F.Y. 2022-23 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, 10th November, 2022, the Company has allotted 1,266 equity shares of Rs. 10/- each at Exercise Price of Rs. 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 Rs. 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 doubled which effectively reduced excise price at Rs.5/-per Equity Shares.

Preferential /Private Placement Basis

During the financial year under review, the Company has made allotment of 20,00,000 (Twenty Lakhs) fully convertible Warrants of the Company issue at a Subscription Price of Rs. 31.25/- per warrant (25% of the Issue Price), entitling the warrant holder to exercise an option to subscribe to 20,00,000 (Twenty Lakhs) Equity Shares of the Company having a face value of Rs. 10/- each at an exercise price of Rs. 93.75/- (75% of Issues Price), Issue Price being Rs. 125/- per equity share including premium of Rs. 115/- per equity share, on Preferential allotment / Private Placement basis on 5th October, 2022.

Further, the Company has made allotment of 6,63,120 (Six Lakhs Sixty-Three Thousand One Hundred and Twenty) Unsecured Compulsorily Convertible Debentures ("CCDs'), of the Company ("CCDs") issued at a Subscription Price of Rs 125/- per Debenture, being convertible into 6,63,120 Equity Shares at a conversion price of Rs 125/- (face value Rs. 10/- and a premium of Rs. 115/-) per equity share on preferential basis / Private Placement basis on 5th October, 2022.

Increase in Authorized Capital

During the year under review, there is an increase in authorized share capital of the Company from the existing Rs. 11,00,00,000/- (Eleven Crore Only) divided into 1,10,00,000 (One Crore Ten Lakhs) equity shares 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 shares of Rs. 10/- (Rupees Ten Only) each. Further, the Company has neither issued any shares with differential voting rights, 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, if any is available on the website of the Company at https://softtech-engr.com/investor-relations-in-softtech-engineers/#tab-161023 and Form ESOP Annexure is enclosed herewith as **'Annexure C'** to the Boards' Report.

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. UTILIZATION 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 FY 2022-23. The summary of utilization of proceeds from preferential issue as on 31st March, 2023 is stated in Note No. 36 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 utilization of energy resources and resultant cost saving of the Company.

(i) the steps taken or impact on conservation of energy - Nil
(ii) the steps taken by the company for utilizing alternate sources of energy - Nil
(iii) the capital investment on energy conservation equipment's - Nil

➢ **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.
(iv) the expenditure incurred on Research and Development - Nil

➢ **FOREIGN EXCHANGE EARNINGS AND OUTGO (₹ in Lakhs):**

Earnings	221.85
Outgo	389.34

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 Financial Year 2022-23. A Report of the Secretarial Audit is annexed herewith as '**Annexure D**'.

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 DTSM & Associates, Practicing Company Secretaries, Pune for the Financial Year ended 31st March, 2023 and it has been submitted to the stock exchange(s) within the stipulated time.

c) Internal Auditor:

For the FY 2022-23 the Company appointed M/s. Sharp & Tannan Associates., LLP Chartered Accountants (Firm Registration No. 109983W), as an internal auditor 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 March 31, 2023, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
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 maximize 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 Auditors' 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 E'.**

Pecuniary Relationship or Transactions of Nonexecutive Directors and Disclosures about Remuneration of Directors.

All pecuniary relationship or transactions of Non-Executive Directors vis-à-vis the Company, along with criteria for such payments and disclosures on the remuneration of the Directors along with their shareholding are disclosed in Corporate Governance Report and notes to Financial Statements and also available on the website of the Company, pursuant to relevant regulations.

Inter-Se Relationships between the Directors

There are no relationships between the Directors interse, except between Mr. Vijay Gupta and Ms. Priti Gupta. Mr. Vijay Gupta, Chairman and Managing Director, is husband of Ms. Priti Gupta, Whole-time Director of the Company.

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 wholly owned subsidiary with the name of 'SoftTech Digital Pte. Ltd.' in Singapore on 3rd October, 2022 with the object of International Market Penetration of SoftTech's products established in India.

The Company SoftTech Digital Pte. Ltd., subsidiary of SoftTech Engineers Limited ("Company") has acquired subsidiary with name SoftTech Digital Software L.L.C in the Emirates of Dubai, UAE on 10th April, 2023 with the object of International Market Penetration of SoftTech's products established in India.

Your Company has a subsidiary with name SoftTech Care Foundation, Section 8 Company, AmpliNxt Private Limited, 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:

A statement containing salient features of the financial statements of subsidiaries in the prescribed format AOC-1 is appended as **'Annexure-F'** 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 organizational 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 ₹ 146.31 Lakhs in Debentures of SoftTech Engineers Inc. (Subsidiary).
2. During the financial year under review, the Company has invested ₹ 2.77 Lakhs in Debentures of SoftTech Finland OY (Subsidiary).
3. The Company has infused further capital of ₹ 4.99 Lakhs in the equity share capital of AmpliNxt Private Limited, wholly owned subsidiary 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, 2023 given below:

(₹ In Lakhs)

Sr. No.	Name of person	Designation	Loan Taken during the year	Loan repaid during the year	Balance as on 31.03.2023
1	Vijay Gupta	Managing Director	155.00	103.91	(201.09)
2	Priti Gupta	Whole -Time Director	75.00	78.00	(36.24)

30. NOMINATION & REMUNERATION POLICY:

The Company has in place 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 victimization 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 2022-23, 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:

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 2022-23 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 G'.**

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 H'** 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
Delay in disclosure of related party transactions for the half year ended March 31, 2022 to the Stock Exchanges under Regulation 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	The listed entity has paid the required amount of fine to the Stock Exchanges

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.

(iv) As the Company doesn't fall under the top one thousand listed entities based on market capitalization as on March 31, 2023, the requirement of Business responsibility and sustainability reporting (BRSR) on the environmental, social and governance disclosures is not applicable.

(v) In compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and to preserve the confidentiality and prevent misuse of unpublished price sensitive information (UPSI), the Company has adopted a Code of Conduct to Regulate, Monitor and Report Trading by Insiders ('Insider Trading Code') and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('Code of Fair Disclosure'). The Company has in place the digital structured database to monitor the insider trading activities. The said Code of Conduct is intended to prevent the misuse of UPSI by insiders and connected persons and ensure that the Directors and designated persons of the Company and their immediate relatives shall not derive any benefit or assist others to derive any benefit from having access to and possession of such UPSI about the Company which is not in the public domain, that is to say, insider information. The Code of Fair Disclosure ensures that the affairs of the Company are managed in a fair, transparent and ethical manner keeping in view the needs and interest of all the stakeholders.

(vi) Every listed entity and its material unlisted subsidiaries incorporated in India shall undertake secretarial audit and shall annex a secretarial audit report given by a company secretary in practice, in such form as specified, with the annual report of the listed entity. (as per regulation 24(A) of LODR). Further, the Company do not have any material unlisted subsidiaries incorporated in India.

(vii) The statements made in this Report and Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations and others may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ from expectations those expressed or implied. Some factors could make difference to the Company's operations that may be, due to change in government policies, global market conditions, foreign exchange fluctuations, natural disasters etc.

41. ACKNOWLEDGEMENT AND APPRECIATION:

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: August 10, 2023
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 - ESOP Annexure.**
- **d) Annexure D - Report of the Secretarial Audit.**
- **e) Annexure E - Corporate Governance Report.**
- **f) Annexure F - AOC-1.**
- **g) Annexure G - Annual Report on Corporate Social Responsibility Activities.**
- **h) Annexure H - 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 realized. 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 US$ 6 trillion by FY 28 and achieve upper middle income status on the back of
> - Digitization
> - Globalization
> - Favorable demographics and
> - Reforms

II. INDUSTRY OVERVIEW:

Global Economic Outlook:

The disruptions bought on by the COVID-19 pandemic continued through CY2022. The new variant, BF.7, impacted most Asian economies including Japan and China. With the ongoing disruption of supply chain (especially with respect to semiconductors), both governments and enterprises are re-thinking their supply chain strategy. The surprising invasion of Ukraine by Russia in early CY2022 impacted food & energy security worldwide, leading to higher inflation. CY2022 also saw ongoing concerns around recession as the global economies saw slower growth. However, the growth of emerging economies has been more resilient, with India leading the economic revival at a rate much higher than the rest of the world.

Global growth is projected to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. While the forecast for 2023 is modestly higher than predicted in the April 2023 World Economic Outlook (WEO), it remains weak by historical standards. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Global headline inflation is expected to fall from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024. Underlying (core) inflation is projected to decline more gradually, and forecasts for inflation in 2024 have been revised upward.

Among businesses, the Technology industry was the silver lining as enterprises reshaped and accelerated their digital transformation agenda, and as a result, sourcing, and talent strategies for CY2023. Increasingly, enterprises, including

traditional enterprises, are leaning on technology for scaling automation while humanising UX, streamlining supply chain, enhancing cyber resilience, and delivering their sustainability goals towards becoming purpose-driven businesses.
In CY2022, the total global technology spends stood at $4.39 TN, a slight decline of -0.2% over CY2021, driven by lower consumer spending on devices. Enterprise software and IT services crossed the $2 TN mark, a growth of 4.5% y-o-y in CY2022.

Indian Economy Overview

[1]After real GDP contracted in FY20/21 due to the COVID-19 pandemic, growth bounced back strongly in FY21/22, supported by accommodative monetary and fiscal policies and wide vaccine coverage. Consequently, in 2022, India emerged as one of the fastest growing economies in the world, despite significant challenges in the global environment – including renewed disruptions of supply lines following the rise in geopolitical tensions, the synchronized tightening of global monetary policies, and inflationary pressures.

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

In FY22/23, India's real GDP expanded at an estimated 6.9 percent. Growth was underpinned by robust domestic demand, strong investment activity bolstered by the government's push for investment in infrastructure, and buoyant private consumption, particularly among higher income earners. The composition of domestic demand also changed, with government consumption being lower due to fiscal consolidation.

> Beyond 2023, the Global growth is expected to decline to about 3% over the medium term

Since Q3 FY22/23, however, there have been signs of moderation, although the overall growth momentum remains robust. The persisting headwinds – rising borrowing costs, tightening financial conditions and ongoing inflationary pressures – are expected to weigh on India's growth in FY23/24. Real GDP growth is likely to moderate to 6.3 percent in FY23/24 from the estimated 6.9 percent in FY22/23.

Both the general government fiscal deficit and public debt to GDP ratio increased sharply in FY20/21 and have been declining gradually since then, with the fiscal deficit falling from over 13 percent in FY20/21 to an estimated 9.4 percent in FY22/23. Public debt has fallen from over 87 percent of GDP to around 83 percent over the same period. The consolidation has largely been driven by an increase in revenues and a gradual withdrawal of pandemic-related stimulus measures. At the same time, the government has remained committed to increasing capital spending, particularly on infrastructure, to boost growth and competitiveness.

[2]While FY2022 was a year of milestones and resurgence-an outlier for the Indian technology industry, FY2023 has been the year of continued revenue growth with a focus on strengthening industry fundamentals and building on trust and competencies. The volatile global economic scenario and impending recession continues to support the demand for

[1] https://www.worldbank.org/en/country/india/overview
[2] NASSCOM: Technology Sector in India 2023: Strategic Review

technology adoption and digital acceleration. Consequently, technology continues to be a strategic imperative that is a critical component of business innovation and transformation, as well as a source of improving operational and cost efficiencies.

In FY2023, India’s technology industry revenue including hardware is estimated to cross $245 Bn (8.4% y-o-y growth), an addition of $19 Bn over last year. Exports, at $194 Bn, are expected to grow at 9.4% in reported currency terms, and 11.4% in constant currency terms. Domestic technology sector is expected to reach $51 Bn, growing at 4.9% y-o-y. In rupee terms, domestic tech revenues are expecting a 13% y-o-y growth on the back of continued investments by enterprise and the government.

The industry continues to be a net hirer, adding nearly 3 lakh employees, taking the total employee base to ~5.4 Mn (5.7% y-o-y growth), strengthening its position as the 'Digital Talent Nation' for the world.

Indian Construction Industry

[3]In Budget 2023-24, capital investment outlay for infrastructure is being increased by 33% to Rs.10 lakh crore (US$ 122 billion), which would be 3.3 per cent of GDP. As per the Union Budget 2023-24, a capital outlay of Rs. 2.40 lakh crore (US$ 29 billion) has been provided for the Railways, which is the highest ever outlay and about 9 times the outlay made in 2013-14.

[4]By 2040, real estate market will grow to Rs. 65,000 crores (US$ 9.30 billion) from Rs. 12,000 crores (US$ 1.72 billion) in 2019. Real estate sector in India is expected to reach US$ 1 trillion in market size by 2030, up from US$ 200 billion in 2021 and contribute 13% to the country’s GDP by 2025. Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

India’s real estate sector saw over 1,700 acres of land deals in top eight cities in the first nine months of FY22. Foreign investments in the commercial real estate sector were at US$ 10.3 billion from 2017-2021. As of February 2022, Developers expect demand for office spaces in SEZs to shoot up after the replacement of the existing SEZs act.

As per ICRA estimates, Indian firms are expected to raise >Rs. 3.5 trillion (US$ 48 billion) through infrastructure and real estate investment trusts in 2022, as compared with raised funds worth US$ 29 billion to date.

[5]The construction Industry in India is expected to reach $1.4 Tn 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 Mn.
- The construction industry market in India works across 250 sub-sectors with linkages across sectors.
- Residential- By 2030, more than 40% of the population is expected to live in urban India (33% today), creating a demand for 25 Mn additional mid-end and affordable units.
- Under NIP, India has an investment budget of $1.4 Tn on infrastructure - 24% on renewable energy, 18% on roads & highways, 17% on urban infrastructure, and 12% on railways.
- Schemes such as the revolutionary Smart City Mission (target 100 cities) are expected to improve quality of life through modernized/technology driven urban planning.

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[3] IBEF: Infrastructure Sector in India – Jul, 2023
[4] IBEF: Indian Real Estate Industry – May, 2023
[5] https://www.investindia.gov.in/sector/construction

- 54 global innovative construction technologies identified under a Technology Sub-Mission of PMAY-U to start a new era in Indian construction technology sector.
- Over 3,500 cities have certified as ODF+ and 1,191 cities as ODF++ under SBM-U.
- 35 Multimodal Logistics Parks (MMLPs) to be developed at a total capital cost of $ 6.1 Bn, will cater to 50% of the freight movement.

Union Budget 2023 Highlights:

- INR 10 Lakh Crore: 33% Increase in capital Investment Outlay
- The outlay for PM Awas Yojana is being enhanced by 66 % to over 79,000 cr
- Urban Infrastructure Development Fund: INR 10,000 Cr Outlay per year to create urban infrastructure in tier 2 & 3 cities

Growth Drivers:

- **Smart cities:** 100 smart cities currently. Mission to improve quality of life through modernized/technology driven urban planning
- **Industrial corridors:** Eleven industrial corridors planned
- **Data Centers:** Real estate demand is set to increase by 15-18 Mn sq. ft. by 2025 across major cities
- **Cold storage:** Expected to add an incremental of ~10 Mn Tonnes by 2023.
- **Growth in the logistics sector:** Demand for warehousing stock from 287 mn sq ft (2021) to 500 mn sq ft (2030) in the top 8 Tier – 1 cities, with significant Grade A stock

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[6]:

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.

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 Rs. 100 crores (approximately US$ 13 million) to each city on yearly basis. The total amount planned under this mission is Rs. 205,018 crores (approximately US$ 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 emphasized through Public Private Partnerships

[6]Make in India- Construction

Atal Mission for Rejuvenation and Urban Transformation (AMRUT)[7]:

The Union Budget 2021 allocated Rs. 13,750 crores (US$ 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 Rs. 77,640 crores of all the SAAPs, Rs. of Rs. 35,990 crores. So far, States/UTs have taken up 5,873 projects worth Rs. 82,222 crores, of which 4,676 projects worth Rs. 32,793 crores have been completed, and another 1,197 projects worth Rs. 49,430 crores have been grounded which are at various stages of implementation. Further, overall works worth around Rs. 66,313 crores have been physically completed and expenditure of Rs. 59,615 crores have been incurred.

Till date, 134 lakhs water tap connections and 102 lakh sewer connections have been provided through AMRUT & in convergence with other schemes against targeted 139 lakh water connections and 145 lakh sewer connections respectively.

Pradhan Mantri Awas Yojana (PMAY)[8]:

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. PMAY will have total investment outlay of Rs. 8.19 Lakh Cr. Against the plan size of Rs. 2.03 Lakh Cr. Central assistance of Rs. 1.48 Lakh cr. has been released. Against the plan 118.9 lakhs houses 76.02 lakh house completed.

RERA[9]:

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 May 1, 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 101,304 projects across the country have been registered under RERA

[7]https://pib.gov.in/PressReleasePage.aspx?PRID=1885837#:~:text=AMRUT%20Mission%20has%20been%20subsumed,till%2031st%20March%2C%202023
[8]PMAY site
[9]https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1910165

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) Digitization 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.

IT and Technology Industry

According to the Gartner Worldwide IT spending is projected to total $4.7 trillion in 2023, an increase of 4.3% from 2022, according to the latest forecast by Gartner, Inc. As CIOs continue to lose the competition for IT talent, they are shifting spending to technologies that enable automation and efficiency to drive growth at scale with fewer employees. The software segment will see double-digit growth in 2023 as organizations increase utilization and reallocate spending to core applications and platforms that support efficiency gains, such as enterprise resource planning (ERP) and customer relationship management (CRM) applications. Vendor price increases will also continue to bolster software spending through this year.

While the overall outlook for enterprise IT spending is positive, devices spending will decline 8.6% in 2023 due to the ongoing impact of inflation on consumer purchasing power.

Indian software product industry is expected to reach US$ 100 billion by 2025. Indian companies are focusing to invest internationally to expand global footprint and enhance their global delivery centers.

The data annotation market in India stood at US$ 250 million in FY20, of which the US market contributed 60% to the overall value. The market is expected to reach US$ 7 billion by 2030 due to accelerated domestic demand for AI.

The IT industry added 4.45 lakh new employees in FY22, bringing the total employment in the sector to 50 lakh 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 US$ 19.93 billion by 2025.

Global Digital Transformation Market:

In 2022, spending on digital transformation (DX) is projected to reach 1.8 trillion U.S. dollars. By 2026, global digital transformation spending is forecast to reach 3.4 trillion U.S. dollars. 66% of business globally plan to spend more on software in 2023 compared to last year[10].

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

[10] Statista.com

by 16% to 30%. Businesses will continue to use software to support remote work infrastructure for online meetings, collaboration and data privacy[11].

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 digitalization 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 optimization efforts will continue in 2022, organizations are now prioritizing 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.

> 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

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 optimization and automation of business processes and even helps to improve employee engagement and performance. India today is at the forefront of technology adoption and these trends will continue to shape the way business is conducted. The IoT market shows a drastic revenue growth projected to reach US$27.31 bn in 2023 from a focus on mainly technology adoption, the pandemic period witnessed IoT adoption to focused implementation across various sectors of business in conjunction with other technologies such as intelligent tracking systems in transportation, industrial wireless automation, public safety, personal health monitoring and health care, etc. India's digital economy is one of the largest and fastest-growing markets for digital consumers. Revenue is expected to show an annual growth rate (CAGR 2023-2028) of 17.05%, resulting in a market volume of US$60 Bn by 2028[12]

[11] Gartner Digital Market
[12] https://www.indiainfoline.com/company/ram-info-ltd-share-price/management-discussions/5225

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.[13]

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 organizations make more informed business decisions. n India is currently valued at $2 Billion and is expected to grow at a CAGR of 26 percent reaching approximately $16 Billion by 2025, making Indias share approximately 32 percent in the overall global market. India is currently among the top 10 countries in Big Data analytics market and already has around 600 data analytics firms with this number only expected to grow in future. This industry will prove disruptive and lead to a paradigm shift in future. India being amongst the top 5 social media and mobile consumers in the world, generation of vast amount of data is indispensable. In the light of approx. 2.9 zeta bytes of data generation by the year 2020, Big Data analytics would synthesize into a booming market providing abundant opportunities to firms and investors wanting to explore this space.[14]

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 $1.50 Tn by 2023, primarily driven by growing investment in transport, industrial, non-residential, and commercial infrastructure sectors in the emerging economies.[15]

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 US$294 billion in 2021 is expected to grow to US$447 billion up to 2026.[16]

> "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 $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.

13 Digital India-2022 Major Technology trends for Indian IT Industry
14 https://www.indiainfoline.com/company/ram-info-ltd-share-price/management-discussions/5225
15 Product Engineering services market worth $1.50 Tn by 2023
16 Digital media revenue worldwide from 2021 to 2026

III. OPPORTUNITIES AND THREATS

Our Business

In last 25+ years, the company is constantly improving, developing and innovating 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-
> - Civit PLATFORM
> - AutoDCR
> - PWIMS
> - OPTICON
> - BIMDCR
> - Rule Buddy

ESG Vision:

SEL combines its strong sense of purpose with digital Outcomes expertise and innovation to drive not only its own sustainability journey, but also that of its stakeholders. The company's environmental stewardship rests on four pillars: carbon footprint mitigation, water conservation and recycling, waste reduction and recycling, and preserving biodiversity. Climate action has been a key focus area of the company. Today, we incorporate environmental considerations into everything that we do, as we power the journey towards a sustainable world for all. We articulated our ESG Vision, stating our commitment to shape and share solutions that serve the development of businesses and communities. SEL provides a unique combination of services in the area of energy modeling, management and sustainability areas through its multiple product offerings. UN SDG Goals of SEL are as follows:

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 Organizations

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 organizations. 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 organizations.

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 optimizing 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 stake holders 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 unauthorized 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 analyze 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 analyze 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

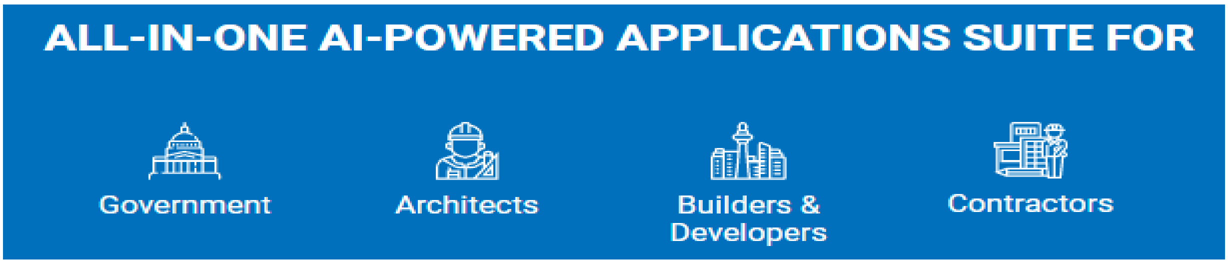
Technology expertise and strength

- **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.

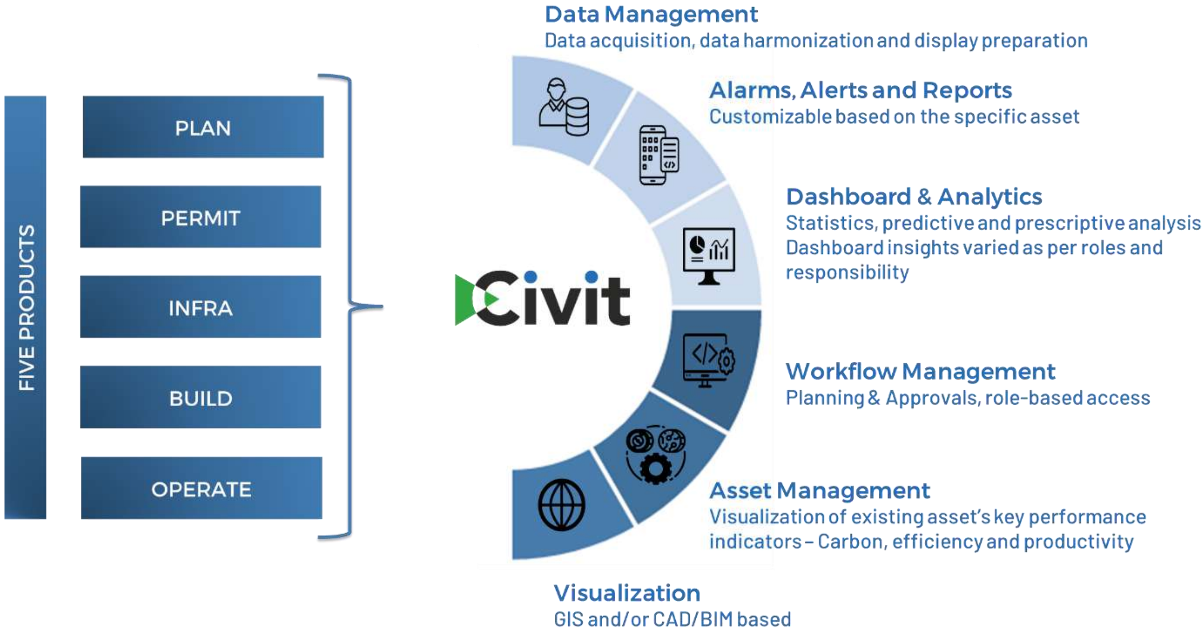
With above products, deep technical expertise, and the experience of over 25 years, we are empowering business transformations in AEC vertical. With deep industry/ domain knowledge, scalable products and robust frameworks, experienced management team, and technical expertise we have ensured a competitive advantage in this market segment.

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 stake holders and application products through a newly design platform named Civit.



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.



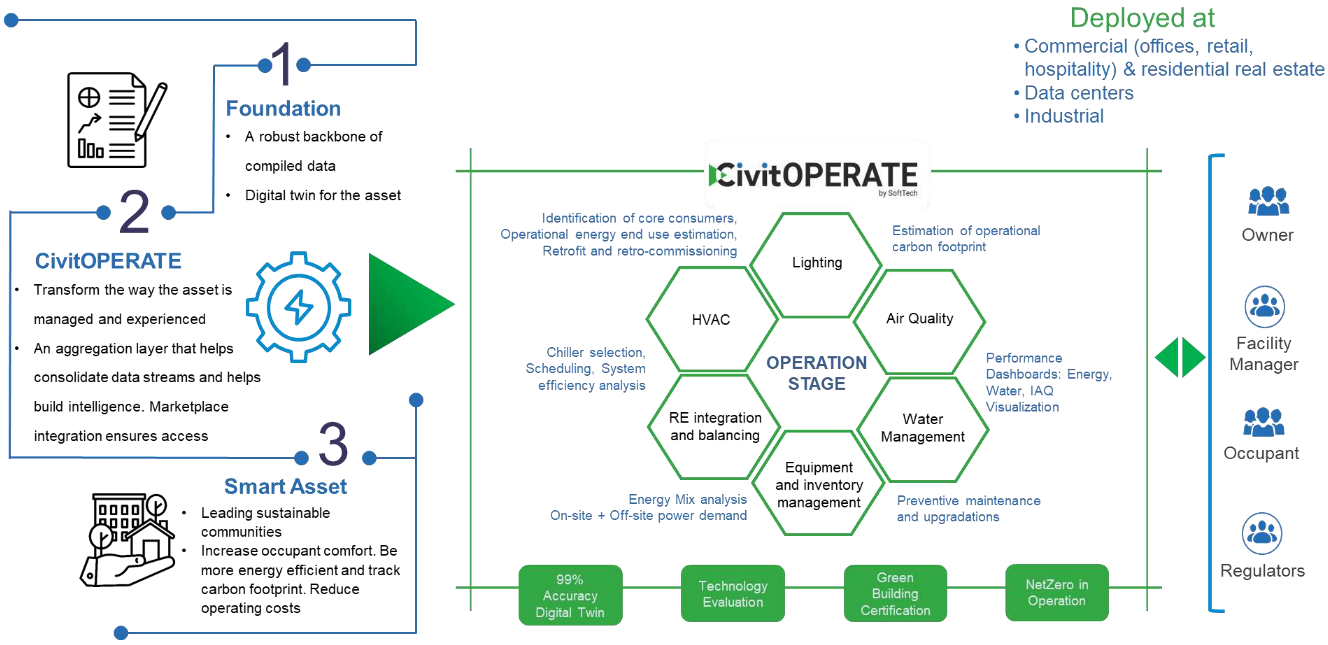
CivitPLAN is the first AI-powered pre-submission building plan validation tool designed for architects and consultants. The engine reads 2D drawings as well as BIM models and validates for compliance against building codes. Civit's Plan Comply engine automatically generates a detailed compliance report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

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.

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.

CivitOPERATE is the concept of a digital twin involves creating a real-time digital replica of a physical object, process, or system. In the context of construction, a digital twin encompasses a detailed virtual model of a building or infrastructure project, encompassing its design, construction, operation, and eventual decommissioning. With the global imperative to mitigate climate change and achieve net-zero emissions, the construction industry faces both challenges and opportunities. Integrating digital twin technology into the construction process can significantly contribute to these efforts by enabling better-informed decisions, more efficient resource utilization, and enhanced sustainability.



