



SoftSol India Limited
30th Annual Report 2019-20

SoftSol India Limited

Board of Directors	Mr. Srinivasa Rao Madala Mr. Bhaskara Rao Madala Dr. T. Hanuman Chowdary Mr. B.S. Srinivasan Mrs. Naga Padmavalli Kilari Mr. K. Veeraghavulu (effective 21st August 2020)	Chairman Whole time Director Independent Director Independent Director Independent Director Independent Director
Chief Financial Officer	Mr. Y. Koteswara Rao (effective 3rd November 2020)	
Company Secretary	Mr. B. Laxman (ACS-20625)	
Statutory Auditors	M/s. Pavuluri & Co. Chartered Accountants, Hyderabad.	
Internal Auditors	M/s. Balarami & Nagarjuna, Chartered Accountants, Hyderabad.	
Bankers	Axis Bank Limited, Begumpet, Hyderabad. Axis Bank Limited, Madhapur, Hyderabad. Axis Bank Limited, Dwarakanagar, Visakhapatnam. State Bank of India, Madhapur, Hyderabad. IDFC First Bank, Madhapur, Hyderabad.	
Registered Office	Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081. Telephone: +91 (40) 42568500 Facsimile: + 91 (40) 42568600 E-mail: cs@softsol.com Website: www.softsolindia.com	
Registrars & Share Transfer Agent	M/s. KFIN Technologies Private Limited, Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 008, Telangana Phone: 040 - 67161529, Contact : Mr. Shastry M.V.N Emails: shastry.mvn@kfintech.com, rajkumar.kale@kfintech.com	

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Notice of the 30th Annual General Meeting

Notice is hereby given that the 30th Annual General Meeting of the members of SoftSol India Limited (CIN: L7220TG1990PLC011771) will be held on Wednesday, 30th December, 2020 at 10.00 a.m.(IST) (reference to AGM extension Order of ROC, Hyderabad vide No. ROCH/STA/2020-2021 dated 8th September 2020 and also Specific approval dated 03/09/2020 given by ROC for the application filed vide SRN: R50891167) at the registered office of the Company situated at Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081, Telangana to transact the following business:

1. To consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended on March 31, 2020 and the reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution:**

“RESOLVED THAT the audited standalone and consolidated financial statements of the Company for the financial year ended on March 31, 2020 and the report of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

2. To appoint Mr. Srinivasa Rao Madala (DIN 01180342), who retires by rotation as a Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Srinivasa Rao Madala (DIN 01180342), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company.”

3. To ratify the holding of office by Statutory Auditors up to the conclusion of 31st AGM to be held in 2021 within their period of appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT, pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, continuation of M/s. Pavuluri & Co., Chartered Accountants (Firm Registration No. FRN: 012194S) as Statutory Auditors of the Company is hereby ratified to hold the office from the conclusion of this Annual General Meeting until the conclusion of the 31st Annual General Meeting of the Company to be held in the year 2021 (reference to their appointment for a term of five years effective conclusion of 28th AGM until conclusion of 33rd AGM at the 28th AGM held on 29/09/2018) and Board of Directors be and hereby authorised to fix the remuneration of Auditors.”

4. To consider and approve the appointment of Mr. VEERAGHAVULU KANDULA (DIN: 03090720) AS INDEPENDENT DIRECTOR FOR A FIRST TERM OF 5 YEARS effective 21st August 2020 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors on 21st August 2020 and pursuant to the provisions of Sections 149, 152, 161 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and read with SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. VEERAGHAVULU KANDULA (DIN: 03090720), who has been appointed as an Additional Director (Independent Director) of the Company effective 21st

August 2020 for a period of 5 years by the Board of Directors and who meets the criteria for independence as provided under the Companies Act, 2013 and SEBI (LODR) Regulations 2015, approval of the Shareholders by Special Resolution is hereby accorded to the appointment Mr. VEERAGHAVULU KANDULA (DIN: 03090720), (Age: 70 years, DOB: 01/06/1950) as Director (Independent Director) of the Company effective 21st August 2020 for a period of 5 years, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all acts, deeds and things as may be necessary or expedient to give effect to the resolution.”

5. To consider and approve for increase the investment limit of Non-Resident Indians (as defined under FEMA) in the equity shares of the Company under the Portfolio Investment Scheme under FEMA, from 10% to 24% of the paid-up equity share capital of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to applicable provisions of Foreign Exchange Management Act, 1999, as amended (“FEMA”), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended up to date, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the current Foreign Direct Investment Policy of RBI, the Companies Act, 2013 and all other applicable acts, rules, regulations, provisions and guidelines (including any statutory modifications or re-enactments thereof for the time being in force) and subject to all applicable approvals, permissions and sanctions of concerned authorities if any and subject to such conditions as may be prescribed by any of the said concerned authorities if any, the limit of investment by Non-Resident Indians (as defined under FEMA) in the equity shares of the Company under the Portfolio Investment Scheme under FEMA, be and is hereby increased from 10% to 24% of the paid-up equity share capital of the Company.”

“RESOLVED THAT Mr. Bhaskara Rao Madala, Whole time Director is hereby authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolution, including without limitation, intimating the concerned authorities of the increase in investment limits applicable to Non-Resident Indians, filing of necessary intimations, forms with concerned regulatory authorities and to comply with all other requirements in this regard.”

6. To consider and approve the re-appointment of Mr. Bhaskara Rao Madala (DIN 00474589) as Whole time Director for a period of 3 years effective 1st November 2020 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Schedule V (as amended from time to time) to the said Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, consent of the members be and is hereby accorded for the re-appointment of Mr. Bhaskara Rao Madala (DIN 00474589) (72 years age) as Whole time Director for a period of THREE years with effect from 1st November 2020 up to 31st October 2023 at the existing remuneration as detailed below:

1. Salary: Rs. 92,000 (Rupees Ninety Two Thousand only) per month.
2. Perquisites and Allowances not exceeding basic salary per month:
 - a) House Rent Allowance: 40% of the Basic Salary.
 - b) Medical Reimbursement: Expenses incurred for self and family subject to the ceiling of Rs. 15,000/- per annum.

- c) Leave Travel Allowance: For Self and family once in a year incurred in accordance with the rules of the Company.
- d) Personal Accident Insurance: Personal accident Insurance policy for an amount, the annual premium of which shall not exceed Rs. 20,000/- per annum.
- e) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- f) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- g) Encashment of leave at the end of the tenure.

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by Schedule V to the Act, including any statutory modifications or re-enactment thereof, as may, for the time being, be in force.

“RESOLVED FURTHER THAT Subject to the superintendence, control and direction of the Board of Directors of the Company, the Whole Director shall have general conduct and management of the whole of business and affairs of the company except in the matters which may be specifically required to be done by the Board either by the Companies Act, or by the Articles of Association and the Whole time Director shall also exercise and perform such powers and duties as the Board of directors of the company may from time to time determine, and shall also do and perform all other acts and things which may in the ordinary course of business he may consider necessary.

“FURTHER RESOLVED THAT all the directors of the Company be and is hereby severally and jointly authorized on behalf of the company to do all such acts, deeds, matters and things as it may be necessary for the purpose of giving effect to this resolution including filing all forms, papers, documents with Registrar of Companies or any other authority for this purpose.”

7. To consider and approve for increase in the limits applicable for making investments / extending loans and giving guarantees or providing securities in connection with loans to Persons / Bodies Corporate and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, whether in India or outside India, either in Rupee or in any other foreign currency, in one or more

tranches, shall not exceed a sum of Rs. 250 Crores (Rupees Two Hundred Fifty Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors (or a Committee thereof constituted for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.

On behalf of the Board of Directors

Bhaskara Rao Madala (DIN: 00474589)

Whole time Director

Place: Hyderabad

Date: 03-11-2020

Registered Office: Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081

Bhaskara.Madala@softsol.com, www.softsolindia.com

Notes:

- 1) A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON BEHALF OF HIM AND THE PROXY NEED NOT BE A MEMBER. THE PROXY FORM (AVAILABLE ELSEWHERE IN THE ANNUAL REPORT) SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM. A person can act as proxy on behalf of shareholders not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the company. In case a proxy is proposed to be appointed by a shareholder holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

Proxies, to be effective, must be received by the Company not less than 48 hours before the meeting.

Corporate members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.

Members are requested to notify immediately the changes of address, if any, to the Company or the Share Transfer Agent and Registrar.

- 2) Members who hold shares in dematerialized form are requested to write their Client ID and DPID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
- 3) Brief resume of Directors /persons proposed to be appointed /reappointed as stipulated under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India is provided in the explanatory Statement to this Notice.

- 4) All documents referred to in the Notice are available for inspection at the Registered Office of the Company during office hours on all days except Saturdays, Sundays and public holidays up to the date of the Annual General Meeting.
- 5) The Attendance slip and proxy form and the instructions for e-voting are annexed hereto. The route map to the venue of the Annual General Meeting is attached and forms part of the Notice.
- 6) Members/ proxies/ authorized representatives should bring their duly filled in Attendance Slips, as enclosed, for easy identification of attendance at the Annual General Meeting and Bring their copies of the Annual Report to the Meeting.
- 7) The Register of Members and the Share Transfer books of the Company will remain closed from 24/12/2020 to 30/12/2020 (both days inclusive) for the purpose of Annual General Meeting.
- 8) The Company is registered with National Securities Depository Ltd. ('NSDL'), and Central Depository Services (India) Ltd. ('CDSL'), for dematerialization of its Equity Shares which has been allotted the ISIN INE002B01016.
- 9) M/s. KFIN TECHNOLOGIES PRIVATE LIMITED, Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 008, Telangana is the Registrar and Share Transfer Agent (RTA) for the physical shares of the Company and also the depository interface of the Company with both NSDL and CDSL. Share Transfer documents and all correspondence relating thereto, should be addressed to the RTA.
- 10) Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
- 11) SEBI has made it mandatory for every participant in the securities/capital market to furnish details of Income Tax Permanent Account Number (PAN). Accordingly, all members holding shares in physical form are requested to submit their details of PAN, along with a photocopy of the PAN Card, to the RTA agents of the Company. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, Members are hereby requested to update their PAN and Bank details with the Registrar and Share Transfer Agent.
- 12) SEBI has decided that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a Depository. This measure has come into effect from April 01, 2019. Notices have been issued to all Shareholders holding Shares in physical mode informing them that as per revised regulation 40 of the SEBI (LODR) Regulations, 2015, shares will no longer be transferred in physical mode. Shareholders are therefore requested to dematerialize their existing shares in physical form. In this regard SEBI has also clarified as follows:
 - a) The above decision does not prohibit the investor from holding the shares in physical form; investor has the option of holding shares in physical form even after April 01, 2019.
 - b) Any investor who is desirous of transferring shares (which are held in physical form) after April 01, 2019 can do so only after the shares are dematerialized.

- c) The transfer deed(s) once lodged prior to deadline and returned due to deficiency in the document may be re-lodged for transfer even after the deadline of April 01, 2019.
- 13) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- 14) Pursuant to the provisions of Section 124 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividend, if any, up to the years due to the Investor Education and Protection Fund (The IEPF) established by the Central Government.

Pursuant to the provisions of Section 125 of Companies Act, 2013 the Unclaimed Dividend and interest thereon which remained unpaid/unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as applicable, all shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more will be transferred to IEPF.

During the year under review as per the Transfer confirmation by NSDL dated 03/10/2019 for the Corporate Actions filed by the Company for transfer of 3600 Equity Shares to the Demat Account of IEPF Authority (IN300708/10656671) relating to the Unclaimed Dividend Shareholders of the Company relating to the unpaid/unclaimed dividend of the Financial Years 2001-01, 2001-02 and 2002-03.

- 15) Details under Reg. 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Director seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
- 16) Pursuant to the MCA circular dated 05th May, 2020 (read with its other circulars dated 8th April 2020 and 13th April 2020) and SEBI Circular dated May 12, 2020 and in view of the prevailing situation and the difficulties involved in dispatching physical copies of the Notice of AGM, Directors Report, Financial Statements etc. (including Board's report, Auditor's report or other documents required to be attached therewith), such statements shall be sent only by email to the members, and to all other persons so entitled. Electronic copy of the Annual Report for 2019-20 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s). Members may note that the Annual Report 2019-20 will also be available on the Company's website www.softsolindia.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of Kfin Technologies Private Limited (agency for providing the Remote e-Voting facility) Website: www.kfintech.com.
- 17) **Manner of Registering / Updating Email Addresses:** Members holding shares in dematerialised mode, are requested to register their email addresses and mobile numbers with their relevant depositories through their depository participants. Members holding shares in physical mode are requested to furnish email addresses and mobile numbers with the Company's Registrars and Share Transfer Agent, KFin Technologies Private Limited, Selenium Tower B, Plot NO. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032, Tel: +91 040 67162222, Fax: +91 040 23431551, Email: einward.ris@kfintech.com, Website: www.kfintech.com.

- 18) Members may note that the Notice of the AGM and the Annual Report 2019-20 will also be available on the website of the Company at <https://softsolindia.com/investors/annual-reports/>. The same can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the website of KFin Technologies Private Limited (KFin), the Registrar and Share Transfer Agent and the agency engaged for providing the remote e-voting facility at www.kfintech.com.
- 19) The Equity shares of the Company are mandated for trading in the compulsory Demat mode. The ISIN No. allotted for the Company's shares is INE002B01016.

VOTING THROUGH ELECTRONIC MEANS in terms of the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2015 (as amended from time to time) and Regulation 44 of the Listing Regulations and the MCA Circulars, the Company is pleased to provide the facility of "e-voting" to its Shareholders, to enable them to cast their votes on the resolutions proposed to be passed at the AGM, by electronic means. The instructions for e-voting are given herein below. The Company has engaged the services of KFin Technologies Private Limited, who will provide the e-voting facility of casting votes to a Shareholder using remote e-voting system (e-voting from a place other than venue of the AGM) ("remote evoting"). The remote e-voting period commences on 26/12/2020 (9:00 A.M. IST) and ends on 29/12/2020 (5:00 P.M. IST).

During this period, Members holding shares either in physical form or in dematerialized form, as on 23/12/2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by KFin Technologies Private Limited for voting thereafter. Those Members, who will be present in the AGM have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote during the AGM.

The Board of Directors has appointed M/s. VBM Rao & Associates, Company Secretary firm, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner. Mr. M. Vijaya Bhaskara Rao, PCS will act as a Scrutinizer to scrutinize the voting process in a fair and transparent manner.

INSTRUCTIONS AND OTHER INFORMATION RELATING TO E-VOTING ARE AS UNDER:

1. In case a Member receives an email from Kfin Technologies Private Limited (for Members whose email Ids are registered with the Company/Depository Participant(s):
 - i) Launch internet browser by typing the URL: <https://evoting.kfintech.com> in the address bar and click on "Enter". The Home screen will be displayed then click on shareholders icon in the homepage.
 - ii) Enter the login credentials (i.e.User ID and password mentioned over leaf). Your Folio No. DP ID – Client ID will be your User ID. However, if you are already registered with Kfin technologies for E-voting, you can use your existing User ID and password for casting your vote.
 - iii) After entering these details appropriately, click on "LOGIN".
 - iv) You will now reach password change Menu wherein you are required to mandatory change your password. The new password shall comprise minimum characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@#\$.etc). The system will prompt you to change your password and update your contact details like mobile number, email ID. etc. on first login. You may also enter a secret question and answer of your choice to retrieve password and that you take utmost care to keep your password confidential.
 - v) **You need to login again with the new credentials.**

- vi) On successful login, the system will prompt you to select the E-Voting Event Number for SOFTSOL INDIA LIMITED.
 - vii) On the voting page enter the number of shares (which represents the number of votes) as on the Cut-off Date under each of the heading of the resolution and cast your vote by choosing the “FOR/ AGAINST “ option or alternatively, you may partially enter any number in “FOR” and partially in “AGAINST” but the total number in “FOR/AGAINST” taken together should not exceed your total shareholding as mentioned overleaf. You may also choose the option “ABSTAIN” and the shares held will not be counted under either head. Option “FOR” implies assent to the resolution and “AGAINST” implies dissent to the resolution.
 - viii) Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/ demat accounts.
 - ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
 - x) You may then cast your vote by selecting an appropriate option and click on “Submit”.
 - xi) A confirmation box will be displayed Click “OK” to confirm else “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - xii) Corporate/ Institutional Members (i.e other than Individuals, HUF,NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(S) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: secretaries@gmail.com or evoting@kfintech.com. They may also upload the same in the E-voting module in their login. The scanned image of the above mentioned documents should be in the naming format “Corporate Name_EVENTNO”.
2. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently, Further, the Members who have cast their vote electronically shall not be allowed to vote again at the Meeting.
 3. In case of any query pertaining to E-voting, please visit Help & FAQ’s section available at Kfintech website <https://evoting.karvy.com/public/Faq.aspx>.
 4. The members who have cast their vote by remote E-voting may also attend AGM, but shall not be entitled to cast their vote again.
 5. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the Cut-off date, being, 23/12/2020.
 6. The Board of Directors has appointed M/s. VBM Rao & Associates, Company Secretary firm, to act as the Scrutinizer to scrutinize the E-voting process in a fair and transparent manner.
 7. The facility for ballot / polling paper shall be made available at the Annual General Meeting (AGM) and the members attending AGM who have not cast their vote by remote e-voting shall be able to vote at the AGM through ballot / polling paper.

8. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories at the close of business hours on 24/12/2020 shall be entitled to avail the facility of remote E-voting.
9. Any person who becomes member of the Company after email of the Notice of the meeting and holding shares as on the cut-off date i.e. 23/12/2020 may obtain the User Id and password by in the manner as mentioned below:
 - a. If the mobile number of the member is registered against Folio No./ DPID Client ID, the member may send SMS: MYEPWD<space> E-Voting Event Number +Folio no. or DPID Client ID to +91-9212993399 Example for NSDL: MYEPWD<SPACE>IN12345612345678 Example for CDSL: MYEPWD<SPACE>1402345612345678 Example for Physical: MYEPWD<SPACE>XXXX1234567890
 - b. If e-mail address or mobile number of the member is registered against Folio No. / DPID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click “Forgot Password” and enter Folio No. or DPID Client ID and PAN to generate a password.
 - c. Member may Call Kfin technologies Toll free number 1800-3454-001
 - d. Member may send an e-mail request to evoting@kfintech.com
10. However, if you are already registered with Kfintech for E-voting, you can use your existing User ID and password for casting your vote.
11. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter 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 make, not later than three days of the conclusion of the Annual General meeting, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized in writing, who shall countersign the same and declare the result of the voting forthwith.
12. The Results on resolutions shall be declared at or after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions.
13. The Results declared along with the Scrutinizer’s Report(s) will be available on website of the Company (www.softsolindia.com) and on Kfin technologies website (<https://evoting.kfintech.com>). The results shall simultaneously be communicated to Bombay Stock Exchange Limited.

OTHER INSTRUCTIONS:

1. Those persons, who have acquired shares and have become Shareholders of the Company after the email of Notice of the AGM by the Company and whose names appear in the Register of Shareholders or Register of beneficial holders as on the cut-off date i.e. 23/12/2020 shall view the Notice of the AGM on the Company’s website or on the website of KFin Technologies Private Limited or website of BSE Limited.
2. Such persons may obtain the login ID and password by sending a request at evoting@kfintech.com. However, if he/she is already registered with NSDL for remote e-voting then he/she can cast his/her vote by using existing User ID and password and by following the procedure as mentioned above or by voting

at the AGM.

3. Voting rights of the Shareholders shall be in proportion to their shares in the paid- up equity share capital of the Company as on the cut-off date i.e. 23/12/2020. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
4. Every Client ID No./Folio No. will have one vote, irrespective of number of joint holders.
5. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 (forty eight) 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 a person authorised by him in writing, who shall countersign the same.

The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.softsolindia.com immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

On behalf of the Board of Directors

Bhaskara Rao Madala (DIN: 00474589)
Whole time Director

Place: Hyderabad
 Date: 03.11.2020

Registered Office: Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081
Bhaskara.Madala@softsol.com, www.softsolindia.com

BRIEF PROFILE OF DIRECTOR SEEKING RE-APPOINTMENT

Item No. 2: Brief Profile of Directors seeking re-appointment at this AGM:

- | | |
|--|-----------------------------------|
| a) Name: | Mr. Srinivasa Rao Madala |
| b) DIN: | 01180342 |
| c) Date of Birth: | 01-06-1961 |
| d) Date of Appointment: | 27-12-1998 |
| e) Designation: | Director (Non Executive Chairman) |
| f) Number of Shares held in the Company: | 1366099 (8.12%) |
| g) Directorships & Committee memberships in other companies: | NIL |
| h) Directorships held in other Listed Companies: | NIL |
| i) Relationship with other Directors: | Bhaskara Rao Madala |
| j) Number of Board Meetings attended during the FY : | Two |
| k) Experience and expertise in specific functional areas: | As given below |

Srini Madala, Founder, Investor, Philanthropist and Mentor

Srini Madala is a successful entrepreneur based in silicon-valley. He is the founder and CEO of Aquila Systems AI, a cloud-based analytics and AI product to address fraud in insurance and healthcare industry. Srini also is the founder and Chairman of the SoftSol group of companies based in the US and India. He has excellent experience and track record in starting companies from scratch boot strapping them to grow, and had prior experience in taking a company public as well as M&A.

Srini served on the Board of Directors at KQED (www.kqed.org), Pratham USA in Silicon Valley, and has also served the city of Monte Sereno in the capacity of Site and Architecture Commissioner. Srini is involved in multiple charitable activities, including personal contributions for nonprofits in health, education, and entrepreneurship. Srini, through his foundation www.Madala.org founded the Center for Community Development at Varni in Telangana to enrich the quality of life of about 500,000 people living within 10 mile radius.