Digital Twin based Energy Modelling & Management

- Energy modeling for existing and proposed built environment including but not limited to commercial, residential, warehouses, data centers, etc.
- Develop digital twin based on BIM models, collect data, collate data, Interrogate & analyze data and visualize in terms of dashboards
- Combine big data with physics-based analysis and create a hybrid digital twin
- BIM modeling with Revit, Catia, and IESVE
- Solar studies to determine the feasibility of adoption of solar power in the project

Life Cycle Analysis

- Life cycle analysis and assessment, independent or rating system (GM 2021/LEED v4.1) related
- The analysis spans across product stage, use stage, and end-of-life stage

Net Zero Roadmap & Green Building Certification

- Plan, map the process, study the project and provide potential road mapping solutions to get to positive energy block
- Guide and consult on the process of obtaining global and local green building certifications including US Green Building Council, International Well Building Institute and BCA Green Mark

Microgrid Analysis

- Microgrid' is defined as a self-sufficient energy system that serves a discrete geographic footprint such as a college campus, hospital complex, business center or neighborhood.
- Conduct simulation and analysis of the power consumption, generation and storage for the micro-grid setup

Civit Positioning

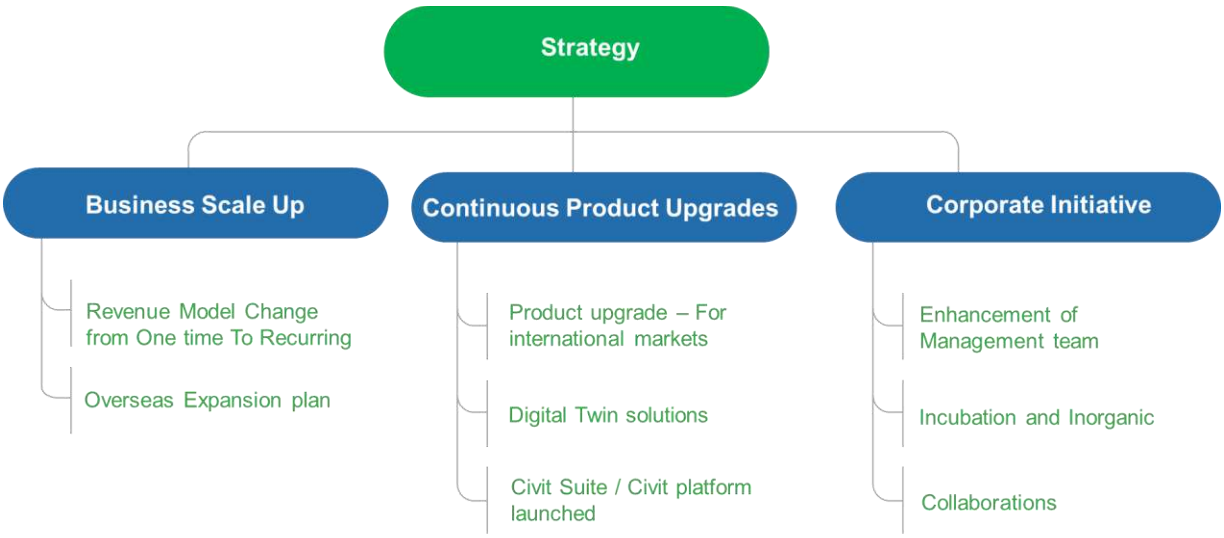
Civit ***platform as an offering***, emerging as a strong solution for corporate sustainability goals, with addition of Civit OPERATE

	Government	Public Sector Companies	Contractors	Infrastructure/Real Estate Companies	Architects/Consultants
CivitPERMIT	✓	✓	✓		
CivitPLAN	✓		✓	✓	✓
CivitBUILD			✓	✓	
CivitINFRA	✓	✓			✓
CivitOPERATE		✓	✓	✓	✓

Business Strategy

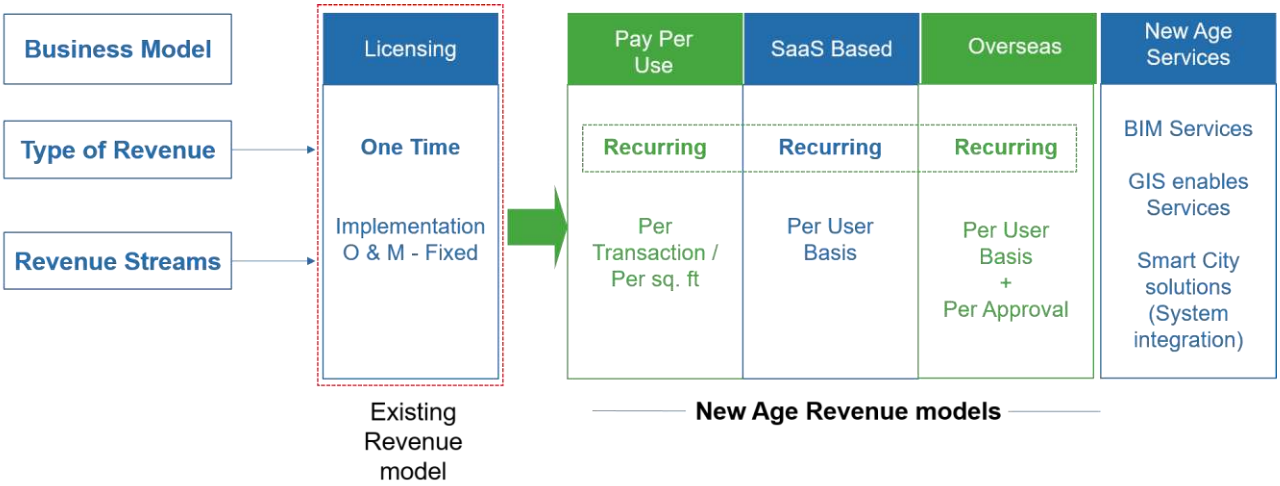
Company is continuously innovating new products to cater to industry in which it operates. It provides solutions to various government departments, local bodies, corporations etc. and other private enterprises to enable transformation. It is focused on continually offering innovative products in entire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

3 pronged strategy includes-
1. Business Scale Up
2. Continuous Product update
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.

❖ 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[17] 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

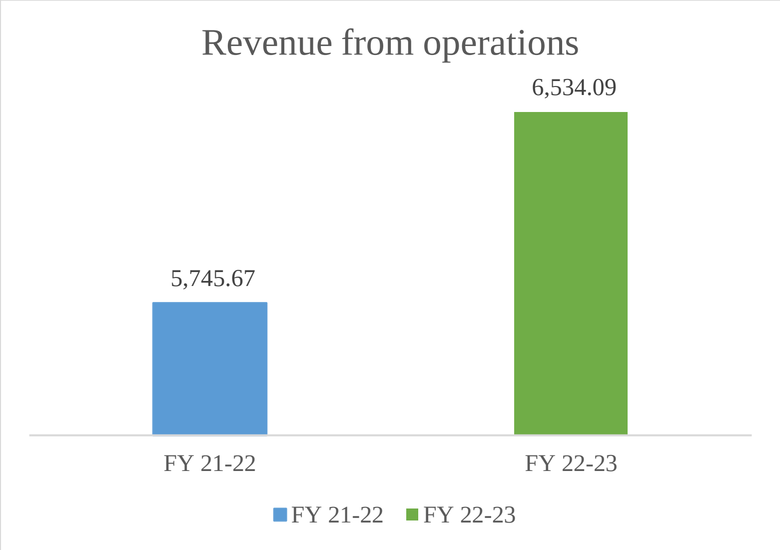
(iii) Continuous R&D to maintain technological edge

(iv) Building on earlier successes and brand

[17] Under research and design phase

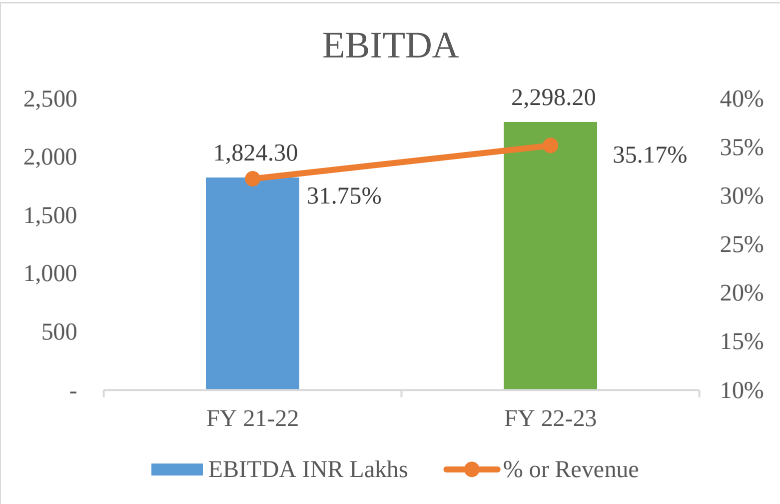
IV. COMPANY PERFORMANCE (Standalone)

- **Revenue from operations INR Lakhs**



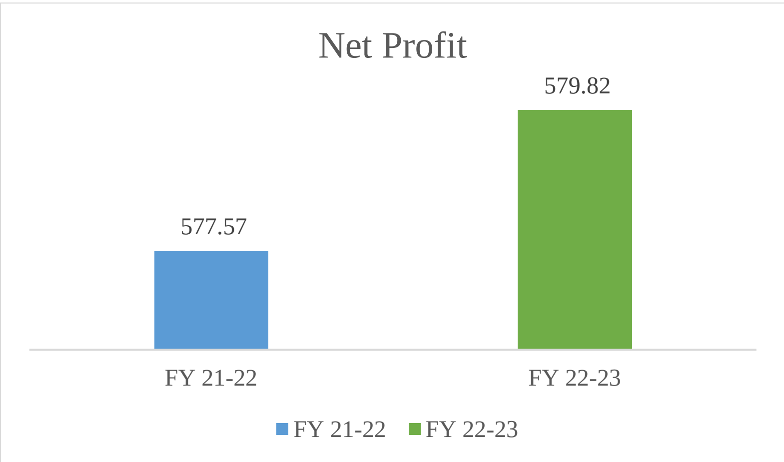
> Increase in the revenue is ~13% in FY 23 as compared to FY 22, largely due to the growth in the pay per use services which is around 29%

- **Earnings before interest, depreciation and amortization and tax (EBITDA INR Lakhs)**



> Company has achieved the same EBITDA margin of 35.17% for FY 23, resulting in EBITDA of Rs. 2,298.20 lakhs as compare to FY 22

- **Net profit INR lakhs**



> PAT margin has slightly decreased this year due to increase in Tax Expenses and Finance Cost, but the absolute profit has increased by ~21% in numbers.

- **Performance of the Company**

INR Lakhs

Particulars				**Year Ended March 31**
	2023	**%**	**2022**	**%**
Revenue from operations	**6,534.09**	**100%**	**5,745.67**	**100%**
Purchases of stock-in-trade	883.86	13.53%	617.32	10.74%
Employee benefits expense	1,619.39	24.78%	1,262.81	21.97%
Depreciation and amortization expense	1,045.58	16.00%	764.24	13.30%
Other expenses	1,903.32	29.13%	2,238.45	38.96%
Total expenses	**5,452.15**	**83.44%**	**4,882.82**	**84.98%**
Operating profit	**1,081.94**	**16.56%**	**862.85**	**15.02%**
Other income	170.68	2.61%	197.20	3.43%
Finance costs	391.77	6.00%	286.44	4.98%
Profit before tax	**860.85**	**13.17%**	**773.61**	**13.46%**
Net tax expenses	281.03	4.30%	196.04	3.41%
Net profit	**579.82**	**8.87%**	**577.57**	**10.05%**

Operations has increased from INR 5745.67 lakhs in FY22 to INR 6534.09 lakhs in FY23 an increase of 13.7%. Purchases of stock in trade has increased from INR 617.32 lakhs to INR 883.86 lakhs during the same period. Employee benefit expenses increased from INR 1262.81 lakhs to INR 1619.39 as compared to operating revenue it has increased from 21.98% in FY 22 to 24.78% in FY 23 respectively. Depreciation and amortization expenses have increased by 36.8% compared to last year. Other expenses have decreased from INR 2238.45 lakhs to INR 1903.32 lakhs largely due to decrease in professional fees and technical consultants' charges which has decreased by 49% from FY 22 to FY 23 i.e. from INR 1803.49 lakhs to INR 914.16 lakhs. Finance cost increased as % of operating revenue from 4.98% to 6.00% from FY 22 to FY 23 respectively. Profit before tax increased from INR 773.61 lakhs to INR 860.85 lakhs. Net tax expenses has increased from INR 196.04 lakhs to INR 281.03 lakhs. Net profit of the company has slightly increased from INR 577.57 lakhs in FY 22 to INR 579.82 lakhs in FY23, as compare to operating revenue it has decreased from 10.05% in FY 22 to 8.87% in FY 23 respectively.

Factors impacting Current Year's Financial Performance

- Company is continuously investing in the development of the products suitable for the overseas market like USA, APAC, etc. which has resulted into increase in intangible assets from Rs. 2,744.7 lakhs in FY 22 to Rs. 3,546.0 lakhs in FY 23
- As compared to FY 22 receivable has decreased from Rs. 2,907.8 lakhs to Rs. 2,608.5 lakhs in FY 23, which has improved the operating cash flow of the company.
- Pay per Use model, and RuleBuddy platform for architects have shown growth, in line with the changing revenue model plan of the company.
- Contracts assets has increased from Rs. 4,500.1 lakhs to Rs. 5,546.9 lakhs. Increase in contract assets has impacted the operating cash flow of the company. During the FY 23 company has generated Rs. 1,167 lakhs from operations compare to Rs. 1,587 in FY 22
- During the year company has raised equity of Rs. 1,454 lakhs through issue of CCD

- **Revenue Mix**

INR Lakhs

Revenue Mix	FY 22	FY 23
One Time License Model	1,394.87	2,186.57
Pay per Use/SAAS/ AMC	2,292.54	3,350.19
Others	2,058.26	997.32
Total	**5,745.67**	**6,534.08**

- **Nature of Revenue Mix**

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 FY 17 vis-a vis FY 23

INR Lakhs

Revenue Break-Up	FY 17	% of Revenue	FY 23	% of Revenue
One Time License Model	2929.55	63%	3,208.55	49%
Recurring Revenue	1742.27	37%	3,325.53	51%
Total Revenue	**4,671.82**	**100%**	**6,534.08**	**100%**

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.

- **Performance of the company**

INR Lakhs

Particulars	Year ended March 31	
	2023	**2022**
Net worth	10,917.47	8,833.20
Gross debt (Long term + short term debt + Unsecured Loan)	3,998.34	3,148.24
Gross debt/net worth	0.37	0.36
Total fixed assets (including intangibles under development)	3,947.88	3,219.70
Current ratio	2.22	2.80

Gross debt comprises of long term debt of INR 880.99 lakhs in FY 23 (FY 23 INR 1610.69 lakhs) and short term debt of INR 3117.35 lakhs (FY 22 INR 1537.55 lakhs). The decrease in the overall Long term borrowings is due to increase in current maturities of long term loans and Unsecured loan taken from Tata Capital Financial Service Limited. 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 (includes intangible under development) from INR 2744.72 lakhs in FY 22 to INR 3546.03 lakhs in FY 23. Gross debt to net worth has slightly reduced from 0.36 x to 0.37x. and Current ratio is 2.22 in FY 23 against the 2.80 in FY 22 respectively.

- **Key Financial Ratios**

INR Lakhs

Particulars	2022-23	2021-22
Operating Profit Margin %	16.56%	15.02%
Net Profit Margin %	8.65%	9.72%
Debtors Turnover ratio	2.37	1.84
Interest Coverage Ratio	3.20	3.70
Current Ratio	2.22	2.80
Return on Net Worth	5.87%	7.19%
Debt Equity Ratio	0.37	0.35

- As compared to FY 22 receivable has decreased from Rs. 2907.77 lakhs to Rs. 2608.49 lakhs in FY 23, which has improved the operating cash flow of the company. Contracts assets has increased from Rs. 4500.12 lakhs to Rs. 5546.90 lakhs. Even increase in contract assets company has positive operating cash flow.
- Operating Profit Margin: There is slight increase in operating profit margin from 15.02% in FY 22 to 16.56% in FY 23 but Net Profit Margin has decreased from 10.05% to 8.87% due to increase in Tax Expenses and 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 organizational 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 organizational 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 rationalize and streamline the work force is a continuous process. As on March 31, 2023, the Company has total head count of 468 manpower resources.

Department wise team members

Particulars	As on march 31, 2023	As on march 31, 2022
Management	15	11
Implementation	283	281
Development	97	79
QA	22	16
Sales	21	19
Finance and accounts	8	7
Purchase and administration	15	10

Human resource	7	7
Total	**468**	**430**

Male and female team members count

Particulars	Male	Female	Male : Female
March 31, 2023	**337**	**137**	2.41:1
March 31, 2022	305	125	2.44:1

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. • 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 realize 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 recognizes 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 Rs. 10 crs as growth capital.

Opportunities

- **Overseas Opportunities**

  International markets have shaped up well for the company during the year especially USA –
  - SoftTech has completed the localization of core products AutoDCR / BIMDCR, PWIMS & OPTICON as per USA building codes on CIVIT Platform
  - During the past 1-year company has developed Proof of Capability of CivitPLAN and CivitPERMIT Subscription to: MyGovWatch.com, COMMBUYS.com and Periscope S2G for solicitation leads
  - During the last 1-year company has responded to 6 out of 9 solicitations in North America for CivitPERMIT & CivitINFRA. Out of 6 responses submitted 2 are under evaluation stage amounting $ 10 MN.

    Finalised the team in US and Singapore, which includes 1 C level resource, 2 Senior International Sales resources and other support team, to convert the strong leads generated from India, and set up local organisations there.

- **BIM + IoT Based iBMS**

  The use of BIM technology in digital construction and smart city infrastructure management is going to bring immense potential for our products BIMDCR and OPTICON in digital construction permits and construction management leveraging BIM. SEL has collaborated with Mitsubishi Electric to offer intelligent Building Management System

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

  The pandemic has expedited the need for Digital transformation across all business. Such a massive shift of focus towards digitalization provides a significant opportunity to the company's product portfolio and the overall platform offering for AEC industry.

- **Product Development**

  During the year company has invested in the development of the products suitable for the overseas market like USA, APAC, etc. for on Cloud Migration– SaaS version of All Products Launching US and European versions of the product Marketing planned in US, Singapore and UK. Marketing activities to include digital marketing, PR activities and other thought leadership events. Partnership with Tech Mahindra under discussion for US.

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 2022-23 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 2022-23.

For and on behalf of the Board of Directors
SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA
CHAIRMAN & MANAGING DIRECTOR
DIN: 01653314
DATE: August 10, 2023
PLACE: PUNE

Annexure C

Disclosure with respect to Employee stock option scheme of the Company

The disclosures in compliance with clause 14 securities and exchange board of India (share based employee benefits and sweat equity) regulations, 2021

Sr. No.	Particulars		SoftTech ESOP 2017
1.	**Description of each Employee Stock Option Scheme (ESOS) that existed at any time during the year, including the general terms and conditions of each ESOS, including -**		
a.	Date of shareholders' approval		22.09.2017
b.	Total number of options approved under ESOS		1,40,000
c.	Vesting requirements		All the options shall vest in accordance with schedule set out in grant letter.
	Exercise price or pricing formula		The Board or Nomination and Remuneration committee decides Exercise price at the time of grant.
d.	Maximum term of options granted		5 years from the date of grant
e.	Source of shares (primary, secondary or combination)		Primary
f.	Variation in terms of options		NIL
2.	Method used to account for ESOS - Intrinsic or fair value		Intrinsic
3.	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.		Note no. 2 (xii) of notes to accounts
4.	**Option movement during the year (For each ESOP):**		
a.	Number of options outstanding at the beginning of the period		1,266
b.	Number of options granted during the year		NIL
c.	Number of options forfeited / lapsed during the year		NIL
d.	Number of options vested during the year		NIL
	Number of options exercised during the year		1,266
e.	Number of shares arising as a result of exercise of options		1,266
f.	Money realized by exercise of options (INR), if scheme is implemented directly by the company		6,330
g.	Loan repaid by the Trust during the year from exercise price received		Not Applicable
h.	Number of options outstanding at the end of the year		NIL
i.	Number of options exercisable at the end of the year		NIL
5.			
i.	Weighted average fair value of options granted during the year whose		
	A	Exercise price is equals to market price	NIL
	B	Exercise price is greater than market price	NIL
	C	Exercise price is lesser than market price	NIL
ii.	Weighted average exercise price of options granted during the year whose		
	A	Exercise price is equals to market price	NIL
	B	Exercise price is greater than market price	NIL
	C	Exercise price is lesser than market price	NIL

6.	**Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -**	NIL
a.	Senior Managerial Personnel	NIL
b.	any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	NIL
c.	identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	NIL
7.	**A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:**	
a.	the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model	Note no. 2 (xii) of notes to accounts
b.	the method used and the assumptions made to incorporate the effects of expected early exercise	Not applicable
c.	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Not applicable
d.	whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	Not applicable
8.	Disclosures in respect of grants made in three years prior to IPO under each ESOS Until all options granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options shall also be made	The Company has approved the 'SoftTech Employees Stock Option Plan 2017' in the Annual General Meeting held for the Financial Year ended 31st March, 2017, which was later ratified in the AGM dated 28th September, 2018 and 30th September, 2019. Current disclosure is with respect to SoftTech ESOP 2017 which was approved before IPO. No other scheme was in force in the Company prior to the Initial Public Offering of shares.

For and on behalf of the Board of Directors
SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA
CHAIRMAN & MANAGING DIRECTOR
DIN: 01653314
DATE: 10.08.2023
PLACE: PUNE

ANNEXURE D

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[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 Obligations 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 - 411045.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SoftTech Engineers Limited** 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 authorized 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 **March 31, 2023** 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 **March 31, 2023** according to the provisions of:

1. The Companies Act, 2013, as amended from time to time (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings wherever applicable;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

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

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

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

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021**;**
e. The Securities and Exchange Board of India (Issue and Listing of Non - Convertible Securities) Regulations, 2021 **(not applicable to the Company during the audit Period)**;
f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(not applicable to the Company during the audit Period)**;
g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(not applicable to the Company during the audit Period)**;
h. The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 **(not applicable to the Company during the audit Period);**
i. The Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 (Settlement Regulations) **(not applicable to the Company during the audit Period)** and
j. The Securities and Exchange Board of India (Debenture Trustees) Regulation, 1993 **(not applicable to the Company during the audit Period)**;

6. 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 pursuant to The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'SEBI LODR').

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

1. *There has been delay in submission of disclosure of Related Party Transactions under Regulation 23 (9) of LODR for the half year ended March 31, 2022. The Company has received notices from National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 8th July, 2022 and July 14, 2022 imposing a fine of INR. 64,900/- each (inclusive of GST) respectively and the Company has duly paid the fine imposed on July 22, 2022 and July 18, 2022 respectively.*

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. The Company has appointed Mr. Garth Brosnan, a representative of RIB ITWO Software Private Limited as Nominee Director with effect from December 26, 2022 and the approval of the said appointment is proposed to be considered in the forthcoming Annual General Meeting pursuant to SEBI circular No. SEBI/LAD-NRO/GN/2023/131 dated June 14, 2023.

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. The resolutions passed by way of circulation for Board and Committees are carried with requisite majority and recorded in the minutes of the meetings thereof.

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 the following:

1) The Company has passed the following resolutions in the Annual General Meeting held on September 22, 2022:

   a) Special Resolution for appointment of Dr. Rakesh Kumar Singh as Independent Director for a period of 5 (Five) years with effect from August 12, 2022.

   b) Special Resolutions for re-appointment of Mr. Rahul Gupta and Mr. Sridhar Pillalamarri as Independent Director for a period of 5 (Five) years with effect from 3rd March, 2023 respectively.

   c) Special Resolution for revision in remuneration of Mr. Vijay Gupta, Managing Director and Mrs. Priti Gupta, Whole time Director of the Company.

   d) Special Resolution to provide loan by way of book debt 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 under section 185 of the Companies Act, 2013, up to a sum not exceeding Rs.100.00 Crores at any point in time.

   e) Ordinary Resolution to increase the Authorised Share Capital of the Company from Rs. 11,00,00,000/- divided into 1,10,00,000 Equity Share Capital of Rs. 10/- each to Rs. 15,00,00,000/- divided into 1,50,00,000 Equity Share Capital of Rs. 10/- 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.

   f) Special Resolution to create, offer, issue and allot from time to time, in one or more tranches up to 20,00,000 Fully Convertible Warrants for cash, at Rs.125/- per warrant with a right to the warrant holders to apply for and be allotted 1 Equity Share of face value of Rs.10/- each of the Company at a premium of Rs. 115/- per share for each warrant within a period of 18 months from the date of allotment of the Warrants, aggregating to Rs. 25,00,00,000/- by way of preferential issue to Florintree Technologies LLP, Non-Promoter.

g) Special Resolution to create, offer, issue and allot, by way of preferential allotment on private placement basis, 6,63,120 Unsecured Compulsorily Convertible Debentures (“CCDs”), of the Company (“CCDs”) having a face value of Rs 125/- for an aggregate amount of consideration not exceeding Rs. 8,28,90,000 (“CCDs Amount”) being convertible into Equity Shares of the face value of Rs. 10/- each of the Company at a conversion price of Rs. 125/- per equity share (including a premium of Rs. 115/- per equity share to East India Udyog Limited, Non-Promoter.

2) The Company has acquired beneficial ownership of shares in SoftTech Care Foundation registered in the name of Mr. Vijay Gupta to make SoftTech Care Foundation, a wholly owned subsidiary on September 05, 2022.

3) The Company has incorporated a Wholly Owned Subsidiary Company named “SoftTech Digital Pte Ltd.” in Singapore on October 03, 2022 by subscribing to 10,000 shares of SGD 1.00 each.

4) In pursuant of Shareholder’s Resolution, the Board passed resolution on October 5, 2022 to allot 20,00,000 Fully Convertible Warrants (“Warrants/ Convertible Warrants”) at a Subscription Price of Rs. 31.25 per warrant (25% of the Issue Price), entitling the Warrant holder to exercise an option to subscribe to 20,00,000 Equity Shares of the Company having a face value of Rs. 10/- each at an exercise price of Rs. 93.75 (75% of Issue Price), Issue price being Rs. 125/- (face value Rs. 10/- and a premium of Rs. 115/-) per equity share on preferential basis to Florintree Technologies LLP, Non-Promoter.

5) In pursuant of Shareholder’s Resolution, the Board passed resolution on October 5, 2022 to allot 6,63,120 Unsecured Compulsorily Convertible Debentures (“CCDs”), of the Company (“CCDs”) issued at a Subscription Price of Rs. 125/- per Debenture, being convertible into 6,63,120 Equity Shares at a conversion price of Rs 125/- (face value Rs. 10/- and a premium of Rs. 115/-) per equity share on preferential basis to East India Udyog Limited, Non-Promoter.

6) The Company has allotted 1,266 equity shares of Rs. 10/- each under SoftTech Employees Stock Option Plan 2017 in the Board meeting held on November 10, 2022.

For **DTSM & Associates**
Company Secretaries

SRIDHAR MUDALIAR
PARTNER
FCS No: 6156
CP No: 2664
Peer Review No: P2021MH087800
UDIN: F006156E000768896
Place: Pune
Date: August 10, 2023

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 - 411045.

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 physically and through electronic mode.

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 **DTSM & Associates**
Company Secretaries

SRIDHAR MUDALIAR
PARTNER
FCS No: 6156
CP No: 2664
Peer Review No: P2021MH087800
UDIN: F006156E000768896
Place: Pune
Date: August 10, 2023

ANNEXURE E

CORPORATE GOVERNANCE REPORT

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 2022-23.

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 is listed on main board of NSE and BSE and 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, 2023, Board comprises 8 (Eight) Directors out of which 3 (Three) Directors are Executive, 4 (Four) Directors are Non-Executive Independent Directors and 1 (One) Director is Non-Executive Nominee Director. 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 2023, 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
7.		Dr. Rakesh Kumar Singh	Independent Director

8.	Nominee Non-Executive Director	Mr. Garth Brosnan	Nominee 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.

Board meetings are convened at appropriate intervals by giving notice and agenda papers to the Directors in advance. The time gap between two consecutive Board meetings does not exceed 120 days. The Company adheres to the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings (SS-1).

During the financial year 2022-23, 5 (Five) Board meetings were held. The dates on which the Board Meetings were held during the financial year 2022-23 are as follows: 27th May, 2022, 12th August, 2022, 12th October, 2022, 10th November, 2022 and 10th February, 2023, the details of attendance of Directors at the board Meetings and at the last Annual General Meeting are as under:

	Particulars of Attendance		
Name of Directors	**No of Meetings entitled to attend during the year**	**No of Meetings attended by Director**	**Last Year AGM attended (September 22, 2022)**
Mr. Vijay Gupta	5	5	Yes
Mrs. Priti Gupta	5	5	Yes
Mr. Pratik Patel	5	5	Yes
Mr. Rahul Gupta	5	4	No
Mr. Sridhar Pillalamarri	5	5	Yes
Mr. Sundararajan Srinivasan	5	5	Yes
Dr. Rakesh Kumar Singh#	3	3	Yes
Mr. Garth Brosnan *	1	0	NA

Notes:

 # Dr. Rakesh Kumar Singh was appointed as Independent Director w.e.f August 12, 2022

*** Mr. Garth Brosnan was appointed as a non-executive Nominee Director in the Board meeting November 10, 2022.**

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, 2023.

Name of Directors	Directorship in Indian Public Limited Companies (Including SoftTech)	Committee Positions (Including SoftTech)		Directorship held in other Listed Companies
		Member	Chairman	
Mr. Vijay Gupta	1	2	0	NA
Mrs. Priti Gupta	1	0	0	NA
Mr. Pratik Patel	1	0	0	NA
Mr. Rahul Gupta	1	2	2	NA
Mr. Sridhar Pillalamarri	1	2	0	NA
Mr. Sundararajan Srinivasan	1	1	0	NA
Dr. Rakesh Kumar Singh	1	0	0	NA
Mr. Garth Brosnan	1	0	0	NA

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.

Certificate from M/s DTSM & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the companies, by the Securities and Exchange Board of India (SEBI) / Ministry of Corporate Affairs (MCA) or any such Statutory Authority, is enclosed as **Annexure "A"**

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 March 31, 2023. 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 issued convertible instruments. As on 31st March, 2023 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 Familiarization 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	√	√	√	√	√	√	√
Dr. Rakesh Kumar Singh	√	√	√	√	√	√	√
Mr. Garth Brosnan	√	√	√	√	√	--	√

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. BOARD COMMITTEES

The Committees of the Board are guided by their respective charter/terms of reference, which outline their composition, scope, power, duties/functions and responsibilities. Basis the recommendations, suggestions and observations made by these Committees, the Board of Directors take an informed decision. The Chairperson of the respective Committees update the Board on the deliberations at the Committee meetings. As on March 31, 2023, there were four Board Committees, namely: (a) Audit Committee (b) Nomination and Remuneration Committee (c) Stakeholders' Relationship Committee (d) Corporate Social Responsibility Committee. The Company Secretary acts as the Secretary to the above mentioned Committees. Details of the terms of reference & composition of the Board Committees and the number of meetings held during FY 2022-23 & attendance therein, are provided below:

A) AUDIT COMMITTEE:

Composition, Meetings and Attendance of the Audit Committee:

During the financial year under review, the Audit Committee of the Company has duly met Four (4) times on 27th May, 2022, 12th August, 2022, 10th November, 2022 and 10th February, 2023.

The Annual General Meeting of the Company was held on September 22, 2022. Mr. Rahul Gupta, Independent Director and Chairman of the Audit Committee could not attend the meeting due to pre-occupation. Hence he authorized Mr. Vijay Gupta to attend the annual general meeting and answer queries from the shareholders.

The representatives of the Statutory Auditors, Internal Auditors, CFO and Company Secretary are permanent invitees to the Audit Committee Meetings.

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

Sr. No.	Name of the Director	Category	Position in the Committee	Number of meetings entitled to attend during the year	Number of meetings attended
1.	Mr. Rahul Gupta	Independent Director	Chairman	4	3
2.	Mr. Sridhar Pillalamarri	Independent Director	Member	4	4
3.	Mr. Sundararajan Srinivasan*	Independent Director	Member	3	3
4.	Mr. Vijay Gupta	Managing Director	Member	4	4

Note: *w.e.f. 27th May, 2022 Mr. Sundararajan Srinivasan was appointed as the member of the Audit Committee.

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, 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;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
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 utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization 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 utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore 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. Management letters / letters of internal control weaknesses issued by the statutory auditors;
c. Internal audit reports relating to internal control weaknesses; and
d. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
e. statement of deviations:
    i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    ii. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

B) NOMINATION AND REMUNERATION COMMITTEE:

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 (2) times on 12th August, 2022 and 10th November, 2022.

The details of the Nomination and Remuneration Committee meetings attended by its members during the financial year 2022-23 are as below:

Sr. No	Name of Directors	Category	Position in the Committee	Number of meetings entitled to attend during the year	Number of meetings attended
1	Mr. Sridhar Pillalamarri	Independent Director	Chairman	2	2
2	Mr. Rahul Gupta	Independent Director	Member	2	2
3	Mr. Sundararajan Srinivasan	Independent Director	Member	2	2

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.

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. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
   a. use the services of an external agencies, if required;
   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
   c. consider the time commitments of the candidates.
5. Devising a policy on diversity of Board of Directors;
6. 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;
7. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
8. Recommend to the board, all remuneration, in whatever form, payable to senior management.
9. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
10. 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.
11. Decide the amount of Commission payable to the Whole time Directors;
12. 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

13. To formulate and/or administer the Employee Stock Option Scheme;
14. Allotment of shares consequent to exercise of stock options.
15. 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.

The Company Secretary acts as a Secretary to the Committee.

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 FY 2022-23. 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.

Directors with materially pecuniary or business relationship with the Company:

There have been no materially relevant pecuniary transactions or relationship between the Company and its Non-Executive and / or Independent Directors during the Financial Year 2022-23.

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 Financial Year 2022-23 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	1.00	NIL
Mr. Sridhar Pillalamarri	Independent Director	1.25	NIL
Mr. Sundararajan Srinivasan	Independent Director	1.25	NIL
Dr. Rakesh Kumar Singh	Independent Director	0.75	NIL

Pursuant to limits approved by the Board, the independent Directors are paid INR 25,000 for attending each Board Meeting and Committee Meetings. 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	24.3	4.5	4.5
Perquisites, allowances and benefits	49.95	9.25	8.76
Bonus	6.74	1.25	1.20
Total	**80.99**	**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. The tenure of the office of the Managing Director and Whole-time Directors is for 5 (five) years. The Board has discretion to decide the notice period of the Managing Director and Whole-time Directors.

Remuneration to Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals. The Remuneration will be such, so as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

C) 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.

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 10th November, 2022.

The details of the Stakeholders' Relationship Committee meetings attended by its members during the financial year 2022-23 are given below:

Sr. No	Name of Directors	Category	Position in the Committee	Number of meetings entitled to attend during the year	Number of meetings attended
1	Mr. Rahul Gupta	Independent Director	Chairman	1	1
2	Mr. Sridhar Pillalamarri	Independent Director	Member	1	1
3	Mr. Vijay Gupta	Managing Director	Member	1	1

Role of the Stakeholders Relationship Committee:

- Resolving the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely

Name and designation of the compliance officer:

- Aishwarya Patwardhan, Company Secretary, resigned w.e.f 25th November, 2022.
- Akancha Bhadani, Compliance Officer w.e.f 25th November, 2022 till 25th May, 2023.
- Shalaka Khandelwal, Company Secretary & Compliance Officer w.e.f. 25th May, 2023.

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 financial year 2022-23:

Complaints received	Complaints disposed	Complaints Pending
Nil	Nil	Nil

D) 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 12th August, 2022.

Sr. No	Name of Directors	Category	Position in the Committee	Number of meetings entitled to attend during the year	Number of meetings attended
1.	Mr. Vijay Gupta	Managing Director	Member	1	1
2.	Mrs. Priti Gupta	Whole-time Director	Member	1	1
3.	Mr. Rahul Gupta	Independent Director	Member	1	1

Terms of Reference:

- ✓ Formulation and recommendation to the Board, CSR Policy, which shall indicate the activities to be undertaken by the Company, in the areas or subject, as specified in Schedule VII of the Companies Act, 2013.
- ✓ Recommend the amount of expenditure to be incurred on the CSR activities.
- ✓ Formulate and recommend to the Board, an Annual Action Plan in pursuance of CSR Policy, which shall include:
  - ➢ List of CSR Projects / programmes to be undertaken in the areas or subject as specified in Schedule VII of the Companies Act, 2013.
  - ➢ Manner of execution of such Projects / programmes. Modalities of utilization of funds and implementation schedules of such Projects / programmes.
  - ➢ Monitoring and reporting mechanism for such Projects / programmes.
  - ➢ Details of need and impact assessment, if any, for the projects undertaken by the Company. Monitor CSR Policy of the Company from time to time

The Committee's core responsibility is to assist the Board in discharging its social responsibility by formulating and monitoring implementation of the framework of the CSR Policy along with an Annual Action Plan. The CSR Policy of the Company is available on the Company's website. (https://softtech-engr.com/investor-relations-in-softtech-engineers/)

INDEPENDENT DIRECTORS' MEETING:

During the year under review, the Independent Directors met on 12th August, 2022, inter alia to discuss:

- ➢ Evaluation of the performance of Non-Independent Directors and Board of Directors, as a whole.
- ➢ Evaluation of the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- ➢ Evaluation of the quality, quantity and timeliness of flow of information between the Company Management and the Board of Directors, that is necessary for the Board of Directors to effectively and reasonably perform their duties.

The Directors expressed their satisfaction with the evaluation process.

4. 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
2022-23	22/09/2022	3.30 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
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

ii. Special Resolutions passed in last 3 AGMs:

1.	22/09/2022	1. To appoint Dr. Rakesh Kumar Singh (DIN: 02294988) as an Independent Director of the Company. 2. To re-appoint Mr. Rahul Gupta (DIN: 00024732) as an Independent Director of the Company. 3. To re-appoint Mr. Sridhar Pillalamarri (DIN: 00026018) as an Independent Director of the Company. 4. To consider and approve payment and revision in remuneration to Mr. Vijay Gupta (DIN: 01653314), Managing Director of the Company. 5. For considering payment of remuneration to Mrs. Priti Gupta (DIN: 01735673), Whole time Director according to Regulation 17(e)(ii) of SEBI LODR Regulation. 6. To provide loan to subsidiary(ies) or person(s) in which Director is interested under section 185 of the Companies Act, 2013. 7. To consider increase in Authorised Share Capital by alteration of Memorandum of Association of the Company. 8. To consider issue of Convertible Warrants by the Company. 9. To consider issue of Unsecured Compulsorily Convertible Debentures by the Company.
2.	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
3.	28/09/2020	-

iii. **Any Special Resolution passed last year through postal ballot – details of voting pattern:** No special resolution was passed during the year under review through postal ballot.

iv. **Person who conducted the postal ballot exercise and details of voting pattern:** No postal ballot conducted during the year under review.

v. **Whether any Special Resolution is proposed to be conducted through postal ballot**: No special resolution is proposed to be conducted through postal ballot.

vi. **Procedure for postal ballot No Special Resolution is proposed through postal ballot**: No Special Resolution is proposed through postal ballot.

5. 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.

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.

During the year, the quarterly, half-yearly and annual results of the Company's performance have been published in leading newspapers, such as Financial Express – English (all editions) and Loksatta – Marathi (Pune).

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, presentations made to institutional investors or to the analysts 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

6. GENERAL SHAREHOLDER INFORMATION:

(a) Annual General Meeting:
1. Date: Thursday, 28th September, 2023
2. Time: 4:00 P.M.
3. Mode of Meeting: Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")

(b) Financial year: 1st April, 2022 to 31st March, 2023

(c) Dividend payment date: NA

(d) Book closure period: NA

(e) 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.

(f) Stock Code:
NSE code: SOFTTECH
BSE Code: 543470

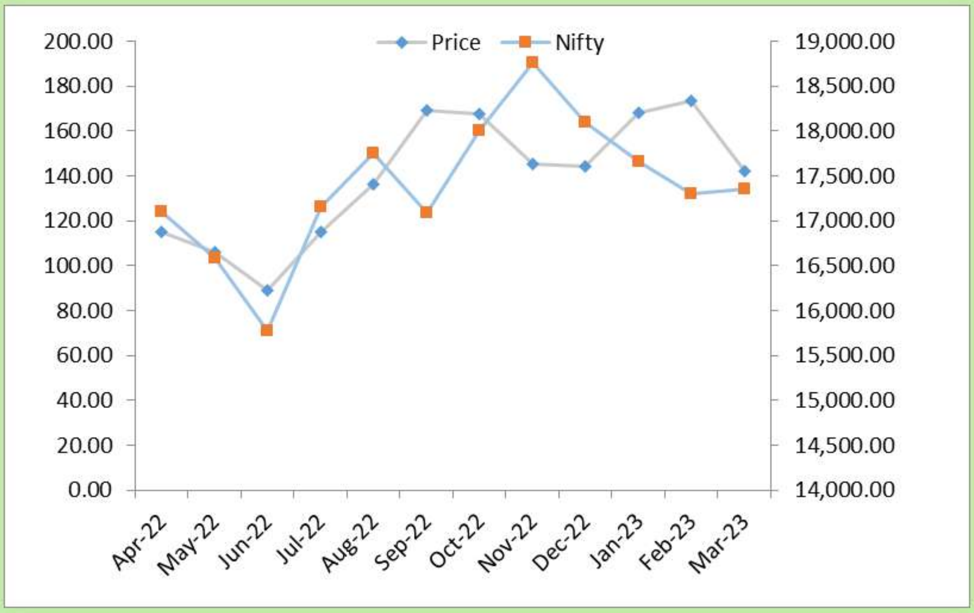
ISIN: INE728Z01015

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

	NSE			BSE		
Month	**High Price**	**Low Price**	**Volume (No. of Shares Traded)**	**High Price**	**Low Price**	**Volume (No. of Shares Traded)**
April, 2022	144.80	97.50	1,84,000	144.70	99.95	17,139
May, 2022	124	102.70	18,000	125.90	117.80	122
June, 2022	108.65	86.00	23,000	111.95	88.35	733
July, 2022	118.00	84.65	20,000	103.45	89.25	5016
August, 2022	136.50	109.20	68,000	138.40	108.30	5,457
September, 2022	203.35	129.70	91,000	181.90	131.20	12,265
October, 2022	181.00	152.85	44,000	178.30	154.85	7,254
November, 2022	171.55	144.00	47,000	166.00	144.90	2,406
December, 2022	159.75	130.95	25,000	156.95	131.45	1,407
January, 2023	189.00	142.80	99,000	189.60	144.75	31,327
February, 2023	193.65	162.00	52,000	189.00	153.25	5,049
March, 2023	179.70	140.85	42,000	182.95	143.05	5,337

(h) Performance in comparison to broad-based BSE SENSEX

Performance in comparison to broad based indices NSE Nifty



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

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

Link Intime India Pvt. Ltd.
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

(k) Share transfer system:

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

(l) Distribution of shareholding:

PATTERN OF SHAREHOLDING BY OWNERSHIP AS ON MARCH 31, 2023

Category of the Shareholder	No of Equity Shares held	Shareholding %
Promoters	**41,07,872**	**40.45**
Foreign Portfolio	**9,600**	**0.09**
Resident Individuals holding nominal share capital up to Rs. 2 lakhs	**6,84,134**	**6.74**
Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	**21,92,171**	**21.58**

Non Resident Indians (NRIs)	**3,86,168**	**3.80**
Bodies Corporate	**7,59,736**	**7.48**
Any Other (specify)	**20,16,339**	**19.85**
Total	**1,01,56,020**	**100.00**

PATTERN OF SHAREHOLDING BY SHARE CLASS AS ON MARCH 31, 2023

No. of shares	Shareholders		Equity shares held	
	No. of shareholders	% of total	No. of shares	% of total
Upto 5,000	574	69.1566	24158	0.2379
5,001-10,000	22	2.6506	17480	0.1721
10,001-20,000	105	12.6506	162874	1.6037
20,001-30,000	4	0.4819	10850	0.1068
30,001-40,000	22	2.6506	74239	0.7310
40,001-50,000	14	1.6867	64063	0.6308
50,001-1,00,000	46	5.5422	310009	3.0525
1,00,001 and above	43	5.1807	9492347	93.4652
Total	830	100.0000	10156020	100.0000

(m) Dematerialization of shares and liquidity: As on 31st March, 2023, the Company has entire 100% of its share capital in dematerialized form.

(n) 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.

During the financial year under review, the Company has made allotment of 20,00,000 (Twenty Lakhs) fully convertible Warrants of the Company issue at a Subscription Price of Rs. 31.25/- per warrant (25% of the Issue Price), entitling the warrant holder to exercise an option to subscribe to 20,00,000 (Twenty Lakhs) Equity Shares of the Company having a face value of Rs. 10/- each at an exercise price of Rs. 93.75/- (75% of Issue Price), Issue Price being Rs. 125/- per equity share including premium of Rs. 115/- per equity share, on Preferential allotment / Private Placement basis on 5th October, 2022.

Further, the Company has made allotment of 6,63,120 (Six Lakhs Sixty-Three Thousand One Hundred and Twenty) Unsecured Compulsorily Convertible Debentures ("CCDs'), of the Company ("CCDs") issued at a Subscription Price of Rs 125/- per Debenture, being convertible into 6,63,120 Equity Shares at a conversion price of Rs 125/- (face value Rs. 10/- and a premium of Rs. 115/-) per equity share on preferential basis / Private Placement basis on 5th October, 2022.

However, the details of options granted and vested to the employees of the Company and exercise thereof are provided in Directors' Report.

(o) Foreign exchange risk and hedging activities:
Details of foreign exchange risk and hedging activities are provided in notes forming part of the financial statement.

(p) 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.

(q) 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

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

Facilities	Amount (In crore)	Rating	Rating action
Long Term Bank Facilities	Long Term Bank Facilities	Long Term Bank Facilities	Long Term Bank Facilities
3.71	3.71	3.71	3.71
Short Term Bank Facilities 11.68	Short Term Bank Facilities 11.68	Short Term Bank Facilities 11.68	Short Term Bank Facilities 11.68
Total Facilities	27.39 (Rs. Twenty-Seven Crore and Thirty-Nine Lakhs Only)		

7. 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 Rs. 59,000 (including GST) was levied by National Stock Exchange and regulation 23(9) of SEBI LODR regulations for the half year ended 31st March, 2023 for which Fine of Rs. *64,900/-* (including GST) was levied by National Stock Exchange of India Limited and Rs. *64,900/-* (including GST) was levied by BSE Limited. 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 victimization 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

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g. Disclosure of commodity price risks and commodity hedging activities: NA

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

1) Amount of Rs. 99,99,99,00/- by allotment of Equity Shares on a Preferential Issue/Private Placement Basis, raised on 08th October, 2021, following are the objects for which funds have been raised:

Objects of Preferential issue	Funds Utilized (INR in Lakh)
To meet cost required for building marketing team for product penetration in US market	58.11
For development of Civit suite on SaaS platform	590.06
Investment into start-ups directly or through subsidiary	20.90
General corporate purposes	205.92
Total	**875.0**

2) Amount of Rs. 14,53,90,000/- raised on 5th October, 2022, following are the objects for which funds have been raised:

Objects of Preferential issue	Funds Utilized (INR in Lakh)
To support the expansion of business in Indian and Overseas Market	715.10
General corporate purposes	348.79
Total	**1063.89**

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 FY 2022-23.

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	4.00
3.	Certification fees	0.28
4.	Reimbursement of expenses	0.53
	Total	**12.81**

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.

8. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed: NA

9. 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.

10. 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.

11. Website

The Company's website contains a separate dedicated section titled **"Investors".** The basic information about the Company, as called for in terms of Regulation 46 of SEBI Listing Regulations, is provided on the Company's website and the same is updated from time-to-time.

12. 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 2023 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: August 10, 2023
PLACE: PUNE

ANNEXURE A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10) (i) of the SEBI (Listing Obligations 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 – 411045

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SoftTech Engineers Limited (hereinafter referred to as 'the Company'), having CIN–L30107PN1996PLC016718 and having registered office at SoftTech Towers, S NO 1/1A/7 8 15 16 17 Plot No. BCD 1-Baner, Opp. Royal Enfield Showroom, Baner Road, Pune - 411045, produced before us by the Company on email for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Original Date of appointment
1	Vijay Shantiswarup Gupta	01653314	21/06/1996
2	Priti Vijay Gupta	01735673	04/03/2008
3	#Rahul Gupta	00024732	04/06/2010
4	#Sridhar Pillalamarri	00026018	03/03/2018
5	Sundararajan Srinivasan	07936396	27/08/2019
6	Pratik Sunilbhai Patel	08798734	18/07/2020
7	*Rakesh Kumar Singh	02294988	12/08/2022
8	**Garth Brosnan	09836995	26/12/2022

Rahul Gupta and Sridhar Pillalamarri were re-appointed as Independent Directors w.e.f March 03, 2023
* Mr. Rakesh Kumar Singh was appointed as Independent Director of the Company w.e.f. August 12, 2022.
**Garth Brosnan, representative of RIB ITWO Software Private Limited was appointed as Nominee Director w.e.f December 26, 2022.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For DTSM & Associates
Company Secretaries

SRIDHAR MUDALIAR
PARTNER
FCS No: 6156
CP No: 2664
Peer Review No: P2021MH087800
UDIN: F006156E000769041
Place: Pune
Date: August 10, 2023

Note:
We have relied on the documents and evidences provided by electronic mode, for the purpose of issuing this certificate.

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 March 31, 2023 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 **DTSM & Associates**
Company Secretaries

SRIDHAR MUDALIAR
PARTNER
F.C.S.: 6156
C.P. No.: 2664

Place: Pune
Date: **August 10, 2023**

Peer Review No: P2021MH087800
UDIN: F006156E000769127

Note:
We have relied on the documents and evidences provided by electronic mode, for the purpose of issuing this certificate.

ANNEXURE F

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 31.03.2023-89.2756	Reporting Currency-USD Exchange rate as on 31.03.2023-82.1128
6.	Share capital	2.03	6.60
7.	Reserves & surplus	(55.15)	(6.27)
8.	Total assets	3.78	418.42
9.	Total Liabilities	56.90	424.52
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
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	51.00
7.	Reserves & surplus	5.74	(42.12)
8.	Total assets	7.09	13.13
9.	Total Liabilities	0.35	4.25
10.	Investments	Nil	Nil
11.	Turnover	14.68	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%

Sr. No.	Particulars	SoftTech Digital Pte. Ltd.
1.	Sl. No.	5
2.	Name of the subsidiary	SoftTech Digital Pte. Ltd.
3.	The date since when subsidiary was acquired	3rd October, 2022
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency-SGD Exchange rate as on 31.03.2023-61.7561
5.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable
6.	Share capital	6.30
7.	Reserves & surplus	(4.21)
8.	Total assets	12.91
9.	Total Liabilities	10.82
10.	Investments	Nil
11.	Turnover	6.40
12.	Profit before taxation	Nil
13.	Provision for taxation	Nil
14.	Profit after taxation	Nil
15.	Proposed Dividend	Nil
16.	% of shareholding	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: August 10, 2023
PLACE: PUNE

ANNEXURE G

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 2023. 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 2023, 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	1

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. -** 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 ₹

	Amount in Rs.		
Particulars	**FY 2019-20 (April-March)**	**FY 2020-21 (April-March)**	**FY 2021-22 (April-March)**
Total Revenue	589,012,984	425,970,545	594,286,965
Total Expenditure	480,464,185	372,917,128	516,926,719
Extra-ordinary Items	-	-	-
Net Profit before Tax	10,85,48,799	5,30,53,417	7,73,60,246
Net Profit before Tax as per section 198	105,261,235	49,614,013	70,297,746
Total			225,172,994
Average 3 years profit			75,057,665
CSR Activity Gross Amount @ 2%			1,501,153

7. (a) Two percent of average net profit of the company as per section 135(5) - ₹ 1,501,153/-

(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): ₹ 1,501,153/-

8. **a. CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year.	**Amount Unspent (in Rs.)**				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		**Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).**		
	Amount in ₹	**Date of transfer.**	**Name of the Fund**	**Amount ₹**	**Date of transfer**
₹ 1,524,200/-	-	-	-		

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 Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for thr project as per Section 135(6) (in Rs.)	Mode of Implementation – Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
			State	District							Name	CSR Registration 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. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Amount spent for the project (in ₹).**	**Mode of implementation Direct (Yes/No).**	**Mode of implementation – Through implementing agency.**	
				State.	**District.**			**Name.**	**CSR registration number.**
	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects, Promoting health care including preventive health care	(ii)	Local area	Maharashtra	Pune, Pawai	8,95,000/-	No	SoftTech Care Foundation	CSR00014115
	TOTAL					**8,95,000/-**			

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): ₹ 1,524,200/-

g. Excess amount for set off, if any- 23,047

Sl. No.	**Particular**	**Amount (in Rs.)**
(i)	Two percent of average net profit of the company as per section 135(5)	1,501,153
(ii)	Total amount spent for the Financial Year	1,524,200
(iii)	Excess amount spent for the financial year [(ii)-(i)]	*23,047
(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)]	*23,047

*Note: the excess amount spent for the financial year will be available for set off in succeeding financial years 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 Rs.)	Amount spent in the reporting Financial Year(in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining tobe spent in succeeding financial years. (in Rs.)
				Nameof the Fund	Amount (in Rs).	Date of transfer.	
1.	2020-21	-	-	PM CARES Fund	981,216	28-09-2021	NIL
2	2021-22	-	-	Swachh Bharat	150,011.8	23-09-2022	NIL
		-	-	PM CARES Fund	250,000	28-09-2022	
		-	-	Prime Minister's National Relief Fund	132,471	28-09-2022	
	TOTAL				1,513,698.8		

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NOT APPLICABLE

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	**Project ID.**	**Name of the Project.**	**Financial Year in which the project was commenced.**	**Project duration.**	**Total amount allocated for the project (in Rs.).**	**Amount spent on theproject inthe reporting Financial Year (in Rs).**	**Cumulative amount spent at the end of reporting Financial Year. (in Rs.)**	**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).: NA

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	**PRITI GUPTA**
CHAIRMAN & MANAGING DIRECTOR	**DIRECTOR**
DIN: 01653314	**DIN: 01735673**
DATE: August 10, 2023	**DATE: August 10, 2023**
PLACE: PUNE	**PLACE: PUNE**

ANNEXURE H

PARTICULARS OF EMPLOYEE REMUNERATION

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.	(6.54%)
4	The number of permanent employees on the rolls of Company.	333 as on 31 March, 2023
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	Increase in salaries of managerial personnel were in line with the company policy and market trend. Median Percentage increase in salaries of employee other than managerial personnel was negative at 6.54%, mainly because there has been substantial increase in no. of new employees at entry level resulting in lower median number as compared to last year. All our old employees were given due increments in line with the company policy and industry standards.
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, Yogesh Rajput, Kashyap Chaturvedula, 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	18.91 times of median
2.	Mrs. Priti Gupta	3.50 times of median
3.	Mr. Pratik Patel	3.38 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
7.	Dr. Rakesh Kumar Singh	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	35%
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	Dr. Rakesh Kumar Singh	Independent Director	No change
8	Mr. Kamal Agrawal	Chief Financial Officer	25%
9	Ms. Shalaka Khandelwal	Company Secretary	NA

Details as per section 197(14):

Any director who receives any commission from the company and who is Managing Director or Whole Time Director of the company, shall not be disqualified from receiving any remuneration or commission from any holding company or subsidiary company of such company, subject to its disclosure by the company in the Board's report

For and on behalf of the Board of Directors
SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA
CHAIRMAN & MANAGING DIRECTOR
DIN: 01653314
DATE: August 10, 2023
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, 2023, 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, 2023, 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(ix) to the accompanying Standalone Financial Statements for accounting policy and Note 22 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

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.	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 Standalone Financial Statements with respect to fixed price contract revenue in accordance with the requirements of applicable accounting standards.
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.	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.

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.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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, except as disclosed in Note 5 (a), 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.

(vi) The requirement to use accounting software that includes an audit trail (edit log) feature for maintaining a Company's books of account, as mandated by rule 3(1) of the Companies (Accounts) Rules, 2014, has been postponed until the financial years beginning on or after April 1, 2023. As a result, we are not able to report under Rule 11(g) of the Companies (Audit & Auditors) Rules, 2014 for the financial year that ended on March 31, 2023.

For **P G BHAGWAT LLP**
Chartered Accountants
Firm Registration Number: 101118W/W100682

ABHIJEET BHAGWAT
PARTNER
Membership Number: 136835
UDIN: 23136835BGXPOM5630

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) The Company has chosen cost model for its property, plant and equipment (including Right to Use Assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of property, plant and equipment (including Right to Use Assets) or intangible assets does not arise.

(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)

(a) 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. 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 unaudited 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 and there are no opening balances. 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 and other entity 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 investments made. The Company has not granted any loans, provided any guarantees, and securities.

(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. Accordingly, reporting on clause 3 (vi) of the Order 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, 2023, for a period of more than six months from the date they became payable.

(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.

(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 compulsorily convertible debentures and share warrants of Rs. 828.90 Lakhs and Rs. 625 Lakhs during the year respectively. 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 36 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, 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 Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting on clause 3 (xii) (a), (b) & (c) of the Order is not applicable.

(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.