Srini is a prolific investor and an active mentor. As a Charter Member of TiE Silicon Valley and Chair of Youth Entrepreneurship Programs at TiESV he assisted and mentored aspiring entrepreneurs.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 4:

Pursuant to the provisions of the Companies Act, 2013 and applicable rules made there under, SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, on the recommendation of Nomination and Remuneration Committee, the Board has appointed Mr. VEERAGHAVULU KANDULA (DIN: 03090720) as an Additional Director (Independent Director) effective 21st August 2020 for a period of 5 years.

In terms of Section 161 of the Act, read with the relevant Rules, he holds office as an Additional Director up to the date of the ensuing Annual General Meeting and being eligible, offers himself for appointment as a Director. The Independent Directors shall not be liable to retire by rotation. The Company has received notices in writing pursuant to Section 160 of the Companies Act, 2013, from Members signifying their intention to propose the candidatures of Mr. VEERAGHAVULU KANDULA (DIN: 03090720) for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received the following documents from Mr. VEERAGHAVULU KANDULA (DIN: 03090720):

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014.
- (ii) Intimation in DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under Section 164 (2) of the Companies Act, 2013, confirming their eligibility for such re-appointment.
- (iii) Declaration to the effect that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and also SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.
- (iv) Registration Certificate with Regd No. IDDB-DI-202008-030705 of Independent Directors Databank of Indian Institute of Corporate Affairs

Copies of the draft letter for the appointment of Mr. VEERAGHAVULU KANDULA (DIN: 03090720) as Independent Director, setting out the terms and conditions of appointment, would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any

working day up to the date of the forthcoming Annual General Meeting.

The Board considers that his association would be of immense benefit to the Company and it is desirable to continue to avail of the services of Mr. VEERAGHAVULU KANDULA (DIN: 03090720) as Independent Director.

Accordingly, the Board recommends the Resolutions set forth in Item No. 4 relating to the appointment of Mr. VEERAGHAVULU KANDULA (DIN: 03090720) as Independent Directors, for approval by the Members of the Company.

Brief resume of Mr. VEERAGHAVULU KANDULA (DIN: 03090720), nature of their expertise in specific functional areas, names of companies in which they holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se, as stipulated in SEBI (LODR), Regulations, 2015 and Secretarial Standards issued by the ICSI, has been provided in the Notice.

No Director, Key Managerial Personnel or their relatives, except Mr. VEERAGHAVULU KANDULA (DIN: 03090720), to whom the Resolutions relate, is in any way, concerned or interested, financially or otherwise, in the Resolution.

INFORMATION IN RESPECT OF DIRECTORS BEING APPOINTED IN TERMS OF REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND THE SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA.

Name of Director	Mr. VEERAGHAVULU KANDULA
DIN	03090720
Regd Number of Independent Directors Databank of Indian Institute of Corporate Affairs	IDDB-DI-202008-030705
PAN	AKGPK3235M
Date of Birth	01/06/1950
Age	70 Years
Date of Original Appointment	NIL
Effective Date of Present Appointment Term of 5 Years	21st August 2020
Qualifications	MA Economics and Pre-PHD in Economics from Andhra University
Brief resume and nature of his/her expertise	

<p>After completion of studies he worked as lecturer and research officer in National Institute of Rural Development, later on he joined RBI in 1978 and subsequently joined NABARD 1983. He worked as faculty in College of Agricultural Banking, Reserve Bank of India, Pune and worked as Chief General Manager for 10 years in Dept of Economic & Research, officer in charge of States of Assam, Tamilnadu and Andhra Pradesh. He has completed training programmes in banking in Harvard University, USA and in Strathclyde University, UK. He Conducted study on working of community development in USA, undertook study tour of Rural Banks in France, Italy and Netherlands. He also attended a programme in Germany in Micro-credit organized by GTZ. He published a number of papers on Agriculture, Rural Development and agriculture marketing in reputed journals as Times, Rural Development Journals etc. He Presented papers in National & International Seminars on subjects relating to Agriculture, Rural Development, Micro credit and Banking. After retiring from NABARD as CGM in May 2010, he started consultancy organization namely, Centre for Agri and Rural Development Services (CARDS). He completed these four projects during last one year i.e. 1. Evaluation study of implementation of Dr. Vaidhyathan Committee on CoOperative Banks for NABARD. 2. Baseline survey of Horticulture crops, covering 1.65 lakh farmers in Andhra Pradesh for Govt of Andhra Pradesh. 3. Evaluation of Lift Irrigation Schemes in Nine coastal districts of AndhraPradesh for Govt of A.P. 4. Completed a study on “Farmers Producers Organisations” of SFAC for Dept of Agriculture, Govt of India. His detailed profile is enclosed to the resolution for consideration.</p>	
Details of Shares in the Company	NIL
Relationship with other directors / KMPs	NIL
Terms and conditions of appointment / Reappointment	Not liable to retire by rotation
No. of Meetings of Board Attended during FY	NA
Remuneration to be paid	Sitting fee
Directorships / Committee Memberships in Listed Entities	NIL
List of other Bodies Corporate in which outside directorships held as on 31st March, 2019	NIL
Chairman / Member of Committees of other Companies on which he is a Director (Committees include the Statutory Committees) as on 31st March, 2019	NIL

Item No. 5:

The members are informed that the Company proposes to increase the limits on investment in the Company by Non-Resident Indians from 10% to 24%, of the paid-up equity share capital of the Company. This would allow Non-Resident Indians to acquire shares of the Company to the extent of 24% of Paid up Equity Share Capital under the Portfolio Investment Scheme. Board of Directors of the Company has passed necessary approval resolutions in this regard at their meeting held on 3rd November 2020.

None of the Directors, Manager, Key Managerial Personnel(s) and their relatives are concerned or interested in the above resolution.

The Board of Directors recommends the Item No. 5 to be passed by the members of the Company as Special Resolution.

Item No. 6:

As members aware the present 3 years term of Sri. Bhaskara Rao Madala (DIN 00474589) as Whole time Director

is expiring on 31st October 2020. Board of Directors at their meeting held on 3rd November 2020 approved the proposal for re-appointment of Sri. Bhaskara Rao Madala as Whole time Director of the company for a further period of 3 years with effect from 1st November 2020 up to 31st October 2023 upon the recommendation of the Nomination and Remuneration Committee and subject to the approval of the shareholders of the company. The said appointment and remuneration are within the stipulations of Sections 196, 197, 203 of the Act and Schedule V thereto. As members aware Sri. Bhaskara Rao Madala is one of the Promoters of the Company and also one of the first Directors of the Company. Also He has been serving the Company as Whole time Director from initial period and is concerned with Accounts, Finance, Secretarial, Legal, Infrastructure Development, Human Resources and Maintenance departments of the Company. He is a Graduate by qualification had more than 30 years of experience with the Company under various departments.

Except Mr. Bhaskara Rao Madala and Mr. Srinivasa Rao Madala, none of the Directors or Key Managerial Personnel (KMP) or relatives of other directors and KMP is concerned or interested in the Resolution at Item No. 6 of the accompanying Notice.

The Board of Directors recommends the Item No. 6 to be passed by the members of the Company as Special Resolution being the proposed appointee is of 72 years age.

Item No. 7:

Pursuant to Section 186(2) of the Companies Act, 2013, No Company shall directly or indirectly give any loan to any person or other body corporate; give any guarantee or provide security in connection with a loan to any other body corporate or person; and acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

Considering the investments to be made in the Projects, Businesses, Startup Ventures, Mutual Funds, Acquisition of Businesses, Associate, Subsidiaries, Joint Ventures, any others in the best interest of the Company approved by the Board, the Company would have to acquire by way of subscription, purchase or otherwise, the securities of other body corporates, give loan or guarantee or provide security in connection with a loan to any other body corporate or person, in excess of the limits provided under Section 186.

Accordingly, it is recommended to make necessary proposal to seek the approval of the shareholders to authorize acquisition of securities, giving loans, guarantees or providing securities up to INR 250 Crore under Section 186(3) of the Companies Act, 2013 by way of a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the resolution, except to the extent of their equity holding in the Company.

The Board of Directors recommends the Item No. 7 to be passed by the members of the Company as Special Resolution.

On behalf of the Board of Directors

Bhaskara Rao Madala (DIN: 00474589)

Whole time Director

Place: Hyderabad

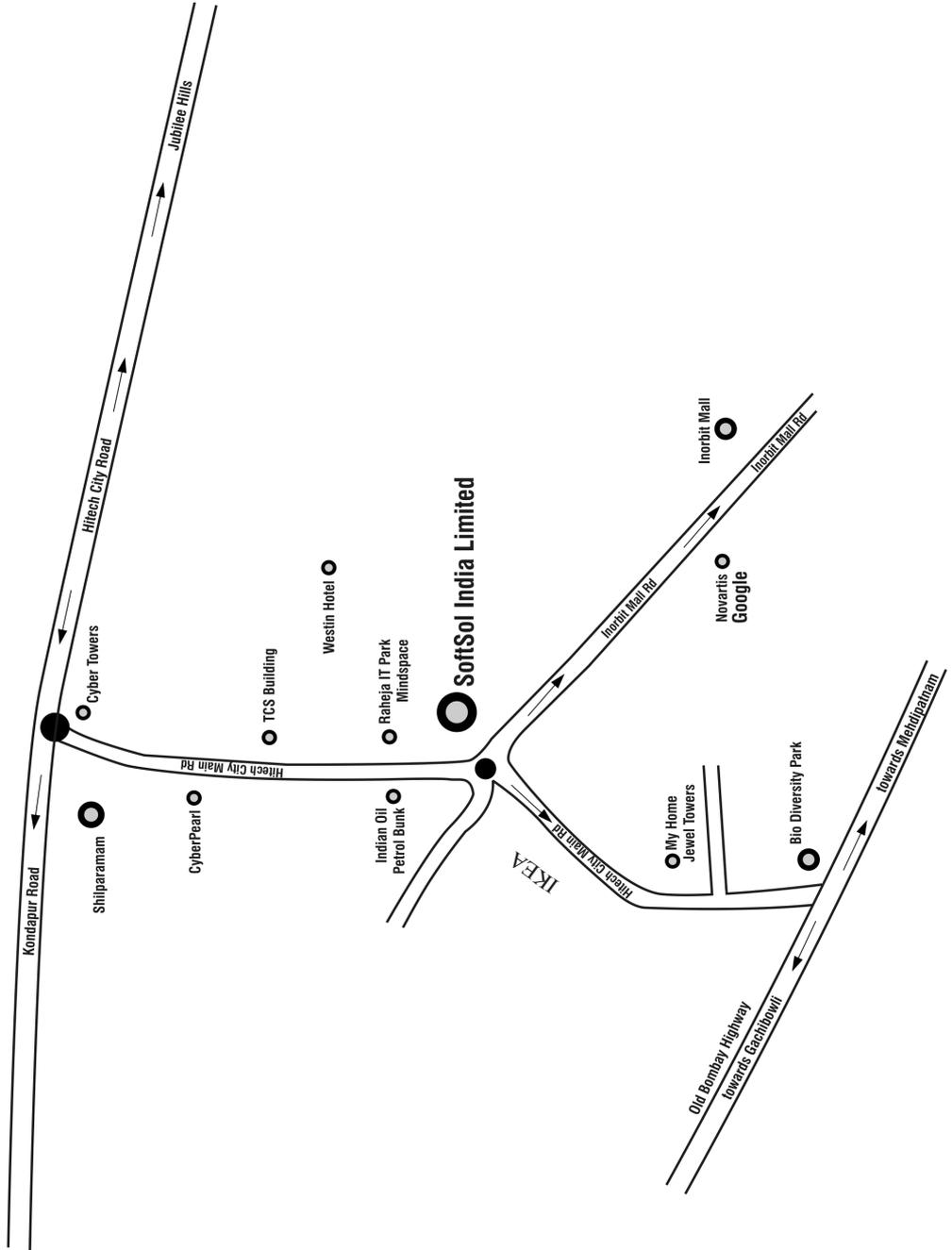
Date: 03-11-2020

Registered Office: Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081

Bhaskara.Madala@softsol.com, www.softsolindia.com

SoftSol India Limited

Map to reach the Company Registered Office at Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500081



DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the 30th Directors' Report on the business and operations of your Company, for the year ended March 31, 2020.

Financial Highlights

(Amount in Rs. Lakhs)

	Stand Alone		Consolidated	
	31-03-2020	31-03-2019	31-03-2020	31-03-2019
Revenue from Operations	2241.28	1836.87	4455.56	4,680.77
Other Income	531.64	496.23	558.65	496.23
Total Revenue	2772.92	2,333.10	5014.21	5,177.00
Profit before Interest, Depreciation & Tax (Before Exceptional Items)	1282.95	1,124.09	1277.70	1,027.53
Depreciation	207.17	228.18	272.00	231.97
Finance Costs	25.89	23.60	26.62	24.02
Profit before Tax (Before Exceptional Items)	1049.89	872.31	913.08	771.50
Exceptional Items	0	0	0	0
Current Tax	277.59	239.14	277.59	239.14
Deferred Tax	0	0	(39.65)	(30.75)
Profit after Tax	772.30	633.17	675.14	563.11
EPS (Basic & Diluted) (in Rs.)	4.59	3.76	4.01	3.34

Review of Operations

During the year under review, your Company recorded income of Rs. 2241.28 lakhs from Business activities in comparison with previous year's income of Rs. 1836.87 lakhs. Your company achieved net profit of Rs. 772.30 Lakhs for the year in comparison with the previous year's net profit of Rs. 633.17 Lakhs.

Review of Operations of Wholly owned Subsidiary

SoftSol Resources Inc., (SRI) a wholly owned subsidiary of your Company, recorded total revenue of US\$ 3.11 Million for the year 2020 in comparison with the previous year's revenue of US\$ 4.24 Millions. SRI recorded net Loss of US\$ 1,34,464 for the year 2020 in comparison with the previous year's net loss of US\$ 104,456.

FUTURE OUTLOOK & BUSINESS:

We have made very good progress in deepening the relationship with existing customers. As we made foray into the domestic business, we expect to achieve higher growth rates in income and profits during the coming year.

With the economic uncertainties, in addition to the domestic market we are exploring as well Asia Pacific region for driving the growth and mitigating risk in the developed world. This growth is largely driven by increased acceptance of IT within the country as a major growth enabler and a competitive tool for Indian corporations to compete in an increasingly globalized environment.

The Company has a positive outlook for the coming year and endeavors to achieve a steady business performance in the coming year.

We will be focusing on initiatives that could potentially increase the value of the company. These include plans to invest in internal projects and products as well as participation via partnerships.

We hope to grow the top line of the company by 30-40% by end of 2021. We will also plan to provide opportunities for realizing shareholder value from the cash reserves subject to rules and regulations.

IMPACT OF COVID-19 PANDEMIC AND LOCKDOWN:

The COVID -19 pandemic is a global health crisis which is unprecedented. In these challenging times, the Company's focus is on the safety and health of the employees, while ensuring seamless services to its customers with appropriate security measures in place. In accordance with the applicable Government directives, starting from mid of March 2020, the Company assessed the situation and initiated WORK FROM HOME mode of the Employees. The Company has been able to ensure the continuity of services through WORK FROM HOME measures. The WORK FROM HOME has been acceptable to most of the customers. Further to ensure the productivity in WORK FROM HOME regime the Company has used its IT applications to measure the performance / productivity of the project and sales teams. The Company is also working closely with its customers and vendors as a long-term partner to handle these challenges together.

At present the employees are still following WORK FROM HOME measures. Further, the Company is planning for a calibrated approach to open our facilities based on regulatory easing of lockdown restrictions have been eased keeping government directives and employee safety in mind.

As of now, the pandemic has impacted June Quarter, 2020 and September Quarter, 2020 revenues and margins. Most of the countries have already started unlocking of the economic activities. We are hoping to resume to normal level of operations starting January Quarter, 2021 onward.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

In accordance with Schedule V(B) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report forms part of this Report as **Annexure**.

DIVIDEND

In view of the financial performance of your company during the year 2019-20, your directors have not recommended any dividend for this financial year.

AMOUNTS TRANSFERRED TO RESERVES:

During the year under review the Board does not carry any amount to the Reserves.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2020 was 16822513 Equity Shares of Rs. 10 each. During the year under review, the Company has not issued any shares including shares with differential voting rights nor granted stock options nor sweat equity. There is no buyback of Shares conducted during the financial year.

As on March 31, 2020 other than Mr. Srinivasa Rao Madala - Director (1366099 Shares - 8.12%) and Mr. Bhaskara Rao Madala – Whole time Director (269766 Shares - 1.60%) none of the other Directors of the Company holds shares of the Company.

EXTRACT OF THE ANNUAL RETURN & ANNUAL RETURN

Pursuant to the provisions of section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in form MGT -9 is enclosed as Annexure to this annual report and also available on the website of the Company. As per the applicable provisions of the Companies Act, 2013 the Annual Return and Form MGT-9 will be available on the website of the Company www.softsolindia.com.

DIRECTORS:

None of the directors of the company is disqualified under the provisions of the Companies Act, 2013 or under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The existing composition of the Company's board is fully in conformity with the applicable provisions of the Act 2013 and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the provisions of the Companies Act, 2013 read with Articles of Association of the Company, Mr. Srinivasa Rao Madala (DIN 01180342), retire by rotation and being eligible offer himself for re-appointment at this Annual General Meeting. Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, brief particulars of the retiring directors who are proposed to be appointed/re-appointed are provided as an annexure to the notice convening the AGM.

Pursuant to the provisions of sections 196, 197, 203 of the Companies Act, 2013, read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Board of Directors proposed re-appointment of Mr. Bhaskara Rao Madala (DIN 00474589) as Whole time Director for a further period of 3 years with effect from 1st November 2020 up to 31st October 2023 subject to the approval of the members of the Company. Resolution for members approval is placed in the Notice of AGM.

During the year under review DR. T. HANUMAN CHOWDARY(DIN: 00107006) and SRI. B. S. SRINIVASAN (DIN: 00482513) were re-appointed as Independent Directors of the Company at the AGM held on 30/09/2019 for a further period of 5 years up to the conclusion of the Company's 34th Annual General Meeting to be held in calendar year 2024 by Special Resolutions being exceeding of 75 years age.

During the year under review SMT. NAGA PADMA VALLI KILARI (DIN: 08466714) was appointed as Independent Director (Woman) of the Company at the AGM held on 30/09/2019 for a period of 5 years up to the conclusion of the Company's 34th Annual General Meeting to be held in calendar year 2024.

Pursuant to the provisions of the Companies Act, 2013 and applicable rules made there under, SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, on the recommendation of Nomination and Remuneration Committee, the Board has appointed Mr. VEERAGHAVULU KANDULA (DIN: 03090720) as an Additional Director (Independent Director) effective 21st August 2020 for a period of 5 years.

All Directors have certified that the disqualifications mentioned under Sections 164, 167, and 169 of the Companies Act, 2013 do not apply to them. Your Directors hereby affirm that the Directors are not debarred from holding the office of director by virtue of any SEBI order or any order from such other authority.

The Board of Directors of the Company are of the opinion that all the Independent Directors of the Company re-appointed during the year possesses integrity, relevant expertise and experience required to best serve the interest of the Company. The Independent Directors have confirmed compliance of relevant provisions of Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014.

The Independent Directors have affirmed compliance with the Code for the Independent Directors mentioned in Schedule IV of the Companies Act, 2013. All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that they are not disqualified to act as such Independent Directors.

STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have confirmed and declared that they are not disqualified to act as an Independent Director in compliance with the provisions of Section 149 of the Companies Act, 2013 read with Regulation 16 (B) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors.

KEY MANAGERIAL PERSONNEL

During the year under review pursuant to Section 203 of the Companies Act, 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014 and also as per the recommendations of Nomination and Remuneration Committee, Board appointed Mr. Chiranjeevi Thota (PAN: AHJPT0457G) as Chief Financial Officer of the Company effective 1st April 2020 as one of the Key Managerial Personnel of the Company in the place of the existing CFO Mr. Srinivas Mandava (PAN: ACAPM9623R). On resignation of Mr. Chiranjeevi Thota (PAN: AHJPT0457G) as Chief Financial Officer effective 7th September 2020, Board appointed Mr. KOTESWARA RAO YERRAGOPI (PAN: ACPY4660H) as Chief Financial Officer of the Company effective 3rd November 2020 on recommendation of Nomination and Remuneration Committee.

Mr. Bhaskara Rao Madala is the Whole time Director and Mr. B. Laxman (ACS 20625) is the Company Secretary.

NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE

During the year under review, Six Board Meetings were held on 09/04/2019, 30/05/2019, 14/08/2019, 13/11/2019, 10/01/2020 and 10/02/2020. On 14/08/2019 an exclusive meeting of Independent Directors was held.

During the year under review, the Audit Committee also met Six times on 09/04/2019, 30/05/2019, 14/08/2019, 13/11/2019, 10/01/2020 and 10/02/2020.

The intervening gap between the Meetings was within the period as prescribed under the Companies Act, 2013.

COMMITTEES OF THE BOARD

The details of the following committees of the Board along with their composition and meetings held during the financial year 2019-20 are given in the Report on Corporate Governance forming part of this Directors' Report.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
5. Corporate Social Responsibility Committee

AUDIT COMMITTEE

As per the requirement of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

The Audit Committee consists of three Non-executive Independent Directors, possessing the requisite experience and expertise.

The composition of the Audit Committee is as follows:

The composition of the Audit Committee is as follows:

DR. T. HANUMAN CHOWDARY	Independent Director & Chairman
SRI. B. S. SRINIVASAN	Independent Director & Member
SMT. NAGA PADMA VALLI KILARI	Independent Director & Member
SRI. BHASKARA RAO MADALA	Whole time Director & Member

The Company Secretary is the Secretary of the Committee and the Chief Financial Officer is the invitee to the Meetings of the Committee.

All recommendations of the Audit Committee were duly accepted by the Board and there were no instances of any disagreements between the Committee and the Board during the year.

NOMINATION AND REMUNERATION COMMITTEE

As per the requirement pursuant to Section 178 of the Companies Act, 2013, the rules made there under and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178 relating to the remuneration for the Directors, key managerial personnel, and other employees

The composition of the Nomination and Remuneration Committee is as follows:

DR. T. HANUMAN CHOWDARY	Independent Director & Chairman
SRI. B. S. SRINIVASAN	Independent Director & Member
SMT. NAGA PADMA VALLI KILARI	Independent Director & Member

The Company Secretary Mr. Baddam Laxman (ACS – 20625) is the Secretary of CSRC.

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND COMMITTEE

The Company formulated the Corporate Social Responsibility Committee (CSRC) in consultation with the Board pursuant to the provisions of Section 135 of the Companies Act, 2013.

The composition of the Audit Committee is as follows:

DR. T. HANUMAN CHOWDARY	Independent Director & Chairman
SRI. B. S. SRINIVASAN	Independent Director & Member
SMT. NAGA PADMA VALLI KILARI	Independent Director & Member
SRI. BHASKARA RAO MADALA	Whole time Director & Member

The Company Secretary Mr. Baddam Laxman (ACS – 20625) is the Secretary of CSRC.

During the year under review the Company did not spend any amount with respect to CSR activities. The disclosure as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rule, 2014 is attached as Annexure to the Report. The detailed CSR Policy has been uploaded on the Company's website.

BORROWINGS:

The Company does not have any borrowings from Banks, Financial Institutions, Body Corporates or any other persons.

CASH FLOW STATEMENT

In terms of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, the Annual Financial Statement contains the Cash Flow Statement for the financial year 2019-20, forming part of this Annual Report.

CORPORATE POLICIES

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 mandate the formulation of certain policies for all listed companies. The corporate governance policies are available on the Company's website at <https://www.softsolindia.com/investor/corporate-governance-policies>. The policies are reviewed periodically by the Board and updated as needed

SECRETARIAL STANDARDS

Your Directors confirm that the Company has, during the year, complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

During the year under review, the Company has not made any investments or given loan or provided security or guarantees falling under the provisions of Section 186 of the “the Act”.

CREDIT RATING

The Company was assigned with any Credit Rating.

DEMATERIALISATION OF SECURITIES

The shares of your Company are being traded in electronic form and the Company has established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository system, Members are requested to avail the facility of dematerialization of shares with either of the Depositories as aforesaid. As on March 31, 2020, 99.67% of the share capital stands dematerialized.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, HAVING OCCURRED SINCE THE END OF THE YEAR AND TILL THE DATE OF THE REPORT AND ALSO ANY CHANGE IN THE NATURE OF BUSINESS

There have been no material changes between the end of the Financial Year and the date of this Report and also there is no change in the Nature of Business of the Company.

CORPORATE GOVERNANCE:

Your Company has always strived to maintain appropriate standards of good corporate governance. The report on corporate governance as stipulated under Schedule V (C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Report. The requisite certificate confirming compliance with the conditions of corporate governance as stipulated under the said clause is attached to this report as **Annexure**.

WTD AND CFO CERTIFICATION

As required under Regulations 17(8) and 33(2) (a) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, certificates are duty signed by Mr. Bhaskara Rao Madala, Whole time Director and Mr. Chiranjeevi Thota, CFO.

LISTING OF SHARES:

Shares of the Company are listed on The Bombay Stock Exchange Limited (BSE), Mumbai, which provides a wider access to the investors nationwide.

The Company has made all the compliances of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including payment of annual listing fees up to 31st March 2021 to the BSE.

STATUTORY AUDITORS AND AUDIT REPORT:

M/s. PAVULURI & CO., Chartered Accountants, Hyderabad (FRN: 012194S), who were appointed Statutory Auditors of the Company in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and

Auditors) Rules, 2014, to hold office from the conclusion of the 28th Annual General Meeting up to the conclusion of the 33rd Annual General Meeting. Your Board recommends for ratification of their appointment as Statutory Auditors of the Company for the Financial year 2020-21.

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed there under, either to the Company or to the Central Government. The notes on accounts referred to and the Auditors' Report are self explanatory and therefore do not call for any explanatory note.

INTERNAL AUDITOR

M/s Balarami & Nagarjuna, Chartered Accountants, Hyderabad is re-appointed as Internal Auditor of the Company to conduct the internal audit of the Company for the Financial Year 2020-21, as required under Section 138 of the Act 2013 and the Companies (Accounts) Rules, 2014.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the Internal Control System and suggests improvements to strengthen the same. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board. Based on the report of internal audit function, Company undertakes corrective action in their respective areas and thereby strengthens the controls. Recommendations along with corrective actions thereon are presented to the Audit Committee of the Board and accordingly implementation has been carried out by the Company.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed on the recommendation of Audit Committee M/s VBM Rao & Associates, Company Secretaries, Hyderabad (C.P. No. 5237), to undertake the Secretarial Audit of the Company for the financial year 2020-21.

The Secretarial Audit Report for the year 2019-20 is self-explanatory and therefore do not call for any explanatory note and the same is annexed as **Annexure** herewith.

COST AUDITOR

As per section 148 read with Companies (Audit and Auditors) Rule, 2014 appointment of Cost Auditors are not applicable to the Company.

EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK

There is no qualification, reservation or adverse remark or disclaimer made –

- (i) by the auditor in his report; and
- (ii) by the Company Secretary in practice in her secretarial audit report.

DEPOSITS

During the year the Company has not accepted any deposit under Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014. As on 31st March, 2020, there are no unclaimed deposits with the Company. Further the Company has not defaulted in repayment of deposits or payment of interest thereon.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the Company did not enter into any Material transaction (as defined in the Company's Policy on Related Party Transactions) with related parties. All other transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and same were entered only with SoftSol Resources Inc, USA (a wholly owned Subsidiary Company). The details of related party transactions are provided in the accompanying financial statements and Corporate Governance Report. All transactions entered into with related party (SoftSol Resources Inc, USA, a wholly owned Subsidiary Company) during the year were on an arm's length basis and were in the ordinary course of business. The Form AOC - 2 as required under Section 134 (3) (h) of the Companies Act, 2013, read with Rule 8 (2) of the Companies (Accounts) Rules, 2014, is given in Annexure to this Directors' Report.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons who may have a potential conflict with the interest of the Company at large. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The Company has also formed Related Party Transactions Policy and placed same on the website of the Company.

INFORMATION REQUIRED UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 PERTAINING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**(A) Conservation of Energy:**

Your Company's activities being software development and IT related in nature, energy consumed is only in the nature of electrical consumption for use and maintenance of office appliances. However, the efforts of your Company are aimed at keeping the consumption levels to as low as practicable.

- 1) Steps taken for conservation of energy.

The Company continues to work on reducing carbon footprint in all its areas of operations through initiatives like (a) green infrastructure, (b) green IT (data centers, laptops and servers etc), (c) operational energy efficiency.

- 2) Steps taken for utilizing alternate sources of energy/resources: NIL
- 3) Capital Investment on energy conservation equipments: NIL

(B) Technology Absorption:

Your Company not being engaged in any manufacturing activity, there is no material information to be provided in this regard.

The Company continues to use the latest technologies for improving the productivity and quality of its services and products. The Company's operations do not require significant import of technology.

- 1) Efforts made towards technology absorption: A continuous interaction and exchange of information in the industry is being maintained with a view to absorbing, adapting and innovating new methods that may be possible.

- 2) Benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable
- 3) Information regarding technology imported, during the last 3 years: Nil
- 4) Expenditure incurred on Research and Development: NIL

(C) Foreign Exchange Earnings and Outgo: Total foreign exchange earnings during the year were Rs. NIL (Previous year Rs. NIL) and foreign exchange outgo was: NIL (previous year: NIL).

PARTICULARS OF EMPLOYEES:

In terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the rules there under as amended from time to time, forms part of this report as Annexure.

There are no instances of employees who was in receipt of remuneration in excess of the limit prescribed in provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the rules made there under.

HUMAN RESOURCES:

On a consolidated basis, the Company has 124 employees as of March 31, 2020. The employees' relation at all levels and at all units continued to be cordial during the year.

BOARD EVALUATION

Pursuant to the provisions of section 134 (3)(p) of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees with the Company.

STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS

As required under Section 149 (7) of the Companies Act, 2013, each of the Independent Directors has given the necessary declaration about meeting the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company follows a well-structured induction programme for orientation and training of Directors at the time of their joining so as to provide them with an opportunity to familiarise themselves with the Company, its management, its operations and the industry in which the Company operates.

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company.

The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, the Listing Regulations and other relevant regulations and affirmation taken with respect to the same.

The induction programme includes:

- 1) For each Director, a one to one discussion with the Whole time Director to familiarise the former with the Company's operations.
- 2) An opportunity to interact with the CFO & Company Secretary, business heads and other senior officials of the Company, who also make presentations to the Board members on a periodical basis, briefing them on the operations of the Company, strategy, risks, new initiatives, etc.

The details of the familiarisation programme may be accessed on the Company's corporate website.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

TRANSFER OF UNPAID/UNCLAIMED AMOUNTS TO IEPF

Pursuant to the provisions of Section 125 of Companies Act, 2013 the Unclaimed Dividend and interest thereon which remained unpaid/unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as applicable, all shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more will be transferred to IEPF.

During the year under review as per the Transfer confirmation by NSDL dated 03/10/2019 for the Corporate Actions filed by the Company for transfer of 3600 Equity Shares to the Demat Account of IEPF Authority (IN300708/10656671) relating to the Unclaimed Dividend Shareholders of the Company relating to the unpaid/unclaimed dividend of the Financial Years 2001-01, 2001-02 and 2002-03.

FINANCE AND ACCOUNTS

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on 31.03.2020 has been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with the Companies (Accounts) Rules, 2014 as amended from time to time. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended 31.03.2020. The Notes to the Financial Statements forms an integral part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) In the preparation of the annual financial statement, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that year;
- (c) The directors have 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 have prepared the annual accounts on a going concern basis;
- (e) The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

As per the requirement of Section 177 (9) of the Companies Act, 2013, and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism called the 'Whistle Blower Policy' for Directors and Employees to report concern of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy and the details of the Whistle Blower Policy has been uploaded on the Company's website.

MATERIAL SUBSIDIARIES

In accordance with Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (Listing Regulations), M/S. SOFTSOL RESOURCES INC, USA is the material non-listed subsidiary. The Company has formulated a policy for determining material subsidiaries. The policy has been uploaded on the website of the Company.

Pursuant to Regulation 24(1) and other applicable Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. SUBBIAH SRINIVASAN BATTINA (DIN: 00482513) an Independent Director of the Company was appointed as as Director of SOFTSOL RESOURCES, INC. the Wholly owned unlisted subsidiary effective 14th March 2020. The subsidiary Company is having Registered Office at 46755, FREMONT BLVD, FREMONT, CALIFORNIA - 94538, USA.

SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES

Your company has prepared the consolidated financial statements in accordance with the relevant accounting standards and the provisions of the Companies Act, 2013 (Act). Pursuant to the provisions of the Act, documents

in respect of the subsidiary company M/s. SoftSol Resources Inc., USA viz., Directors' Report, Auditor's Report, Balance Sheet and Profit and Loss Account, are attached the Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

As stipulated under the provisions of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, the Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards. The audited Consolidated Financial Statements together with Auditors' Report form part of the Annual Report. The same is with unmodified opinion (unqualified).

MATERIAL CHANGES AFFECTING FINANCIAL POSITIONS OF THE COMPANY

No material changes have occurred and commitments made, affecting the financial position of the Company, between the end of the financial year of the Company and the date of this report.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

Your Company's internal control systems commensurate with the nature and size of its business operations. Your Company has maintained a proper and adequate system of internal controls. This ensures that all Assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorised, recorded and reported diligently.

The Audit Committee and Independent Internal Auditors, regularly review internal financial controls and operating systems and procedures for efficiency and effectiveness. The Internal Auditor's Reports are regularly reviewed by the Audit Committee of the Board.

RISK MANAGEMENT

The Company has in place Risk Management Policy as per requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 134(3)(n) of the Companies Act, 2013, which requires the Company to lay down procedure for risk assessment and risk minimization. The Board of Directors, Audit committee and the Senior Management of the Company should periodically review the policy and monitor its implementation to ensure the optimization of business performance, to promote confidence amongst stake holders in the business processes, plan and meet strategic objectives and evaluate, tackle and resolve various risks associated with the Company. The details of Risk Management Policy as per requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 134(3)(n) of the Companies Act, 2013 has been uploaded on the website of the Company.

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

The Company has put in place a Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in accordance with the requirement of the 'Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013'.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees of the Company are covered under the aforementioned Policy.

The summary of complaints received and disposed off up to 31st March 2020 were as under:

Number of complaints received: Nil

Number of complaints disposed off: Nil

APPRECIATION:

The Board of Directors, wish to place on record its sincere appreciation for the support and co-operation received from all its stakeholders including customers, promoters, shareholders, bankers, suppliers, auditors, various departments/ agencies of Central/State Government and other business associates of the Company. Your Board recognizes and appreciates the contributions made by all employees at all level that ensure sustained performance in a challenging environment.

On behalf of the Board of Directors

Bhaskara Rao Madala
Whole time Director

Dr. T. Hanuman Chowdary
Director

Place: Hyderabad

Date: 03-11-2020

Registered Office: Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081

Bhaskara.Madala@softsol.com, www.softsolindia.com

REPORT ON CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2020. A report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

The Board of Directors of the Company is committed to the consistent adherence to the corporate governance code and constant review of the Board processes, practices and the management systems to maintain a greater degree of responsibility and accountability

2. Board of Directors

Size and Composition of the Board:

The Board of Directors of the Company comprises of Five (5) members, of which Three (3) are Non-Executive & Independent Directors. None of the Directors on the Board holds directorships in more than ten Public Limited Companies. Further, none of them is a Member of more than ten committees or Chairman of more than five Committees across all Public Limited Companies in which he/she is a director. The necessary disclosures regarding Committee positions have been made by the Directors. The Chairman is a Non-Executive Director. The number of Independent Non-Executive Directors is more than half of the Board's total strength. All Independent Non-Executive Directors comply with the legal requirements of being "Independent."

Composition and Memberships of other Boards / Board Committees:

The composition of the Board of Directors and their attendance at Board Meetings during year and at the last Annual General Meeting are given below:

Name of the Director	Director Identification Number	Category	Designation	Board Meetings held	Board Meetings attended	Last AGM
Mr. Srinivasa Rao Madala	01180342	Promoter Director	Chairman	6	2	No
Mr. Bhaskara Rao Madala	00474589	Promoter Director	Whole time Director	6	6	Yes
Dr. T. Hanuman Chowdary	00107006	Independent Non-Executive Director	Director	6	6	Yes
Mr. B.S. Srinivasan	00482513	Independent Non-Executive Director	Director	6	6	Yes
Mrs. Neelima Thota	06938559	Independent Non-Executive Director	Director	3	2	No
Mrs. Naga Padma Valli Kilari	08466714	Independent Non-Executive Director	Director	4	4	Yes

Mr. K. Veeraghavulu (DIN: 03090720) has been appointed as independent Director effective 21st August 2020 in addition to the above directors.

Note: Mrs. Neelima Thota was retired as Independent Directors effective 30/09/2019 on completion of her period of appointment.

Mrs. Naga Padma Valli Kilari was appointed as Additional Director (Independent) effective 14/08/2019 and as Independent Director effective 30/09/2019 for a period of 5 years at the AGM held on 30/09/2019.

Details of number of Directorships and Committee Memberships held by Directors in other Companies:

Name of the Director	Board		Committee	
	Chairman	Member	Chairman	Member
Mr. Srinivasa Rao Madala	Nil	Nil	Nil	Nil
Mr. Bhaskara Rao Madala	Nil	1 (Private)	Nil	Nil
Dr. T. Hanuman Chowdary	Nil	3 (one listed, two unlisted public)	2	4
Mr. B. S. Srinivasan	Nil	2 (one listed, one private)	Nil	3
Mrs. Naga Padma Valli Kilari	Nil	Nil	Nil	Nil

Notes: Dr. T. Hanuman Chowdary is an Independent Director in the TERA SOFTWARE LIMITED, a listed Company

Mr. B. S. Srinivasan is an Independent Director in the VELJAN DENISON LIMITED, a listed Company

Relationship between Directors:

Out of 5 Directors 2 Directors are related Directors viz: Mr. Srinivasa Rao Madala, Non-Executive Chairman and Mr. Bhaskara Rao Madala, Whole time Director. None of the other Directors are related with each other.

Shareholding of the Directors in the Company as on 31 March 2020:

Mr. Srinivasa Rao Madala holds 1366099 Equity Shares (8.12%) and Mr. Bhaskara Rao Madala, Whole time Director, holds 2,49,966 equity shares (1.60%) in the Company. No other director holds any shares, convertible instruments or stock options in the company.

Information and Compliance:

The information as required under Regulation 17(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being made available periodically to the Board.

The Board periodically reviews the compliance status of the Company. The company has adopted the Code of Conduct for Executive Directors, Senior Management Personnel and other executives of the company.

Board Procedure:

The calendar of meetings of the Board of Directors is determined well in advance and Notices of the Meetings of the Board are issued by the Company Secretary on the advice and guidance of the Whole time Director. The agenda and notes thereon are finalised by the Whole time Director and circulated sufficiently in advance by the

Company Secretary. During the financial year, Board of Directors of the Company met Six times on 09/04/2019, 30/05/2019, 14/08/2019, 13/11/2019, 10/01/2020 and 10/02/2020. On 14/08/2019 an exclusive meeting of Independent Directors was held in addition to the above said Meetings.

Elaborate and meticulous deliberations take place at the meetings of the Board; all relevant information is put up to the Board and comprehensive presentations are made to it to facilitate considered and informed decision making. Heads of the business verticals also attend the meetings of the Board as invitees to provide a better perspective on the operations. The time gap between two meetings of the Board did not exceed four months.

Familiarization Programme for Independent Directors:

The Company follows a well-structured induction programme for orientation and training of Directors at the time of their joining so as to provide them with an opportunity to familiarise themselves with the Company, its management, its operations and the industry in which the Company operates.

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company.

The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, the Listing Regulations and other relevant regulations and affirmation taken with respect to the same.

The induction programme includes:

- 1) For each Director, a one to one discussion with the Whole time Director to familiarise the former with the Company's operations.
- 2) An opportunity to interact with the CFO & Company Secretary, business heads and other senior officials of the Company, who also make presentations to the Board members on a periodical basis, briefing them on the operations of the Company, strategy, risks, new initiatives, etc.

The details of the familiarisation programme may be accessed on the Company's corporate website.

Declaration of Independent Directors:

In terms of (i) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors hereby declares that the Independent Directors of the Company fulfills the conditions specified in Listing Regulations and Section 149 (6) of the Companies Act, 2013 and is independent of the management.

Independent Directors Meeting:

In Compliance with the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors Meeting of the Company was held on 14th August 2019. Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board. Dr. T. Hanuman Chowdhary is the Chairman of Independent Directors Meeting.

Code of Conduct:

Code of Conduct laid down by the Board of Directors is applicable to all the Directors and Senior Management of the Company. The Code of Conduct is posted on the Company's website www.softsolindia.com. All the Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2020. A declaration to this effect, duly signed by the Whole time Director is annexed hereto

Compliance with Code of Conduct

All the Directors and the Senior Management Personnel have affirmed Compliance of the Code of Conduct laid down by the Board of Directors in terms of Regulation 17(5)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Bhaskar Rao Madala
Whole-time Director**

Place: Hyderabad

Date: 03-11-2020

COMMITTEES OF THE BOARD

The Board Committees play a vital role in strengthening the Corporate Governance practices and focus effectively on the issues and ensure expedient resolution of the diverse matters. The Committees also make specific recommendations to the Board on various matters when required. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval.

3. Audit Committee

The Company has an independent Audit Committee as per the requirement of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The composition, procedure, Role / Function of the committee complies with the requirements of the Companies Act, 2013 as well as those of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The brief terms of reference of the Audit Committee includes the following:

- Overseeing the Company's financial report process and the disclosure of its financial information's.
- To review quarterly, half yearly and Annual Financial results before submission to the Board.
- To review the statement of significant related party transactions submitted by management.
- To review the adequacy of internal control systems with the management, external & internal auditors.
- Discussion with external auditors about the nature and scope of audit including their observation.
- To investigate into any matter referred to by the Board.

Composition and Attendance:

Audit Committee consists of three independent Non-executive Directors and one Executive Director. Members are Dr. T.Hanuman Chowdary, Mr. B. S. Srinivasan, Mrs. Neelima Thota (Retired as Independent Director as well as committee member on completion of term effective 30/09/2019), Mrs. Naga Padma Valli Kilari (Appointed as Independent Director as well as committee members effective 30/09/2019) and Mr. Bhaskar Rao Madala. Dr. T.Hanuman Chowdary is the Chairman of the Committee. The Company Secretary Mr. Baddam Laxman (ACS – 20625) acts as the Secretary to the Committee. Members of the Committee are well versed in finance, accounts, company law and general business practices.