For **P G BHAGWAT LLP**
Chartered Accountants
Firm Registration Number: 101118W/W100682

ABHIJEET BHAGWAT
PARTNER
Membership Number: 136835
UDIN: 23136835BGXPOM5630

May 25, 2023

(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 explanations given to us, there is no amount remaining unspent towards Corporate Social Responsibility (CSR) in respect of other than ongoing projects. Accordingly, reporting on clause 3 (xx) (a) is not applicable.

(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.

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, 2023 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 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, 2023, 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: 23136835BGXPOM5630
Pune
May 25, 2023

SofTech
Empowering Transformation

STANDALONE BALANCE SHEET

As at 31 March 2023

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	As at March 31 2023	As at March 31 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	401.86	474.98
Right-of-use assets	4	823.17	356.82
Other intangible assets	3 (a)	3,040.99	2,367.01
Intangible assets under development	3 (b)	505.04	377.70
Financial assets			
Investments	5	846.67	342.85
Other financial assets	6	1,401.69	1,011.17
Income tax assets (net)	7	292.35	275.22
Deferred tax assets (net)	21 (b)	95.29	97.73
Other non-current assets	8	36.14	234.81
Total non-current assets		**7,443.19**	5,538.29
Current assets			
Financial assets			
Investments	9	869.00	556.91
Trade receivables	10	2,608.49	2,907.77
Cash and cash equivalents	11	62.06	63.08
Contract assets	12	5,546.90	4,500.12
Other financial assets	13	193.80	45.06
Other current assets	14	169.57	85.63
Total current assets		**9,449.83**	8,158.57
Total assets		**16,893.01**	13,696.86
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15 (A)	1,015.60	1,015.48
Instruments entirely equity in nature	15 (B)	828.90	-
Other equity	15 (C)	9,072.97	7,817.72
Total Equity		**10,917.47**	8,833.20
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings	16 (a)	880.99	1,610.69
Lease liabilities	4	722.62	239.98
Provisions	18	117.03	95.44
Total non-current liabilities		**1,720.65**	1,946.11
Current Liabilities			
Financial Liabilities			
Borrowings	16 (b)	3,117.35	1,537.55

Particulars	Notes	As at March 31 2023	As at March 31 2022
Lease liabilities	4	82.31	114.82
Trade payables	17		
Total outstanding dues of micro and small enterprises		76.63	25.12
Total outstanding dues of creditors other than micro and small enterprises		500.71	885.90
Other financial liabilities	19	233.67	196.34
Other current liabilities	20	113.94	93.37
Provisions	18	71.95	64.45
Current tax liabilities (net)		58.33	-
Total current liabilities		**4,254.89**	2,917.55
Total liabilities		**5,975.54**	4,863.66
Total equity and liabilities		**16,893.01**	13,696.86

Summary of significant accounting policies.	1 - 2
The accompanying notes form an integral part of the Financial Statements.	3 - 42

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: May 25, 2023

For and on behalf of the Board of Directors

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place: Pune
Date: May 25, 2023

Kamal Agrawal
Chief Financial Officer

STANDALONE STATEMENT OF PROFIT AND LOSS

For the year ended 31 March 2023

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	Year Ended March 31 2023	Year Ended March 31 2022
Income			
Revenue from operations	22	6,534.09	5,745.67
Other income	23	170.68	197.20
Total Income		**6,704.77**	5,942.87
Expenses			
Purchase of stock-in-trade	24	883.86	617.32
Employee benefit expenses	25	1,619.39	1,262.81
Finance cost	26	391.77	286.44
Depreciation and amortization expenses	27	1,045.58	764.24
Other expenses	28	1,903.32	2,238.45
Total Expenses		**5,843.92**	5,169.26
Profit before tax		**860.85**	773.61
Tax expense			
Current Tax	21 (a)	269.72	193.77
Deferred Tax	21 (b)	(11.80)	2.27
Short/(Excess) provision for previous years		23.11	-
Total tax expense		**281.03**	196.04
Profit after tax [A]		**579.82**	577.57
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post employment benefit obligations		(22.12)	22.90
Remeasurements of investment classified as FVTOCI		86.86	-
Income tax relating to these items	21 (b)	(14.24)	(5.76)
Other comprehensive income for the year, net of tax [B]		**50.50**	17.14
Total comprehensive income for the year [A+B]		**630.32**	594.71
Earnings per share of face value Rs. 10/- per share	29		
Basic earnings per share		5.53	5.89
Diluted earnings per share		5.48	5.89

Summary of significant accounting policies. 1- 2

The accompanying notes form an integral part of the Financial Statements 3 - 41

As per our report of even date attached

For and on behalf of the Board of Directors

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Abhijeet Bhagwat
Partner
Membership No.: 136835
Place: Pune
Date: May 25, 2023

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place: Pune
Date: May 25, 2023

Kamal Agrawal
Chief Financial Officer

STANDALONE STATEMENT OF CASH FLOWS

For the year ended 31 March 2023

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash flow from operating activities		
Net profit before tax	860.85	773.61
Adjustments for		
Depreciation and amortisation expense	1,045.58	764.24
Provision for doubtful debts net of reversal/ debit balances written off	284.74	(48.72)
Changes in fair value of financial assets at fair value through profit or loss	(25.44)	(3.50)
Gain on sale of investment	(9.79)	
Unwinding of discount on security deposits	(5.54)	(4.53)
Dividend and interest income classified as investing cash flows	(60.17)	(59.46)
Finance cost	391.77	286.44
Net exchange differences	(39.35)	(19.19)
Cash generated from operations before working capital changes	**2,442.64**	1,688.89
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	212.79	507.77
Increase/(Decrease) in trade payables	(333.68)	74.97
(Increase)/Decrease in contract assets	(1,046.78)	(679.29)
(Increase)/Decrease in other current asset	(83.94)	18.08
(Increase)/Decrease in other financial assets	(122.35)	(31.09)
Increase/(Decrease) in other non current assets	12.06	(16.13)
Increase/(Decrease) in other financial liabilities	29.63	26.28
Increase/(Decrease) in provisions	6.97	15.54
Increase/(Decrease) in other current liabilities	20.56	(18.03)
Cash generated from operations	**1,137.89**	1,587.00
Income taxes paid	(251.63)	(325.20)
Net cash generated from operating activities	**886.26**	1,261.80
Cash flows from investing activities		
Payments for property, plant and equipment	(34.99)	(185.62)
Payments for intangibles development costs	(1,623.29)	(1,435.43)
Purchase of long term investment	(389.27)	(51.76)
Investment in mutual funds	(1,000.00)	(43.01)
Sale of mutual funds	723.14	-
Dividend income	-	13.02
Interest income	24.17	8.40
Investment in fixed deposits with banks	(375.37)	5.54
Net cash (used in) investing activities	**(2,675.61)**	(1,688.86)
Cash flows from financing activities		
Proceeds from issues of shares	1,453.96	1,001.08
Proceeds from long term borrowings	597.00	106.77

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Repayment of long term borrowings	(437.22)	(206.23)
Net change in short term borrowings	690.32	-
Lease payments	(171.19)	(106.23)
Interest paid	(344.55)	(316.03)
Net cash generated from financing activities	**1,788.33**	479.36
Net increase/ (decrease) in cash and cash equivalents	**(1.02)**	52.30
Cash and cash equivalents at the beginning of the financial year	63.08	10.78
Cash and cash equivalents at the end of the year (Refer note 11)	**62.06**	63.08

The above statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".

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: May 25, 2023

For and on behalf of the Board of Directors

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place: Pune
Date: May 25, 2023

Kamal Agrawal
Chief Financial Officer

STANDALONE STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2023

(All amounts in ₹ Lakhs unless otherwise stated)

A. Equity share capital

Particulars	Total
Balance as at March 31, 2021	946.67
Changes in equity share capital during the year	68.81
Balance as at March 31, 2022	1,015.48
Changes in equity share capital during the year	0.13
Balance as at March 31, 2023	**1,015.60**

B. Instruments entirely equity in nature

Particulars	Total
Balance as at March 31, 2021	-
Changes in instruments entirely equity in nature during the year	-
Balance as at March 31, 2022	-
Changes in instruments entirely equity in nature during the year	828.90
Balance as at March 31, 2023	**828.90**

C. Other equity

Particulars	Reserve and surplus			Other components of equity		Total other equity
	Securities premium account	Share options outstanding account	Retained earnings	Equity instruments through OCI	Money received against share warrants	
Balance as at March 31, 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 March 31, 2022	3,354.34	0.44	4,462.93	-	-	7,817.72
Profit for the year	-	-	579.82	-	-	579.82
Other comprehensive income	-	-	(16.55)	67.05	-	50.50
Transferred during the year to Share premium/Share Capital Account on account of allotment of shares	0.38	(0.44)	-	-	-	(0.06)

Premium on shares issued during the year	-	-	-	-	-	-
Issue of share warrants	-	-	-	-	625.00	625.00
Balance as at March 31, 2023	**3,354.72**	**-**	**5,026.20**	**67.05**	**625.00**	**9,072.97**

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: May 25, 2023

For and on behalf of the Board of Directors

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place : Pune
Date: May 25, 2023

Kamal Agrawal
Chief Financial Officer

Notes

To Accounts for the year ended 31 March 2023

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 11 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.

The financial statements were authorized for issue by the Board of Directors on 25th May, 2023.

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 (INR), which is the Company's functional currency. All financial information is presented in Lakhs in INR, 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 realization 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
- Revenue recognition
- Recognition of Intangible assets.

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 derecognized. 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 derecognized 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 except Service cell system:

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 amortization

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.

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 amortization period and the amortization 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 amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization 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 recognized in the statement of profit and loss when the asset is derecognized.

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 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.

Rendering of services

Revenue is recognized 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 recognized 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 capitalized 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 capitalization
All other borrowing costs are expensed in the period in which they are incurred.

xi. Foreign currencies transactions

The financial statements are presented in INR, 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 recognized 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 recognized 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 recognized 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 recognized when the curtailment or settlement occurs. Past service cost is recognized 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 recognized in the same manner as in the case of defined benefit plans as mentioned above.

Accumulated leaves that are expected to be utilized 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 recognized 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 recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized 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 recognized 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 utilized.

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. Unrecognized 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 recognized 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 recognized 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 recognize 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 recognize 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.

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 recognized 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 maximize the use of relevant observable inputs and minimize 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 categorized 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 derecognizes 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 recognized 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

De-recognition

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 realize 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

Amendment to Indian Accounting Standard Rules, 2015

The Ministry of Corporate Affairs (MCA), vide Notification dated 31 March 2023 has issued Companies (Indian Accounting Standards) Amendment Rules, 2023 in consultation with the National Financial Reporting Authority (NFRA).

The notification states that these rules shall be applicable from 1 April 2023 and would thus be applicable for the financial year ending 31 March 2024.

The amendments to Ind AS are intended to keep the Ind AS aligned with the amendments made in IFRS.

Particulars	Explanation
Amendments to Ind AS 1, "Presentation of Financial Statements"	The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements. The Company is in the process of evaluating its impact, if any, on the financial statements instead of disclosing significant accounting policies, entities would be required to disclose their material accounting policy information in the interim financial statements and regarding financial instruments respectively.
Amendments to Ind AS 8, "Accounting Policies, Changes in Accounting Estimates and Errors"	The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements. The Company is in the process of evaluating its impact, if any, on the financial statements.
Amendments to Ind AS 12, "Income Taxes"	The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the initial recognition exemption so that it does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

Particulars	Furniture and fixtures	Vehicle	Office equipment	Computers	Service cell Systems	Leasehold improvements	Total
Gross carrying amount as at April 1, 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 March 31, 2022	**180.11**	**27.76**	**279.74**	**98.96**	**0.63**	**28.33**	**615.53**
Accumulated depreciation as at March 31, 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 March 31, 2022	**22.86**	**8.48**	**61.52**	**43.72**	**0.45**	**3.51**	**140.54**
Net carrying amount as at March 31, 2022	**157.25**	**19.29**	**218.22**	**55.24**	**0.18**	**24.82**	**474.98**

Particulars	Furniture and fixtures	Vehicle	Office equipment	Computers	Service cell Systems	Leasehold improvements	Total
Gross carrying amount as at April 1, 2022	**180.11**	**27.76**	**279.74**	**98.96**	**0.63**	**28.33**	**615.53**
Additions during the year	-	-	2.72	32.00	-	-	34.72
Disposals during the year*	0.01	-	-	0.02	-	-	0.03
Gross carrying amount as at March 31, 2023	**180.10**	**27.76**	**282.47**	**130.94**	**0.63**	**28.33**	**650.22**
Accumulated depreciation as at March 31, 2022	**22.86**	**8.48**	**61.52**	**43.72**	**0.45**	**3.51**	**140.54**
Depreciation charge during the year	18.25	4.24	57.04	25.40	0.18	2.83	**107.94**
Accumulated depreciation on disposals during the year	0.01	-	-	0.11	-	-	**0.12**
Gross accumulated depreciation as at March 31, 2023	**41.11**	**12.71**	**118.56**	**69.01**	**0.63**	**6.34**	**248.36**
Net carrying amount as at March 31, 2023	**138.99**	**15.05**	**163.90**	**61.93**	**0.00**	**21.99**	**401.86**

Refer Note 2 (vii) for policy on depreciation

* The disposal is on account of write off of assets not in use. No actual sale of assets made during the year.

NOTE 3 (A): OTHER INTANGIBLE ASSETS

Particulars	Computer software	Internally generated software	Total
Gross carrying amount as at April 1, 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 March 31, 2022	**35.01**	**3,361.08**	**3,396.09**
Accumulated amortization as at March 31, 2021	**5.98**	**439.20**	**445.18**

Particulars	Computer software	Internally generated software	Total
Amortization charge for the year	7.77	576.13	583.89
Accumulated amortization on disposals during the year	-	-	-
Gross accumulated amortization as at March 31, 2022	**13.74**	**1,015.33**	**1,029.08**
Net carrying value as at March 31, 2022	**21.27**	**2,345.75**	**2,367.01**

Particulars	Computer software	Internally generated software	Total
Gross carrying amount as at April 1, 2022	**35.01**	**3,361.08**	**3,396.09**
Additions during the year	8.53	1,527.96	1,536.49
Disposals during the year	-	-	-
Gross carrying amount as at March 31, 2023	**43.54**	**4,889.04**	**4,932.58**
Accumulated amortization as at March 31, 2022	**13.74**	**1,015.33**	**1,029.08**
Amortization charge for the year	9.29	853.23	862.52
Accumulated amortization on disposals during the year	-	-	-
Gross accumulated amortization as at March 31, 2023	**23.03**	**1,868.56**	**1,891.59**
Net carrying value as at March 31, 2023	**20.51**	**3,020.48**	**3,040.99**

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 amortization.

NOTE 3 (B): INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Internally generated software
Opening gross carrying amount as on April 1, 2021	308.10
Additions*	1,426.13
Less: Capitalized during the year	(1,356.53)
Gross carrying amount as on March 31, 2022	377.70

Particulars	Internally generated software
Opening gross carrying amount as on April 1, 2022	**377.70**
Additions*	1,515.30
Less: Capitalized during the year	(1,387.96)
Gross carrying amount as on March 31, 2023	**505.04**

Projects whose completion is overdue or has exceeded its cost compared to its original plan the year ended March 31, 2023 ₹ NIL (March 31, 2022 ₹ Nil)

There is significant management judgement and estimate involved in identifying the amount, nature of expenses and man days to be allocated to an internally generated intangible asset (software).

Intangible assets under development ageing schedule
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 temporarily suspended	-	-	-	-	-
Total	191.60	27.57	37.75	120.77	377.70

As at 31st March 2023

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	183.18	135.75	27.57	158.52	505.04
Projects temporarily suspended	-	-	-	-	-
Total	183.18	135.75	27.57	158.52	505.04

NOTE 4: LEASES

a. Right-of-use assets (ROU)

Particulars	Amount
Gross carrying amount as at April 1, 2021	**529.68**
Add: Additions	-
Less: Disposals	-
Gross carrying amount as at March 31, 2022	**529.68**
Accumulated amortization as at April 1, 2021	**60.64**
Add: Amortization charge on right-of-use assets	112.22
Accumulated amortization as at March 31, 2022	**172.86**
Net carrying amount as at March 31, 2022	**356.82**
Gross carrying amount as at April 1, 2022	**529.68**
Add: Additions	582.00
Less: Disposals	-
Gross carrying amount as at March 31, 2023	**1,111.68**
Accumulated amortization as at April 1, 2022	**172.86**
Add: Amortization charge on right-of-use assets*	115.65
Accumulated amortization as at March 31, 2023	**288.51**
Net carrying amount as at March 31, 2023 **	**823.17**

*Includes INR 40.53 Lakhs (March 31, 2022: 29.84 lakhs) capitalised during the year

The aggregate amortization expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

b. Lease liabilities

Particulars	March 31 2023	March 31 2022
Non-current	722.62	239.98
Current	82.31	114.82
Total	**804.93**	**354.80**

c. Interest expenses on lease liabilities

Particulars	March 31 2023	March 31 2022
Interest on lease liabilities	39.32	10.36

d. Expenses on short term leases / low value assets

	March 31 2023	March 31 2022
Short term leases	-	-
Low value assets	-	-

e. Amounts recognised in the statement of cash flow

Particulars	March 31 2023	March 31 2022
Total Cash outflow for leases	171.19	106.23

f. Maturity analysis of lease liabilities

	March 31 2023	March 31 2022
Less than one year	82.31	114.82
One to five years	544.37	239.98
More than five years	178.25	-
Total lease liabilities at year end	804.93	354.80

**** Other Information:**

The company's leasing activities are restricted to leasing premises for their corporate and regional offices. These lease contracts provide for lease rentals to increase each year on account of inflation.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases reported as at March 31, 2023 compared to the lease liability as accounted as at April 1, 2022 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.

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. During the current financial year, in accordance with Ind AS 116, the company has reassessed the lease term for the premises that it is currently occupying as its corporate office, leading to a remeasurement of lease liability.

Financial assets

NOTE 5: NON-CURRENT INVESTMENTS

Particulars	As at March 31 2023	As at March 31 2022
Investment carried at cost*		
Investments in equity shares of subsidiaries (fully paid up)		
Unquoted		
SoftTech Finland OY	2.03	2.03
[1,000 (March 2022 : 1000) equity shares of Euro 2.50 each fully paid up]		
Amplinxt Private Limited	51.00	1.00
[26,664 (March 2022: 9,999) equity shares of Rs. 10 each fully paid up]		
SoftTech Care Foundation	0.90	0.90
[9,000 (March 2022: 9,000) equity shares of Rs. 10 each fully paid up]		
SoftTech Engineers Inc.	6.08	6.08
[800,000 (March 2022 : 800,000) equity shares of USD 0.01 each fully paid up]		
SoftTech Digital Pte Ltd.	6.30	-
[10,000 (March 2022: Nil) equity shares at SGD 1 each]		
Total	**66.30**	**10.01**
Investments in equity shares of others at fair value through profit and loss* (fully paid up)		
Unquoted		
The Mahesh Sahakari Bank Limited	3.58	3.58
[14,300 (March 2022: 14,300) equity shares of ₹ 25 each fully paid up]		
The Saraswat Co-operative Bank Limited	0.25	0.25
[2,500 (March 2022: 2,500) equity shares of ₹ 10 each fully paid up]		
Total	**3.83**	**3.83**
Investments in equity shares of others at fair value through other comprehensive income* (partly paid)		
Unquoted		
QI Square Singapore	298.46	-
[150,054 (March 2022 : Nil) equity shares of SGD 0.01 each partly paid up]		
Total	**298.46**	-
Investments in debentures of subsidiaries at fair value through profit and loss* (fully paid up)		
Unquoted		
SoftTech Finland OY Debentures	53.57	50.80
[60,000 (March 2022: 60,000) 1% optionally convertible debentures of Euro 2.50 each fully paid up]		
SoftTech Engineers Inc. Debentures	424.52	278.21
[51,700,000 (March 2022 : 3,67,00,000) 1% optionally convertible debentures of USD 0.01 each fully paid up]		
Total	**478.09**	**329.01**
Grand Total	**846.67**	**342.85**
Aggregate amount of unquoted investments	**846.67**	**342.85**
Aggregate amount of impairment in the value of investments	-	-

* Number of shares/debentures 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 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) for Fair value hierarchy disclosures for financial assets and liabilities.

NOTE 5 A: DISCLOSURE PURSUANT TO SECTION 186 AND SCHEDULE III OF THE ACT

Name of intermediary	Date of investment	Amount of investment	Date of further advance	Amount of further advance	Name of ultimate beneficiary
SoftTech Engineers Inc.	5/30/2022	38.98	6/3/2022	27.29	SoftTech Government Solutions Inc.
			6/27/2022	10.13	SoftTech Government Solutions Inc.
			8/15/2022	1.36	SoftTech Government Solutions Inc.
SoftTech Engineers Inc.	11/21/2023	82.38	11/22/2022	41.19	SoftTech Government Solutions Inc.
			12/23/2022	37.07	SoftTech Government Solutions Inc.
			3/27/2023	4.33	SoftTech Government Solutions Inc.
Total*		**121.37**		**121.37**	

* The company has complied with relevant provisions of the Foreign Exchange Management Act,1999 and the Companies Act, 2013 and the above transactions are not violative of the Prevention of Money Laundering Act, 2002

NOTE 6: OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at March 31 2023	As at March 31 2022
Unsecured, considered good		
Bank deposits with maturity of more than 12 months (Refer note (a) below)	1,127.02	764.02
Interest accrued but not due on bank deposits and others	198.25	149.88
Security deposits*	37.79	76.54
Retention money	38.63	20.73
Total other non-current financial assets	1,401.69	1,011.17

Details of bank deposits pledged:

1) Deposit of INR 284 lakhs (March 31, 2022: INR159 lakhs) are pledged as security against the long-term borrowings.
2) Deposit of INR 664.38 lakhs (March 31, 2022: INR 426.38 lakhs) are pledged as security against the short-term borrowings.
3) Deposit of INR 178.64 lakhs (March 31, 2022: INR 178.64 Lakhs) are held against bank guarantees.

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) 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 March 31 2023	As at March 31 2022
Advance tax and tax deducted at source (net of provision)	292.35	275.22
Total income-tax assets	**292.35**	**275.22**

NOTE 8: OTHER NON-CURRENT ASSETS

Particulars	As at March 31 2023	As at March 31 2022
Balances with government authorities (Income tax) [refer note 30(ii)(a)]	30.01	229.97
Prepaid expenses	6.13	4.83
Total other non- current assets	**36.14**	**234.81**

NOTE 9: CURRENT INVESTMENTS

Particulars	As at March 31 2023	As at March 31 2022
Investments in Mutual Funds (measured at fair value through profit and loss)		
Quoted		
SBI Magnum Low Duration Fund	-	66.97
Nil (March 2022 : 2,352.02) units		
HDFC Low Duration Fund	257.28	-
5,24,192.704 (March 2022: Nil) units		
HDFC Liquid fund - Growth	257.39	489.95
5,871.044 (March 2022 : 11,800.88) units		
HDFC Medium Term Debt Fund	257.96	-
5,44,400.238 (March 2022 : Nil)		
HDFC Ultra Short Term Fund	96.38	-
7,45,863.915 (March 2022 : Nil)		
Total current investments	**869.00**	**556.91**
Aggregate carrying value of quoted investments	869.00	556.91
Aggregate market value of quoted investments	869.00	556.91

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) for Fair value hierarchy disclosures for financial assets and liabilities.

NOTE 10: TRADE RECEIVABLES

Particulars	As at March 31 2023	As at March 31 2022
Trade receivables from contract with customers	2,711.32	2,919.17
Less: Loss allowance	(102.83)	(11.40)
Total trade receivables	**2,608.49**	**2,907.77**
Break up of security details		

Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	2,608.49	2,907.77
Trade receivables - credit impaired	102.83	11.40
Total	**2,711.32**	**2,919.17**
Less: Loss allowance	(102.83)	(11.40)
Total trade receivables	**2,608.49**	**2,907.77**

Ageing of trade receivables	**Outstanding for following periods as at 31 March 2023**						
Particulars	**Not Due**	**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	-	1,018.22	356.69	216.72	322.50	694.35	**2,608.49**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	16.30	86.53	**102.83**
(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	-	-	-	-	(16.30)	(86.53)	**(102.83)**
Total	**-**	**1,018.22**	**356.69**	**216.72**	**322.50**	**694.35**	**2,608.49**

Ageing of trade receivables	**Outstanding for following periods as at 31 March 2022**						
Particulars	**Not Due**	**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**

MOVEMENT IN PROVISION FOR LOSS ALLOWANCE:

Particulars	As at March 31 2023	As at March 31 2022
Balance at beginning of the year	11.40	65.51
Add: Provision made during the year	94.15	-
Less: Reversed / utilized during the year	(2.71)	(54.11)
Balance as at the end of the year	**102.83**	11.40

Trade receivables have been offered as security against the working capital facilities provided by the banks (refer note 16)
Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) 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.

NOTE 11: CASH AND CASH EQUIVALENTS

Particulars	As at March 31 2023	As at March 31 2022
Balances with banks in current accounts	60.83	61.37
Earmarked balances *	0.21	0.21
Cash on hand	1.03	1.50
Total Cash and cash equivalents	**62.06**	**63.08**

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.
*Balance held for unpaid dividend

NOTE 12: CONTRACT ASSETS

Particulars	As at March 31 2023	As at March 31 2022
Unsecured, considered good		
Unbilled revenue	5,546.90	4,500.12
Total Contract assets	**5,546.90**	**4,500.12**

Ageing of Unbilled revenue	**Outstanding for following periods as at 31 March 2023**					
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	2,186.02	593.42	463.02	981.94	1,322.49	**5,546.90**

Ageing of Unbilled revenue	Outstanding for following periods as at 31 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

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) for Fair value hierarchy disclosures for financial assets and liabilities.

NOTE 13: OTHER CURRENT FINANCIAL ASSETS

Particulars	As at March 31 2023	As at March 31 2022
Unsecured, considered good		
Expense reimbursement receivable from Related Parties*	101.84	28.66
Tender deposit	66.58	16.40
Security deposit	25.39	-
Total other current assets	**193.80**	45.06

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) 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 March 31 2023	As at March 31 2022
Prepaid expenses	141.65	29.99
Advance to suppliers	16.55	20.31
Advance to employees and others	11.37	35.33
Total other current assets	**169.57**	85.63

NOTE 15(A): EQUITY SHARE CAPITAL

a) Details of Authorised share capital:

Particulars	No. of Shares	Amount
Authorized Share Capital		
Equity shares of Rs. 10/- each		
As at March 31, 2021	**11,000,000**	**1,100**
Increase during the year	-	-
As at March 31, 2022	**11,000,000**	**1,100**
Increase during the year	4,000,000	400
As at March 31, 2023	**15,000,000**	**1,500**

b) Details of Issued, subscribed and fully paid up share capital:

Particulars	No. of Shares	Amount
Issued, subscribed and fully paid up:		
Equity shares of Rs. 10/- each		
As at March 31, 2021	**9,466,672**	**946.67**
Issued during the year	688,082	68.81
As at March 31, 2022	**10,154,754**	**1,015.48**
Issued during the year	1,266	0.13
As at March 31, 2023	**10,156,020**	**1,015.60**

c) Reconciliation of the number of shares and amount outstanding at the beginning and at the year end.

Particulars	No. of Shares	Amount
As at March 31, 2021	**9,466,672**	946.67
Shares issued through Preferential allotment	666,666	66.67
Exercise of options proceeds involved through ESOP	21,416	2.14
As at March 31, 2022	**10,154,754**	1,015.48
Shares issued through Preferential allotment [refer note 36]	-	-
Exercise of options proceeds involved through ESOP	1,266	0.13
As at March 31, 2023	**10,156,020**	1,015.60

d) 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.

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

Particulars	March 31, 2023		March 31, 2022	
	No. of shares	% holding	No. of shares	% holding
Vijay Gupta	3,681,234	36.25%	3,681,234	36.25%
School of Design and Entrepreneurship LLP	1,566,729	15.43%	1,566,729	15.43%
East India Udyog Limited	702,400	6.92%	702,400	6.92%
Pratik Babubhai Patel	671,104	6.61%	671,104	6.61%
Total	**6,621,467**	**65.21%**	**6,621,467**	**65.21%**

f) Details of shares held by Promoter

Particulars	March 31, 2023	March 31, 2022
Promoter Name		
Vijay Gupta		
No of shares	3,681,234	3,681,234
Percentage of total shares	36.25%	36.25%
Percentage Change	0.00%	-2.63%
Chirag Vijay Gupta		
No of shares	94,400	94,400
Percentage of total shares	0.93%	0.93%
Percentage Change	0.00%	-0.07%
Priti Vijay Gupta		
No of shares	33,090	33,090
Percentage of total shares	0.33%	0.33%
Percentage Change	0.00%	-0.02%
Covisible Solutions India Private Limited		
No of shares	299,148	299,148
Percentage of total shares	2.95%	2.95%
Percentage Change	0.00%	-0.21%

g) 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 August 21, 2017 and shareholders on September 22, 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 March 31, 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. As at 31st March 2023, all stock options have been exercised and there are no outstanding options under this scheme as on reporting date.

h) Aggregate number of shares issued for consideration other than cash

Particulars	March 31, 2023		March 31, 2022	
	No. of shares	% holding	No. of shares	% holding
Shares issued through ESOP	1,266	0.01%	21,416	0.2%

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 September 22, 2017.