During the financial year 2019-20 Audit Committee of the Board of Directors met Six times on 09/04/2019, 30/05/2019, 14/08/2019, 13/11/2019, 10/01/2020 and 10/02/2020.

Name of the Committee Member	DIN	Category	Designation in Committee	No. of Committee Meetings held	No. of Committee Meetings attended
Dr. T. Hanuman Chowdary	00107006	Independent Non-Executive Director	Chairman	6	6
Mr. B.S. Srinivasan	00482513	Independent Non-Executive Director	Member	6	6
Mr. Bhaskara Rao Madala	00474589	Promoter Director	Member	6	6
Mrs. Neelima Thota	06938559	Independent Non-Executive Director	Member	3	2
Mrs. Naga Padma Valli Killari	08466714	Independent Non-Executive Director	Member	3	3

Note: Mrs. Neelima Thota was retired as Independent Director as well as committee member effective 30/09/2019 on completion of her period of appointment.

Mrs. Naga Padma Valli Kilari was appointed as Independent Director as well as committee member effective 30/09/2019.

The Chairman of the Audit Committee was present at the 29th Annual General Meeting (AGM). Representatives of the statutory and internal auditors attended the meetings of the audit committee. The chief financial officer is present at the meetings of the committee.

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of three non-executive independent directors i.e. Dr. T. Hanuman Chowdary, Mr. B. S. Srinivasan, Mrs. Neelima Thota (Retired as Independent Director as well as committee member effective 30/09/2019 due to completion of her period of appointment) and Mrs. Naga Padma Valli Kilari (Appointed as Independent Director as well as committee member effective 30/09/2019). Dr. T. Hanuman Chowdary is the Chairman of the Committee. The Committee met two times on 14th August 2019 and 10th February 2020 during the financial year and all members present at the meeting.

The Company Secretary Mr. Baddam Laxman (ACS – 20625) acts as the Secretary to the Committee.

The role of Nomination and Remuneration Committee is –

- To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.

- To carry out evaluation of every Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To devise a policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

To perform such other functions as may be necessary or appropriate for the performance of its duties.

Performance Evaluation Criteria for Independent Directors:

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Individual Directors, including the Chairman of the Board. Separate exercise was carried out to evaluate the performance of Non-Independent Directors including the Chairman of the Board who were evaluated on parameters such as Key achievements, Short term and long term targets, challenges faced, Implementation of Strategic decisions, organizational success, participation and attendance in Board and Committee Meetings etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and Non-Independent Directors was carried out by the Independent Directors.

Independent Directors were evaluated on the parameters such as attendance and participation in the meetings and timely inputs on the minutes of the meetings, adherence to ethical standards & code of conduct of the Company, disclosure of non-independence, as and when exists and disclosure of interest, interpersonal relations with other Directors and Management, understanding of the Company and the external environment in which it operates and contribution to strategic direction, safeguarding interest of whistle-blowers under vigil mechanism and safeguard of confidential information. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

Nomination & Remuneration Policy

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions: "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

"Key Managerial Personnel" means: Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director; Chief Financial Officer; Company Secretary; and such other officer as may be prescribed.

"Senior Managerial Personnel" mean the personnel of the Company who are members of its core management team excluding Board of Directors.

Objective: The objective of the policy is to guide the Board, in relation to appointment, re-appointment and removal of Directors, Key Managerial Personnel and Senior Management, to evaluate the performance of the Directors, remuneration payable to the Directors, Key Managerial Personnel and Senior Management, so to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage and to guide succession plan for the Board and to regularly review the plan.

Remuneration to the Directors:

- a) There was no pecuniary relationship or transaction between the Non-Executive Directors and the Company during the financial year 2019-20.
- b) The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings attended by them, of such sum as may be approved by the Board of Directors / Members of the Company within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time.

The details of remuneration and sitting fees paid or provided to each of the Directors during the year 2019-20 are as follows:

(In Rs.)

Name of the Director	Designation	Salary & Perks	Commission	Sitting Fees	Total
Mr. Srinivasa Rao Madala	Director	0	0	0	0
Mr. Bhaskara Rao Madala	Whole-time Director	1,810,080	0	0	1,810,080
Dr. T. Hanuman Chowdary	Director	0	0	90,000	90,000
Mr. B. S. Srinivasan	Director	0	0	90,000	90,000
Mrs. Neelima Thota	Director	0	0	20,000	20,000
Mrs. Naga Padma Valli Kilari	Director	0	0	70,000	70,000

No other benefits, bonuses, stock options, pensions or performance-linked incentives are paid to directors except as mentioned above and there are no pecuniary relationships or transactions by the non-executive directors during the financial year.

Note: Mrs. Neelima Thota was retired as Independent Director as well as committee member effective 30/09/2019 on completion of her period of appointment.

Mrs. Naga Padma Valli Kilari was appointed as Independent Director as well as committee member effective 30/09/2019.

Shareholding of the Directors in the Company as on 31 March 2020:

Mr. Srinivasa Rao Madala holds 1366099 Equity Shares (8.12%) and Mr. Bhaskara Rao Madala, Whole time Director, holds 2,49,966 equity shares (1.60%) in the Company. No other director holds any shares, convertible instruments or stock options in the company.

5. Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of three non-executive independent directors and one executive director. Members are Dr. T. Hanuman Chowdary, Mr. B. S. Srinivasan, Mrs. Neelima Thota (Retired as Independent Director as well as committee member on completion of term effective 30/09/2019), Mrs. Naga Padma Valli Kilari (Appointed as Independent Director as well as committee members effective 30/09/2019) and Mr. Bhaskar Rao Madala.

The Company Secretary Mr. Baddam Laxman (ACS – 20625) acts as the Secretary to the Committee.

The role of the committee

The company has constituted Stakeholders Relationship Committee of the Board of Directors to look into the transfer of Equity Shares s/transmission of Equity Shares /issuance of duplicate Equity Share certificates, complaints received from the shareholders of the Company and other allied connected matters.

Status of complaints of shareholders/investors is as under:

Complaints pending as on 1st April, 2019	NIL
Number of complaints received during year ended 31st March, 2020	NIL
Number of complaints attended to/resolved during the year	NIL
Complaints pending as on 31st March, 2020	NIL

The share transfers are processed on behalf of the Company by the Registrar and Transfer Agents viz. M/s. KFIN TECHNOLOGIES PRIVATE LIMITED (CIN: U72400TG2017PTC117649) (Formerly M/s. KARVY FINTECH PRIVATE LIMITED) (As per the Order of Hon'ble NCLT, Hyderabad Bench, the operations of Karvy Computershare Private Limited has been transferred to KARVY FINTECH PRIVATE LIMITED) and are placed for approval by the Committee which are noted and ratified in subsequent board meeting.

M/s. KFIN TECHNOLOGIES PRIVATE LIMITED (CIN: U72400TG2017PTC117649)

Address: Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 008, Telangana.

Contact Persons:

M V N SASTRY

Dy. Manager-Corporate Registry |

P: +91 40 67161529,

shastry.mvn@kfintech.com, www.kfintech.com

Rajkumar Kale

Senior Manager - Corporate Registry

P: +91 40 6716 1736,

rajkumar.kale@kfintech.com | www.kfintech.com

Number of share transfers pending for approval as on 31st March, 2020: NIL

The Committee met once on 14th August 2019 during the financial year and all members present at the meeting.

Compliance Officer: Mr. Baddam Laxman, Company Secretary

SOFTSOL INDIA LIMITED

Plot No. 4, Software Units Layout, Madhapur, Hyderabad – 500 081

Telephone: + 91 (40) 42568500, Facsimile: + 91 (40) 42568600

E-mail: cs@softsol.com, Website: www.softsolindia.com

6. Corporate Social Responsibility Committee

The Board has constituted a Corporate Social Responsibility Committee consisting of four members, chaired by Dr. T. Hanuman Chowdary a Non-Executive Independent Director. The composition of CSR Committee is in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The terms of reference of the CSR Committee broadly comprises to review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and to provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress. The detailed CSR Policy has also been uploaded on Company's Website.

The Committee was constituted on 14th August 2018 with the applicability of provisions during the Financial year 2018-19. The Chairperson of the Committee is Dr. T. Hanuman Chowdary a Non-Executive Independent Director. The Committee comprises following Executive and Non-Executive Independent Directors:-

Dr. T. Hanuman Chowdary	Independent Director
Mr. B. S. Srinivasan	Independent Director
Mr. Bhaskara Rao Madala	Whole time Director

Mrs. Neelima Thota (Retired as Independent Director as well as committee member on completion of term effective 30/09/2019)

Mrs. Naga Padma Valli Kilari (Appointed as Independent Director as well as committee member effective 30/09/2019)

Corporate Social Responsibility Committee met 2 times during financial year 2019-20 ended on March 31, 2020 on 14th August 2019 and 13/11/2019.

The terms of reference of the Committee are as under: The Committee shall carry out the following functions:

- recommend the CSR Policy to the Board of Directors of the Company ("Board");
- identify the projects/activities to be undertaken by the Company for CSR;
- recommend to the Board CSR Activities to be undertaken along with detailed plan;
- modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities;
- monitor the CSR Policy of the Company from time to time;
- ensure compliance of CSR Policy and the CSR Rules;
- such other functions as may be delegated and/or assigned by the Board from time to time.

7. Independent Directors:

It is hereby confirmed that all the Independent Directors fulfill the conditions specified in SEBI (LODR) Regulations, 2015 and Companies Act, 2013 and all are independent of Management. The Company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

- a) **Training of Independent Directors:** Whenever new Non-Executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy. The appointment letters of Independent Directors has been placed on the Company's website at www.softsolindia.com under investor relations link.
- b) **Performance Evaluation of Non-Executive and Independent Directors:** The Board evaluates the performance of Non-Executive and Independent Directors every year. Non-Executive and Independent Directors are having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.
- c) **Separate Meeting of the Independent Directors:** The Independent Directors held a Meeting on 14/08/2019 without the attendance of Non-Independent Directors and members of Management.

The following issues were discussed in detail:

- I) Reviewed the performance of Executive Directors, non-independent directors and the Board as a whole;
- II) Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- III) Reviewed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

8. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings (AGM) are as follows:

Year/Period	Day, Date and Time	Location
2016-2017	Friday, 29th September 2017 at 10.00 a.m.,	At the Registered office of the Company at Plot No.4, Software Units Layout, Madhapur, Hyderabad – 500 081.
2017-2018	Saturday, 29th September 2018 at 10.00 a.m.,	At the Registered office of the Company at Plot No.4, Software Units Layout, Madhapur, Hyderabad – 500 081.
2018-2019	Monday, 30th September 2019 at 10.00 a.m.,	At the Registered office of the Company at Plot No.4, Software Units Layout, Madhapur, Hyderabad – 500 081.

- a) Whether any special resolutions passed in the previous AGM's: Following Special Resolutions were passed at the AGM held on 30th September 2019.

REAPPOINTMENT OF DR. T. HANUMAN CHOWDARY(DIN: 00107006) AS INDEPENDENT DIRECTOR FOR A SECOND TERM OF 5 YEARS.

REAPPOINTMENT OF SRI. B. S. SRINIVASAN (DIN: 00482513) AS INDEPENDENT DIRECTOR FOR A SECOND TERM OF 5 YEARS.

- b) Extra Ordinary General Meeting (EGM)

No Extra Ordinary General Meeting (EGM) was held during the last financial year i.e 2019-20.

c) Postal Ballot

No Special Resolution was passed through postal ballot during the last financial year i.e 2019-20. There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

9. Means of Communication

The Board of Directors of the Company approves and takes on record the Unaudited Quarterly Results and Audited Annual Results in the proforma prescribed by the Stock Exchange and announces forthwith the results to the Bombay Stock Exchange where the shares of the Company are listed. The same are published within 48 hours in The Financial Express (English daily news paper) and Nava Telangana (Telugu daily news paper) and are also uploaded on the Company's website www.softsolindia.com.

All data required to be filed electronically or otherwise pursuant to the SEBI Regulations with the Stock Exchange, such as annual report, quarterly financial statements, Shareholding pattern, report on Corporate Governance etc are being regularly filed with the Stock Exchange, namely, BSE Limited (www.bseindia.com) through BSE Listing Center and available on their websites.

The Management Discussion and Analysis Report forms part of the Annual Report.

10. General Shareholders Information:

a) Company Registration Details:

The Company is registered in the State of Telangana, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L72200TG1990PLC011771.

b) Registered Office & address for Correspondence

COMPANY SECRETARY - SOFTSOL INDIA LIMITED
Plot No. 4, Software Units Layout, Madhapur, Hyderabad – 500 081
Telephone: + 91 (40) 42568500, Facsimile: + 91 (40) 42568600
E-mail: cs@softsol.com, Website: www.softsolindia.com

c) Annual General Meeting: (Date, Time and Venue)

The 30th Annual General Meeting (AGM) of the Company was scheduled to be held on Wednesday, the 30th day of December 2020 at 10:00 a.m. at the Registered Office of the Company

d) Financial Calendar

The Company follows April-March as its financial year. The Key Financial Reporting dates for the Financial Year 2020-21 are:

Unaudited Results for the First Quarter ended June 30, 2020	On or before 14th August 2020
Unaudited Results for the Second Quarter ended September 30, 2020	On or before 14th November 2020
Unaudited Results for the Third Quarter ended December 31, 2020	On or before 14th February 2021
Audited Results for the Financial year ended 31st March 2021	On or before 30th May 2021

e) Book Closure

From December 24, 2020 to December 30, 2020 (both days inclusive) for the purpose of AGM as well as Dividend Payment.

f) Dividend:

Not applicable

g) Listing of Shares

The Company shares are listed on The Bombay Stock Exchange Limited and the Company has paid listing fees for the financial year 2020-21 to the Stock Exchange.

h) Unclaimed Dividend/ Shares:

Pursuant to the provisions of Section 125 of Companies Act, 2013 the Unclaimed Dividend and interest thereon which remained unpaid/unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as applicable, all shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more will be transferred to IEPF.

The details of unclaimed/unpaid dividend are also available on the website of the Company viz. www.softsolindia.com The Company has transferred all unpaid/unclaimed equity dividends, which were due, to the Investor Education & Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of Companies Act, 2013

During the year under review as per the Transfer confirmation by NSDL dated 03/10/2019 for the Corporate Actions filed by the Company for transfer of 3600 Equity Shares to the Demat Account of IEPF Authority (IN300708/10656671) relating to the Unclaimed Dividend Shareholders of the Company (relating to the unpaid/unclaimed dividend of the Financial Years 2001-01, 2001-02 and 2002-03).

i) Stock Code/Symbol

The Bombay Stock Exchange Limited - 532344.

j) Share Transfer Agent

M/s. KFIN TECHNOLOGIES PRIVATE LIMITED (CIN: U72400TG2017PTC117649) (Formerly M/s. KARVY FINTECH PRIVATE LIMITED) (As per the Order of Hon'ble NCLT, Hyderabad Bench, the operations of Karvy Computershare Private Limited has been transferred to KARVY FINTECH PRIVATE LIMITED), Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 008, Telangana.

Contact Persons:

M V N SASTRY

Dy. Manager-Corporate Registry |

P: +91 40 67161529,

shastry.mvn@kfintech.com, www.kfintech.com

Rajkumar Kale

Senior Manager - Corporate Registry

P: +91 40 6716 1736,

rajkumar.kale@kfintech.com | www.kfintech.com

k) Share Transfer System

Equity Shares lodged for transfer in physical mode are normally registered within 15 days from the date of receipt. The Share Transfer Agent is handling all the Share Transfers and related transactions. As on March 31, 2020, no share transfer or complaints were pending.

Shares held in the dematerialised form are electronically traded in the Depository and the Registrars and Share Transfer Agents of the Company periodically receive from the Depository the beneficiary holdings so as to enable them to update their records.

Physical shares received for dematerialization are processed and completed within a period of 21 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the shareholders.

l) Reconciliation of Share Capital Audit

The Reconciliation of Share Capital Audit is conducted by a Company Secretary in practice to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories") and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with Depositories) and that the requests for dematerialization of shares are processed by the RTA within stipulated period of 21 days and uploaded with the concerned depositories.

m) Dematerialization of shares and liquidity

The shares of the Company are compulsorily traded in dematerialised form for all shareholders. 99.67 % of the total number of shares stand dematerialised as on 31st March, 2020. Letters have been sent to all shareholders holding shares in physical mode informing them that as per revised Regulation 40 of SEBI (LODR) Regulations 2015, shares will be transferred only in dematerialised mode effective from 1st April, 2019 and the shareholders have been requested to dematerialize their existing shares in physical form. Details of holdings in NSDL, CDSL and Physical are as given below as on 31/03/2020.

Mode of Holding	Number of Shares	Percentage of holding
NSDL	16564020	98.46
CDSL	202913	1.21
Physical	55580	0.33
Total	16822513	100.00

Liquidity: The Company's Equity shares are traded on BSE Limited.

International Securities Identification Number: INE002B01016.

n) Category wise Shareholding as at March 31, 2020.

Category	Number of Shareholders	No. of Shares held	Percentage of Shareholding (%)
Promoters (Both Indian & Foreign)	6	12183328	72.42
Mutual Funds and UTI	0	Nil	Nil
Banks, Financial Institutions, Insurance Companies	0	Nil	Nil
FII's	0	Nil	Nil
Private Corporate Bodies	12	10278	0.06
Indian Public	1666	600341	3.57
Non-Resident Indians	6	4024556	23.92
Trusts	1	400	0.01
Clearing Members	1	10	0.00
IEPF	1	3600	0.02
Total	1693	16822513	100

o) Shareholders holding more than 1% of the Shares:

Name of the Shareholder	Number of shares held	Percentage
Promoters:		
Durga VLK Madala	9557408	56.81
Sambasiva Rao Madala	918400	5.46
Srinivasa Rao Madala	1366099	8.12
Bhaskara Rao Madala	269766	1.60
Non-Promoters:		
TALLURI SAMATHA	3324525	19.76
B. PRAMEELA	640806	3.81

p) Market Price Data:

The monthly high and low quotations and volume of shares traded on the Stock Exchange, Mumbai (BSE) along with comparison with S&P BSE SENSEX is as follows:

Month	Monthly High (Rs.)	Monthly Low (Rs.)	Volume of Shares Traded	SENSEX Monthly High	SENSEX Monthly Low
April 2019	31.65	29.50	1766	39487.45	38460.25
May 2019	31.95	28.00	2442	40124.96	36956.10
June 2019	33.45	28.00	4430	40312.07	38870.96
July 2019	28.75	22.00	2684	40032.41	37128.26
August 2019	26.20	23.00	3470	37807.55	36102.35
September 2019	27.30	24.75	900	39441.12	35987.80
October 2019	26.50	21.70	1960	40392.22	37415.83
November 2019	24.70	22.45	785	41163.79	40014.23
December 2019	25.60	19.15	2388	41809.96	40135.37
January 2020	33.00	25.65	9561	42273.87	40476.55
February 2020	30.50	23.00	5982	41709.30	38219.97
March 2020	26.50	24.05	265	39083.17	25638.90

q) Distribution of Shareholding as at March 31, 2020.

Category	Shareholders (Numbers)	Shareholders (Percentage)	Amount Rs.	Amount (Percentage)
1-5000	1476	87.18	2357870.00	1.40
5001- 10000	129	7.62	1061400.00	0.63
10001- 20000	43	2.54	656970.00	0.39
20001- 30000	15	0.89	383240.00	0.23
30001- 40000	5	0.30	179140.00	0.11
40001- 50000	4	0.24	176170.00	0.10
50001- 100000	6	0.35	371670.00	0.22
100001 & Above	15	0.89	163038670.00	96.92
TOTAL	1693	100.00	168225130.00	100.00

r) Address for Correspondence

For all kinds of Investor Correspondence:

For transfer / dematerialization of shares, and any other query relating to the shares and debentures of the Company.

M/s. KFIN TECHNOLOGIES PRIVATE LIMITED (CIN: U72400TG2017PTC117649) (Formerly M/s. KARVY FINTECH PRIVATE LIMITED) (As per the Order of Hon'ble NCLT, Hyderabad Bench, the operations of Karvy Computershare Private Limited has been transferred to KARVY FINTECH PRIVATE LIMITED), Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 008, Telangana.

Contact Persons:

M V N SASTRY, Dy. Manager-Corporate Registry |
P: +91 40 67161529,
shastry.mvn@kfintech.com, www.kfintech.com

Rajkumar Kale
 Senior Manager - Corporate Registry
 P: +91 40 6716 1736,
 rajkumar.kale@kfintech.com | www.kfintech.com

Any query on Annual Report and Secretarial Department:

Mr. Baddam Laxman, Company Secretary
 SOFTSOL INDIA LIMITED
 Plot No. 4, Software Units Layout, Madhapur, Hyderabad – 500 081
 Telephone: + 91 (40) 42568500, Facsimile: + 91 (40) 42568600
 E-mail: cs@softsol.com, Website: www.softsolindia.com

- s) Details with respect to Demat Suspense Account/Unclaimed Share Certificate as per regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: Not Applicable.
- t) Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, Conversion date and date and likely impact on the Equity: Not applicable
- u) Information on Deviation from Accounting Standards, if any:

There has been no deviation from the Accounting Standards in preparation of annual accounts for the financial year 2019-20.

- v) Commodity price risk or foreign exchange risk and hedging activities: Not Applicable

11. Other Disclosures:

- a) Details of Related Party Transactions:

There are no materially significant transactions with its promoters, the directors or the senior management personnel, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company. The disclosure in respect of related party transactions is provided in the notes on accounts. All contracts with the related parties entered into during the year are in normal course of business and have no potential conflict with the interest of the Company at large and are carried out on arm's length basis at fair market value.

SoftSol India Limited (SIL) holds 100% shareholding of SoftSol Resources Inc., USA (SRI) and hence SRI is a wholly owned subsidiary of SIL. The transactions details of the Company with the SRI as of 31.03.2020 are:

Details	Party Name	31-03-2020 (in Rs.)	31-03-2019 (in Rs.)
Operations related	SoftSol Resources Inc.	26,10,996	1,53,76,722

No Loans and Advances to Subsidiary Company have been made in the financial year 2019-20. But the Company has issued guarantees / securities to the Bank for the loans granted to the Subsidiary Company. There is no pecuniary relationship or transactions with non-executive director's vis-à-vis the Company, which has potential conflict with the interests of the Company at large.

- b) There were no materially significant related party transactions (i.e. transactions of the Company of material nature), in potential conflict with interests of the Company at large. Transactions with related parties are disclosed in Notes to the Accounts in Annual Report.

- c) There were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter relating to Capital Market during last three years.
- d) Code of Conduct: The Company has adopted a Code of Conduct for the members of the Board of Directors and the senior management of the Company. The Code of Conduct is displayed on the website of the Company. All the directors and the senior management personnel have affirmed compliance with the code for the Financial Year ended 31st March 2020. A declaration to this effect, signed by the whole time Director is annexed to this report.
- e) Disclosures with respect to demat suspense account/ unclaimed suspense account under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 : Not applicable
- f) The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has framed a Whistleblower Policy. No personnel has been denied access to the Audit Committee. The detail Whistleblower policy has been uploaded on website of the Company. During the year there was no reporting of any undesirable activity by any person.
- g) The Company has complied with the mandatory requirements of the Listing Regulation. The Company has adopted various non-mandatory requirements as well, as discussed under relevant headings.
- h) Subsidiary Company:

In accordance with Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (Listing Regulations), M/S. SOFTSOL RESOURCES INC, USA is the material non-listed subsidiary. The Company has formulated a policy for determining material subsidiaries. The policy has been uploaded on the website of the Company. Pursuant to Regulation 24(1) and other applicable Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. SUBBIAH SRINIVASAN BATTINA (DIN: 00482513) an Independent Director of the Company was appointed as Director of SOFTSOL RESOURCES, INC. the Wholly owned unlisted subsidiary effective 14th March 2020 and it is having Registered Office at 46755, FREMONT BLVD, FREMONT, CALIFORNIA - 94538, USA.

- i) All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year, which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The Company has framed Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions and is placed on the Company's website.
- j) The Company has in place mechanism to inform Board Members about the Risk Management and minimization procedures and periodical reviews to ensure that risk is controlled by the executive management. A detailed note on risk management is given in the financial review section of the management discussion and analysis report elsewhere in this report. Further the company did not engage in commodity hedging activities.
- k) Management Discussion and Analysis is annexed to the Directors' Report to shareholders and forms part of Annual Report.
- l) As per disclosures received from senior management personnel, they have not entered into any financial or commercial transactions which may have a potential conflict with interests of the Company at large.

- m) During the Financial Year ended 31st March, 2020 the Company did not engage in commodity hedging activities.
- n) During the Financial Year ended 31st March, 2020, the Company did not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).
- o) During the Financial Year ended 31st March, 2020 no Independent Director resigned before the expiry of his tenure.
- p) During the Financial Year ended 31st March, 2020 the Company has not issued any debt instruments or fixed deposit programme involving mobilization of funds, whether in India or abroad.
- q) A certificate from a Company Secretary in practice confirming 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, is annexed to this report.
- r) There have been no instances of non-acceptance of any recommendations of the any Committee by the Board during the Financial Year under review.
- s) Prohibition of Insider Trading:

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015.

- t) Compliance Report:

A Compliance report of all applicable Laws and Regulations as certified by the Whole time Director are placed at periodic intervals for review by the Board. The Board reviews the compliance of all the applicable Laws and gives appropriate directions wherever necessary. The Board considers materially important Show Cause/Demand Notices received from Statutory Authorities and the steps/action taken by the Company in this regard.

A status report of material legal cases pending before the various courts is also put up to the Board on a quarterly basis.

The Board regularly discusses the significant business risks identified by the management and the mitigation process being taken up.

- u) Green Initiative:

Pursuant to section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Companies (Accounts) Rules, 2014, the Company can send Notice of Annual General Meeting, financial statements and other Communication in electronics forms. This Company is sending the Annual Report including the Notice of Annual General Meeting, Audited Financial Statements, Directors Report, Auditors Report along with the annexure etc. for the financial year 2018-19 in the electronic mode to the shareholders who have registered their e-mail ID's with the Company and/or their respective Depository Participates (DPS).

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in Demat form can register their e-mail addresses with their concerned

DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the Company, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

- v) Non-compliance of any requirement of corporate governance report of sub-paras mentioned above with reasons thereof shall be disclosed: There was no non-compliance of any of the provisions applicable to the Company.
- w) The disclosures of the compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to clause (i) of sub-regulation (2) of regulation 46 shall be made in the section of corporate governance of the annual report: Complied wherever applicable.
- x) Disclosure of Accounting Treatment:

The Indian Accounting Standard (Ind-AS) notified under Section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs and the applicable Accounting Standards/ Guidance Notes / Announcements issued by the Institute of Chartered Accountants of India as notified from time to time, have been followed in preparation of the financial statements of the company.

- y) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.

The company has not made any capital issues during the financial year.

- z) Matters related to Capital Markets

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the company by any Stock Exchanges or SEBI or any statutory authority, on any matter relating to capital markets, during the last three years.

- aa) Management Discussion & Analysis Report

The Management Discussion & Analysis Report is a part of Director's Report.

- bb) During the year from April 1, 2019 to March 31, 2020 the Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. At the end of March 31, 2020, no complaint was pending for redressal.
- cc) The necessary certificate under Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this report.
- dd) The Company Secretary has a key role to play in ensuring the Board procedures and statutory compliances are properly followed..
- ee) Management Discussion and Analysis Report - The Management Discussion and Analysis has been discussed in detail separately in this Annual Report.
- ff) Compliance Certificate from Practicing Company Secretary: Certificate from Practicing Company Secretary confirming compliance with conditions of Corporate Governance as stipulated in Regulations Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this report.

- gg) Other disclosures as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been given at relevant places in the Annual Report.
- hh) Non-mandatory requirements—Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time to time.
- ii) The Company has fully complied with the applicable requirements specified in Reg. 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46.
- jj) There has been no instance of noncompliance of any requirement of Corporate Governance Report.

12. CEO/CFO Certification:

The requisite certification from the Whole time Director and Chief Financial Officer required to be given under Regulation 17(8) of SEBI (LO&DR) Regulation, 2015 was placed before the Board of Directors of the Company.

On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Dr. T. Hanuman Chowdary
Director

Place: Hyderabad
Date: 03-11-2020

Declaration Regarding Compliance with the Company's Code of Conduct pursuant to Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As required by Regulation 26 (3), Regulation 34(3) read with Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Directors and Senior Management of the Company have confirmed compliance with the Code of Conduct as adopted by the Company.

On behalf of the Board of Directors

Bhaskara Rao Madala
Whole time Director

Place: Hyderabad
Date: 03.11.2020

CEO & CFO Certification
(As per Regulation 17(8) of SEBI (LO&DR) Regulation, 2015)

To
The Board of Directors of
SoftSol India Limited
Hyderabad.

We, Bhaskara Rao Madala, Whole time Director and Mr. Chiranjeevi Thota, Chief Financial Officer of SoftSol India Limited (the Company) to the best of our knowledge and belief certify that:

- a) We have reviewed the Financial Statements and the Cash Flow Statements for the financial year ended March 31, 2020 and based on our knowledge and belief, we state that:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of Company's code of conduct.
- c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated, based on our most recent evaluation, wherever applicable, to the auditors and the Audit Committee
 - i. Significant changes, if any, in the internal controls over financial reporting during the year;
 - ii. Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Bhaskar Rao Madala
Whole-time Director

Chiranjeevi Thota
Chief Financial Officer

Place: Hyderabad
Date: 03.06.2020

Annexure to Directors Report
Management's Discussion and Analysis

Management's discussion and analysis of the financial condition and results of operations include forward- looking statements based on certain assumptions and expectations of future events. The Company cannot assure that these assumptions and expectations are accurate. Although the Management has considered future risks as part of the discussions, future uncertainties are not limited to Management perceptions.

Overview

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, and relevant amendment rules issued thereafter.

Effective April 1, 2017, the Company has adopted all the Ind AS standards, and the adoption was carried out in accordance with Ind AS 101, First-time adoption of Indian Accounting Standards, with April 1, 2016 as the transition date. The transition was carried out from the Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

Global Economic Scenario

Our world is witnessing an unprecedented pandemic that has virtually spread to every country in the world. This has resulted in loss of precious human lives and lockdown measures put in place to contain it are curtailing economic activity, driving up unemployment, and depressing international trade.

IMF in its baseline scenarios is projecting the global economy to contract sharply by -3 percent in CY20, much worse than during the 2008-09 financial crisis. Growth in the advanced economy group where several economies are experiencing widespread outbreaks and deploying containment measures is projected at -6.1 percent in 2020. Most economies in the group are forecast to contract this year, including the United States (-5.9 percent). Among emerging market and developing economies, all countries face a health crisis, severe external demand shock, dramatic tightening in global financial conditions, and a plunge in commodity prices, which will have a severe impact on economic activity in commodity exporters.

The risks to baseline macroeconomic forecast is contingent on the virology of the pandemic, duration of the lockdowns, and disruptions to the supply chain. The global business confidence could be severely affected, leading to weaker investment and growth than projected in the baseline.

The Engineering Services industry is also expected to be impacted by the Covid-19 pandemic, which will experience downward pressures in the short term with 2%-8% decline across the industry. However, the growth is expected to rebound faster than GDP recovery with 80% spend expected to come back in two years. The impact across the various industries will vary with some industries impacted severely in the short term to some which will see minimal impact.

Industry Overview

In CY 2019, the global market for software and services is estimated to have grown to \$1.5 trillion. IT services is estimated to have grown by 3.5% YoY, characterized by a shift to digital technologies, and adoption of DevOps, and as-a-service models. Business Process Management grew by 4.5% over the prior year driven by a greater focus on robotic process automation as customers automate repetitive tasks and focus on strategic work.

Share of Digital in industry revenues has jumped from ~20% last year to now in the range of 26%-28%. Nine digital technology areas will emerge as fastest-growing and highest-impacting, with the combined potential to deliver one-third of the USD 100 trillion. The nine areas include three foundational technologies – Big Data and Analytics, Cloud Computing, and Cyber security – and six advanced technologies -Artificial Intelligence, Internet of Things, 3D Printing, Robotics, Blockchain, and Immersive Media.

IT and Software Services

IT Sector is broadly categorized into software, IT Services, and Information Technology enabled services (ITES) and IT Hardware segment.

I. Software

Software industry comprises of software products, engineering and R&D services serving Small, Medium and Large organization with simplified business solutions.

Software Products:

Infrastructure Software serving to connect the people with systems to efficiently execute business processes, such as Business Intelligence (BI) Tools, Security software, Application Development, Database Management Systems, IT Operations, Operating-System Software, etc.

Enterprise Software designed to solve business problems, such as Consumer Relationship Management (CRM), Human Resource Management (HRM), Enterprise Resource Planning (ERP), Supply Chain Management, Content Management System, Project Management System, etc.

Software Engineering (SE):

SE services deals in finding the application of engineering to the development of software products.

Research and Development (R&D):

R&D service concerns to creating new software product innovation targeting cost cutting, efficiency, strategies formulation, participation, etc.

II. IT Services

IT Services are oriented into two segments:

Project-Oriented Services:

Services catered towards clients requirement, onsite or offshore.

- IT consulting focusing on advising organization toward the use of Information Technology (IT).
- System Integrations to deploy various system according to the client's need, such as integration of the business process, database management, logistics, software or hardware, etc.
- Software Testing to ensure the quality of the service following response testing, security testing, and load testing.

IT Outsourcing:

One organization serves another for the need for deploying or managing its IT architecture and systems. Training and Support:

Services to install, configure and maintain hardware and software solutions into the client's system or to educate the process of the IT system.

III. IT-enabled Services (Web-enabled/Remote/Tele)

These services are delivered offshore using a means of software and internet transmissions covering the whole range of IT for refining productivity such as - Financial & Accounting, Human Resource, Knowledge Process Outsourcing, Business Process Outsourcing, etc.

The software industry has faced major disruption in traditional business model with the introduction of digital transformation technologies like artificial intelligence, internet of things (IoT), cloud computing, big data and so forth. However, the Indian IT industry scaling up to the value chain offering more end-to-end solutions, digital revenues and government's scheme like Make in India, Start-Up India, and Digital India.

The digitally skilled manpower is also increasing rapidly with wage level being lower than most countries resulting in the unmatched value proposition. The continued reduction in the unit cost of hardware, the explosion of network bandwidth, advanced software technologies and technology-enabled- services are fueling the rapid digitization of business processes and information. The digital revolution is cascading across industries, redefining customer expectations, enabling disruptive market offerings and automating core processes. Traditional business models are being disrupted with digital and software-based business models. This disruption is characterized by personalized user experiences, innovative products and services, extreme cost performance and a disintermediation of the supply chain. Incumbent companies, to win amid this disruption, need to reinvent their business from the core to activate strong efficiency and productivity levers, reimagine the end consumer experience and create impact at scale.

Leveraging technologies and models of the digital era to both extend the value of existing investments and, in parallel, transform and future-proof businesses, is increasingly becoming a top strategic imperative for business leaders. From an IT perspective, the renewal translates to harnessing the efficiency of distributed cloud computing, enabling legacy systems for mobile and sensor access, extracting value out of digitized data, keeping systems relevant and optimizing the costs of building and running technology systems. As businesses look to new areas and new economics, new and intelligent systems are required to be built with next-generation technologies and with exponentially superior cost-benefit performance.

The fast pace of technology change and the need for technology professionals who are highly skilled in both traditional and digital technology areas are driving businesses to rely on third parties to realize their business transformation. The pace of technology disruption has reached a crescendo in 2018. Society, in general, and industry and government are spiritedly embracing digital technologies. Technologies such as artificial intelligence (AI), Internet of things (IoT), augmented reality, virtual reality, machine learning (ML), big data analytics, robotic process automation, and 3D Printing are increasingly becoming mainstream, cutting across industries.

For instance, block chain was originally thought to be an application in financial services and retail. It has now found its way into agriculture, healthcare, governance, logistics, etc. These technologies are providing numerous new opportunities for large enterprises as much as they are aiding the start-ups in developing new products and service lines, improving efficiency, productivity, and competence levels, giving thrust to the economic growth of the country while simultaneously bringing about social equality.

Changing economic and business conditions and rapid technological innovation are creating an increasingly competitive market environment that is driving corporations to transform their operations. Consumers of products and services are increasingly demanding accelerated delivery times and lower prices. Companies are focusing on their core competencies and are using outsourced technology service providers to adequately address these needs. The role of technology has evolved from supporting corporations to transforming them. There is an increasing need for highly skilled technology professionals in the markets in which we operate. At the same time, corporations

are reluctant to expand their internal IT departments and increase costs. Corporations are increasingly turning to offshore service providers for higher quality, cost competitive technology solutions. As a result, offshore service providers have become critical to the operations of many enterprises and they continue to grow in recognition and sophistication. In view of this, the addressable market for offshore technology services has expanded.

Overview of Indian IT and Software Industry

Introduction

The strong digital foundation that Indian Technology Service Providers have built over the last decade underpinned the remarkable agility and resilience in responding to the COVID-19 crisis; ensuring business continuity for all global clients while prioritizing safety of its professionals.

The Global IT-BPM market excluding hardware and ER&D grew 5.6% over last year and stood at USD 1.5 trillion in CY19. Indian IT-BPM industry revenues including hardware and ER&D spend stood at USD 191 billion in FY20. The industry added USD 14 billion in incremental revenues last year, representing year-on-year growth of ~ 7.7% in USD terms. IT-BPM export revenues for the industry for FY20 are expected to reach USD 147 billion, growth of 8.1% over the past year.

The Indian economy witnessed a cyclical slowdown in FY20. The coronavirus outbreak compelled the government to impose a nationwide lockdown in the last week of March which brought economic activities to a halt. The IMF estimates India to grow at 1.9% in FY21, before rebounding sharply by 7.4% in FY21.

The central government announced a massive Rs. 20 Trillion stimulus in tranches to minimize the impact, including an RS.1.7 Trillion package directed at daily wage earners and the bottom of the pyramid. The IMF lauded India's efforts in using digital technologies to directly deliver the benefits to its citizens. The Reserve Bank of India (RBI) also sprang into action, cutting policy rates and announcing measures to stabilize the system.

The massive fiscal and monetary responses are likely to stabilize the economy. However, with rising unemployment and struggling small and medium-sized businesses, any recovery is likely to be slow and gradual. That said, India could stage a sharp rebound once the pandemic weakens, thanks to its domestic consumption-driven economy with low, albeit increasing, linkages with global supply chains. Further, sustained low oil prices could further positively impact its fiscal balance.

The pandemic will bring in long-term changes in the IT industry. These include remote delivery, improvement in productivity, increased offshore work, restructuring of contracts, and new compensation structures with IT customers. The lockdown in different countries across the Americas and Europe and travel restrictions will negatively impact growth. Further, prior projections of the industry size at \$350 Billion by FY25 are likely to be revised following cutbacks by customers globally across different sectors.

Opportunities and threats of Global IT services and Products

Threats to Indian IT and Software Industry

- Increased demand for IT and Software causes a shortage of skilled professionals.
- Increasing competition from other nations.
- Over-dependency of Indian IT and Software industry on the USA (62%), UK (17%), Continental Europe (11%), Asia Pacific (8%) and 2% rest of the world.
- India specializes in IT-enabled Services and losing its focus on IT and Software products.
- Companies neglecting Engineering and R&D services.
- Emphasizing too much on low-end ITeS services.
- No focus on the hardware manufacturing sector.

These are challenging times for the Indian IT Industry given the current global financial trends. All companies are under threat given the uncertainties in the market today. India is no longer decoupled from the global economy and all sectors, whether it is IT or BPO which are directly linked to the fortunes of global business or retail, manufacturing and real estate which depend on the prosperity of the citizens to succeed will need to prepare themselves for a period of uncertainty and start building strategies and new capabilities for success in the future.

We experience intense competition in traditional services and see a rapidly changing marketplace with new competitors arising in new technologies who are focused on agility, flexibility and innovation. We typically compete with other technology service providers in response to requests for proposals. Clients often cite our industry expertise, comprehensive end-to end solutions, ability to scale, superior quality and process execution, Global Delivery Model, experienced management team, talented professionals and track record as reasons for awarding us contracts.

In future, we expect intensified competition. We expect increased competition from firms that strengthen their offshore presence in India or other low-cost locations, firms that offer technology-based solutions to business problems. Every crisis creates new opportunities and there are new possibilities emerging in every segment. Service firms have the opportunity to build wider and deeper relationships with their clients, challenging the assumptions on what work can be done in near shore and offshore locations and identifying new areas to partner to meet the customer's need to preserve profits in difficult times.

Companies in the knowledge services business will need to be watchful and avoid excessive cost or capacity build up at a time when demand will be weak at least for the next few quarters. Product and IP creating firms can identify niche areas that emerge through the periods of instability and education and training firms can address the task of re-skilling both the existing workforce and job seekers to make them more suitable for the new challenges.

The main risks causing concern to the IT Industry and your Company as well are ability to attract and retain talent, withdrawal of Tax benefits, Currency Exchange risks, etc.

Our revenues and expenses are difficult to predict and can vary significantly from period to period, which could cause our share Price to decline. We may not be able to sustain our previous profit margins or levels of profitability. The economic environment, pricing pressure and decreased employee utilization rates could negatively impact our revenues and operating results.

Your Company has a Risk Assessment and minimization process, which is monitored on a periodic basis. Various risks that are closely monitored are Business risks i.e. Client concentration risk, geographical risk, competition risk and financial risk mainly in the area of foreign currency fluctuations.

We have a well-defined business contingency plan and disaster recovery plan to address these unforeseen events and minimize the impact on services delivered from our development center

With solid management practices driven by a stable leadership team, a well-diversified service portfolio aligned to market needs, a wide geographic presence, increased levels of productivity through efficiency frameworks and a proven track record through its Innovation, the Company is confident of increased success in the years to come.

Outlook

We have made very good progress in deepening the relationship with existing customers. As we made foray in to the domestic business, we expect to achieve higher growth rates in income and profits during the coming year.

With the economic uncertainties, in addition to the domestic market we are exploring as well Asia Pacific region for driving the growth and mitigating risk in the developed world. This growth is largely driven by increased acceptance of IT within the country as a major growth enabler and a competitive tool for Indian corporations to compete in an increasingly globalized environment.

The Company has a positive outlook for the coming year and endeavors to achieve a steady business performance in the coming year. This is however, subject to risks and uncertainties given below.

Risks and Concerns:

Emerging protectionist policies in the developed world are expected to affect the Indian IT companies. Due to US restrictions on visas as well as rising visa costs, most Indian IT companies have subcontracted onsite jobs to local employees in the US and have begun hiring locals. This has adversely affected margins of Indian IT companies. Billing rates are expected to remain under pressure due to commoditization of traditional services. Therefore, companies are expected to preserve their margins through effective cost containment measures like shifting more work offshore, improving employee utilisation and increasing the use of automation software.