The details of activities under the ESOP 2017 scheme are summarised as follows:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	**1,266**	**5**	22,682	5
Granted during the year	-	-	-	-
Adjusted for bonus	-	-	-	-
Lapsed during the year	-	-	-	-
Exercised during the year	1,266	5	21,416	5
Outstanding at the end of the year	-	**5**	1,266	5
Exercisable at the end of the year	-	**5**	1,266	5

* WAEP denotes weighted average exercise price

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 31 March 2023	Year ended 31 March 2022
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.

NOTE 15(B): INSTRUMENTS ENTIRELY EQUITY IN NATURE

Particulars	31 March 2023	31 March 2022
Compulsory convertible debentures (CCD)*	828.90	-
Total Instruments entirely equity in nature	**828.90**	-

* Terms of securities convertible into equity (CCD): The company has made a preferential issue of CCDs on 23rd August, 2022. 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. The CCD shall be convertible into equity shares at a conversion price of Rs. 125/- per equity share i.e. face value of Rs. 10/- per share and premium of Rs 115/- per equity share.

NOTE 15(C): OTHER EQUITY

Particulars	As at	As at
	31 March, 2023	31 March, 2022
i. Retained earnings		
Opening Balance	**4,462.93**	3,868.22
Total Comprehensive Income for the current year	630.32	594.71
Closing Balance	**5,093.25**	4,462.93
ii. Share option outstanding account		
Opening Balance	**0.44**	7.97
Employee Stock Option Scheme		-
Less: Transferred during the year to Share premium/Share Capital Account	-0.44	(7.52)
Closing Balance	**-**	0.44
iii. Securities premium		
Opening Balance	**3,354.34**	2,414.56
Exercise of option proceeds received	0.38	6.45
Premium on shares issued during the year	-	933.33
Closing balance	**3,354.72**	3,354.34
Total Reserves and surplus	**8,447.97**	7,817.72
Money received against share warrants**	**625.00**	-
Total Other Equity	**9,072.97**	7,817.72

** Terms of securities convertible into equity (Share Warrants): The company has made a preferential issue of share warrants on 23rd August, 2022 with an issue price of Rs 125/- per warrant with a right to the warrant holder to apply for and be allotted 1 equity share of face value Rs. 10/- each of the company at a premium of Rs 115/- per share for each warrant within a period of 18 months from the date of allotment of the warrants. 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.

Nature and purpose of reserves

a) Share options outstanding account represents the balance that would be utilised for allotting the shares under the Stock option scheme

b) 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.

SoftTech
Empowering Transformation

Financial liabilities

NOTE 16(A): NON-CURRENT BORROWINGS

Particulars	As at March 31 2023	As at March 31 2022
Secured (refer notes 16 c)		
Term loans		
From banks	**457.39**	532.42
Axis Bank vehicle loan	4.00	10.56
Axis Bank ECGL	178.29	146.27
ICICI Bank	275.10	375.60
From financial institutions	**445.00**	140.00
Technology Development Board (TDB)	70.00	140.00
Tata Capital Financial Services Ltd	375.00	-
Unsecured		
Term loans from others		
RIB ITWO Soft Pvt Ltd	991.67	1,190.00
Loan from directors	237.33	189.24
Less: Current maturities of long term borrowings	(1,250.40)	(440.97)
Total non-current borrowings	**880.99**	1,610.69

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 March 31 2023	As at March 31 2022
Loans repayable on demand		
Secured (Refer note 16 c)		
From banks - working capital loans	1,747.55	1,057.23
Unsecured (Refer note 16 c)		
From others	119.40	39.35
Current maturities of long term borrowings	1,250.40	440.97
Total current borrowings	**3,117.35**	**1,537.55**

The statements of quarterly returns filed by the company with the banks are in agreement/reconciled with the books of account.

NOTE 16(C):

(a) Nature of security and terms of repayment of secured loans

	Loan Amount, Nature of security Term loans from banks	Terms of repayment
(i)	**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 March 31, 2022: ₹ 84.35 Lakhs, As at 31st March 2023: Rs. 48.19 lacs) 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
(ii)	**ICICI Bank**	
	This Loan is towards renovation and interiors of company's new office at Baner. The sanction amount of this loan is Rs. 350 Lakhs only. The Company has availed a loan of Rs. 325.17 Lakhs (as at March 31, 2022: Rs. 291.25 Lakhs, As at 31st March 2023: Rs.226.90 Lacs). Loan is secured against: i) the exclusive charge on assets to be financed for interiors and setup of new office (furniture, fixtures, networking systems etc.); ii) personal guarantee by Mr. Vijay S. Gupta and Priti V.Gupta. iii) pledge of fixed deposits of Rs. 159 Lakhs	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)	**Axis Bank - ECLGS**	
	This ECLGS loan has been sanctioned to meet the working capital requirements arising out of COVID-19. Loan of Rs. 195 lakhs (as at March 31, 2022: Rs. 146.27 lakhs, as at 31st March 2023: Rs.81.28 Lacs). 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.
(iv)	**Axis Bank - ECLGS II**	
	This ECLGS loan has been sanctioned to meet liquidity mismatch arising out of COVID-19. Loan of Rs. 97 lakhs (as at 31st March 2022: Nil, as at 31st March 2023: Rs.97 lacs). Loan is secured against: i) Extension of charges on existing securities i.e. entire current assets of the company on second charge basis ii) 100% credit guarantee by National Credit Guarantee Trustee Company	Rate of interest is 5.25% over the Repo rate, which will reset at interval of 3 months. The current rate of interest is 11.75% p.a. (i.e. Repo rate of 6.50 % + 5.25%). The loan of 97 Lakhs disbursed is to be repaid in 36 installments of Rs. 2,69,444 after 24 months moratorium
(v)	**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 Rs. 29.18 lakhs (as at March 31, 2022: ₹10.56 lakhs, as at 31st March 2023: Rs. 3.99 lacs)	Repayable in 60 monthly instalments of ₹ 60,149 starting from Nov-18 to Oct-23
	Term loans from financial institutions	
(vi)	**TDB**	
	Total loan amount of 245 lakhs (as at 31st March 2022: 140 lakhs, as at 31st March 2023: 70 lakhs) was obtained to partly finance the development of a new product. Loan is secured against: i) Hypothecation of movable assets of the Company including assets created under the project ranking first pari passu charge with other holders. ii) Personal guarantee from Vijay Gupta and Priti Gupta pledging 3 Lakh shares of Rs. 10 each having face value of Rs. 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 28 March 2017 and 16 February 2019 and third instalment of Rs 25 Lakhs on 4 November 2020. The principal amount shall be repaid in 7 half-yearly installments, with the last installment payable in month of March 2024.

(vii)	Tata Capital Financial Services Limited	
	Loan obtained of Rs.500 Lacs for General Corporate Purpose / Capex/ Expansion Purposes / WC purposes (as at 31st March 2022: Nil, as at 31st March 2023: 375 lakhs). Loan is secured against: Fixed Deposit (FD) of 25% of loan amount with a bank acceptable to TCFSL, duly lien marked on principal and interest in favor of TCFSL.	Rate of interest is Long term lending rate released by Tata Capital Financial Services Limited less 9.05% As at 31st March LTLR is 21.55%- rate is 21.55%-9.05% i.e. 12.5% Repayment in monthly installments of Rs.20,83,300 starting from 10th October 2022

(b) Terms and conditions of Unsecured Loans

(viii) 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 INR 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 repaid to lender in 6 equal quarterly installments of ₹ 198.33 Lakhs starting from Jan-2023 to April-2024

(ix) Loans from Directors

These includes loan availed from managing director Mr. Vijay Gupta of Rs 201 lakhs as at March 31, 2023 (Rs 150 lakhs as at March 31, 2022) and director Mrs. Priti Gupta of Rs.36.24 lakhs as at March 31, 2023 (Rs. 40 lakhs as at March 31, 2022). These loans do not have a repayment schedule and carry an interest rate of 10% p.a.

(c) Loan repayable on demand - Current Borrowings

Secured

Working capital loan from banks

(x)	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 passu 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 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) Lien on fixed deposits of Rs. 25 Lakhs in the name of SoftTech Engineers Limited as on 15th Jan 2021. 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.	Interest rate is 3 month MCLR rate plus 1.95% p.a. currently 8.80% p.a.
(xi)	Axis Bank DLOD	
	Loan is secured against Primary: i) Hypothecation of entire current assets of the borrower, both present and future on exclusive basis: Collateral: i) Exclusive charge by way of hypothecation on the entire moveable fixed assets (Excluding assets financed by TDB) of the company - present and future	Rate of interest is repo plus 5.25%

	ii) Exclusive charge on the movable fixed assets (excluding those funded out of term loan with ICICI bank) of the borrower, both present and future iii) Residential flat no-503, 5th floor, B-1 wing, Gangavihar Co-op Housing Society Ltd, S.No 612, Hissa No. 7, Plot no 2 to 17, near Gangadham, Bibewadi-Kondhwa road, Bibewadi, Pune standing jointly in the name of Vijay Gupta and Priti Gupta iv) Immovable property situated at Flat number 1211, 12th floor, Building No E-15, IVY Apartment, Gat no 690 to 710, Behind JSPM College, Off Nagar road, Wagholi (Avalwadi), Pune in the name of Vijay Gupta and Priti Gupta v) Liquid Collateral as under: -BG Margin: -25% for Rs.9 cr and 20% for Rs.2.66 cr (Totalling of Rs.2.78 crores) -Recurring Deposit of Rs.36.00 Lacs -Recurring Deposit of Rs.42.00 Lacs (Rs.1.75 lacs per month for 24 months, current value of Rs.15.75 lacs) -FD of Rs.211 lakhs -RD of Rs.120 lakhs (12 month installment of Rs.10 Lacs each) -FD of Rs. 25 lakhs -New FD of Rs. 280 lakhs (For fresh Enhancement) v) Negative Lien and deposition of original Title deeds of property of Office premises at Unit no 5C, 5th Floor, The Pentagon, S.No. 42-A/3/1, F.P.No 477-A, TPS No. 3, CTS No 4616, Near Lotus court, Off Pune Satara Road, Parvati, Pune standing jointly in the name of Vijay Gupta and Priti Gupta	
(xii)	**Unsecured loan repayable on demand - from others**	
	Loan of Rs. 119 lakhs as at March 31, 2023 (Rs. 38.85 as at March 31, 2022) is taken from East India Udyog Limited for the purpose of making immediate payments of tender deposit amounts.	There is no repayment schedule. This is a non-interest bearing loan

NOTE 17: TRADE PAYABLES

Particulars	As at 31 March, 2023	As at 31 March, 2022
Trade payables		
total outstanding dues of micro and small enterprises	76.63	25.27
total outstanding dues of creditors other than micro and small enterprises	500.26	885.74
total outstanding dues of related parties	0.45	-
Total Trade payables	**577.34**	911.01

Dues to Micro, Small, Medium Enterprises

Particulars	As at 31 March, 2023	As at 31 March, 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	76.63	25.27
- Principal amount outstanding due and remaining unpaid out of the above	24.35	23.93
- Interest due thereon	1.47	0.25
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	102.51	15.50
Amount of interest due and payable on delayed payments	2.21	0.18
Amount of interest accrued and remaining unpaid as at year end	3.67	0.43
The amount of further interest remaining due and payable even in the succeeding year	5.02	1.34

This information as required to be disclosed under the "Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the company.

Ageing of Trade Payables	Outstanding for following periods from due date of payment 31 March, 2023					
Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables						
Micro enterprises and small enterprises	47.26	26.17	3.20	-	-	**76.63**
Others	-	127.09	14.29	27.99	-	**169.37**
Disputed trade payables	-	-	-	-	-	**-**
Micro enterprises and small enterprises	-	-	-	-	-	**-**
Others	-	-	-	-	-	**-**
Unbilled dues	331.35	-	-	-	-	**331.35**
Total	**378.61**	**153.26**	**17.49**	**27.99**	**-**	**577.34**

Ageing of Trade Payables	Outstanding for following periods from due date of payment 31 March, 2022					
Particulars	Not due	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	-	-	-	-	261.04
Total	261.04	606.53	25.95	-	17.49	911.01

NOTE 18: PROVISIONS

Particulars	As at March 31 2023	As at March 31 2022
Non-current		
Gratuity [refer note:32]	109.87	83.84
Compensated absences	7.16	11.60
Non-current employee benefits obligations	**117.03**	**95.44**
Current		
Gratuity [refer note:32]	67.84	55.91
Compensated absences	4.11	8.54
Current employee benefits obligations	**71.95**	**64.45**

Movement in Provisions for compensated absences

As at 31 March 2021	34.96
Additional provisions recognized	-
Excess amounts reversed/utilized	14.82
As at 31 March 2022	**20.14**
Additional provisions recognized	**-**
Excess amounts reversed/utilized	**8.87**
As at 31 March 2023	**11.27**

NOTE 19: OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31 2023	As at March 31 2022
Payable to employees	174.29	144.66
Interest accrued but not due on borrowings	24.76	16.86
Payable towards capital purchases	34.62	34.83
Total other current financial liabilities	**233.67**	196.34

NOTE 20: OTHER CURRENT LIABILITIES

Particulars	As at March 31 2023	As at March 31 2022
Statutory liabilities	97.00	63.14
Advance from customers	16.73	30.03
Unpaid Dividend	0.21	0.21
Total other current liabilities	**113.94**	93.37

NOTE 21 (A): INCOME TAX EXPENSE

Particulars	As at March 31 2023	As at March 31 2022
Current tax expense	269.72	193.77
Deferred tax - Relating to origination and reversal of temporary differences	(11.80)	2.27
Add: Short tax provision of previous years	23.11	-
Income tax expense reported in the statement of profit and loss	**281.03**	196.03
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expenses	860.85	773.61
Tax Rate	25.17%	25.17%
Tax at the Indian tax rate	216.66	194.70
Adjustments:		
Tax effect of amounts which are not deductible in calculating taxable income	30.42	-
Others	10.84	1.33
Total	**41.26**	1.33
Add: Short tax provision for previous years	23.11	-
Net current tax expenses recognized in statement of profit & loss	**281.03**	196.03

NOTE 21 (B): DEFERRED TAX (NET)

Particulars	As at March 31 2023	As at March 31 2022
Net Deferred tax assets/(liabilities)**	95.29	97.73
Deferred tax assets/(liabilities) arise from the following:	95.29	97.73
Deferred tax assets		
Gratuity and compensated absences	47.56	40.24
Provision for doubtful debts, doubtful deposits and capital advance	25.88	17.84
Property, plant & equipment and intangible assets	52.65	38.06
Fair valuation adjustment	-	2.09
	126.09	98.24
Deferred tax liability		
Fair valuation adjustment	6.40	-
Lease adjustment	4.59	0.51
Deferred tax on FVOCI gain	19.80	-
	30.80	0.51

**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 March 31 2023	As at March 31 2022
Opening deferred tax (assets) / liabilities	**(97.73)**	(105.76)
Movement in deferred tax (assets)/ liabilities:		
Gratuity & compensated absences	(7.32)	1.85
Provision for doubtful debts, doubtful deposits and capital advance	(8.04)	(1.35)
Ind AS assets	4.08	0.51
PP&E depreciation and intangible amortization	(14.58)	9.12
Others	28.30	(2.09)
Closing deferred tax (assets) / liabilities	**(95.29)**	(97.73)
Deferred tax expense/ (income)	**2.44**	8.03
- Recognized in statement of profit and loss	(11.80)	2.27
- Recognized in statement of other comprehensive income	14.24	5.76

NOTE 22: REVENUE FROM OPERATIONS

Particulars	2022-23	2021-22
Sale of services (Refer note 38)	5,654.21	5,038.41
Sale of products	879.87	707.26
Total revenue from operations	**6,534.09**	5,745.67

NOTE 23: OTHER INCOME

Particulars	2022-23	2021-22
Interest income from bank deposits	60.17	46.44
Net gain on sale of investments	9.79	13.02
Fair value gain on investment mandatorily measured at FVTPL	25.44	3.50
Total (A)	**95.40**	62.96
Other non-operating income		
Excess provision/credit balances written back	27.35	40.14
Reversal of doubtful debts provision	-	54.11
Unwinding of discount on security deposits	5.54	4.53
Miscellaneous Income	5.66	16.26
FC net gains and losses on financial assets measured at FVTPL		
Investments classified as FVTPL	30.52	10.77
Other financial instruments	6.22	8.42
Total (B)	**75.28**	134.23
Total other income (A+B)	**170.68**	197.20

NOTE 24: PURCHASE OF STOCK-IN-TRADE

Particulars	2022-23	2021-22
Purchase of traded software	883.86	617.32
Total purchases of stock-in-trade	**883.86**	617.32

NOTE 25: EMPLOYEE BENEFIT EXPENSES

Particulars	2022-23	2021-22
Salaries, wages and bonus	1,527.53	1,171.25
Contribution to provident and other funds	63.46	49.93
Gratuity (refer note 32)	19.32	30.36
Staff welfare expenses	9.08	11.27
Total employee benefit expenses	**1,619.39**	1,262.81

NOTE 26: FINANCE COST

Particulars	2022-23	2021-22
Interest cost on borrowings	323.28	268.62
Finance charges on lease liabilities (refer note 4)	39.32	10.36
Interest others	8.63	0.20
Other borrowing costs	20.54	7.27
Total finance cost	**391.77**	286.44

NOTE 27: DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	2022-23	2021-22
Depreciation on property, plant and equipment	107.94	97.97
Amortization of right-of-use assets [Net of INR 40.53 Lakhs (March 31, 2022: 29.84 lakhs) capitalized during the year]	75.12	82.38
Amortization of intangible assets	862.52	583.89
Total depreciation and amortization expenses	**1,045.58**	764.24

NOTE 28: OTHER EXPENSES

Particulars	2022-23	2021-22
Electricity charges	23.86	15.90
Repairs and maintenance	10.23	6.21
Insurance	21.66	19.28
Rates and taxes	91.72	4.04
Travelling and conveyance	139.85	59.96
Sub-contracting expenses	-	10.04
Professional fees for technical consultants	914.16	1,803.49
Auditors' remuneration [refer note (28 a) below]	12.81	13.03
Legal and professional expenses	149.61	55.27
Bank charges	12.84	14.27
Sales promotion expenses	33.33	25.79
Printing and stationery	2.85	2.40
Office expenses	16.84	16.94
Postage and telephone	10.77	8.30
Internet charges	89.64	79.18
Subscription charges	49.31	50.99
Bad debts written off	3.98	-
Provision for bad and doubtful debts	94.15	5.38
Claims receivable written off	186.61	-
Expenditure towards Corporate Social Responsibility (CSR) activities [refer note (b) below]	15.24	27.99
Miscellaneous expenses	23.86	20.02
Total other expenses	**1,903.32**	2,238.45

NOTE 28 (A): PAYMENT TO AUDITORS

Particulars	2022-23	2021-22
As auditor		
Statutory audit	8.00	8.00
Limited reviews	4.00	2.00
Certification fees	0.28	3.03
Reimbursement of expenses	0.53	0.01
Total payment to auditors	**12.81**	**13.03**

NOTE 28 (B): CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

Particulars	2022-23	2021-22
(a) amount required to be spent by the company during the year	15.01	18.17
(b) amount of expenditure incurred	15.24	12.85
(c) shortfall / (excess) at the end of the year*	(0.23)	5.32
(d) total of previous years shortfall	-	-
(e) reason for shortfall	NA	During the 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 Rs 18,17,471/- for the FY 2021-22, the company has already made a contribution of Rs 12,85,000/- leaving a shortfall of Rs 5,32,471/- which the company is committed to transfer well within the due date in compliance with the Companies Act, 2013.
(f) nature of CSR activities	Promoting education and employment enhancing vocation skills especially among children, women, promoting gender equality and empowering women	Promoting education and employment among under privileged youth and women, and, promoting gender equality, empowering women.
(g) details of related party transactions	The Company has made a payment of Rs. 8,95,000 to Section 8 company, SoftTech Care Foundation.	The Company has made a payment of Rs. 12,85,000 to Section 8 company, SoftTech Care Foundation.
(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 separately	Nil	Nil

*Note:

1) The excess amount of Rs.0.23 lakhs spent during the FY 2022-23 shall be used to set off against the liability of eligible succeeding financial years.
2) The unspent amount of PY 2021-22 was paid within the stipulated due date of 30 September 2022 to PM CARES, PMNRF and Swach Bharat Kosh funds.

NOTE 29

a) Earnings per share

Particulars	2022-23	2021-22
(i) Basic earnings per share		
Profit attributable to equity shareholders of the Company	579.82	577.57
Weighted average number of equity shares* (refer note 29 (b) below)	104.87	97.99
Basic earnings per share	**5.53**	5.89
(ii) Diluted earnings per share		
Profit attributable to equity shareholders of the Company	579.82	577.57
Weighted average number of equity shares* including potential shares (refer note 29 (b) below)	105.82	98.00
Diluted earnings per share	**5.48**	5.89

b) Weighted average number of shares* used as denominator

Particulars	2022-23	2021-22
Weighted average number of shares used as the denominator in calculating basic earning per share	104.87	97.99
Adjustments for calculation of diluted earning per share		
Share warrants (refer note 15 C)	0.95	-
Options	-	0.01
Weighted average number of equity shares and potential equity shares* used as the denominator in calculating diluted earnings per share.	**105.82**	98.00

NOTE 30: CONTINGENCIES AND COMMITMENTS

1. Capital commitments

Particulars	March 31 2023	March 31 2022
Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	-
Total		

2. Contingent liabilities

Particulars	March 31 2023	March 31 2022
a. Claims against the company not acknowledged as debts		
Central Sales Tax liability for Financial Year 2012-13**	-	41.32
Value Added Tax liability for Financial Year 2012-13**	-	0.56
Income Tax demand for Assessement Year 2014-15*	-	201.01
b. Other matters for which the Company is contingently liable	7.62	7.62
Total	**7.62**	**250.51**

c. During the financial year 2019-20, the Group had 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 had taken the relevant records of the Group for further investigation. The management of the company based on discussions and frequent meetings with the GST officers, had paid the input tax credit availed of INR 186.61 Lakhs under protest. At the time, the company had obtained appropriate legal opinion which indicated that they had a case to claim refund of the amount paid under protest and accordingly, the amount paid had been disclosed under the head "Balances with Government Authorities in the financial statements. However, during the current financial year 2022-23, the management has decided to not pursue this claim so the entire INR 186.61 Lakhs along with penalty and interest has been written off in the P&L.

*The Assessing officer had 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 had been paid under protest for the same (refer note 8). In the current financial year, the ITAT released an order dismissing all appeals of the Revenue.

** Department orders have been received declaring Nil liability of the group.

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
SoftTech Digital Pte. Ltd	Wholly owned subsidiary
Key Management Personnel (KMP)	
Vijay Gupta	Managing director
Priti Gupta	Executive Director
Pratik Patel	Executive Director
Kamal Agrawal	Chief Financial Officer
Aishwarya Patwardhan	Company Secretary (resigned w.e.f. 25th November, 2022)
Sridhar Pillalamari	Independent Director
Rahul Gupta	Independent Director
Sundararajan Srinivasan	Independent Director
Dr. Rakesh Kumar Singh	Independent Director (w.e.f. 12th August, 2022)
Garth Brosnan	Nominee Director (w.e.f. 26th December, 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.

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	
	March 31 2023	March 31 2022	March 31 2023	March 31 2022	March 31 2023	March 31 2022	March 31 2023	March 31 2022
Salaries and allowances								
Aishwarya Patwardhan	(5.97)	(4.93)	-	-	-	-	-	-
Kamal Agrawal	(50.00)	(22.75)	-	-	-	-	-	-
Directors remuneration								
Vijay Gupta	(81.00)	(60.00)	-	-	-	-	-	-
Priti Gupta	(15.00)	(15.00)	-	-	-	-	-	-
Pratik Patel	(14.46)	(14.46)	-	-	-	-	-	-
Loan obtained								
Vijay Gupta	155.00	51.22	-	-	-	-	-	-
Priti Gupta	75.00	15.00	-	-	-	-	-	-
Loan repaid								
Vijay Gupta	(103.91)	(54.62)	-	-	-	-	-	-
Priti Gupta	(78.00)	(24.13)	-	-	-	-	-	-
Services received- Pawan Gupta	-	-	(1.50)	(0.50)	-	-	-	-
Directors sitting fees								
Sridhar Pillalamari	(1.25)	(1.00)	-	-	-	-	-	-
Rahul Gupta	(1.00)	(0.50)	-	-	-	-	-	-
Sundararajan Srinivasan	(1.25)	(1.00)	-	-	-	-	-	-
Rakesh Kumar Singh	(0.75)	-	-	-	-	-	-	-
Interest expense								
Vijay Gupta	(21.93)	(15.44)	-	-	-	-	-	-
Priti Gupta	(4.21)	(4.67)	-	-	-	-	-	-
Investment in share capital								
Amplinxt Private Limited	-	-	-	-	(50.00)	(1.00)	-	-
SoftTech Care Foundation	-	-	-	-	-	(0.90)	-	-
SoftTech Digital Pte. Ltd.	-	-	-	-	(6.30)	-	-	-
Investment in debentures								
SoftTech Engineers Inc. Debentures	-	-	-	-	(121.37)	(28.21)	-	-
Purchase of Intangible Assets								
Vijay Gupta	(140.00)	-	-	-	-	-	-	-
Total	**(288.73)**	**(152.27)**	**(1.50)**	**(0.50)**	**(177.66)**	**(30.11)**	**-**	**-**

Note : Figures in bracket are outflows.

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	
	March 31 2023	March 31 2022	March 31 2023	March 31 2022	March 31 2023	March 31 2022	March 31 2023	March 31 2022
Remuneration payable								
Vijay Gupta	(21.25)	(3.68)		-		-		-
Priti Gupta	(0.79)	(1.18)		-		-		-
Pratik Patel	(4.87)	(3.76)		-		-		-
Aishwarya Patwardhan	-	(0.38)		-		-		-
Kamal Agrawal	(3.42)	(2.50)		-		-		-
Loan payable								
Vijay Gupta	(201.09)	(150.00)		-		-		-
Priti Gupta	(36.24)	(39.24)		-		-		-
Interest payable								
Vijay Gupta	(9.18)	-		-		-		-
Priti Gupta	(3.33)	-		-		-		-
Expense reimbursement receivable								
CoVisible Solutions (India) Private Limited		-		-			0.24	4.88
SoftTech Finland OY		-		-	3.35	2.88		-
SoftTech Government Solutions Inc.		-		-	90.34	5.37		-
AmpliNxt Private Limited		-		-	2.32	15.53		-
SoftTech Digital Pte. Ltd.					5.59			
Directors sitting fees Payable								
Sridhar Pillalamari	(0.23)	-		-		-		-
Sundararajan Srinivasan	(0.23)	-		-		-		-
Investment in share capital								
SoftTech Finland OY		-		-	2.03	2.03		-
SoftTech Engineers Inc		-		-	6.08	6.08		-
Amplinxt Private Limited		-		-	51.00	1.00		-
SoftTech Care Foundation		-		-	0.90	0.90		-
SoftTech Digital Pte Ltd					6.30			
Investment in debentures								
SoftTech Finland OY		-		-	53.57	50.80		-
SoftTech Engineers Inc		-		-	424.52	278.21		-
Security deposits								
Vijay Gupta	5.53	5.53		-	-	-		-
Priti Gupta	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.