Further it is difficult to pen-down all the risks and uncertainties with certainty. They are not limited to risks and uncertainties regarding fluctuating earnings, interest rates, exchange rates, the Company's ability to manage growth intense competition in IT services including those factors which may affect our cost advantage, wage increase, earnings and exchange rate fluctuations, intense IT competition, Government policies, ability to attract and retain skilled professionals, time- cost over-runs on fixed price contracts, client concentration, ability to manage the international marketing and sales operations as well as the local operations, alterations of the government fiscal incentives, political instability, legal frame work and above all general economic conditions affecting the industry.

Further We may not be able to provide end-to-end business solutions for our clients, which could lead to clients discontinuing their work with us, which in turn could harm our business. Intense competition in the market for technology services could affect our win rates and pricing, which could reduce our share of business from clients and decrease our revenues and / or our profits. Our engagements with customers are typically singular in nature and do not necessarily provide for subsequent engagements. Our business will suffer if we fail to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technology and in the industries on which we focus.

Internal Control Systems and their adequacies

The Company has professional and an adequate internal control system and procedure commensurate with the size of organization and nature of business. This provides adequate safeguards and effective monitoring of the transactions. All areas of the Company's operations are covered by such internal control systems.

The company strictly adheres to the internal control systems proven to be effective over the years. The internal audit team carries out extensive audit on all operations at regular intervals. The company implements the policies and procedures so as to safeguard the assets and interests of the company.

The internal control systems are implemented with a view to achieve good ethical culture within the organization. The internal control systems would ensure that any vulnerability in the achievement of company's objectives caused by risk factors whether internal or external, existing or emerging, is detected and reported in a timely manner and is meted out with appropriate corrective action. Strong internal controls minimize the risk of frauds by introducing effective checks and balances into the financial system.

The company has quarterly internal audit, an independent appraisal function, to evaluate the effectiveness of the company's internal control system. The findings of internal audit are periodically placed before the Audit committee and the Board of Directors of the company.

Financial Performance of the company (Consolidated)**Equity & Liabilities:**

- a. **Equity Share capital:** During the year, there was no change in Equity share capital compared previous year and stand at ₹ 17.23 Crores.
- b. **Other Equity:** The Other Equity of the Company has gone up from ₹ 116.58 crores to ₹ 124.85 crores in 2019-20 and increase primarily on account of profit earned in 2019-20.

- c. **Net worth:** The Company's net worth increased from ₹ 133.81 crores to ₹ 142.09 crores. The increase of is primarily on account of internal generation of profits.

Assets:

- a. **Property, Plant & Equipment (PPE):** The Company's PPE (gross block) increased by ₹ 0.47 crores in 2019-20 from ₹ 19.56 crores to ₹ 20.03 crores.
- b. **Investments:** The investments increased by ₹ 7.63 crores, from ₹ 88.54 crores to ₹ 96.17 crores during the year 2019- 20
- c. **Trade Receivables (Current & Non-Current):** The Company's trade receivables decreased by ₹ 2.44 crores in 2019-20 from ₹ 22.45 crores to ₹ 20.00 crores.
- d. **Loans & Other Financial Assets (Current & Non-Current):** Loans and Other financial assets increased from ₹ 1.03 crores to ₹ 2.13 crores during the year under review.
- e. **Other Current Assets:** Other Current decreased by ₹ 0.45 crores from ₹ 0.86 crores to ₹ 0.41 crores during the year under review.

Operational Performance

- a. **Revenue from Operations:** The Company has reported a Revenue from Operations of ₹ 44.55 crores during the year 2019-20 as against ₹ 46.80 crores in the previous year, resulting in a decrease of 4.80%
- b. **Other Income:** The other income of the company for the year is ₹ 5.58 crores as against ₹ 4.96 crores of previous year.
- c. **Direct cost:** The direct cost for the year under review works out to 61.36% of the turnover as against 65.32% last year. The decline in direct cost is primarily on account of receipt of certain pending bills on account of variation, extra works and on account of change in the mix of various divisions.
- d. **Overheads:** Overheads, administrative expenses, is ₹ 10.67 crores for the year under review as against ₹10.91 crores in the previous year.
- e. **Finance cost:** The Finance cost during the year increased to ₹ 0.26 crores from ₹ 0.24 crores.
- f. **Depreciation & Amortization:** The Company's depreciation for the year has increased from ₹ 2.32 crores to ₹ 2.72 crores.
- g. **Tax Expense:** The tax expense of the company for the year 2019-20 is ₹ 2.43 crores as against ₹2.47 crores of previous year.
- h. **Net profit:** The Company has reported a Net Profit of ₹ 6.69 crores as against ₹ 5.24 crores in the previous year.

Human Resources

Continuing with our efforts towards attracting and retaining the right talent, in 2019-20 our focus has been on a sustainable employee experience throughout the life cycle. Right from attracting the best from the talent pool to induction, to performance management and learning, we have endeavored employee delight at every step. In line with our business priorities, we enhanced our skill profile through our internal system of trainings on various products and technologies.

Our focus is to develop individual and team competencies and capabilities for driving operational excellence and building a high-performance organization. Hence our Talent Management program is focused on Talent Acquisition, Development and Retention.

We encourage our employees undergo certification programs each year to develop the skills relevant for their roles. We have also adopted a performance-linked compensation program that links compensation to individual performance, as well as meeting organizational goals.

We have initiated various measures from time to time to maintain a competitive, healthy and harmonious work environment at all levels.

Annexure to Directors Report
CERTIFICATE OF COMPLIANCE

The members of
SoftSol India Limited

We have examined the compliance of the conditions of Corporate Governance by SoftSol India Limited for the Financial Year ended March 31, 2020, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Governance. It is neither an audit nor an expression of an opinion on the financial statement 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.

We state that in respect of investor grievances received during the Financial Year ended March 31, 2020, no investor grievance is pending against the Company, as per the records maintained by the Company and presented to the Stakeholders Relationship Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the

M. Vijaya Bhaskara Rao
Company Secretary in Practice
Certificate of Practice No. 5237

UDIN: F006273B001203458

Place: Hyderabad
Date: 10/11/2020

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)

The Members of
SoftSol India Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SoftSol India Limited having CIN: L7220TG1990PLC011771 and having registered office at Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081, Telangana (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub 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 & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ended on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	DIN	Name of Director	Date of Appointment
1	01180342	Mr. Srinivasa Rao Madala	27/12/1998
2	00474589	Mr. Bhaskara Rao Madala	02/09/1995
3	00107006	Dr. T. Hanuman Chowdary	02/07/1999
4	00482513	Mr. B.S. Srinivasan	11/09/2001
5	08466714	Mrs. Naga Padma Valli Kilari	14/08/2019

Ensuring the eligibility of 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

M. Vijaya Bhaskara Rao

Company Secretary in Practice
Certificate of Practice No. 5237
UDIN: F006273B001203359

Place: Hyderabad

Date: 10.11.2020

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statement of Subsidiaries/Associate
hCompanies/Joint Ventures

Part "A": Subsidiaries

1	S. No.	01
2	Name of the Subsidiary	SOFTSOL RESOURCES INC, USA
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-03-2020
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	USD
5	Share capital	13120 Ordinary Shares of USD 100 each
6	Reserves & surplus	USD 12,59,147
7	Total assets	USD 2,968,084
8	Total Liabilities	USD 2,968,084
9	Investments	0
10	Turnover	USD 3,106,876
11	Profit before taxation	USD (189,340)
12	Provision for taxation	USD (54,876)
13	Profit after taxation	USD (134,464)
14	Proposed Dividend	0
15	% of shareholding	100%

- Names of subsidiaries which are yet to commence operation: NIL
- Names of subsidiaries which have been liquidated or sold during the year: NIL

On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Dr. T. Hanuman Chowdary
Director

Place: Hyderabad
Date: 03-11-2020

Form No. AOC-2

Pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with 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 “the Act” including certain arms length transactions under third proviso thereto

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM’S LENGTH BASIS.

- (a) Name(s) of the related party and nature of relationship - NA
- (b) Nature of contracts/arrangements/transactions - NA
- (c) Duration of the contracts / arrangements/transactions- NA
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: - NA (e)
Date(s) of approval by the Board, if any: - NA
- (f) Amount paid as advances, if any: - NA

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM’S LENGTH BASIS: .

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions:

S. No	Name of the Related Parties	Nature of Relationship	Nature of Transaction
1	SOFTSOL RESOURCES INC, USA	Wholly owned Subsidiary Company	Technical Consultancy

Note: The detailed information forms part of Notes to Financial Statements in Note No. 25 (AS-18).

- (c) **Salient terms of the contracts or arrangements or transactions including the value, if any**
Terms of the contract conform to the prevailing market rates and all the care has been taken to ensure reasonability of prices as compared to the prevailing rates in the market better quality products and timely supplies.
- (d) **Justification for entering into such contracts or arrangements or transactions**
It is ensured that the contract with the Contracting party is advantageous to the Company and its shareholders. The Company intends to ensure following aspects by dealing with contracting parties:
- (e) **date(s) of approval by the Board:**
all the quarterly meetings held during the Financial Year 2019-20.
- (f) **Amount paid as advances, if any:** NIL
- (g) **Date on which the ordinary resolution was passed in general meeting as required under first proviso to section 188:** Not applicable

3. The details of all related party transactions as per Accounting Standard 18 have been disclosed in Notes to Accounts of Financial Statement.

SoftSol India Limited (SIL) holds 100% shareholding of SoftSol Resources Inc., USA (SRI) and hence SRI is a wholly owned subsidiary of SIL. The transactions details of the Company with the SRI as of 31.03.2020 are:

Details	Party Name	31-03-2020 (in Rs.)	31-03-2019 (in Rs.)
Operations related	SoftSol Resources Inc.	26,10,996	1,53,76,722

On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Dr. T. Hanuman Chowdary
Director

Place: Hyderabad
Date: 03.11.2020

SECRETARIAL AUDIT REPORT

Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31-03-2020

The Members,
SoftSol India Limited
(CIN: L72200TG1990PLC011771)
Plot No. 4, Software Units Layout, Madhapur
Hyderabad - 500 081, Telangana

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SoftSol India Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Statutory Registers, 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, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31-03-2020 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 as given in Annexure I, for the Financial Year ended on March 31, 2020, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations (as amended from time to time) and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015");

Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-

- a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- c) The Securities and Exchange Board of India (Issue of Debt Securities) Regulations, 2008
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999
- e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- 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;

We have also examined compliance with the applicable clauses of the following;

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India related to the meetings of Board of Directors and General Meetings;
- (ii) The SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and listing agreement entered into by the Company with Stock Exchanges in India.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all the 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 for meaningful participation at the meeting.
- Decisions at the meetings of Board of Directors of the Company and Committee thereof were carried out with requisite majority.

We further report that based on the information provided and representation made by the Company and also on the review of compliance reports of the respective department duly signed by the department head and Compliance Certificate(s) of the Managing Director/Company Secretary/CFO taken on record by the Board of Directors of the Company, in our opinion adequate system and process exists in the company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

We further report during the financial year under review, no specific events/actions having a major bearing on the affairs of the Company in pursuance of any of the above referred laws, rules, regulations, guidelines standards etc.

For VBM Rao & Associates
Company Secretaries

M. Vijaya Bhaskara Rao
Company Secretary in Practice
FCS No. 6273, CP No. 5237
UDIN: F00627B001170031

Place: Hyderabad
Date: 06.11.2020

ANNEXURE 'I'

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
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.

For VBM Rao & Associates

Company Secretaries

M. Vijaya Bhaskara Rao

Company Secretary in Practice

FCS No. 6273, CP No. 5237

Place: Hyderabad

Date: 06.11.2020

Annexure to Directors Report
Details Regarding CSR Policy & CSR Initiatives

Sr No.	Particulars	Details about CSR
1.	Brief outline of the Corporate Social Responsibility (CSR) Policy.	The Company's Corporate Social Responsibility (CSR) vision is to make concerted efforts towards sanitation and making available safe drinking water, employment enhancing vocation skills, empowering women and rural development projects etc.
2.	The Composition of the CSR Committee.	The Members of the CSR committee are: Dr. T. Hanuman Chowdary Independent Director Mr. B. S. Srinivasan Independent Director Mr. Bhaskara Rao Madala Whole time Director Mrs. Naga Padma Valli Kilari Independent Director
3.	Average net profit of the Company for last three financial years.	INR 6,68,50,000
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	INR 13,37,000
5.	Details of CSR spent during the financial year:	
A.	Total amount to be spent for the financial year.	INR 13,37,000
B.	Amount unspent, if any.	INR 13,37,000
C.	Manner in which the amount spent during the financial year is detailed below.	Refer Table in ANNEXURE-A
6.	In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.	During the financial year the Company is in the process of identifying specific areas, location and implementation of the Project for making contribution under CSR. Company will comply with CSR provisions in the Financial year 2020-21 by carrying out activities as per the scope given in the Act and Rules.
7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.	We hereby confirm that implementation and monitoring of the CSR Policy are in compliance with the CSR objectives and CSR Policy of the Company.

ANNEXURE-A
(For the FY 2018-19)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR Projects or Activity	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on Projects or programs. (2) Overheads:	Cumulative expenditure up to the reporting period.	Amount spent: Direct or through implementing agency
1.	NIL	NIL	NIL	NIL	NIL	NIL	NIL

On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Dr. T. Hanuman Chowdary
Chairman of CSR Committee

Place: Hyderabad
Date: 03.11.2020

EXTRACT OF ANNUAL RETURN FORM NO. MGT-9

As on the financial year ended on 31/03/2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies Management and Administration) Rules, 2014]**I. REGISTRATION AND OTHER DETAILS:**

A	CIN	L72200TG1990PLC011771
B	Registration Date	20th September 1990
C	Name of the Company	SOFTSOL INDIA LIMITED
D	Category/Sub-Category of the Company	COMMERCIAL & INDUSTRIAL (C & I)
E	Address of the Registered office and contact details	Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081, Telangana Compliance Officer : Mr. Baddam Laxman, Company Secretary, Tel: + 91 (40) 42568500, Facsimile: + 91 (40) 42568600 E: cs@softsol.com, Web: www.softsolindia.com
F	Whether listed company Yes/No	Yes, Listed with BSE Limited
G	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFIN TECHNOLOGIES PRIVATE LIMITED (CIN: U72400TG2017PTC117649) (Formerly M/s. KARVY FINTECH PRIVATE LIMITED) (As per the Order of Hon'ble NCLT, Hyderabad Bench, the operations of Karvy Computershare Private Limited has been transferred to KARVY FINTECH PRIVATE LIMITED), Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 008, Telangana M V N SASTRY Dy. Manager-Corporate Registry P: +91 40 67161529, shastry.mvn@kfintech.com,www.kfintech.com Rajkumar Kale Senior Manager - Corporate Registry P: +91 40 6716 1736, rajkumar.kale@kfintech.com www.kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

S.No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Computer programming, consultancy and related activities	62-620	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

S. No	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	SOFTSOL RESOURCES INC 46755, Fremont Blvd, Fremont, California – 94538, USA	Not applicable	SUBSIDIARY	100	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% of Change during the year
(A) Promoters									
(1) Indian									
(a) Individual/HUF	1234521	0	1234521	7.34	1234521	0	1234521	7.34	0
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	-	-	-	-	-	-	-	-	-
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	1234521	0	1234521	7.34	1234521	0	1234521	7.34	0
(2) Foreign									
(a) NRIs - Individuals	10948807	0	10948807	65.08	10948807	0	10948807	65.08	0
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	10948807	0	10948807	65.08	10948807	0	10948807	65.08	0
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	12183328	0	12183328	72.42	12183328	0	12183328	72.42	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% of Change during the year
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks/FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt (s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non- Institutions									
(a) Bodies Corp									
i. Indian	13086	0	13086	0.08	10278	0	10278	0.06	-0.02
ii. Overseas									
(b) individuals									
i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	493500	61926	555426	3.30	499098	55526	554624	3.30	-0.1
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	45717	0	45717	0.27	45717	0	45717	0.27	0
(C) Others (Specify)									
NRI's	4024502	54	4024556	23.92	4024502	54	4024556	23.92	
Foreign Bodies	0	0	0	0	0	0	0	0	
OCB	0	0	0	0	0	0	0	0	
Clearing Members	0	0	0	0	0	0	0	0	
Trusts	400	0	400	0.00	400	0	400	0.00	0
Sub-Total (B)(2)	4577205	61980	4639185	27.58	4583605	55580	4639185	27.58	0
Total Public Shareholding = (B) (1) + (B) (2)	4577205	61980	4639185	27.58	4583605	55580	4639185	27.58	0
C. Shares held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	16760533	61980	16822513	100	16766933	55580	16822513	100	0

(ii) Shareholding of Promoters:

S. No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% of Change during the Year
1	SAMBASIVARAO MADALA	904715	5.38	0	904715	5.38	0	0
2	DURGA V L K MADALA	9557408	56.81	0	9557408	56.81	0	0
3	M BHASKARA RAO	249966	1.49	0	249966	1.49	0	0
4	M SRIDEVI	46355	0.28	0	46355	0.28	0	0
5	RAJA RAO BOYAPATI	25300	0.15	0	25300	0.15	0	0
6	MADALA SRINIVASA RAO	1366099	8.12	0	1366099	8.12	0	0
	Total	11797920	72.42	0	12183328	72.42	0	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change): NIL

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S.No	For Each of the Top 10 Shareholders	Share holding at the beginning of the year		Increase/decrease in shareholding			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	No. of Shares	Reason	No. of shares	% of total shares of the company
1	TALLURI SAMATHA	3324525	19.76	0	0	0	3324525	19.76
2	B. Prameela	640806	3.81	0	0	0	640806	3.81
3	N. C. Murthy	58121	0.35	0	0	0	58121	0.35
4	Ramesh P Mehta	25000	0.15	0	0	0	25000	0.15
5	Dasari. V. Rao	20717	0.12	0	0	0	20717	0.12
6	Dr K Vasundhara	20000	0.12	0	0	0	20000	0.12
7	Vatsala Gandhi	10770	0.06	0	0	0	10770	0.06
8	V. Satyanarayana	10531	0.06	0	0	0	10531	0.06
9	Mahendra Girdharilal	0	0	Nil	10069	Purchase	10069	0.06
10	Mamta Sancheti	7849	0.05	0	0	0	7849	0.05

(v) Shareholding of Directors and Key Managerial Personnel:

S.No	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change during the Year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	M BHASKARA RAO	249966	1.49	0	249966	1.49	0	0
2	MADALA SRINIVASA RAO	1366099	8.12	0	1366099	8.12	0	0

V. INDEBTEDNESS: NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

		Name of MD/WTD/Manager				
S. No	Particulars of Remuneration	Mr. Bhaskara Rao Madala	-	-	-	Total Amount
1	Gross salary					
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18,10,080				18,10,080
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	18,10,080		-	-	18,10,080
	Ceiling as per the Act	60,00,000		-	-	60,00,000

B. Remuneration to other Directors:

S. No	Particulars of Remuneration	Name of Directors				Total Amount
		Dr. T. H. Chowdhary	Mr. B. S. Srinivasan	Mrs. Naga Padma Valli Kilari	Mrs. Neelima Thota	
	3. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify					
	Total (1)					
	4. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	0 90,000	0 90,000	0 70,000	0 20,000	0 2,70,000
	Total (2)					
	Total (B) = (1)+(2)	90,000	90,000	70,000	20,000	2,70,000
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to other Directors key managerial personnel other than MD/MANAGER/WTD:

S. No	Particulars of Remuneration	Key Managerial Personnel				Total
		CEO	CS	CFO		
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	660000	1890000	2550000	
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	
2	Stock Option	-	-	-	-	
3	Sweat Equity	-	-	-	-	
4	Commission - as % of profit and - others, specify...	-	-	-	-	
5	Others, please specify	-	-	-	-	
	Total (A)	-	660000	1890000	2550000	

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year no such instances of Penalty / Punishment / Compounding Fees imposed by any authorities on the Company / Directors / other Officers in default.

On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Dr. T. Hanuman Chowdary
Director

Place: Hyderabad
Date: 03.11.2020

Annexure to Directors Report**Statement of Disclosure of Remuneration Under Section 197 of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2019-20.

Name of Director	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
Mr. Bhaskara Rao Madala	Whole time Director	1:0.016	NIL

2. The percentage increase in remuneration of Chief Financial Officer and Company Secretary during the financial year 2019-20

Designation	Capacity	Percentage increase in Remuneration
CFO	Key Managerial Personnel	NIL
CS	Key Managerial Personnel	NIL

3. The percentage increase in the median remuneration of Employee for the financial year was 7.00% .
4. There were 124 employees staff on rolls of the Company as on March 31, 2020.
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;
- Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year was 7.00% (No increase in Remuneration of Managerial Personnel). The average increase in employee remuneration shows competitive market and general market practice.
6. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors

Bhaskara Rao Madala
Whole time Director

Dr. T. Hanuman Chowdary
Director

Place: Hyderabad
Date: 03.11.2020

Independent Auditor's Report

TO THE MEMBERS OF
SOFTSOL INDIA LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of M/s.SOFTSOL INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, 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 ended on that date, and 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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. We have determined the matters described below to be the key audit matters to be communicated in our report

S.no	Key Audit matter
1.	<p>1. The valuation and existence of the portfolio of investments is considered as a key audit matter as the portfolio of investments represents the principal element of the net asset of the Scheme.</p> <p>2. As per Ind AS 36 – ‘Impairment of assets’, the standard is applicable to financial assets classified as subsidiaries. Accordingly, in assessing whether there is any indication that an asset may be impaired, an entity shall consider as a minimum, the external and internal sources of information, any other indications or evidences from internal reporting that indicates that the assets may be impaired</p>
	<p>Auditor’s Response Principal Audit Procedure</p> <p>1. We gained an understanding of the internal control structure and operating effectiveness of key controls surrounding valuation and existence of investments.</p> <p>We tested the existence of the Investments by obtaining and reconciling the direct confirmations of the holdings from Custodians of the Scheme.</p> <p>2. Obtained and read the financial statements of Softsol Resources Inc., to identify if any disclosure is made for impairment of assets in its standalone financial statements. Obtained the impairment indicator assessment performed by management considering the internal/ external sources of information.</p>
2	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of INDAS115 “Revenue from contracts with customers.</p> <p>The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>

Auditor's Response**PRINCIPAL AUDIT PROCEDURE PERFORMED**

We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard.

Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows :

- Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.
- Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.
- Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.
- Selected a sample of continuing and new contracts and performed the following procedures :
 - Read, analyzed and identified the distinct performance obligations in these contracts.
 - Compared these performance obligations with that identified and recorded by the Company.
 - Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.
 - Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.
 - Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.

We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

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

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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 during the course of our 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India including The Indian Accounting Standard specified under sec.133 of the act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, 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.

The Board of Directors are 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures

in the 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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 Section 143(3) of the Act, based on our audit 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our

report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company didnot have any long-term contracts including derivative contracts for which there arefor material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order

For PAVULURI&Co.
Chartered Accountants
Firm Reg. No: 012194S

Place: Hyderabad
Date: 30.06.2020

(CA V N DEEPTHI KONERU)
PARTNER
M.No: F-228424
UDIN: 20228424AAAACT2471

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Softsol India Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of M/s. Softsol India limited (“the Company”) as of March 31, 2020 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For PAVULURI&Co.
Chartered Accountants
Firm Reg. No: 012194S

Place: Hyderabad
Date: 30.06.2020

(CA V N DEEPTHI KONERU)
PARTNER
M.No: F-228424
UDIN: 20228424AAAAC2471

“Annexure B” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2020:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
2. The company has not acquired/handled/dealt in/held any inventory. Hence clause (ii) of paragraph 3 of the order is not applicable to the company for the year under report.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii) (a) to (C) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, the company has not given any loans, guarantees and provided any security during the year under audit. In respect of investments made, the company has complied with the provisions of section 186 of companies Act, 2013.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. According to the information and explanations furnished to us, the central government has not prescribed maintenance of cost records U/s.148(1)(d) of the Companies Act, 2013 to this company.
7. (a) According to the information and explanations given to us and the records of the company examined by us, the company is regular in depositing undisputed statutory dues including Provident fund, Employee State Insurance, Incometax, salestax, customs duty, goods and service tax and any other statutory dues as applicable with appropriate authorities. There were no arrears of outstanding statutory dues as on last day of the financial year concerned for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no material dues of Income Tax, Goods and service Tax, Duty of customs, which have not been deposited on account of any dispute.

However, according to the information and explanations given to us, the following service tax amounts have not been deposited on account of disputes:

Sl. No	Name of statute	Nature of dues	Period to which the amount relates	Total amount of disputed dues (Rs.)	Forum where dispute is pending	Amount deposited (Rs.)
i)	Finance Act, 1994 (Service tax Provisions)	Service tax	2007-18 to 2011-12	6,18,962/-	CESTAT, Bangalore	2,23,544/-

8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing to financial institution, bank and Government. The company has not issued debentures.
9. According to the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, paragraph 3 (ix) of the Order are not applicable.
10. According to the information and explanations given by the management to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of audit.
11. According to the information and explanations to us and based on our examination of the records of the company, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
13. According to the information and explanations to us and based on our examination of the records of the company transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order are not applicable.
15. According to the information and explanations to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order are not applicable.
16. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, paragraph 3 (xvi) of the Order are not applicable.

For PAVULURI&Co.
Chartered Accountants
Firm Reg. No: 012194S

Place: Hyderabad
Date: 30.06.2020

(CA V N DEEPTHI KONERU)
PARTNER
M.No: F-228424
UDIN: 20228424AAAACT2471

BALANCE SHEET AS AT 31 MARCH 2020

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	Note	As at	
		31-03-2020	31-03-2019
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	1,291.21	1,385.14
(b) Capital Work In Progress		84.97	-
(c) Investment property	6	1,182.15	1,250.34
(d) Other intangible assets	7	0.04	0.11
(e) Financial assets			
(i) Investments	8(i)	1,760.93	1,760.93
(ii) Other financial assets	9(i)&10(i)	104.93	92.22
(f) Non-current tax assets (net)		26.64	-
Total non-current assets		4,450.92	4,488.74
Current assets			
(a) Financial Assets			
(i) Investments	8(ii)	9,617.91	8,854.81
(ii) Trade receivables	11	409.05	475.31
(iii) Cash and cash equivalents	12(i)	136.25	37.98
(iv) Bank balances other than (iii) above	12(ii)	0.65	14.45
(v) Other financial assets	9(ii)	8.07	5.93
(b) Other current assets	10(ii)	10.92	12.83
Total current assets		10,182.85	9,401.31
Total assets		14,633.77	13,890.05
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	1,723.65	1,723.65
(b) Other equity	14	12,311.01	11,547.08
Total equity		14,034.66	13,270.73
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	15(i)	398.32	346.92
(b) Provisions	16(i)	28.95	27.07
Total non-current liabilities		427.28	374.00
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	17	21.39	21.39
(ii) Other financial liabilities	15 (ii)	130.22	136.13
(b) Provisions	16(ii)	20.23	87.80
Total current liabilities		171.84	245.32
Total equity and liabilities		14,633.77	13,890.05

Significant accounting policies are in the notes 1 to 4

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

This is the Balance sheet referred to in our report of even date.

for **PAVULURI & CO**
Chartered Accountants
(Firm Regn.No:012194S)

For and on behalf of Board of Directors of
SoftSol India Limited

CA V N Deepthi Koneru
Partner
M.No: F-228424

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

Dr. T. Hanuman Chowdary
Director
(DIN:00107006)

Place: Hyderabad
Date: 30.06.2020

B. Laxman
Company Secretary

Chiranjeevi Thota
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2020
(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	Note No	For the year ended	
		31-03-2020	31-03-2019
Income			
Revenue from operations	18	2,241.28	1,836.87
Other income	19	531.64	496.23
Total income		2,772.92	2,333.10
Expenses			
Employee benefits expense	20	1,087.02	827.46
Finance costs	21	25.89	23.60
Depreciation and amortisation expense	5, 6 & 7	207.17	228.18
Other expenses	22	402.96	381.56
Total expenses		1,723.04	1,460.79
Profit before tax		1,049.89	872.31
Tax expense	23		
Current tax		484.28	239.14
Previous year MAT credit recognised		(206.69)	-
Profit for the year		772.30	633.17
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
a) Re-measurement loss on defined benefit plans		1.67	(1.24)
b) Gain on fair value changes on equity instruments		17.49	180.69
Less: Income tax relating to items that will not be reclassified to profit and loss		(5.58)	(38.68)
Total Other Comprehensive Income for the year		13.58	140.77
Total Comprehensive Income for the year		785.88	773.93
Earnings per equity share [EPES] (in absolute ₹ terms)			
Par value per share	24	10	10
Basic EPES		4.59	3.76
Diluted EPES		4.59	3.76

Significant accounting policies are in the notes 1 to 4

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

This is the Balance sheet referred to in our report of even date.

for **PAVULURI & CO**
Chartered Accountants
(Firm Regn.No:012194S)

For and on behalf of Board of Directors of
SoftSol India Limited

CA V N DEEPTHI KONERU
Partner
M.No: F-228424

Bhaskara Rao Madala
Wholtime Director
(DIN : 00474589)

Dr. T. Hanuman Chowdary
Director
(DIN:00107006)

Place: Hyderabad
Date: 30.06.2020

B. Laxman
Company Secretary

Chiranjeevi Thota
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

(All amounts in ₹ lakhs, except share data and where otherwise stated)

	Year ended 31-03-2020	Year ended 31-03-2019
Cash flow from operating activities		
Profit before tax	1,049.89	872.31
Adjustments:		
Depreciation and amortisation expense	207.17	228.18
Interest income on fixed deposit	(5.70)	(5.79)
Finance cost - Ind AS	25.89	23.60
Excess provision written back/Msc Income	-	(1.32)
Provision/(reversal) for employee benefits	(3.58)	4.36
Gain on redemption of mutual funds	(317.67)	(23.23)
Unrealised gain on mark to market marking of mutual funds	(174.90)	(439.76)
Operating cash flows before working capital changes	781.10	658.33
(Increase)/decrease in trade receivables	66.26	(46.62)
Increase/(decrease) in trade payables	-	5.42
(Increase)/decrease in other current assets	1.91	(68.39)
Increase in other current financial assets	-	14.83
Increase in non-current financial assets	(12.76)	107.45
Decrease in other non-current financial liabilities	3.57	(4.16)
Increase/(decrease) in other current financial liabilities	(5.91)	61.71
Cash generated from operating activities	834.16	728.56
Income-taxes paid/(refund received), net	(370.26)	(277.81)
Net cash generated from operating activities (A)	463.90	450.75
Cash flows from investing activities		
Purchase of property, plant and equipment	(129.96)	(48.94)
Investment in mutual funds and venture capital funds	(7925.00)	(620.00)
Proceeds from sale of mutual funds	7671.96	84.80
Movement in other bank balances	13.80	(1.24)
Interest income received	3.57	5.19
Net cash used in investing activities (B)	(365.63)	(580.19)
Cash flows from financing activities		
Other borrowing costs paid	-	-
Net cash used in financing activities (C)	-	-
“ Net (decrease)/ increase in cash and cash equivalents during the year (A + B + C) “	98.27	(129.43)
Cash and cash equivalents at the beginning of the year	37.98	167.42
Cash and cash equivalents at the end of the year	136.25	37.98
Cash and cash equivalents includes		
Balances with banks in current accounts	136.05	37.83
Cash on hand	0.20	0.15
	136.25	37.98

This is the Cash Flow Statement referred to in our report of even date.

for **PAVULURI & CO**
Chartered Accountants
(Firm Regn.No:012194S)

For and on behalf of Board of Directors of
SoftSol India Limited

CA V N DEEPTHI KONERU
Partner
M.No: F-228424

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

Dr. T. Hanuman Chowdary
Director
(DIN:00107006)

Place: Hyderabad
Date: 30.06.2020

B. Laxman
Company Secretary

Chiranjeevi Thota
Chief Financial Officer

Statement of Changes in Equity for the year ended 31-03-2020

(All amounts in ₹ lakhs, except share data and where otherwise stated)

A. Equity Share Capital

	Notes	Number of shares	Amount
As at 1 April 2018		17,650,535	1,723.65
Changes in equity share capital	14	-	-
As at 31 March 2019		17,650,535	1,723.65
Changes in equity share capital	14	-	-
As at 31 March 2020		17,650,535	1,723.65

B. Other Equity (Refer note 14)

	Reserves and Surplus				Other reserves		Total
	Capital redemption reserve	Securities premium reserve	General reserve	Retained earnings	Remeasurement of defined benefit	Fair value changes in equity instruments	
Balance as at 1 April 2018	180.51	6,701.14	696.90	10,858.45	(21.32)	(7,642.54)	10,773.14
Profit for the year	-	-	-	633.17	-	-	633.17
Other comprehensive income	-	-	-	-	(1.24)	180.69	179.44
Income Tax relating to items of OCI	-	-	-	-	-	(38.68)	(38.68)
Balance as at 31 March 2019	180.51	6,701.14	696.90	11,491.62	(22.56)	(7,500.54)	11,547.07
Finance Ind As adjustment	-	-	-	(21.94)	-	-	(21.94)
Profit for the year	-	-	-	772.30	-	-	772.30
Other comprehensive income	-	-	-	-	1.67	17.49	19.16
Income Tax adjustments	-	-	-	-	(0.49)	(5.09)	(5.58)
Balance as at 31 March 2019	180.51	6,701.14	696.90	12,241.97	(21.37)	(7,488.14)	12,311.01

This is the Statement of Change in Equity referred to in our report of even date.

for **PAVULURI & CO**
Chartered Accountants
(Firm Regn.No:012194S)

For and on behalf of Board of Directors of
SoftSol India Limited

CA V N DEEPTHI KONERU
Partner
M.No: F-228424

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

Dr. T. Hanuman Chowdary
Director
(DIN:00107006)

Place: Hyderabad
Date: 30.06.2020

B. Laxman
Company Secretary

Chiranjeevi Thota
Chief Financial Officer

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

1. General information

Softsol India Limited (“the Company”) is a listed public company domiciled and incorporated in India in accordance with the provisions of the Companies Act, 1956. The registered office of the Company is at Plot No. 4, Software Units Layout, Madhapur, Hyderabad – 500081.

The Company is engaged in the business of information and technology services and Infrastructural facilities including leasing of properties or spaces.

These financial statements for the year ended 31 March 2020 were authorized and approved for issue by the Board of Directors on 30 June 2020.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules 2015 issued by Ministry of Corporate Affairs (‘MCA’). The Company has uniformly applied the accounting policies during the periods presented.

The financial statements have been prepared on going concern basis under the historical cost basis except for the following –

- Certain financial assets and liabilities which are measured at fair value; and
- defined benefit plans – plan assets that are measured at fair values at the end of each reporting period.

3. Summary of significant accounting policies

Information on new standards, amendments and interpretations that are expected to be relevant to the financial statements is provided below.

a. Operating Cycle

Based on the nature of services/ activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

b. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An **asset** is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
 - Held primarily for the purpose of trading
 - Expected to be realised within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A **liability** is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading

- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

c. Foreign currency:

Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR' or '₹') which is also the functional and presentation currency of the Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the spot exchange rates as at the reporting date. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

d. Revenue recognition:

The Company derives revenues primarily from information and technology services and leasing of properties or spaces.

Revenue is recognized upon transfer of control of promised services to the customer, recovery of the consideration is probable, the associated costs and possible return of services can be estimated reliably, there is no continuing management involvement with the services, and the amount of revenue can be measured reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the agreement.

Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional Goods/ services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

The Company classifies the right to consideration in exchange for deliverables as a receivable.

A receivable is a right to consideration that is unconditional upon passage of time.

Revenue for time-and-material contracts are recognized as related control is transferred when services are performed.

Invoicing in excess of earnings is classified as unearned revenue.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material basis.

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, and adjustment for revenue that has not materialized and adjustments for currency.

Goods and service taxes not received by the Company on its own account. It is a tax collected by the Company on behalf of the government. Accordingly, it is excluded from revenue.

Interest Income

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable. For all financial instruments measured at amortised cost, interest income is recorded using the Effective Interest Rate (EIR) method.

e. Leases

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its lease. The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application. The Company does not have any significant impact on account of sub-lease on the application of this standard

f. Property, plant and equipment (PPE)

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the written down value method, computed on the basis of useful lives as estimated by the management which coincides with the useful lives mentioned in Schedule II to the Companies Act, 2013 except for Plant and equipment which are depreciated over a useful life of 10 years as compared to useful life of 15 years mentioned in Schedule II of the Companies Act. Freehold land is not depreciated.

Cost of the leasehold land is amortized on a straight-line basis over the term of the lease.

The residual values, useful lives and method of depreciation of assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

g. Investment property

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. When the use of a property changes from owner occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

h. Other Intangible assets

Recognition and initial measurement

Other Intangible assets are stated at their cost of acquisition. The cost comprises purchase price. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortisation)

The cost of capitalized software is amortized over a period of 3 years, on a written down value basis.

i. Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

j. Financial instruments**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.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Debt instruments at amortised cost
- Equity instruments at fair value through profit or loss (FVTPL) and
- Equity instruments 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:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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, 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 finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Equity instruments measured at FVTPL and FVOCI

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Cash and Cash Equivalents

Cash and Cash Equivalents represent cash and bank balances and fixed deposits with banks with original maturity of less than three months. Cash and cash equivalent are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

De-recognition

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets that are debt instruments, and are measured at amortised cost e.g., deposits, trade receivables and bank balances.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs 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. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Financial Liabilities***Initial recognition and measurement***

All financial liabilities are recognised initially at fair value. The Company's financial liabilities include trade and other payables and security deposits.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Security deposits

After initial recognition, security deposits are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the

reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

k. Investment in the nature of equity in subsidiary company

The Company has elected to recognise its investment in equity instrument in subsidiary at fair value in the financial statements in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

l. Income taxes

Tax expense recognized in statement of profit or loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred 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 assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

m. Post-employment, long term and short term employee benefits**Defined contribution plan**

The Company's contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss. The Company's contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

Defined benefit plan

The Company has gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains and losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long-term employee benefits

The Company also provides benefit of compensated absences to its employees which are in the nature of long-term benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

n. Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

o. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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.

p. Cash Flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

4. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company.

Recognition of deferred tax assets: The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Evaluation of indicators for impairment of assets: The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Recoverability of advances/receivables: At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Useful lives of depreciable/amortisable assets: Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

Defined benefit obligation (DBO): Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements: Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Provisions: At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from this judgement.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

5. Property, plant and equipment

	Freehold land	Leasehold land**	Buildings	Plant and Equipment (including Computers)	Furniture and Fixtures	Vehicles	Office equipment	Total
Gross carrying amount								
At 1 April 2018	139.18	50.92	1040.72	425.07	227.05	4.49	5.38	1892.82
Additions				6.68	3.36	36.72	0.20	46.97
Disposals/retirement	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	139.18	50.92	1040.72	431.75	230.42	41.21	5.59	1939.79
Additions				16.39	26.48	-	2.10	44.97
Disposals/retirement	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	139.18	50.92	1040.72	448.14	256.90	41.21	7.68	1984.77
Accumulated depreciation								
Up to 1 April 2018		1.12	114.63	170.44	107.17	4.01	1.20	398.57
Charge for the year		0.56	48.28	62.09	40.80	3.54	0.79	156.06
Adjustments for disposals/retirement	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	-	1.68	162.91	232.52	147.97	7.55	1.99	554.63
Charge for the year	-	0.55	45.70	50.73	32.05	9.34	0.56	138.92
Adjustments for disposals/retirement	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	2.23	208.61	283.25	180.02	16.89	2.55	693.55
Net book value as at 1 April 2018	139.18	49.80	926.10	254.63	119.88	.48	4.18	1494.25
Net book value as at 31 March 2019	139.18	49.25	877.81	199.22	82.45	33.66	3.60	1385.16
Net book value as at 31 March 2020	139.18	48.69	832.11	164.89	76.88	24.32	5.14	1291.21

Notes:

(i) The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount at the date of transition to Ind AS. Refer Note 34.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

** During the financial year 2005-06, the Govt. of A.P. allotted a land of one acre to the company, bearing Plot No.6, in Sy.No.408/1, I.T. Industries Layout, Madhurawada Village, Visakhapatnam District on outright sale basis under its ICT policy 2005-10 at a consideration of ₹ 10 per acre vide MOU dt.13.06.2005 and Agreement for sale of land dt.23.02.2006. Accordingly, the company has paid the consideration and took possession of the same and started developing the same for its IT facility. Subsequently, on getting the permission from the Govt. of India for developing, operating and maintaining IT / ITES SEZ in the said land, the Govt. of A.P. converted the above sale of land into lease and fixed a one time lease payment of ₹10 per acre and further fixed an annual lease rental of ₹ 0.01 per acre vide lease deed dated 05.02.2009. As per the above, the GOAP adjusted the amount of ₹ 10 paid by the company towards sale consideration for the one time lease premium.

As per the lease deed, the land will be converted from leasehold to freehold after a period of 10 years from the execution of the above lease deed, subject to provisions of the SEZ Act, 2005 / SEZ Rules, 2006.

As the period of 10 years from the execution of the lease deed is not yet completed, the company is continuing to pay the annual lease rental of ₹ 0.01 and showing the said land as a leasehold land in the fixed asset schedule.

Company has applied to GOI for exit its Unit at Visakhapatnam from SEZ. Accordingly GOI vide letter no. 26(D)/54SSSEZ/VSEZ/2017/3631 dt.15.05.2017 has allowed to exit from SEZ Scheme w.e.f.15.05.2017.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

6. Investment property

	Buildings	Total
Gross carrying amount		
As at 1 April 2018	1468.05	1468.05
Additions		
As at 31 March 2019	1468.05	1468.05
Additions		
As at 31 March 2020	1468.05	1468.05
Accumulated depreciation		
Up to 1 April 2018	145.67	145.67
Charge for the year	72.04	72.04
Up to 31 March 2019	217.71	217.71
Charge for the year	68.19	68.19
Up to 31 March 2020	285.90	285.90
Net carrying amount		
As at 1 April 2018	1322.38	1322.38
As at 31 March 2019	1250.34	1250.34
As at 31 March 2020	1182.15	1182.15

Notes:

- (i) The Company has elected to measure all its investment property and other intangible assets at the previous GAAP carrying amount at the date of transition to Ind AS. Refer Note 34.
- (ii) The Company, based on its best estimate, assessed that the carrying value of the investment property represents its fair value.