NOTE 32: EMPLOYEE BENEFIT OBLIGATIONS

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	March 31 2023	March 31 2022
Obligation at the beginning of the year	139.75	**132.29**
Current service cost	19.39	22.96
Interest expense	7.65	7.41
Benefits paid	(11.20)	-
Actuarial losses (gains) arising from experience adjustments	22.12	(22.90)
Liability at the end of the year	**177.71**	**139.75**

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	March 31 2023	March 31 2022
Present value of funded obligations	177.71	139.75
Fair value of plan assets		-
Deficit of Gratuity Plan	**177.71**	**139.75**
Current / Non Current Bifurcation		
Current liability	67.84	55.91
Non Current liability	109.87	83.84

d) Expenses recognized in the Statement of Profit and Loss under employee benefit expenses:

Particulars	March 31 2023	March 31 2022
Service cost	19.39	22.96
Net interest (income)/expense	7.65	7.41
Past Service Cost	-	-
Expected return on plan assets	-	-
Settlement cost/(credit)	-	-
Net gratuity cost	**27.03**	**30.36**

e) Expense recognized in statement of other comprehensive income:

Remeasurement	March 31 2023	March 31 2022
Remeasurement for the year - obligation (Gain)/Loss	**22.12**	**(22.90)**
Total Remeasurement Cost/(Credit) for the year recognised in OCI	**22.12**	**(22.90)**

f) Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	March 31 2023	March 31 2022
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Discount rate	7.30%	5.70%
Rate of growth in compensation level	10.00%	10.00%
Expected average remaining working lives of employees (in years)*	3.16	3.03
Retirement Age	58.00	58.00
Withdrawal Rate:	31.00%	32.00%

* 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:

Change in Assumption	Defined benefit obligation	
	March 31 2023	March 31 2022
(i) 1% decrease in discount rate	182.57	143.58
(ii) 1% increase in discount rate	173.11	136.15
(iii) 1% increase in rate of salary escalation	180.97	142.29
(iv) 1% decrease in rate of salary escalation	174.53	137.31
(v) 1% increase in rate of withdrawal	177.12	139.19
(vi) 1% decrease in rate of withdrawal	178.31	140.34

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	March 31 2023	March 31 2022
Year 1	67.84	55.91
Year 2	35.45	26.74
Year 3	32.37	23.51
Year 4	28.33	22.08
Year 5	24.23	18.25
Year 6 to 10	86.15	49.48

i) Average Duration

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate and interest rate) is 3.5 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 neutralize 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 uncertainties in estimating this increasing risk.

2. **Unfunded Plan 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	March 31 2023			March 31 2022		
	Fair value through Profit & Loss	Fair Value through Other Comprehensive income	Amortised cost	Fair value through Profit & Loss	Fair Value through Other Comprehensive income	Amortised cost
Financial assets						
Non- current financial assets						
Non-current investments other than equity investments in subsidiaries*	481.91	298.46		332.83	-	
Other non-current financial assets						
Term deposits with maturity more than 12 months from reporting date	-	-	1,127.02	-	-	764.02
Interest accrued but not due on bank deposits and others	-	-	198.25	-	-	149.88
Security deposits	-	-	37.79	-	-	76.54
Retention money	-	-	38.63	-	-	20.73

Current financial assets						
Trade receivables	-	-	2,608.49	-	-	2,907.77
Current investments	869.00	-	-	556.91	-	-
Cash and cash equivalents	-	-	62.06	-	-	63.08
Contract assets	-	-	5,546.90	-	-	4,500.12
Tender deposits	-	-	66.58		-	16.40
Security deposits	-	-	25.39			
Other current financial assets	-	-	101.84	-	-	28.66
Total financial assets	**1,350.92**	**298.46**	**9,812.94**	**889.75**	**-**	**8,527.20**
Financial liabilities						
Non-current financial liabilities						
Non-current borrowings		-	880.99	-	-	1,610.69
Lease liabilities		-	722.62	-	-	239.98
Current financial liabilities						
Current borrowings		-	3,117.35	-	-	1,537.55
Lease liabilities		-	82.31	-	-	114.82
Trade payables		-	577.34	-	-	911.02
Other current financial liabilities		-	233.67	-	-	196.34
Total financial liabilities	-	**-**	**5,614.29**	**-**	**-**	**4,610.40**

* Notes:

1. Investment in Subsidiaries are shown at Cost in balance sheet as per Ind AS 27 : Separate Financial Statements
2. Equity instruments designated as measured at fair value through OCI.
   a) There are designated as such upon initial recognition in accordance with paragraph 5.7.5 of Ind AS 109. This presentation is required as the asset is a strategic non-held for trading investment and fails the SPPI test.
   b) There are no dividends recognised during the period for this investment.
   c) There have been no transfer of cumulative gain/loss within equity during the period for this investment.
3. The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables, investments in equity shares of others at FVTPL and other current financial assets and liabilities approximate their carrying amounts, largely due to the short term nature of these balances.
4. 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.
5. 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 March 31, 2023

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	-	-	481.91	**481.91**
Current investments	869.00	-	-	**869.00**

Financial Investments at Fair value through Other Comprehensive Income				
Non-current investments	-	-	298.46	**298.46**
Current investments	-	-	-	**-**
Total financial assets	**869.00**	**-**	**780.37**	**1,649.37**

As at March 31, 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
Financial Investments at Fair value through Other Comprehensive Income				
Non-current investments	-	-	-	-
Current investments	-	-	-	-
Total financial assets	556.91	-	332.83	889.75

There are no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2023 and March 31, 2022.

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. Valuation inputs used in Level 3 and sensitivity of inputs to fair value:

Particulars	As at 31st March 2023	As at 31st March 2022	Valuation technique adopted	Significant unobservable inputs	As at March 2023	As at March 2022	Sensitivity of Input to FV
Non Current Investments - Investment in debentures of subsidiaries at FVTPL	**478.09**	329.01	DCF technique	Incremental borrowing rate	4.44%	2.90%	Increase/ (decrease) in the rate would decrease/(increase) the fair value.
Non Current Investments - Investment in equity shares of others at FVTPL	**3.83**	3.83	Purchase cost	NA	NA	NA	NA
Non Current Investments - Investment in equity shares of others at FVOCI	**298.46**	-	DCF technique	Incremental borrowing rate	40%	NA	Increase/ (decrease) in the rate would decrease/(increase) the fair value.

iv. **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 and unbilled revenue. The Company monitors and limits its exposure to credit risks on a reasonable basis. The Company's credit risk is associated with Trade Receivables and unbilled revenue is primarily related to customers not able to settle their obligations as agreed upon. The company's customer base is predominantly made up of various state government bodies so the inherent risk of payment default is low. 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.

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.

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 most of whom are various state Government bodies. 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 10 and 12 for the ageing of receivables and contract assets 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 relevant maturity groupings based on their contractual maturities:

March 31, 2023	Payable within 1 year	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	800.48	80.52	**880.99**
Lease liabilities	-	93.33	629.30	**722.62**
Other non-current financial liabilities	-	-	-	**-**
Current financial liabilities				**-**
Current borrowings	3,117.35	-	-	**3,117.35**
Lease liabilities	82.31	-	-	**82.31**
Trade payables	531.87	45.48	-	**577.34**
Other current financial liabilities	233.67	-	-	**233.67**
Total	**3,965.20**	**939.28**	**709.81**	**5,614.29**

March 31, 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		-	-	-
Current financial liabilities				-
Current borrowings	1,537.55	-	-	1,537.55
Lease liabilities	114.82	-	-	114.82
Trade payables	911.02	-	-	911.02
Other current financial liabilities	196.34	-	-	196.34
Total	2,759.74	1,630.00	220.67	4,610.40

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.

i. Foreign currency rate risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company transacts majority of it's business in local currency INR and therefore has minimal foreign currency exposure from trade payables, trade receivables and investments in overseas subsidiaries as on 31 March, 2023. The company has not hedged it's foreign currency exposure by derivative instruments as on 31 March, 2023. There are no forward contracts outstanding as on 31 March, 2023.

Details of foreign currency exposures.

Particulars	Currency	Amount in Foreign Currency		Amount in Rs.	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
Financial liabilities					
Trade Payables	EURO	871.07	-	77,760	-
Financial assets					
Trade receivable	USD	5,400	5,400	4,43,394	4,09,860
	MYR	7,00,000	7,00,000	1,29,92,000	1,26,35,000
	SGD	1,82,000	4,36,000	1,12,38,500	2,44,42,160

Financial assets					
Investments in debentures					
	EURO	60,000	60,000	53,56,200	50,52,600
	USD	5,17,000	3,67,000	4,24,50,870	2,78,55,300

Currency wise net exposure (assets - liabilities)

Currency	Amount in Foreign Currency		Amount in Rs.	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
USD	**5,22,400**	3,72,400	**4,28,94,264**	2,82,65,160
EURO	**59,129**	60,000	**52,78,440**	50,52,600
MYR	**7,00,000**	7,00,000	**1,29,92,000**	1,26,35,000
SGD	**1,82,000**	4,36,000	**1,12,38,500**	2,44,42,160

Currency wise details of Hedged exposure

Currency	Amount in Foreign Currency	
	31 March 2023	31 March 2022
USD	-	-
EURO	-	-
MYR	-	-
SGD	-	-

Currency wise net Unhedged exposure

Currency	Amount in Foreign Currency		Amount in Rs.	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
USD	**5,22,400**	3,72,400	**4,28,94,264**	2,82,65,160
EURO	**59,129**	60,000	**52,78,440**	50,52,600
MYR	**7,00,000**	7,00,000	**1,29,92,000**	1,26,35,000
SGD	**1,82,000**	4,36,000	**1,12,38,500**	2,44,42,160

Sensitivity Analysis

The following tables demonstrate the sensitivity to a reasonably possible change in above exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	31 March 2023	31 March 2022
Net unhegded exposure in INR		
USD	4,28,94,264	2,82,65,160
EURO	52,78,440	50,52,600
MYR	1,29,92,000	1,26,35,000
SGD	1,12,38,500	2,44,42,160
Sensitivity		
USD-change by 4.45 % (3.2% in 2021-22)	3.65	2.43

EURO-change by 3.58 % (2.77 % in 2021-22)	3.20	2.33
MYR-change by 2.28 % (2.10 % in 2021-22)	0.42	0.38
SGD- change by 5.09 % (3.40 % in 2021-22)	3.14	1.91
Impact on profit after tax or equity (INR Strengthens)		
USD	14,27,081	5,13,725
EURO	1,41,406	88,195
MYR	2,21,873	35,839
SGD	4,28,046	3,48,625
Impact on profit after tax or equity (INR Weakens)		
USD	-14,27,081	-5,13,725
EURO	-1,41,406	-88,195
MYR	-2,21,873	-35,839
SGD	-4,28,045.74	-3,48,625

Backup of standard deviation

Currency	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22	31-Mar-23
USD	69.28	75.36	73.16	75.90	82.11
EURO	77.73	83.08	85.92	84.21	89.27
MYR	16.96	17.47	17.66	18.05	18.56
SGD	50.71	53.01	54.42	56.06	61.75

Currency	% Change 2019-20	% Change 2020-21	% Change 2021-22	% Change 2022-23	Average change
USD	9%	-3%	4%	8%	**4.45%**
EURO	7%	3%	-2%	6%	**3.58%**
MYR	3%	1%	2%	3%	**2.28%**
SGD	5%	3%	3%	10%	**5.09%**

ii) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's debt obligations with floating interest rates.

Interest rate exposure : The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	31 March 2023	31 March 2022
Variable rate borrowings		
Term loan from banks	453.39	521.86
Term loan from financial institutions	375.00	-

Sensitivity analysis
Profit or loss due to higher/lower interest rate expense from borrowings as a result of changes in interest rates

Particulars	31 March 2023	31 March 2022
If interest rates -		
Increase by 1%	(6.20)	(3.91)

Decrease by 1%	6.20	3.91

iii) Price risk

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. At the reporting date the exposure to quoted equity securities is Rs. 869.00 lakhs. A decrease of 100 bps on the NAV would decrease the profit and loss or equity attributable to the company by approximately Rs. 8.69 lakhs. On the other hand, an increase of 100 bps in the value of the quoted securities would increase the profit and loss and equity of the company.

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 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	March 31 2023	March 31 2022
Total Borrowings	3,998.34	3,148.24
Cash and bank balances	(62.06)	(63.08)
Net debt	**3,936.28**	**3,085.16**
Shareholders' funds		
Equity share capital	1,015.60	1,015.48
Instruments entirely equity in nature	828.90	-
Reserves and surplus	9,072.97	7,817.72
Total equity	**10,917.47**	**8,833.20**
Net debt to equity ratio	**0.36**	**0.35**

NOTE 36: ISSUE OF EQUITY SHARES ON PREFERENTIAL ALLOTTMENT BASIS

During the year, company had made private placement by way of issue of compulsory convertible debenture and share warrants, but shares were not issued till reporting date. The total proceeds of private placement amounts to Rs.1,453.90 lakhs.

Following are the details of utilization of proceeds from private placement raised on August 23, 2022 done till March 31, 2023.

Purpose for which proceeds are used	(Amount ₹ in Lakhs)
1. To support the expansion of business in Indian and Overseas market	425.22
2. General corporate purposes	188.68
Total	**613.90**

There is no deviation in use of proceeds from the objects stated in the resolution done till year end. The remaining funds of Rs. 840 lakhs have been invested in mutual funds during the year (refer note 9)

NOTE 37: 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 March 31, 2023, and March 31, 2022.
2. Further, the Company operates primarily in India and there is no other significant geographical segment.

NOTE 38: DISCLOSURE PURSUANT TO IND AS 115 "CONTRACTS WITH CUSTOMER"

Disaggregation of revenue

Revenue Break-Up	**2022-23**	**2021-22**
One Time License Model	4,091.40	3,563.62
Pay Per Use / SaaS	1,445.36	1,234.24
BIM / GIS Services	126.49	240.55
Others	870.83	707.26
Total	**6,534.09**	5,745.67

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. A performance obligation is typically satisfied as services are rendered and in some cases upon the completion of service.

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 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.

3. Revenue Recognition:

1) Fixed-price contracts: Revenue for fixed-price contracts where performance obligations are satisfied over time is recognised using percentage-of-completion method. In respect of such fixed price 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.

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.

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.

NOTE 39: RATIO ANALYSIS

Particulars	March 31 2023	March 31 2022	Change in the ratio compared to the preceding year	Explanation for change more than 25%
Current ratio	2.22	2.80	-20.58%	NA
Debt-Equity Ratio	0.37	0.36	2.76%	NA
Debt Service Coverage ratio	0.64	0.96	-33.37%	New loans undertaken during the year has caused a large increase in current borrowings but revenue/profit have not increased proportionately.
Return on Equity ratio	0.06	0.07	-18.32%	NA
Trade Receivable Turnover Ratio	2.37	1.84	28.74%	The company has seen some recoveries of aged balances during the year and has also made higher loss allowances for credit impaired debts compared to previous year.
Trade Payable Turnover Ratio	1.19	1.41	-15.97%	NA
Net Capital Turnover Ratio	1.25	1.10	13.54%	NA
Net Profit ratio	0.09	0.10	-11.72%	NA
Return on Capital Employed	0.07	0.07	-6.73%	NA
Return on Investment	0.05	0.03	59.58%	The company has made a large profit on fair valuing investment at closing NAV as of reporting date causing this large increase.

Element of Ratio	Numerator	Denominator	As at March 31, 2023		As at March 31, 2022	
Ratios			Numerator	Denominator	Numerator	Denominator
Current ratio	Current Assets	Current Liabilities	9,449.83	4,254.89	8,158.57	2,917.55
Debt-Equity Ratio	Debt (borrowing)	Total Equity	3,998.34	10,917.47	3,148.24	8,833.21
Debt Service Coverage ratio	Profit for the year + Finance cost + Depreciation	Current lease liabilities+ current borrowings + finance cost	2,298.20	3,591.44	1,824.30	1,899.47
Return on Equity ratio	Profit for the year	Average Total Equity	579.82	9,875.33	577.57	8,035.30
Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivable	6,534.09	2,758.13	5,745.67	3,122.27
Trade Payable Turnover Ratio	Total Purchases	Average Trade Payables	883.86	744.18	617.32	436.77
Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital	6,534.09	5,217.98	5,745.67	5,209.55
Net Profit ratio	Profit for the period/year	Revenue from Operations	579.82	6,534.09	577.57	5,745.67
Return on Capital Employed	Profit for the period/year + Finance cost	Equity + Debt (Borrowing) - Cash & Cash Equivalents	971.59	14,853.75	864.01	12,319.98

Return on Investment	Income generated from invested funds	Average invested funds in treasury investments	35.23	712.96	16.53	533.66

OTHER NOTES

40:

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.

41:

Previous years figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification / disclosure.

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, 2023, 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, 2023, 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 2.2B (b) to the accompanying Consolidated Financial Statements for accounting policy and Note 22 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;

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.	✓ 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; ✓ 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 2.2B(d) 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.

- 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

The Consolidated Financial Statements include the financial statements/financial information of five subsidiaries which have not been audited by us, whose financial statements reflect total assets of Rs. 460.07 Lakhs as at March 31, 2023, revenues from operations of Rs 6.40 Lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs. (231.87) Lakhs and net cash inflows of Rs. 11.87 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 results are not material to the Group.

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, 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, 2023 taken on record by the Board of Directors of the Holding Company and as represented to us in case of Indian Subsidiary, none of the directors of the Holding Company and Indian Subsidiary, is disqualified as on March 31, 2023 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. Section 197 of the Act is not applicable to the Indian Subsidiary.

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, 2023 on the consolidated financial position of the Group- Refer Note 30 to the Consolidated Financial Statements.

(ii) The Holding Company 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, 2023.

(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.

We would like to mention that the Holding Company has invested in its wholly owned subsidiary during the current year. The wholly owned subsidiary has advanced money to its step-down subsidiary company and the same has been disclosed and reported in/on the Standalone Financial Statements and separate financial statements of the subsidiaries. In accordance with the accepted accounting principles, such transactions have been eliminated in the preparation of the Consolidated Financial Statements and hence no reporting is required in the Audit Report on the Consolidated Financial Statements.

v) The Holding Company has not declared or paid any dividend during the year under 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: 23136835BGXPON8391
Pune
May 25, 2023

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") 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 Holding Company'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 Holding Company's 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, 2023, 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 five subsidiaries which have not been audited by us and are Management drawn. 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: 23136835BGXPON8391
Pune
May 25, 2023

CONSOLIDATED BALANCE SHEET

As at March 31 2023

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	As at March 31 2023	As at March 31 2022
ASSETS			
Non-current assets			
Property plant and equipment	3	403.25	475.64
Right-of-use assets	4 (a)	823.17	356.82
Other intangible assets	3 (a)	3,040.99	2,367.01
Intangible assets under development	3 (b)	505.04	377.70
Financial assets			
Investments	5	303.22	4.73
Other financial assets	6	1,405.09	1,014.31
Income tax assets (net)	7	292.35	275.22
Deferred tax assets (net)	21 (b)	95.29	97.73
Other non-current assets	8	36.14	234.81
Total non-current assets		**6,904.54**	5,203.97
Current assets			
Financial assets			
Investments	9	869.00	556.91
Trade receivables	10	2,615.20	2,907.78
Cash and cash equivalents	11	85.88	75.03
Contract assets	12	5,546.90	4,500.12
Other financial assets	13	92.20	21.28
Other current assets	14	169.86	85.67
Total current assets		**9,379.04**	8,146.79
Total assets		**16,283.58**	13,350.76
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15 (A)	1,015.60	1,015.48
Instruments entirely equity in nature	15 (B)	828.90	-
Other equity	15(C)	8,522.01	7,454.88
Total equity attributable to owners of the Company		10,366.51	8,470.36
Non controlling interest		(73.80)	(30.05)
Total equity		**10,292.72**	8,440.31
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings	16 (a)	880.99	1,648.60
Lease liabilities	4 (b)	722.62	239.98

Particulars	Notes	As at March 31 2023	As at March 31 2022
Provisions	18	117.03	95.44
Total non-current liabilities		**1,720.65**	1,984.02
Current Liabilities			
Financial Liabilities			
Borrowings	16 (b)	3,123.19	1,537.55
Lease liabilities	4 (b)	82.31	114.82
Trade payables	17		
Total outstanding dues of micro enterprises and small enterprises		76.63	25.12
Total outstanding dues of creditors other than micro enterprises and small enterprises		509.98	893.53
Other financial liabilities	19	233.67	196.34
Other current liabilities	20	114.15	94.62
Provisions	18	71.95	64.45
Current tax liabilities (net)		58.33	-
Total current liabilities		**4,270.21**	2,926.43
Total liabilities		**5,990.86**	4,910.45
Total equity & liabilities		**16,283.58**	13,350.76

Summary of significant accounting policies. 1- 2

The accompanying notes form an integral part of the Financial Statements 3 - 41

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: May 25, 2023

For and on behalf of the Board of Directors

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place : Pune
Date: May 25, 2023

Kamal Agrawal
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2023

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	Year Ended March 31 2023	Year Ended March 31 2022
Income			
Revenue from operations	22	6,540.48	5,745.67
Other income	23	142.97	186.42
Total Income		**6,683.45**	5,932.09
Expenses			
Purchase of stock-in-trade	24	883.86	617.32
Employees benefit expenses	25	1,670.79	1,316.63
Finance cost	26	392.56	287.48
Depreciation and amortization expenses	27	1,046.20	764.35
Other expenses	28	2,047.50	2,285.25
Total Expenses		**6,040.90**	5,271.03
Profit before tax		**642.55**	661.06
Tax expense			
Current Tax	21 (a)	269.72	193.77
Deferred Tax	21 (b)	(11.80)	2.27
Short/(Excess) provision for previous years		23.11	-
Total tax expense		**281.03**	196.04
Profit after tax [A]		**361.52**	465.02
Other comprehensive income			
Item that will be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(13.57)	(2.03)
Item that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		(22.12)	22.90
Remeasurements of investment classified as FVTOCI		86.86	-
Income tax relating to these items		(14.24)	(5.76)
Other comprehensive income for the year, net of tax [B]		**36.93**	15.11
Total comprehensive income for the year [A+B]		**398.45**	480.13
Profit for the year attributable to:			
-Owners of the Company		399.76	478.71
-Non controlling interests		(38.24)	(13.69)
Other comprehensive income (net of tax) attributable to:			
-Owners of the Company		42.43	15.11
-Non controlling interests		(5.50)	-
Total comprehensive income for the year attributable to:			
-Owners of the Company		442.19	493.82
-Non controlling interests		(43.74)	(13.69)
Earnings per share of face value Rs. 10/- per share	29		
Basic earnings per share		3.81	4.89
Diluted earnings per share		3.78	4.88

Summary of significant accounting policies.	1- 2
The accompanying notes form an integral part of the Financial Statements	3 - 41

As per our report of even date attached

For and on behalf of the Board of Directors

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Abhijeet Bhagwat
Partner
Membership No.: 136835
Place: Pune
Date: May 25, 2023

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place : Pune
Date: May 25, 2023

Kamal Agrawal
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash flow from operating activities		
Net profit before tax	642.55	661.06
Adjustments for		
Depreciation and amortisation expense	1,046.20	764.35
Provision for doubtful debts net of reversal/ debit balances written off	284.74	(48.72)
Changes in fair value of financial assets at fair value through profit or loss	(25.44)	(3.50)
Gain on sale of investment	(9.79)	(4.53)
Unwinding of discount on security deposits	(5.54)	(59.46)
Dividend and interest income classified as investing cash flows	(60.17)	(2.03)
Finance cost	392.56	287.48
Net exchange differences	(39.34)	(8.42)
Cash generated from operations before working capital changes	**2,225.76**	**1,586.24**
Change in operating assets and liabilities		
(Increase)/ Decrease in trade receivables	206.08	486.13
Increase/ (Decrease) in trade payables	(331.86)	78.90
(Increase)/Decrease in contract assets	(1,046.78)	(679.29)
(Increase)/ Decrease in other current asset	(84.19)	18.04
(Increase)/ Decrease in other financial assets	(44.79)	(12.05)
Increase/(Decrease) in other non current assets	12.06	(16.13)
Increase/ (Decrease) in other financial liabilities	29.63	26.28
Increase/(Decrease) in provisions	6.97	15.56
Increase/(Decrease) in other current liabilities	19.54	(18.83)
Cash generated from operations	**992.42**	**1,484.85**
Income taxes paid	(251.63)	(325.20)
Net cash generated from operating activities	**740.78**	**1,159.65**
Cash flows from investing activities		
Payments for property, plant and equipment	(36.38)	(186.34)
Payments for intangibles development costs	(1,623.29)	(1,435.43)
Purchase of long term investments	(183.92)	(0.90)
Investment in mutual funds	(1,000.00)	(43.01)
Sale of mutual funds	723.14	-
Dividend income	-	13.02
Interest income	24.17	8.40
Investment in fixed deposits with banks	(375.37)	5.53
Net cash (used in) investing activities	**(2,471.65)**	**(1,638.73)**
Cash flows from financing activities		
Proceeds from issues of shares	1,453.96	1,001.07
Proceeds from borrowings	597.00	144.67
Repayment of borrowings	(475.12)	(206.23)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Net change in short term borrowings	696.17	-
Lease payments	(171.19)	(106.23)
Interest paid	(345.33)	(317.06)
Net cash generated from financing activities	**1,755.49**	**516.22**
Net increase in cash and cash equivalents	**24.62**	37.12
Foreign currency translation reserve movement	**(13.77)**	-
Cash and cash equivalents at the beginning of the financial year	75.03	37.91
Cash and cash equivalents at end of the year (refer note 11)	**85.88**	**75.03**

The above statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".

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: May 25, 2023

For and on behalf of the Board of Directors

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place : Pune
Date: May 25, 2023

Kamal Agrawal
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

(All amounts in ₹ Lakhs unless otherwise stated)

A. Equity share capital

Particulars	Total
Balance as at March 31, 2021	**946.67**
Changes in equity share capital during the year	68.81
Balance as at March 31, 2022	**1,015.48**
Changes in equity share capital during the year	0.13
Balance as at March 31, 2023	**1,015.61**

B. Instruments entirely equity in nature

Particulars	Total
Balance as at March 31, 2021	-
Changes in Instruments entirely equity in nature during the year	-
Balance as at March 31, 2022	-
Changes in Instruments entirely equity in nature during the year	828.90
Balance as at March 31, 2023	**828.90**

C. Other equity

Particulars	Reserve and surplus			Other components of equity			Total attributable to Owners of the Company	Non Controlling Interest	Total Other Equity
	Securities premium account	Share option outstanding account	Retained earnings	Equity instruments through OCI	Money received against share warrants	Foreign Currency Translation Reserve			
Balance as at March 31, 2021	2,414.56	7.97	3,606.54		-	(0.29)	6,028.78	(16.36)	6,012.42
									-
Profit for the year	-	-	478.71	-	-	-	478.71	(13.69)	465.02
Other comprehensive income	-	-	17.14	-	-	(2.03)	15.11	-	15.11
Employee Stock Option Scheme	-		-	-	-	-	-	-	-
Transferred during the year to Share premium/Share Capital Account on account of allotment of shares	6.45	(7.52)	-	-	-	-	(1.07)	-	(1.07)
Adjustments on account of transition to Ind AS	933.34	-	-	-	-	-	933.34	-	933.34
Balance as at March 31, 2022	**3,354.35**	**0.44**	**4,102.39**	**-**	**-**	**(2.32)**	**7,454.87**	**(30.05)**	**7,424.82**
Profit for the year	-	-	399.76	-	-	-	399.76	(38.24)	361.52
Other comprehensive income	-	-	(11.05)	67.05	-	(13.57)	42.43	(5.50)	36.93
Transferred during the year to Share premium/Share Capital Account on account of allotment of shares	0.37	(0.44)	-	-	-	-	(0.07)	-	(0.07)
Issue of share warrants	-	-	-	-	625.00	-	625.00	-	625.00
Balance as at March 31, 2023	**3,354.72**	**-**	**4,491.11**	**67.05**	**625.00**	**(15.89)**	**8,522.01**	**(73.80)**	**8,448.20**

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: May 25, 2023

For and on behalf of the Board of Directors

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place : Pune
Date: May 25, 2023

Kamal Agrawal
Chief Financial Officer

Note

To Accounts for the year ended 31st March, 2023

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 31 March 2023	As at 31 March 2022
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%*
AmpliNxt Private Limited	India	100.00%	100.00%
SoftTech Digital Pte. Ltd	Singapore	100.00%	NA

*Held by SoftTech Engineers Inc.

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 31 March 2023 were approved for issue in accordance with the resolution of the Board of Directors on May 25, 2023.

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.

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 ("INR"), 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 INR '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 realization 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.

2.2 A 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
- Revenue recognition
- Recognition of intangible assets

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 provisions 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.

2.2 B

(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.

1. 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 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 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 derecognized 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 except Service Cell System:

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 amortization period and the amortization 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 amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization 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 recognized in the statement of profit and loss when the asset is derecognized.

(e) Finance cost

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 capitalized 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 capitalization.

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 (Rs.). 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 is 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 recognized 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 asset

The Group recognizes 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 derecognized (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 recognized 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 defined 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 cash flows 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 insurance contract, the reimbursement is recognized 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 recognized 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 recognizes a liability to make cash distributions to equity shareholders when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorized 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 recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognized 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 recognized 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 recognized 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 utilized, 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 utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognized 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 recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized 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 recognized 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 recognized in the Consolidated Statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized 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 recognized 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.

(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 recognized 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 recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

A contingent asset is not recognized 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) Recent Pronouncements

Amendment to Indian Accounting Standard Rules, 2015

The Ministry of Corporate Affairs (MCA), vide Notification dated 31 March 2023 has issued Companies (Indian Accounting Standards) Amendment Rules, 2023 in consultation with the National Financial Reporting Authority (NFRA).

The notification states that these rules shall be applicable from 1 April 2023 and would thus be applicable for the financial year ending 31 March 2024.

The amendments to Ind AS are intended to keep the Ind AS aligned with the amendments made in IFRS.

Particulars	Explanation
Amendments to Ind AS 1, “Presentation of Financial Statements”	The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements. The Company is in the process of evaluating its impact, if any, on the financial statements. instead of disclosing significant accounting policies, entities would be required to disclose their material accounting policy information in the interim financial statements and regarding financial instruments respectively.
Amendments to Ind AS 8, “Accounting Policies, Changes in Accounting Estimates and Errors”	The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements. The Company is in the process of evaluating its impact, if any, on the financial statements.
Amendments to Ind AS 12, “Income Taxes”	The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the initial recognition exemption so that it does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

Particulars	Furniture and fixtures	Vehicles	Office equipment	Computers	Service cell systems	Leasehold improvements	Total
Gross carrying amount as at April 1, 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 March 31, 2022	180.11	27.76	279.74	99.72	0.63	28.33	616.29
Accumulated depreciation as at March 31, 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 March 31, 2022	22.86	8.48	61.52	43.83	0.45	3.51	140.65
Net carrying amount as at March 31, 2022	157.25	19.29	218.22	55.89	0.18	24.82	475.64

Particulars	Furniture and fixtures	Vehicles	Office equipment	Computers	Service cell systems	Leasehold improvements	Total
Gross carrying amount as at April 1, 2022	**180.11**	**27.76**	**279.74**	**99.72**	**0.63**	**28.33**	**616.29**
Additions during the year	-	-	2.72	33.35	-	-	36.08
Disposals during the year*	0.01	-	-	0.02	-	-	0.03
Gross carrying amount as at March 31, 2023	**180.10**	**27.76**	**282.47**	**133.06**	**0.63**	**28.33**	**652.34**
Accumulated depreciation as at March 31, 2023	**22.86**	**8.48**	**61.52**	**43.83**	**0.45**	**3.51**	**140.65**
Depreciation charge during the year	18.25	4.24	57.04	26.02	0.18	2.83	108.56
Accumulated depreciation on disposals during the year	0.01	-	-	0.11	-	-	0.12
Gross accumulated depreciation as at March 31, 2023	**41.11**	**12.71**	**118.56**	**69.74**	**0.63**	**6.34**	**249.09**
Net carrying amount as at March 31, 2023	**138.99**	**15.05**	**163.90**	**63.32**	**0.00**	**21.99**	**403.25**

For all items of property, plant and equipment, the Holding 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 (c) for information on Property, plant and equipment provided as security by the Holding Company.

Refer Note 2.2B (c) for policy on depreciation.

* The disposal is on account of write off of assets not in use. No actual sale of assets made during the year.

NOTE 3 (A): OTHER INTANGIBLE ASSETS

Particulars	Computer software	Internally generated software	Total
Gross carrying amount as at April 1, 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 March 31, 2022	35.01	3,361.08	3,396.09
Accumulated amortization as at March 31, 2021	5.98	439.20	445.18
Amortization charge for the year	7.77	576.13	583.89
Accumulated amortization on disposals during the year	-	-	-
Gross accumulated amortization as at March 31, 2022	13.74	1,015.33	1,029.08
Net carrying value as at March 31, 2022	21.27	2,345.75	2,367.01

Particulars	Computer software	Internally generated software	Total
Gross carrying amount as at April 1, 2022	**35.01**	**3,361.08**	**3,396.09**
Additions during the year	8.53	1,527.96	1,536.49
Disposals during the year	-	-	-
Gross carrying amount as at March 31, 2023	**43.54**	**4,889.04**	**4,932.58**
Accumulated depreciation as at April 30, 2022	**13.74**	**1,015.33**	**1,029.08**
Amortization charge for the year	9.29	853.23	**862.52**
Accumulated amortization on disposals during the year	-	-	-
Gross accumulated depreciation as at 31 March 2023	**23.03**	**1,868.56**	**1,891.59**
Net carrying amount as at March 31, 2023	**20.51**	**3,020.48**	**3,040.99**

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 2.2B (d) for policy on amortization.

NOTE 3 (B) INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Internally generated software
Gross carrying amount as on April 1, 2021	308.10
Add: Additions	1,426.13
Less: Capitalised during the year	(1,356.53)
Gross carrying amount as on March 31, 2022	**377.70**

Particulars	Internally generated software
Opening gross carrying amount as on April 1, 2022	**377.70**
Additions	1,515.30
Less: Capitalised during the year	(1,387.96)
Gross carrying amount as on 31 March, 2023	**505.04**

Projects whose completion is overdue or has exceeded its cost compared to its original plan the year ended March 31, 2023 ₹ NIL (March 31, 2022 ₹ Nil)
There is significant management judgement and estimate involved in identifying the amount, nature of expenses and man days to be allocated to an internally generated intangible asset (software).

Intangible assets under development aging schedule
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 temporarily suspended	-	-	-	-	-
Total	191.60	27.57	37.75	120.77	377.70

As at March 31, 2023

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	183.18	135.75	27.57	158.52	505.04
Projects temporarily suspended	-	-	-	-	-
Total	**183.18**	**135.75**	**27.57**	**158.52**	**505.04**

NOTE 4:
a. Right-of-use assets

Particulars	Amount
Gross carrying amount as at April 1, 2021	529.68
Add: Additions	
Less: Disposals	-
Gross carrying amount as at March 31, 2022	529.68
Accumulated amortization as at April 1, 2021	60.64
Add: Amortization charge on right-of-use assets*	112.22
Accumulated amortization as at March 31, 2022	172.86
Net carrying amount as at March 31, 2022	356.82
Gross carrying amount as at April 1, 2022	**529.68**
Add: Additions	582.00
Less: Disposals	-
Gross carrying amount as at March 31, 2023	**1,111.68**
Accumulated amortization as at April 1, 2022	**172.86**
Add: Amortization charge on right-of-use assets*	115.65
Accumulated amortization as at March 31, 2023	**288.51**
Net carrying amount as at March 31 2023	**823.17**

*Includes INR 40.53 Lakhs (March 31, 2022: 29.84 lakhs) capitalised during the year.
The aggregate amortization expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

NOTE 4:
b. Lease liabilities

Particulars	31 March, 2023	31 March, 2022
Non-current	722.62	239.98
Current	82.31	114.82
Total	**804.93**	354.80

c. Interest expenses on lease liabilities

Particulars	31 March, 2023	31 March, 2022
Interest on lease liabilities	39.32	10.36

d. Expenses on short term leases / low value assets

Particulars	31 March, 2023	31 March, 2022
Short term leases	-	-
Low value assets	-	-

e. Amounts recognised in the statement of cash flow

Particulars	31 March, 2023	31 March, 2022
Total cash outflow for leases	171.19	106.23

f. Maturity analysis – contractual undiscounted cash flows

Particulars	31 March, 2023	31 March, 2022
Less than one year	82.31	114.82
One to five years	544.37	239.98
More than five years	178.25	-
Total undiscounted lease liabilities at year end	**804.93**	**354.80**

Other Information:

The Group's leasing activities are restricted to leasing premises for their corporate and regional offices. These lease contracts provide for lease rentals to increase each year on account of inflation.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases reported as at March 31, 2023 compared to the lease liability as accounted as at April 1, 2022 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.
During the current financial year, the Group has reassessed the lease term for the premises that it is currently occupying as it's corporate office, leading to a remeasurement of lease liability.

Financial assets

NOTE 5: NON CURRENT INVESTMENTS

Particulars	As At	As At
	March 31 2023	March 31 2022
Investment in equity instruments (fully paid-up)		
Unquoted		
Investments in other companies carried at cost*		
SoftTech Care Foundation	0.90	0.90
[9,000 (March 2022:9000) equity shares of Rs. 10 each fully paid up]		
Total	**0.90**	0.90
Investments in others (fair value through profit and loss)*		
The Mahesh Sahakari Bank Limited	3.58	3.58
[14,300 (March 2022:14,300) equity shares of ₹ 25 each fully paid up]	-	
The Saraswat Co-operative Bank Limited	0.25	0.25
[2,500 (March 2022:2,500) equity shares of ₹ 10 each fully paid up]	-	
Gaudrika Digital Labour Chowk OPC Pvt. Ltd.	0.04	-
[400 (March 2022:Nil) equity shares of ₹ 10 each fully paid up]		
Total	**3.87**	3.83
Total	**4.77**	4.73
Investments in equity shares of others at fair value through other comprehensive income* (partly paid)		
Unquoted		
QI Square Pte. Ltd. Singapore		
[150,054 (March 2022 : Nil) equity shares of SGD 0.01 each partly paid up]	298.46	-
Total	**298.46**	-

Total	**303.22**	4.73
Aggregate book value of unquoted investments	**303.22**	4.73
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 March 31 2023	As At March 31 2022
Unsecured, considered good		
Bank deposits with maturity of more than 12 months (Refer note (a) below)	1,127.02	764.02
Interest accrued but not due on bank deposits and others	198.25	149.88
Security deposits*	41.19	79.69
Retention money	38.63	20.73
Total other non-current financial assets	**1,405.09**	1,014.31

(a) Details of bank deposits pledged

(1) Deposit of INR 284 lakhs (March 31, 2022: INR159 lakhs) are pledged as security against long-term borrowings.
(2) Deposit of INR 664.38 lakhs (March 31, 2022: INR 426.38 lakhs) are pledged as security against short-term borrowings.
(3) Deposit of INR 178.64 lakhs (March 31, 2022: INR 178.64 Lakhs) are held against bank guarantees.

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) 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 March 31 2023	As At March 31 2022
Advance tax and tax deducted at source (net of provision)	292.35	275.22
Total Income-tax assets	**292.35**	275.22

NOTE 8: OTHER NON-CURRENT ASSETS

Particulars	As At March 31 2023	As At March 31 2022
Balances with government authorities (Income tax) [refer note 30(ii)(a)]	30.01	229.97
Prepaid expenses	6.13	4.83
Total other non- current assets	**36.14**	234.81

NOTE 9: CURRENT INVESTMENTS

Particulars	As At March 31 2023	As At March 31 2022
Investments in Mutual Funds (measured at fair value through profit and loss)		
Quoted		
SBI Magnum Low Duration Fund - Growth	0.00	66.97
Nil (March 2022: 2,352.02) units	-	-
HDFC Low Duration Fund	257.28	489.95

5,24,192.704 (March 2022: Nil) units	-	-
HDFC Liquid Fund- Growth	257.39	-
5,871.044 (March 2022: 11,800.88) units	-	-
HDFC Medium Term Debt Fund	257.96	-
5,44,400.238 (March 2022: Nil) units		
HDFC Ultra Short Term Fund	96.38	-
7,45,863.915 (March 2022: Nil) units		
Total current investments	**869.00**	556.91
Aggregate carrying value of quoted investments	**869.00**	556.91
Aggregate market value of quoted investments	**869.00**	556.91

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 March 31 2023	As At March 31 2022
Trade receivables from contract with customers	2,718.03	2,919.18
Less: Loss allowance	(102.83)	(11.40)
Total trade receivables	**2,615.20**	2,907.78
Break up of security details		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	2,615.20	2,907.78
Trade receivables - credit impaired	102.83	11.40
Total	2,718.03	2,919.18
Less: Loss allowance	(102.83)	(11.40)
Total trade receivables	**2,615.20**	2,907.78

Ageing of trade receivables	**Outstanding for following periods as at March 31 2023**						
Particulars	**Not Due**	**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	-	1,024.93	356.69	216.72	322.50	694.35	**2,615.20**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	16.30	86.53	**102.83**
(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	-	-	-	-	(16.30)	(86.53)	**(102.83)**
Total	-	**1,024.93**	**356.69**	**216.72**	**322.50**	**694.35**	**2,615.20**

Ageing of trade receivables	Outstanding for following periods as at March 31 2022						
Particulars	**Not Due**	**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	2,907.79
(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	2,907.79

Movement in provision for loss allowance:

Particulars	**As At March 31 2023**	**As At March 31 2022**
Balance at beginning of the year	11.40	65.51
Add: Provision made during the year	94.15	-
Less: Reversed / utilized during the year	(2.71)	(54.11)
Balance as at the end of the year	**102.83**	11.40

Trade receivables have been offered as security against the working capital facilities provided by the banks (refer note 16 c). Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) 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.

NOTE 11: CASH AND CASH EQUIVALENTS

Particulars	**As At March 31 2023**	**As At March 31 2022**
Balances with banks		
in current accounts	84.64	73.32
earmarked balances*	0.21	0.21
Cash on hand	1.03	1.50
Total Cash and cash equivalents	**85.88**	75.03

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.
*Balance earmarked for unpaid dividend

NOTE 12: CONTRACT ASSETS

Particulars	**As At March 31 2023**	**As At March 31 2022**
Unsecured, considered good		
Unbilled revenue	5,546.90	4,500.12
Total Contract assets	**5,546.90**	4,500.12

Ageing of Unbilled revenue	Outstanding for following periods as at March 31 2023					
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	2,186.02	593.42	463.02	981.94	1,322.49	**5,546.90**

Ageing of Unbilled revenue	Outstanding for following periods as at March 31 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

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) for Fair value hierarchy disclosures for financial assets and liabilities.

NOTE 13: OTHER CURRENT FINANCIAL ASSETS

Particulars	As At March 31 2023	As At March 31 2022
Unsecured, considered good		
Expense reimbursement receivable from Related Parties*	0.24	4.88
Tender deposit	66.58	16.40
Security deposit*	25.39	-
Total other current assets	**92.20**	21.28

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities refer Note 33 (ii) 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 March 31 2023	As At March 31 2022
Prepaid expenses	141.65	30.03
Advance to suppliers	16.55	20.31
Advance to employees and others	11.66	35.33
Total other current assets	**169.86**	85.67

NOTE 15(A): EQUITY SHARE CAPITAL

a) Details of Authorised share capital:

Particulars	No. of Shares	Amount
Authorised Share Capital		
Equity shares of Rs. 10/- each		
As at March 31 2021	1,10,00,000	1,100
Increase during the year	-	-
As at March 31 2022	1,10,00,000	1,100
Increase during the year	40,00,000	400
As at March 31 2023	**1,50,00,000**	**1,500**

b) Details of Issued, subscribed and fully paid up share capital:

Particulars	No. of Shares	Amount
Issued, subscribed and fully paid up:		
Equity shares of Rs. 10/- each		
As at March 31 2021	94,66,672	946.67

Issued during the year	-	68.81
As at March 31 2022	1,01,54,754	1,015.48
Issued during the year	1,266	0.13
As at March 31 2023	**1,01,56,020**	**1,015.60**

c) Reconciliation of the number of shares and amount outstanding at the beginning and at the year end

Particulars	No. of Shares	Amount
As at March 31 2021	94,66,672	946.67
Shares issued through Preferential allottment	6,66,666	66.67
Exercise of options proceeds involved through ESOP	21,416	2.14
As at March 31 2022	1,01,54,754	1,015.48
Increase during the year	-	-
Exercise of options proceeds involved through ESOP	1,266	0.13
As at March 31 2023	**1,01,56,020**	**1,015.60**

d) Rights, preferences and restrictions attached to equity shares

The Holding 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 Holding Company, the holders of equity share will be entitled to receive remaining assets of the Holding 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.

e) Details of shareholders holding more than 5% shares in the Group

Particulars	March 31 2023		March 31 2022	
	No. of shares	% holding	No. of shares	% holding
Vijay Gupta	36,81,234	36.25%	36,81,234	36.25%
School of Design and Entrepreneurship LLP	15,66,729	15.43%	15,66,729	15.43%
East India Udyog Limited	7,02,400	6.92%	7,02,400	6.92%
Pratik Babubhai Patel	6,71,104	6.61%	6,71,104	6.61%
Total	**66,21,467**	**65.21%**	66,21,467	65.21%

f) Details of shares held by Promoter

Particulars	March 31 2023	March 31 2022
Promoter Name		
Vijay Gupta		
No of shares	36,81,234	36,81,234
Percentage of total shares	36.25%	36.25%
Percentage Change	0.00%	-2.63%
Chirag Vijay Gupta		
No of shares	94,400	94,400
Percentage of total shares	0.93%	0.93%
Percentage Change	0.00%	-0.07%
Priti Vijay Gupta		
No of shares	33,090	33,090
Percentage of total shares	0.33%	0.33%
Percentage Change	0.00%	-0.02%
Covisible Solutions India Private Limited		
No of shares	2,99,148	2,99,148
Percentage of total shares	2.95%	2.95%
Percentage Change	0.00%	-0.21%

(g) 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 Consolidated 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 21 August 2017 and shareholders on 22 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 31 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. As at 31st March 2023, all stock options have been exercised and there are no outstanding options under this scheme as on reporting date.

(h) Aggregate number of shares issued for consideration other than cash

Particulars	March 31 2023		March 31 2022	
	No. of shares	% holding	No. of shares	% holding
Shares issued through ESOP	1,266.00	0.01%	21,416.00	0.21%

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 22 September 2017.

The details of activities under the ESOP 2017 scheme are summarised as follows:

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	**1,266.00**	**5.00**	22,682.00	5.00
Granted during the year	-	-	-	-
Adjusted for bonus	-	-	-	-
Lapsed during the year	-	-	-	-
Exercised during the year	1,266	5.00	21,416.00	5.00
Outstanding at the end of the year	**-**	**5.00**	1,266.00	5.00
Exercisable at the end of the year	**-**	**5.00**	1,266.00	5.00

* WAEP denotes weighted average exercise price in Rupees.

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	As At March 31 2023	As At March 31 2022
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.

NOTE 15(B): INSTRUMENTS ENTIRELY EQUITY IN NATURE

Particulars	31 March 2023	31 March 2022
Compulsory convertible debentures (CCD)*	828.90	-
Total Instruments entirely equity in nature	**828.90**	**-**

* Terms of securities convertible into equity (CCD): The company has made a preferential issue of CCDs on 23rd August, 2022. 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. The CCD shall be covertible into equity shares at a conversion price of Rs. 125/- per equity share i.e. face value of Rs. 10/- per share and premium of Rs 115/- per equity.

NOTE 15(C): OTHER EQUITY

Particulars	As At March 31 2023	As At March 31 2022
i. Retained earnings		
Opening Balance	4,102.39	3,606.54
Total Comprehensive Income for the current year	455.76	495.85
Closing Balance	**4,558.15**	4,102.39
ii. Share option outstanding account		
Opening Balance	0.45	7.97
Employee Stock Option Scheme		
Less: Transferred during the year to Share premium/Share Capital Account	(0.45)	(7.52)
Closing Balance	**-**	0.45
iii. Securities premium		
Opening Balance	3,354.35	2,414.56
Exercise of option proceeds received	0.37	6.45
Premium on shares issed during the year	-	933.34
Closing balance	**3,354.72**	3,354.35
iv. Foreign Currency Translation Reserve		
Opening balance	(2.32)	(0.29)
Addition during the year	(13.57)	(2.03)
Closing balance	**(15.89)**	(2.32)
Total Reserves and surplus	**7,897.01**	7,454.88
Money received against share warrants**	625.00	-
Total Other Equity	**8,522.01**	7,454.88

** Terms of securities convertible into equity (Share Warrants): The company has made a preferential issue of share warrants on 23rd August, 2022 with an issue price of Rs 125/- per warrant with a right to the warrant holder to apply for and be allotted 1 equity share of face value Rs. 10/- each of the company at a premium of Rs 115/- per share for each warrant within a period of 18 months from the date of allotment of the warrants. 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.

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 is utilised in accordance with the provisions of the Act.

NOTE 16:
a) Non-current borrowings

Particulars	As At March 31 2023	As At March 31 2022
Secured - at amortised cost [refer note 16 c]		
Term loans		
From banks	**457.39**	532.42
Axis Bank vehicle loan	4.00	10.56
Axis Bank ECGL	178.29	146.27
ICICI Bank	275.10	375.60
From financial institutions	**445.00**	140.00
Technology Development Board (TDB)	70.00	140.00
Tata Capital Financial Services Ltd	375.00	-
Unsecured		
Term loans	**1,229.00**	1,417.15
RIB ITWO Soft Pvt Ltd	991.67	1,190.00
Loan from directors	237.33	189.24
Loan from others	-	37.90
Less: Current maturities of long term borrowings	(1,250.40)	(440.97)
Total non-current borrowings	**880.99**	1,648.60

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 borrowings

Particulars	As At March 31 2023	As At March 31 2022
Loans repayable on demand		
Secured (refer note 16 c)		
From banks - working capital loans	1,747.55	1,057.23
Unsecured (Refer note 16 c)		
Payable on corporate credit card	5.84	-
From others - loan repayable on demand	119.40	39.35
Current maturities of long term borrowings	1,250.40	440.97
Total current borrowings	**3,123.19**	1,537.55

NOTE 16:

c) Nature and purpose of loans, security and terms of repayment

(a) Nature of security and terms of repayment of secured loans

	Loan Amount, Nature of security	Terms of repayment
	Term loans from banks	
(i)	**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 March 31, 2022: ₹ 84.35 Lakhs, As at 31st March 2023: Rs. 48.19 lacs) 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.
(ii)	**ICICI Bank**	
	This Loan is towards renovation and interiors of company's new office at Baner. The sanction amount of this loan is Rs. 350 Lakhs only. The Company has availed a loan of Rs. 325.17 Lakhs (as at March 31, 2022: Rs. 291.25 Lakhs, As at 31st March 2023: Rs.226.90 Lacs). 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 Rs. 159 Lakhs	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)	**Axis Bank - ECLGS**	
	This ECLGS loan has been sanctioned to meet the working capital requirements arising out of COVID-19. Loan of Rs. 195 lakhs (as at March 31, 2022: Rs. 146.27 lakhs, as at 31st March 2023: Rs.81.28 Lacs). 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.
(iv)	**Axis Bank - ECLGS II**	
	This ECLGS loan has been sanctioned to meet liquidity mismatch arising out of COVID-19. Loan of Rs. 97 lakhs (as at 31st March 2022: Nil, as at 31st March 2023: Rs.97 lacs). Loan is secured against: i) Extension of charges on existing securities i.e. entire current assets of the company on second charge basis ii) 100% credit guarantee by National Credit Guarantee Trustee Company	Rate of interest is 5.25% over the Repo rate, which will reset at interval of 3 months. The current rate of interest is 11.75% p.a. (i.e. Repo rate of 6.50 % + 5.25%). The loan of ₹ 97 Lakhs disbursed is to be repaid in 36 installments of Rs. 2,69,444 after 24 months moratorium.
(v)	**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 Rs. 29.18 lakhs (as at March 31, 2022: ₹10.56 lakhs, as at 31st March 2023: Rs. 3.99 lacs).	Repayable in 60 monthly instalments of ₹ 60,149 starting from Nov-18 to Oct-23.
	Term loans from financial institutions	
(vi)	**TDB**	
	Total loan amount of 245 lakhs (as at 31st March 2022: 140 lakhs, as at 31st March 2023: 70 lakhs) was obtained to partly finance the development of a new product. Loan is secured against: i) Hypothecation of movable assets of the Company including assets created under the project ranking first pari passu charge with other holders. ii) Personal guarantee from Vijay Gupta and Priti Gupta pledging 3 Lakh shares of Rs. 10 each having face value of Rs. 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 28 March 2017 and 16 February 2019 and third instalment of Rs 25 Lakhs on 4 November 2020. The principal amount shall be repaid in 7 half-yearly installments, with the last installment payable in month of March 2024.
(vii)	**Tata Capital Financial Services Limited**	

	Loan obtained of Rs.500 Lacs for General Corporate Purpose / Capex/ Expansion Purposes / WC purposes (as at 31st March 2022: Nil, as at 31st March 2023: 375 lakhs). Loan is secured against: Fixed Deposit (FD) of 25% of loan amount with a bank acceptable to TCFSL, duly lien marked on principal and interest in favor of TCFSL.	Rate of interest is Long term lending rate released by Tata Capital Financial Services Limited less 9.05%. As at 31st March LTLR is 21.55%- rate is 21.55%-9.05% ie 12.5% Repayment in monthly installments of Rs.20,83,300 starting from 10th October 2022.

(b) Terms and conditions of Unsecured Loans

(viii) 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 INR 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 repaid to lender in 6 equal quarterly installments of ₹ 198.33 Lakhs starting from Jan-2023 to April-2024.

(ix) Loans from Directors

These includes loan availed from managing director Mr. Vijay Gupta of Rs. 201 lakhs as at March 31, 2023 (Rs 150 lakhs as at March 31, 2022) and director Mrs Priti Gupta of Rs.36.24 lakhs as at March 31, 2023 (Rs.40 lakhs as at March 31, 2022). These loans do not have a repayment schedule and carry an interest rate of 10% p.a.

(c) Loan repayable on demand - Current Borrowings

Secured

Working capital loan from banks

(x)	**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 passu 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 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) Lien on fixed deposits of Rs. 25 Lakhs in the name of Softtech Engineers Limited as on 15-Jan-2021. 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.	Interest rate is 3 month MCLR rate plus 1.95% p.a. currently 8.80% p.a.
(xi)	**Axis Bank DLOD**	

	Loan is secured against Primary: i) Hypothecation of entire current assets of the borrower, both present and future on exclusive basis: Collateral: i) Exclusive charge by way of hypothecation on the entire moveble fixed assets (Excluding assets financed by TDB) of the company - present and future ii) Exclusive charge on the movable fixed assets (excluding those funded out of term loan with ICICI bank) of the borrower, both present and future iii) Residential flat no-503, 5th floor, B-1 wing, Gangavihar Co-op Housing Society Ltd, S.No 612, Hissa No. 7, Plot no 2 to 17, near Gangadham, Bibewadi-Kondhwa road, Bibewadi, Pune standing jointly in the name of Vijay Gupta and Priti Gupta iv) Immovable property situated at Flat number 1211, 12th floor, Building No E-15, IVY Apartment, Gat no 690 to 710, Behind JSPM College, Off Nagar road, Wagholi (Avalwadi), Pune in the name of Vijay Gupta and Priti Gupta v) Liquid Collateral as under: -BG Margin: -25% for Rs.9 cr and 20% for Rs.2.66 cr (Totalling of Rs.2.78 crores) -Recurring Deposit of Rs.36.00 Lacs -Recurring Deposit of Rs.42.00 Lacs (Rs.1.75 lacs per month for 24 months, current value of Rs.15.75 lacs) -FD of Rs.211 lakhs -RD of Rs.120 lakhs (12 month installment of Rs.10 Lacs each) -FD of Rs. 25 lakhs -New FD of Rs. 280 lakhs (For fresh Enhancement) v) Negative Lien and deposition of original Title deeds of property of Office premises at Unit no 5C, 5th Floor, The Pentagon, S.No. 42-A/3/1, F.P.No 477-A, TPS No. 3, CTS No 4616, Near Lotus court, Off Pune Satara Road, Parvati, Pune standing jointly in the name of Vijay Gupta and Priti Gupta	Rate of interest is repo plus 5.25%
(xii)	**Unsecured loan repayable on demand - from others**	
	Loan of Rs.119 lakhs as at March 31, 2023 (Rs.38.85 as at March 31, 2022) is taken from East India Udyog Limited for the purpose of making immediate payments of tender deposit amounts.	There is no repayment schedule. This is a non-interest bearing loan.

NOTE 17 : TRADE PAYABLES

Particulars	**As At March 31 2023**	**As At March 31 2022**
Trade payables		
total outstanding dues of micro and small enterprises	76.63	25.27
total outstanding dues of creditors other than micro and small enterprises	509.53	893.38
total outstanding dues of related parties	0.45	-
Total Trade payables	**586.61**	918.65

Particulars	**As At March 31 2023**	**As At March 31 2022**
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	76.63	25.27
- Principal amount outstanding (whether due or not) to micro and small enterprises.	24.35	23.93
- Interest due thereon.	1.47	0.25
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.	102.51	15.50
Amount of interest due and payable on delayed payments.	2.21	0.18
Amount of interest accrued and remaining unpaid as at year end.	3.67	0.43
The amount of further interest remaining due and payable even in the succeeding year.	5.02	1.34

This information as required to be disclosed under the "Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the company.

Ageing of Trade Payables	**Outstanding for following periods from due date of payment March 31, 2023**

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables						
Micro enterprises and small enterprises	47.26	26.17	3.20	-	-	76.63
Others	-	136.21	14.44	27.99	-	178.63
Disputed trade payables	-	-	-	-	-	-
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Unbilled dues	331.35	-	-	-	-	331.35
Total	**378.61**	**162.38**	**17.63**	**27.99**	**-**	**586.61**

Ageing of Trade Payables	Outstanding for following periods from due date of payment March 31, 2022					
Particulars	**Not Due**	**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	-	-	-	-	261.04
Total	261.04	614.17	25.95	-	17.49	918.65

NOTE 18: PROVISIONS

Particulars	As At March 31 2023	As At March 31 2022
Non-current		
Gratuity [refer note 32]	109.87	83.84
Compensated absences	7.16	11.60
Non- current employee benefits obligations	**117.03**	95.44
Current		
Gratuity [refer note 32]	67.84	55.91
Compensated absences	4.11	8.54
Current employee benefits obligations	**71.95**	64.45

MOVEMENT IN PROVISIONS FOR COMPENSATED ABSENCES

Particulars	Amount
As at 31 March 2021	34.96
Additional provisions recognised	-
Excess amounts reversed/utilised	14.82
As at 31 March 2022	20.14
Additional provisions recognised	-
Excess amounts reversed/utilised	8.87
As at 31 March 2023	**11.27**

NOTE 19: OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As At March 31 2023	As At March 31 2022
Payable to employees	174.29	144.66
Interest accrued but not due on borrowings	24.76	16.86
Payable towards capital purchases	34.62	34.83
Total other current financial liabilities	**233.67**	196.34

NOTE 20: OTHER CURRENT LIABILITIES

Particulars	As At March 31 2023	As At March 31 2022
Statutory liabilities	97.21	64.09
Advance from customers	16.73	30.33
Unpaid Dividend	0.21	0.21
Total other current liabilities	**114.15**	94.62

NOTE 21:
a. Income tax expense

Particulars	As at March 31 2023	As at March 31 2022
Current tax	269.72	193.77
Less: Deferred tax - Relating to origination and reversal of temporary differences	(11.80)	2.27
Add: Short tax provision of previous years	23.11	-
Income tax expense	**281.03**	196.03
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expenses	642.55	661.06
Tax Rate	25.17%	25.17%
Tax at the Indian tax rate	161.72	166.38
Adjustments:		
Tax effect of amounts which are not deductible in calculating taxable income	85.37	28.33
Others	10.84	1.33
Total	**96.21**	**29.66**
Add: Short tax provision for previous years	23.11	-
Net current tax expenses recognised in statement of profit & loss	**281.03**	**196.03**

NOTE 21:
b. Deferred tax (net)

Particulars	As at March 31 2023	As at March 31 2022
Net Deferred tax assets/(liabilities)**	95.29	97.73
Deferred tax assets/(liabilities) arise from the following:	95.29	97.73
Deferred tax assets		
Gratuity and compensated absences	47.56	40.24

Provision for doubtful debts, doubtful deposits and capital advance	25.88	17.84
Property, plant & equipment and intangible assets	52.65	38.06
Fair valuation adjustment	-	2.09
	126.09	98.24
Deferred tax liability		
Fair valuation adjustment	6.40	-
Lease adjustment	4.59	0.51
Deferred tax on FVOCI gain	19.80	-
	30.80	0.51

**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 March 31 2023**	**As at March 31 2022**
Opening deferred tax (assets) / liabilities	**(97.73)**	**(105.76)**
Movement in deferred tax (assets)/ liabilities:		
Gratuity and compensated absences	(7.32)	1.85
Provision for doubtful debts, doubtful deposits and capital advance	(8.04)	(1.35)
Ind AS assets	4.08	0.51
PPE depreciation and intangible amortization	(14.58)	9.12
Others	28.30	(2.09)
Closing deferred tax (assets) / liabilities	**(95.29)**	**(97.73)**
Deferred tax expense / (income)	**2.44**	**8.03**
- Recognised in statement of profit and loss	(11.80)	2.27
- Recognised in statement of other comprehensive income	14.24	5.76

NOTE 22 : REVENUE FORM OPERATIONS

Particulars	**2022-23**	**2021-22**
Sale of Services (refer note 38)	5,660.61	5,038.41
Sale of Products	879.87	707.26
Total revenue from operations	**6,540.48**	5,745.67

NOTE 23 : OTHER INCOME

Particulars	**2022-23**	**2021-22**
Interest income from bank deposits	60.17	46.44
Net gain on sale of investments	9.79	13.02
Fair value gain on investment mandatorily measured at FVTPL	25.44	3.50
Total (A)	**95.40**	62.96
Other non-operating income		
Excess provision written back	27.35	40.14
Reversal of doubtful debts provision	-	54.11
Unwinding of discount on security deposits	5.54	4.53
Miscellaneous Income	5.66	16.26
Foreign exchange fluctuation gain (net)	9.02	8.42
Total (B)	**47.57**	123.46
Total other income	**142.97**	186.42

NOTE 24: PURCHASE OF STOCK-IN-TRADE

Particulars	2022-23	2021-22
Purchase of traded software	883.86	617.32
Total purchases of stock-in-trade	**883.86**	617.32

NOTE 25: EMPLOYEE BENEFIT EXPENSES

Particulars	2022-23	2021-22
Salaries, wages and bonus	1,578.93	1,225.06
Contribution to provident and other funds	63.46	49.93
Gratuity (refer note 32)	19.32	30.36
Staff welfare	9.08	11.27
Total employee benefit expense	**1,670.79**	1,316.63

NOTE 26: FINANCE COST

Particulars	2022-23	2021-22
Interest cost on borrowings	324.07	269.66
Finance charges on lease liabilities (refer note 4)	39.32	10.36
Interest others	8.63	0.20
Other borrowing cost.	20.54	7.27
Total finance cost	**392.56**	287.48

NOTE 27: DEPRECIATION AND AMORTISATION EXPENSES

Particulars	2022-23	2021-22
Depreciation on property, plant and equipment	108.56	98.07
Amortization of right-of-use assets [Net of INR 40.53 Lakhs (March 31, 2022: 29.84 lakhs) capitalised during the year]	75.12	82.38
Amortization of intangible assets	862.52	583.89
Total depreciation and amortisation expenses	**1,046.20**	764.35

NOTE 28: OTHER EXPENSES

Particulars	2022-23	2021-22
Electricity charges	23.86	15.90
Rent	0.62	1.47
Repairs and maintenance	10.23	6.21
Insurance	21.66	19.28
Rates and taxes	92.78	6.28
Travelling and conveyance	195.49	63.72
Sub-contracting expenses	-	10.04
Professional fees for technical consultants	945.75	1,810.94
Auditors' remuneration	13.05	14.23
Legal and professional expenses	164.67	67.51
Bank charges	13.48	14.59
Sales promotion expenses	68.62	25.79

Printing and stationery	3.12	2.40
Office expenses	16.84	19.87
Postage and telephone	11.63	8.56
Internet charges	91.69	79.18
Subscription Charge	49.35	50.99
Bad debts	3.98	5.38
Provision for bad and doubtful debts	94.15	-
Claims receivable written off	186.61	-
Expenditure towards Corporate Social Responsibility (CSR) activities	15.24	27.99
Miscellaneous expenses	24.68	34.92
Total other expenses	**2,047.50**	2,285.25

NOTE : 29 (A) EARNINGS PER SHARE

Particulars	2022-23	2021-22
(i) Basic earnings per share (BEPS)		
Profit attributable to equity shareholders of the Group	399.76	478.71
Weighted average number of equity shares (refer note 29 (b) below)	104.87	97.99
Basic earnings per share	**3.81**	4.89
(ii) Diluted earnings per share (DEPS)		
Profit attributable to equity shareholders of the Group	399.76	478.71
Weighted average number of equity shares including potential shares (refer note 29 (b) below)	105.82	98.00
Diluted earnings per share	**3.78**	4.88

(B) WEIGHTED AVERAGE NUMBER OF SHARES USED AS DENOMINATOR

Particulars	2022-23	2021-22
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	104.87	97.99
Adjustments for calculation of diluted earning per share		
Share warrants (refer note 15 C)	0.95	-
Options	-	0.01
Weighted average number of equity shares and potential shares used as the denominator in calculating diluted earnings per share	**105.82**	98.00

NOTE 30: CONTINGENCIES AND COMMITMENTS

(i) Capital commitments

Particulars	March 31 2023	March 31 2022
Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	-

SoftTech
Empowering Transformation

(ii) **Contingent liabilities (to the extent not provided for)**

Particulars	March 31 2023	March 31 2022
a. Claims against the Holding Company not acknowledged as debts		
Central Sales Tax liability for Financial Year 2012-13**	-	41.32
Value Added Tax liability for Financial Year 2012-13**	-	0.56
Income Tax demand for Assessement Year 2014-15*	-	201.01
b. Other matters for which the Holding Company is contingently liable	7.62	7.62
Total	**7.62**	**250.51**

c. During the financial year 2019-20, the Holding Company had 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 Holding Company. The GST officers had taken the relevant records of the Holding Company for further investigation. The management of the Holding Company based on discussions and frequent meetings with the GST officers, had paid the input tax credit availed of INR 186.61 Lakhs under protest. At the time, the Holding Company had obtained appropriate legal opinion which indicated that they had a case to claim refund of the amount paid under protest and accordingly, the amount paid had been disclosed under the head "Balances with Government Authorities in the financial statements. However, during the current financial year 2022-23, the management has decided to not pursue this claim so the entire INR 186.61 lakhs along with penalty and interest has been written off in the P&L.

*The Assessing officer had 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 had been paid under protest for the same (refer note 8). In the current financial year, the ITAT released an order dismissing all appeals of the Revenue.

** Department orders have been received declaring Nil liability of the Holding Company.

NOTE 31:

(a) Related party disclosures

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
Kamal Agrawal	Chief Financial Officer
Aishwarya Patwardhan	Company Secretary (resigned w.e.f. 25th November, 2022)
Sridhar Pillalamari	Independent Director
Rahul Gupta	Independent Director
Sundararajan Srinivasan	Independent Director
Dr. Rakesh Kumar Singh	Independent Director (w.e.f. 12th August, 2022)
Garth Brosnan	Nominee Director (w.e.f. 26th December, 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

NOTE 31:

(b) Related party transactions

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	
	March 31 2023	March 31 2022	March 31 2023	March 31 2022	March 31 2023	March 31 2022	March 31 2023	March 31 2022
Salaries and allowances								
Aishwarya Patwardhan	(5.97)	(4.93)	-	-	-	-	-	-
Kamal Agrawal	(50.00)	(22.75)	-	-	-	-	-	-
Directors remuneration								
Vijay Gupta	(81.00)	(60.00)	-	-	-	-	-	-
Priti Gupta	(15.00)	(15.00)	-	-	-	-	-	-
Pratik Patel	(14.46)	(14.46)	-	-	-	-	-	-
Loan obtained								
Vijay Gupta	155.00	51.22	-	-	-	-	-	-
Priti Gupta	75.00	15.00	-	-	-	-	-	-
Loan repaid								
Vijay Gupta	(103.91)	(54.62)	-	-	-	-	-	-
Priti Gupta	(78.00)	(24.13)	-	-	-	-	-	-
Services received- Pawan Gupta		-	(1.28)	(0.50)	-	-	-	-
Directors sitting fees								
Sridhar Pillalamari	(1.25)	(1.00)	-	-	-	-	-	-
Rahul Gupta	(1.00)	(0.50)	-	-	-	-	-	-
Sundararajan Srinivasan	(1.25)	(1.00)	-	-	-	-	-	-
Rakesh Kumar Singh	(0.75)	-						
Interest expense								
Vijay Gupta	(21.93)	(15.44)	-	-	-	-	-	-
Priti Gupta	(4.21)	(4.67)	-	-	-	-	-	-
Investment in share capital								
SoftTech Care Foundation	-	-	-	-	-	(0.90)	-	-
Total	**(148.73)**	(152.27)	**(1.28)**	(0.50)	**-**	**(0.90)**	**-**	-

Note : figures in bracket are outflows.

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	
	March 31 2023	March 31 2022	March 31 2023	March 31 2022	March 31 2023	March 31 2022	March 31 2023	March 31 2022
Remuneration payable								
Vijay Gupta	(21.25)	(3.68)		-		-		-
Priti Gupta	(0.79)	(1.18)		-		-		-
Pratik Patel	(4.87)	(3.76)		-		-		-
Aishwarya Patwardhan	-	(0.38)		-		-		-
Kamal Agrawal	(3.42)	(2.50)		-		-		-
Loan payable								
Vijay Gupta	(201.09)	(150.00)		-		-		-
Priti Gupta	(36.24)	(39.24)		-		-		-
Interest payable								
Vijay Gupta	(9.18)	-		-		-		-
Priti Gupta	(3.33)	-		-		-		-
Expense reimbursement receivable								
CoVisible Solutions (India) Private Limited		-		-	0.24	4.88		-
Directors sitting fees Payable								
Sridhar Pillalamari	(0.23)	-		-		-		-
Sundararajan Srinivasan	(0.23)	-		-		-		-
Investment in share capital								
SoftTech Care Foundation		-		-	0.90	0.90		-
Security deposits								
Vijay Gupta	5.53	5.53		-		-		-
Priti Gupta	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.

NOTE 32: EMPLOYEE BENEFIT OBLIGATIONS

Defined benefit plans

The holding 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 holding 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 holding company intends to discharge this liability through its internal resources.

a) Movements in the present value of the defined obligation are as follows:

Particulars	Year ended March 31 2023	Year ended March 31 2022
Obligation at the beginning of the year	139.75	132.29
Current service cost	19.39	22.96
Interest expense	7.65	7.41
Benefits paid	(11.20)	-
Actuarial losses (gains) arising from experience adjustments	22.12	(22.90)
Liability at the end of the year	**177.71**	139.75

(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	Year ended March 31 2023	Year ended March 31 2022
Present value of funded obligations	177.71	139.75
Fair value of plan assets	-	-
Deficit of Gratuity Plan	**177.71**	139.75
Current / Non Current Bifurcation		
Current liability	67.84	55.91
Non Current liability	109.87	83.84
Total	**177.71**	139.75

(d) Expenses recognized in the statement of profit and loss under employee benefit expenses.

Particulars	Year ended March 31 2023	Year ended March 31 2022
Service cost	19.39	22.96
Net interest (income)/expense	7.65	7.41
Past Service Cost	-	-
Expected return on plan assets	-	-
Settlement cost/(credit)	-	-
Net gratuity cost	27.03	30.36

(e) Expense recognized in statement of other comprehensive income:

Remeasurement	Year ended March 31 2023	Year ended March 31 2022
Remeasurement for the year - obligation (Gain)/Loss	22.12	(22.90)
Total Remeasurement Cost/(Credit) for the year recognised in OCI	**22.12**	(22.90)

(f) Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	Year ended March 31 2023	Year ended March 31 2022
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Discount rate	7.30%	5.70%
Rate of growth in compensation level	10.00%	10.00%
Expected average remaining working lives of employees (in years)*	3.16	3.03
Retirement Age	58.00	58.00
Withdrawal Rate:	**31.00%**	**32.00%**

* 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:

Change in Assumption	Defined benefit obligation	
	2022-23	**2021-22**
(i) 1% decrease in discount rate	182.57	143.58
(ii) 1% increase in discount rate	173.11	136.15
(iii) 1% increase in rate of salary escalation	180.97	142.29
(iv) 1% decrease in rate of salary escalation	174.53	137.31
(v) 1% increase in rate of withdrawal	177.12	139.19
(vi) 1% decrease in rate of withdrawal	178.31	140.34

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 does not change compared to the prior period.

(h) The following payments are expected contributions to the defined benefits plan in future year:

Particulars	Year ended March 31 2023	Year ended March 31 2022
Year 1	67.84	55.91
Year 2	35.45	26.74
Year 3	32.37	23.51
Year 4	28.33	22.08
Year 5	24.23	18.25
Year 6 to 10	86.15	49.48

(i) Average Duration

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate and interest rate) is 3.5 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 Holding Company is successfully able to neutralize 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 uncertainties in estimating this increasing risk.

2. Unfunded Plan Risk

This represents unmanaged risk and a growing liability. There is an inherent risk here that the Holding Company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility in Holding 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	March 31 2023			March 31 2022		
	Fair value through Profit & Loss	Fair Value through Other Comprehensive income	Amortised cost	Fair value through Profit & Loss	Fair Value through Other Comprehensive income	Amortised cost
Financial assets						
Non- current financial assets						
Non-current investments*	3.87	298.46	0.90	3.83	-	0.90
Other non-current financial assets						
Term deposits with maturity more than 12 months from reporting date	-	-	1,127.02	-	-	764.02
Interest accrued but not due on bank deposits and others	-	-	198.25	-	-	149.88
Security deposits	-	-	41.19	-	-	79.69
Tender deposits	-	-	-	-	-	-
Retention money	-	-	38.63	-	-	20.73
Current financial assets						
Trade receivables	-	-	2,615.20	-	-	2,907.78
Current investments	869.00	-	-	556.91	-	-
Cash and cash equivalents	-	-	85.88	-	-	75.03
Contract assets	-	-	5,546.90	-	-	4,500.12
Other current financial assets	-	-	92.20	-	-	21.28
Total financial assets	**872.87**	**298.46**	**9,746.17**	560.74	-	8,519.42

Financial liabilities						
Non-current financial liabilities						
Non-current borrowings	-	-	880.99	-	-	1,648.60
Lease liabilities	-	-	722.62	-	-	239.98
Other financial liabilities	-	-	-	-	-	-
Current financial liabilities						
Current borrowings	-	-	3,123.19	-	-	1,537.55
Lease liabilities	-	-	82.31	-	-	114.82
Trade payables	-	-	586.61	-	-	918.65
Other current financial liabilities	-	-	233.67	-	-	196.34
Total financial liabilities	**-**	**-**	**5,629.40**	-	-	4,655.94

***Note:**

Equity instruments designated as measured at fair value through OCI.

a) These are designated as such upon initial recognition in accordance with paragraph 5.7.5 of Ind AS 109. This presentation is required as the asset is a strategic non-held for trading investment and fails the SPPI test.

b) There are no dividends recognised during the period for this investment.

c) There have been no transfer of cumulative gain/loss within equity during the period for this investment.

The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables, investments in equity shares of others at FVTPL 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 March 31, 2023

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	-	-	3.87	3.87
Current investments	869.00	-	-	869.00
Financial Investments at Fair value through Other Comprehensive Income				
Non-current investments	-	-	298.46	298.46
Current investments	-	-	-	-
Total financial assets	**869.00**	**-**	**302.32**	**1,171.33**

As at March 31, 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
Financial Investments at Fair value through Other Comprehensive Income				

Non-current investments	-	-	-	-
Current investments	-	-	-	-
Total financial assets	556.91	-	3.83	560.74

There are no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2023, March 31, 2022.

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) Valuation inputs used in Level 3 and sensitivity of inputs to fair value:

Particulars	As at 31st March 2023	As at 31st March 2022	Valuation technique adopted	Significant unobservable inputs	As at March 2023	As at March 2022	Sensitivity of Input to FV
Non Current Investments - Investment in equity shares of others at FVTPL	**3.87**	3.83	Purchase cost	NA	NA	NA	NA
Non Current Investments - Investment in equity shares of others at FVOCI	**298.46**	-	DCF technique	Incremental borrowing rate	40%	NA	Increase/ (decrease) in the rate would decrese/(increase) the fair value.

iv) 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 and Unbilled Revenue is primarily related to customers not able to settle their obligations as agreed upon. The Group's customer base is predominantly made up of various state government bodies so the inherent risk of payment default is low. 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.

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 10 and 12 for the ageing of receivables and contract assets 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 analyzes the Group's financial liabilities into relevent maturity groupings based on their contractual maturities:

March 31 2023	Current	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	800.48	80.52	880.99
Lease liabilities	-	93.33	629.30	722.62
Other non-current financial liabilities	-	-	-	-
Current financial liabilities				-
Current borrowings	3,117.35	-	-	3,117.35
Lease liabilities	82.31	-	-	82.31
Trade payables	531.87	45.48	-	577.34
Other current financial liabilities	233.67	-	-	233.67
Total	**3,965.20**	**939.28**	**709.81**	**5,614.29**

March 31 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	-	-	-	-
Current financial liabilities				
Current borrowings	1,537.55	-	-	1,537.55
Lease liabilities	114.82	-	-	114.82
Trade payables	918.65	-	-	918.65
Other current financial liabilities	196.34	-	-	196.34
Total	**2,767.36**	**1,630.00**	**258.58**	**4,655.94**

(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.

i) Foreign currency exchange rate risk:

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Group transacts majority of it's business in local currency INR and therefore has minimal foreign currency exposure from trade payables and trade receivables as on 31 March, 2023. The group has not hedged it's foreign currency exposure by derivative instruments as on 31 March, 2023. There are no forward contracts outstanding as on 31 March, 2023.

Details of foreign currency exposures

Particulars	Currency	Amount in Foreign Currency		Amount in Rs.*	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
Financial liabilities					
Trade Payables	EURO	871.07	-	77,760	-
Financial assets					
Trade receivable	USD	5,400	5,400	4,82,058	4,54,734
	MYR	7,00,000	7,00,000	1,29,92,000	1,26,35,000
	SGD	1,82,000	4,36,000	1,12,38,500	2,44,42,160

Currency wise net exposure (liabilities - assets)

Currency	Amount in Foreign Currency		Amount in Rs*	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
USD	**5,400**	5,400	**4,43,394**	4,09,860
EURO	**(871)**	-	**(77,760)**	-
MYR	**7,00,000**	7,00,000	**1,29,92,000**	1,26,35,000
SGD	**1,82,000**	4,36,000	**1,12,38,500**	2,44,42,160

Currency wise details of Hedged exposure

Currency	Amount in Foreign Currency	
	31 March 2023	31 March 2022
USD	-	-
EURO	-	-
MYR	-	-
SGD	-	-

Currency wise net Unhedged exposure

Currency	Amount in Foreign Currency		Amount in Foreign Currency	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
USD	**5,400**	5,400	**4,43,394**	4,09,860
EURO	**(871)**	-	**(77,760)**	-
MYR	**7,00,000**	7,00,000	**1,29,92,000**	1,26,35,000
SGD	**1,82,000**	4,36,000	**1,12,38,500**	2,44,42,160

* These amounts are whole numbers

Sensitivity Analysis

The following tables demonstrate the sensitivity to a reasonably possible change in above exchange rates, with all other variables held constant. The impact on the Company’s profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company’s exposure to foreign currency changes for all other currencies is not material.

Particulars	31 March 2023	31 March 2022
Net unhegded exposure in INR		
USD	**4,43,394**	4,09,860
EURO	**-77,760**	-
MYR	**1,29,92,000**	1,26,35,000
SGD	**1,12,38,500**	2,44,42,160
Sensitivity		
USD-change by 4.45 % (3.2% in 2021-22)	**3.65**	2.43
EURO-change by 3.58 % (2.77 % in 2021-22)	**3.20**	2.33
MYR-change by 2.28 % (2.10 % in 2021-22)	**0.42**	0.38
SGD- change by 5.09 % (3.40 % in 2021-22)	**3.14**	1.91
Impact on profit after tax or equity (INR Strengthens)		
USD	**7,572**	7,449
EURO	**-2,083**	-
MYR	**2,21,873**	35,839
SGD	**4,28,046**	3,48,625
Impact on profit after tax or equity (INR Weakens)		
USD	**-7,572**	-7,449
EURO	**2,083**	-
MYR	**-2,21,873**	-35,839
SGD	**-4,28,046**	-3,48,625

Backup of standard deviation

Currency	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22	31-Mar-23
USD	69.28	75.36	73.16	75.90	82.11
EURO	77.73	83.08	85.92	84.21	89.27
MYR	16.96	17.47	17.66	18.05	18.56
SGD	50.71	53.01	54.42	56.06	61.75

Currency	% Change 2019-20	% Change 2020-21	% Change 2021-22	% Change 2022-23	Average change
USD	9%	-3%	4%	8%	**4.45%**
EURO	7%	3%	-2%	6%	**3.58%**
MYR	3%	1%	2%	3%	**2.28%**
SGD	5%	3%	3%	10%	**5.09%**

ii) Interest rate risk

Interest rate exposure : The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	31 March 2023	31 March 2022
Variable rate borrowings		
Term loan from banks	453.39	521.86
Term loan from financial institutions	375.00	-

Sensitivity analysis

Profit or loss due to higher/lower interest rate expense from borrowings as a result of changes in interest rates

Particulars	31 March 2023	31 March 2022
If interest rates -		
Increase by 1%	(6.20)	(3.91)
Decrease by 1%	6.20	3.91

iii) Price risk

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. At the reporting date the exposure to quoted equity securities is Rs. 869.00 lakhs. A decrease of 100 bps on the NAV would decrease the profit and loss or equity attributable to the group by approximately Rs. 8.69 lakhs. On the other hand, an increase of 100 bps in the value of the quoted securities would increase the profit and loss and equity of the group.

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 maximize brand value.

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	March 31 2023	March 31 2022
Total Borrowings	4,004.19	3,186.14
Cash and bank balances	(85.88)	(75.03)
Net debt	**3,918.31**	**3,111.12**
Shareholders' funds		
Equity share capital	1,015.60	1,015.48
Instruments entirely equity in nature	828.90	
Reserves and surplus	8,522.01	7,454.88
Total equity	**10,366.51**	**8,470.36**
Net debt to equity ratio	**0.38**	**0.37**

NOTE 36: ISSUE OF EQUITY SHARES ON PREFERENTIAL ALLOTTMENT BASIS

During the year, the Holding Company has made private placement by way of issue of compulsory convertible debenture and share warrants, but shares were not issued till reporting date. The total proceeds of private placement amounts to Rs.1,453.90 lakhs.

Following are the details of utilization of proceeds from private placement raised on August 23, 2022 done till March 31, 2023.

Purpose for which proceeds are used	(Amount ₹ in Lakhs)
1. To support the expansion of business in Indian and Overseas market	425.22
2. General corporate purposes	188.68
Total	**613.90**

There is no deviation in use of proceeds from the objects stated in the resolution done till year end. The remaining funds of Rs. 840 lakhs have been invested in mutual funds during the year (refer note 9)

NOTE 37: 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 March 31, 2023 and March 31, 2022.

2. Further, the Group operates primarily in India and there is no other significant geographical segment.

NOTE 38: DISCLOSURE PURSUANT TO IND AS 115 "CONTRACTS WITH CUSTOMER"

a. Disaggregation of revenue

Revenue Break-Up	March 31 2023	March 31 2022
One Time License Model	4,091.40	3,563.62
Pay Per Use / SaaS	1,445.36	1,234.24
BIM / GIS Services	126.49	240.55
Others	877.22	707.26
Total	**6,540.48**	**5,745.67**

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.

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 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. A performance obligation is typically satisfied as services are rendered and in some cases upon the completion of service.

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 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.

3. Revenue Recognition :

1) Fixed-price contracts: Revenue for fixed-price contracts where performance obligations are satisfied over time is recognised using percentage-of-completion method. In respect of such fixed price 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 Groups 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.

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.

NOTE 39: 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 31 March 2023

	Net Assets		Share in profit or loss		Other comprehensive income (OCI)		Total comprehensive income	
Name of Entities	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	106.07%	10,917.47	160.38%	579.82	135.97%	50.21	158.12%	630.03
Subsidiaries								

SofTech
Empowering Transformation

Indian								
SoftTech Finland OY	-0.52%	(53.12)	-0.09%	(0.31)	-7.42%	(2.74)	-0.77%	(3.05)
SoftTech Engineers Inc.	0.00%	0.33	-0.24%	(0.85)	-1.18%	(0.43)	-0.32%	(1.29)
SoftTech Government Solutions Inc.	-4.97%	(511.09)	-44.01%	(159.10)	-102.48%	(37.85)	-49.43%	(196.95)
AmpliNxt Private Limited	0.09%	8.87	-7.29%	(26.37)	0.00%	-	-6.62%	(26.37)
SofTech Digital Pte Ltd.	0.02%	2.08	-1.09%	(3.95)	-0.72%	(0.27)	-1.06%	(4.21)
	-5.39%	**(552.92)**	**-52.72%**	**(190.58)**	**-111.79%**	**(41.28)**	**-58.19%**	**(231.87)**
Non-controlling interests in all subsidiaries	-0.72%	(73.80)	-10.58%	(38.24)	-14.90%	(5.50)	-10.98%	(43.74)
Adjustment arising out of Consolidation	0.04%	1.97	2.91%	10.52	90.72%	33.50	11.05%	44.03
Total after elimination on account of consolidation	**100.00%**	**10,292.72**	**100.00%**	**361.52**	**100.00%**	**36.93**	**100.00%**	**398.45**

For the year ended 31 March 2023

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	7.05%	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	104.83%	15.16	2.51%	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**

NOTE 40: 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	
			March 31 2023	March 31 2022
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%
SoftTech Engineers Inc.	United States of America		92.00%	92.00%
SoftTech Government Solutions Inc.*	United States of America		93.00%	93.00%
SoftTech Care Foundation	India		100.00%	100.00%
SoftTech Digital Pte. Ltd.	Singapore		100.00%	Nil
AmpliNxt Private Limited	India		100.00%	100.00%

The Holding Company has incorporated one wholly owned susbsidiary, SofTech Digital Pte. Ltd on 3rd October 2022.
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.

NOTE 41: OTHER NOTES

1. As per the information available with the Indian companies in 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 have not surrendered or disclosed any income during the year in tax assessment under Income Tax Act, 1961.
3. Previous years figures have been regrouped/reclassified wherever necessary to correspond with the current years classification/disclosure.

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For and on behalf of SoftTech Engineers Limited

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Abhijeet Bhagwat
Partner
Membership No.: 136835
Place: Pune
Date: May 25, 2023

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place : Pune
Date: May 25, 2023

Kamal Agrawal
Chief Financial Officer

Notes