7. Other intangible assets

	Computer Software	Total
Gross carrying amount		
As at 1 April 2018	0.11	0.11
Additions	0.17	0.17
As at 31 March 2019	0.28	0.28
Additions		
As at 31 March 2020	0.28	0.28
Accumulated amortization		
Up to 1 April 2018	0.11	0.11
Charge for the year	0.07	0.07
Up to 31 March 2019	0.18	0.18
Charge for the year	0.06	0.06
Up to 31 March 2020	0.24	0.24
Net carrying amount		
As at 1 April 2018	0.01	0.01
As at 31 March 2019	0.11	0.11
As at 31 March 2020	0.04	0.04

(All amounts in ₹ lakhs, except share data and where otherwise stated)

8. Investments

	31 March 2020	31 March 2019
(i) Non-current		
Investments carried at fair value through OCI ('FVOCI')		
Investment in equity shares, unquoted		
Investments in subsidiary		
“Softsol Resources Inc, USA	1,760.93	1,760.93
13,120 (31 March 2019:13,120)		
common stock of USD 100 each, fully paid-up”		
	1,760.93	1,760.93
(ii) Current		
Investment carried at fair value through profit or loss ('FVTPL')		
Investment in mutual funds, quoted	8,941.16	8,279.97
	8,941.16	8,279.97
Investment carried at FVOCI		
Investment in units, unquoted		
“Blume ventures Fund”	676.75	574.84
1,216.61 units of Fund 1A of ₹10,000 each and 144,302.66		
units of Fund II of ₹100 each		
(31 March 2019:1,376.94 units of Fund 1A and 133,919.67		
units of Fund II) “		
“Inventus III India Fund”		
9000 units of ₹1,000 each		
	676.75	574.84
Total	9,617.91	8,854.81
Aggregate amount of quoted investments and market value thereof	8,941.16	8,279.97
Aggregate amount of unquoted investments	2,437.67	2,335.76

9. Other financial assets

	31 March 2020	31 March 2019
(i) Non-current		
Security deposits	70.10	68.00
Bank deposits (due to mature after 12 months from the reporting date)*	15.22	15.22
Total	85.32	83.22
(ii) Current		
Interest accrued on deposits	8.07	5.93
Total	8.07	5.93

*Represents deposits held as margin money with banks.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

10. Other assets

	31 March 2020	31 March 2019
(i) Non-current (Unsecured)		
- Considered good		
Capital advances	19.66	9.00
Total	19.66	9.00
(ii) Current (Unsecured)		
- Considered good		
Advance for expenses	1.02	4.01
Prepaid expenses	6.67	8.56
Blances with Government Authorities	3.23	0.26
Total	10.92	12.83

11. Trade receivables

	31 March 2020	31 March 2019
(Unsecured)		
- Considered good	409.05	475.31
- Considered doubtful	-	-
	409.05	475.31
Less: Allowance for doubtful debts	-	-
Total	409.05	475.31

12. Cash and Bank Balances

	31 March 2020	31 March 2019
(i) Cash and cash equivalents		
Balances with banks in current accounts	136.05	37.83
Cash on hand	0.20	0.15
	136.25	37.98
(ii) Bank balances other than above		
- Unpaid dividend account	0.65	0.65
- in deposit accounts (with original maturity of more than 3 months but less than 12 months)*	-	13.80
	0.65	14.45
Total	136.90	52.43

*Represents deposits held as margin money with banks.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

13. Equity share capital

i. Authorised share capital

	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
Equity shares of ₹10 each	500,000,000	50,000.00	500,000,000	50,000.00

ii. Issued, subscribed and paid up

Equity shares of ₹10 each fully paid up	16,822,513	1,682.25	16,822,513	1,682.25
Equity shares of ₹10 each, ₹5 paid up	28,200	1.41	28,200	1.41
Forfeited shares (amount originally paid)	799,822	39.99	799,822	39.99
Total	17,650,535	1,723.65	17,650,535	1,723.65

iii. Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
Equity shares				
Balance at beginning and end of the year	17,650,535	1,723.65	17,650,535	1,723.65

iv. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing general meeting.

v. Details of shareholders holding more than 5% equity shares in the Company

	31 March 2020		31 March 2019	
	Number	% holding	Number	% holding
Durga VLK Madala	9,557,408	56.81%	9,557,408	56.81%
Talluri Samatha	3,324,525	19.76%	3,324,525	19.76%
Srinivasa Rao Madala	1,366,099	8.12%	1,366,099	8.12%
Sambasiva Rao Madala	918,400	5.46%	918,400	5.46%

vi. During the five previous financial years ended 31 March 2020, no shares have been bought back, issued for consideration other than cash and no bonus shares have been issued.

vii. Calls unpaid on equity shares

	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
- By Directors and Officers	-	-	-	-
- By others at ₹5 per equity share	28,200	1.41	28,200	1.41
Total	28,200	1.41	28,200	1.41

(All amounts in ₹ lakhs, except share data and where otherwise stated)

14. Other equity

	31 March 2020	31 March 2019
Reserve and surplus		
Capital redemption reserve	180.51	180.51
Securities premium reserve	6,701.14	6,701.14
General reserve	696.90	696.90
Retained earnings	12,241.52	11,452.95
	19,820.52	19,031.50
Other reserves		
Remeasurement of defined benefit obligations	(21.37)	(22.56)
Fair value changes on equity instruments through OCI	(7,488.14)	(7,461.86)
	(7,509.51)	(7,484.41)
Total	12,311.01	11,547.08

Nature and purpose of reserves

Capital redemption reserve

Capital redemption reserve to the extent of ₹180.51 was created on buy back of equity shares. The Company uses Capital redemption reserve for transactions in accordance with the provisions of the Companies Act, 2013.

Securities premium reserve

Securities premium reserve is used to record the premium received on issue of equity shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

General reserve

“The Company generally appropriates a portion of its earnings to the general reserve to be used for contingencies. These reserves are freely available for use by the Company.”

Fair value changes on equity instruments through OCI

The Company has elected to recognise changes in the fair value of certain investment in equity shares and units in OCI. This amount will be reclassified to retained earnings on derecognition of equity shares and units.

Remeasurement of defined benefit obligations

The reserve represents the remeasurement gains/(losses) arising from the actuarial valuation of the defined benefit obligations of the Company. The remeasurement gains/(losses) are recognized in other comprehensive income and accumulated under this reserve within equity. The amounts recognized under this reserve are not reclassified to statement of profit or loss.

15. Other Financial Liabilities

	31 March 2020	31 March 2019
(i) Non-current		
Security deposits	398.32	346.92
Accrued Rent	-	-
	398.32	346.92
(ii) Current		
Accrued expenses	69.17	56.68
Unclaimed dividend	0.65	0.65
Capital creditors	10.73	-
Others	49.67	78.80
Total	130.22	136.13

(All amounts in ₹ lakhs, except share data and where otherwise stated)

16. Provisions

	31 March 2020	31 March 2019
(i) Non-current		
Gratuity	23.35	21.59
Compensated absences	5.60	5.49
Total	28.95	27.07
(ii) Current		
Gratuity	17.37	21.31
Compensated absences	2.86	6.05
Income Tax	-	60.44
Total	20.23	87.80

(a) Gratuity

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/ exit, restricted to a sum of ₹ 20 in accordance with Payment of Gratuity Act, 1972.

	31 March 2020	31 March 2019
(i) Change in projected benefit obligation		
Projected benefit obligation at the beginning of the year	42.90	38.83
Service cost	8.70	7.60
Interest cost	2.76	2.82
Actuarial loss/(gain)	-1.67	-2.66
Benefits paid	-11.97	-3.69
Projected benefit obligation at the end of the year	40.72	42.90
(ii) Reconciliation of present value of obligation on the fair value of plan assets		
Present value of projected benefit obligation at the end of the year	40.72	42.90
Funded status of the plans	-	-
Net liability recognised in the balance sheet	40.72	42.90
(iii) Expense recognized in the statement of profit and loss		
Interest cost	2.76	2.82
Service cost	8.70	7.60
Expected returns on plan assets	-	-
Net gratuity costs/(benefits)	11.46	10.42
(iv) Expense recognized in OCI		
Recognized net actuarial loss	(1.67)	(2.66)
	(1.67)	(2.66)

(v) Key actuarial assumptions

Discount rate	6.76% - 6.8%	7.55%-7.7%
Salary escalation rate	5% - 8%	5% - 8%

(vi) Expected future cash flows

	31 March 2020
The defined benefit obligation shall mature after year ended 31 March 2020 as follows:	
Within 1 year	17.37
2- 3 years	6.36
3 years and above	18.32

(All amounts in ₹ lakhs, except share data and where otherwise stated)

17. Trade payables

	31 March 2020	31 March 2019
Dues to micro and small enterprises	-	-
Others	21.39	21.39
	21.39	21.39

- (a) There are no micro and small enterprises, as defined under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues as at the reporting date (31 March 2019: Nil, 1 April 2018: Nil). The micro and small enterprises have been identified by management on the basis of information available with the Company and have been relied upon by the auditors.

18. Revenue from operations

	31 March 2020	31 March 2019
Sale of services		
Software services	969.66	752.47
Rental income	1,271.62	1,084.40
Total	2,241.28	1,836.87

19. Other income

	31 March 2020	31 March 2019
Interest income from fixed deposits	5.70	5.79
Excess Provisions written back	-	1.32
Gain on redemption of mutual funds	317.67	23.23
Unrealised gain on mark to market marking of mutual funds	174.90	439.76
Foreign exchange gain	7.71	1.61
Other non-operating income	25.65	24.51
Total	531.64	496.23

20. Employee benefits expense

	31 March 2020	31 March 2019
Salaries and wages	1,018.80	772.71
Contribution to provident and other funds (refer note a below)	51.88	40.59
Staff welfare expenses	16.34	14.17
Total	1,087.02	827.46

- (a) The amount recognized as an expense towards contribution to provident fund for the year aggregated to ₹49.71 (31 March 2019: ₹39.22) and towards employee state insurance fund aggregated to ₹2.17 (31 March 2019: ₹2.60).

(All amounts in ₹ lakhs, except share data and where otherwise stated)

21. Finance costs

	31 March 2020	31 March 2019
Interest expense for financial liabilities carried at amortised cost	25.89	23.60
Total	25.89	23.60

22. Other expenses

	31 March 2020	31 March 2019
Power and fuel	53.33	61.90
Repairs and maintenance:		
- Buildings	47.81	63.76
- Plant and equipment	76.68	71.39
- Others	10.08	10.59
Insurance	5.87	14.26
Rates and taxes	31.05	31.79
Communication	10.58	8.05
Travelling and conveyance	19.48	21.67
Legal and professional fees	26.19	35.47
Director's sitting fees	2.70	1.30
Fees and subscriptions	12.62	5.14
Staff training and recruitment charges	10.94	-
Advertisement charges	1.43	0.68
STPI charges	0.55	0.65
Payments to the auditor (refer note (i))	5.00	5.00
Postage, Printing & Stationery	4.51	4.00
Security Service charges	22.07	25.66
Guest House maintenance	9.75	-
Water charges	3.04	2.64
Cleaning charges	20.04	12.96
Miscellaneous expenses	3.66	2.67
commission	13.09	1.98
CSR Expenses	12.50	-
	402.96	381.56

(i) Details of payments to auditors :

	31 March 2020	31 March 2019
As auditor:		
- Audit fee	5.00	5.00

(All amounts in ₹ lakhs, except share data and where otherwise stated)

23. Income tax

	31 March 2020	31 March 2019
Tax expense comprises of:		
Current income tax	484.28	239.14
Total	484.28	239.14

24. Earnings per share (EPS)

	31 March 2020	31 March 2019
Profit attributable to equity shareholders	772.30	633.17
Weighted average number of equity shares outstanding during the year	16,836,613	16,836,613
Earnings per equity share (in absolute ₹ terms) :		
Basic and Diluted	4.59	3.76
Nominal Value per share equity share	10.00	10.00

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

25. Fair value measurements

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Financial assets and financial liabilities measured at fair value

	31 March 2020	31 March 2019
Fair value hierarchy (Level 1)		
Financial assets		
Investment in mutual funds	8,941.16	8,279.97
Fair value hierarchy level (Level 3)		
Financial assets		
Investment in equity shares of subsidiary	1,760.93	1,760.93
Investment in equity units of venture capital fund	676.75	574.84

The Company does not have any financial instrument measured at fair value on recurring basis under Level 2 category. There are no transfers between levels during the year. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(iii) Valuation technique used to determine fair value

Investment in equity units of venture capital fund are valued based on valuation principles, techniques and methodology adopted by such venture capital fund. Investment in equity share of subsidiary are valued based on valuation techniques, including discounted cash flow method, adopted by the Company.

(iv) Financial instruments by category

for instruments carried at amortised cost, carrying value represents the best estimate of fair value.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

	31 March 2020			31 March 2019		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	8,941.16	-	-	8,279.97	-	-
Trade receivables	-	-	409.05	-	-	475.31
Cash and cash equivalents	-	-	136.25	-	-	37.98
Other bank balances	-	-	0.65	-	-	14.45
Other financial assets	-	-	8.07	-	-	5.93
Total financial assets	8,941.16	-	554.02	8,279.97	-	533.67

	31 March 2020			31 March 2019		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
Trade payables	-	-	21.39	-	-	21.39
Other financial liabilities	-	-	130.22	-	-	136.13
Total financial liabilities	-	-	151.61	-	-	157.52

26. Financial instruments risk management

“The Company’s principal financial liabilities comprises of trade and other payables. The Company’s principal financial assets include trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations. The Company also holds FVTOCI and FVTPL investments.

The Company is exposed to credit risk, market risk and liquidity risk. The Company’s Board of Directors oversees the management of these risks. The Company’s Board of Directors are supported by the senior management that advises on financial risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance to the Company’s Board of Directors 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

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company’s receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for credit losses and impairment that represents its estimate of expected losses in respect of trade and other receivables.

Trade and other receivables

The Company’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including fixed deposits, were either past due or impaired as at 31 March 2020.

Financial assets that are past due but not impaired

The Company's credit period for customers generally ranges from 60 - 270 days. The aging of trade receivables that are not due and past due but not impaired is given below:

	31 March 2020	31 March 2019
Neither past due nor impaired	-	-
Past due not impaired:		
less than 180 days	391.11	475.31
181-365 days	-	-
Greater than 365 days	17.94	17.94
	409.05	493.25

Other than trade receivables, the Company has no significant class of financial assets that is past due but not impaired.

On account of adoption of Ind AS 109, the Company uses Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers. The management believes that there is no change in allowance for credit losses during the year ended 31 March 2019 and 31 March 2018.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet obligations, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The Company's principal sources of liquidity are the cash flows generated from operations. Further the Company has no long term borrowings and working capital facilities which the management believes are not required considering its present scale of operations.

Maturities of financial liabilities

The tables below analyses the Company's financial liabilities following into different maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

31 March 2020	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Non-derivatives				
Trade and other payables	21.39	-	-	21.39
Other financial liabilities	130.22	398.32	-	528.54
Total	151.61	398.32	-	549.93

31 March 2019	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Non-derivatives				
Trade payable	21.39	-	-	21.39
Other financial liabilities	136.13	346.92	-	483.05
Total	157.52	346.92	-	504.44

C. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk. Thus, the Company's exposure to market risk is a function of revenue generating and operating activities in foreign currencies.

Foreign exchange risk

"The Company's foreign exchange risk arises from its foreign currency revenues (primarily in US\$). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency. A significant portion of the Company's revenues are in US\$. As a result, if the value of the Indian rupee appreciates relative to US\$, the Company's revenues measured in Indian rupees may decrease. The following table details non derivative financial instruments which are denominated in US\$:"

	31 March 2020	31 March 2019
Trade receivables	-	93.76

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

The following table analyses foreign currency risk from non derivative financial instruments, which are denominated in US\$

	Impact on profit	
	31 March 2020	31 March 2019
USD sensitivity*		
₹ / USD - Increase by 2%	-	1.88
₹ / USD - Decrease by 2%	-	-1.88

* Holding all other variables constant.

27. Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Hence, the Company may adjust any dividend payments, return capital to shareholders or issue new shares. Total capital is the equity as shown in the statement of financial position. Currently the Company does not have any long term borrowings and working capital facilities.

28. Related party disclosures**(a) Names of the related parties and nature of relationship**

Names of related parties	Nature of relationship
Madala Srinivasa Rao, Chairman Madala Bhaskar Rao, Whole Time Director Thota Chiranjeevi, Chief Financial Officer B.Laxman, Company Secretary	Key Managerial Personnel (KMP)
Softsol Resources Inc., USA	100% Subsidiary Company

(b) Transactions with related parties

	For the year ended	
	31 March 2020	31 March 2019
Transactions with subsidiary company		
Services rendered	26.11	153.77
Transactions with KMPs		
Short-term employee benefits*	44.79	33.29

(c) Balances receivable

	31 March 2020	31 March 2019
Subsidiary company	-	93.76

*KMPs are eligible for gratuity and compensated absences along with other employees of the Company. The provision made for gratuity and compensated absences pertaining to the KMPs has not been included in the aforementioned disclosures as these are not determined on an individual basis.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

29. Segment reporting

The Management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 “Operating Segment”

Particulars	Standalone		
	IT/ITES	INFRA	Total
Revenue from Operations	969.66	1271.62	2,241.28
Identifiable Operating Expenses	174.33	228.62	402.95
Allocated Expenses	470.28	616.73	1,087.01
Segmental Operating Income	-	-	-
Unallocable expenses	-	207.17	207.17
Other Income	229.99	301.65	531.64
Finance Costs	-	25.88	25.88
Reduction in the fair value of disposal group held for sale	-	-	-
Profit before tax	555.04	494.87	1,049.91

30. Contingent liabilities and commitments

	As at	
	31 March 2020	31 March 2019
(a) Commitments		
Capital commitments for investments in venture funds	210.00	0.00
(b) Contingent liabilities		
Guarantees excluding financial guarantees		
Bank guarantee	15.22	15.22

31. Deferred tax assets have been recognised only to the extent of deferred tax liabilities i.e deferred tax assets have been recognized only to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income of the Company.

32. Where ever required figures have been regrouped.

for **PAVULURI & CO**
Chartered Accountants
(Firm Regn.No:012194S)

For and on behalf of Board of Directors of
SoftSol India Limited

CA V N DEEPTHI KONERU
Partner
M.No: F-228424

Bhaskara Rao Madala
Wholtime Director
(DIN : 00474589)

Dr. T. Hanuman Chowdary
Director
(DIN:00107006)

Place: Hyderabad
Date: 30.06.2020

B. Laxman
Company Secretary

Chiranjeevi Thota
Chief Financial Officer

SoftSol Resources Inc., USA

Board of Directors

- | | |
|--|-----------------|
| 1. Mr. Srinivasa Rao Madala | President & CEO |
| 2. Dr. Durga V.L.K. Madala | Director |
| 3. Mr. B.S. Srinivasan
(Nominee of Holding Company) | Director |

Registered Office

42808, Christy St.
Ste 100, Fremont,
California - 94538.
Tel No. (510) 824-2000,
Web site: www.softsol.com

Auditors

The Chugh Firm, LLP
California, USA.

Board of Director's Report 2020

Dear Members

Your Directors take pleasure in presenting their report for the financial year 2020

The Financial Highlights :

(USD in 000's)

Particulars	2020	2019
Total Revenue	3,107	4,240
Other Income	43	-
Total Operating Expense	3,333	4,390
Provision for Taxation	(55)	(46)
Net Profit	(134)	(104)

Appreciation:

The Board places on record its thanks to Management, associates, vendors and other service providers for their continued commitment and support to the company.

Srinivasa Rao Madala

President and CEO

June 10, 2020

INDEPENDENT AUDITOR'S COMPILATION REPORT

To the Board of Directors and Stockholders
of Softsol Resources, Inc.

We have audited the accompanying financial statements of Softsol Resources, Inc. (A California Corporation), which comprise the statement of financial position as of March 31, 2020 and 2019, and the related statements of profit and loss, changes in equity and cash flows for the year then ended, and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express such an opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Softsol Resources, Inc. as at March 31, 2020 and 2019, and the result of its operations, changes in equity and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Chugh CPAs, LLP

Cerritos, CA

June 10, 2020

BALANCE SHEET AS OF MARCH 31, 2020

	As of 31.03.2020 in USD	As of 31.03.2020 in ₹	As of 31.12.2019 in USD
1USD = 75.3859			
ASSETS			
Non-Current Assets			
Property and Equipment	14,939	1,126,190	16,134
Intangible assets	13,000	980,017	15,000
Deferred Tax Assets	135,341	10,202,803	75,330
Loans and Receivables	7,547	568,937	7,547
Right of Use assets	138,992	10,478,037	-
Trade and Other Receivables	1,690,367	127,429,838	1,782,937
Total Non -Current Assets	2,000,185	150,785,822	1,896,948
Current Assets			
Trade and Other Receivables	421,692	31,789,631	734,603
Unbilled revenue	56,425	4,253,649	43,569
Shortterm receivables	69,053	5,205,623	56,803
Cash and Cash Equivalents	381,002	28,722,179	337,717
Prepaid and Other assets	39,726	2,994,780	49,238
Total Current assets	967,898	72,965,862	1,221,930
Total Assets	2,968,083	223,751,608	3,118,878
LIABILITIES			
Current Liabilities			
Trade and other payables	157,083	11,841,843	223,262
Employee benefit obligation	11,128	838,894	11,333
Lease Liabilities	78,643	5,928,573	-
Provisions & Other Liabilities	86,469	6,518,543	172,372
Total Current Liabilities	333,323	25,127,854	406,967
Non-Current Liabilities			
Lease Liabilities	59,702	4,500,689	-
Deferred Tax liabilities	3,910	294,759	2,841
Total Current Liabilities	396,935	29,923,302	409,808
EQUITY			
Share capital	1,312,000	98,906,301	1,312,000
Retained Earnings	1,259,147	94,921,930	1,397,070
Total Stockholders Equity	2,571,147	193,828,231	2,709,070
Total Liabilities and Stockholders Equity	2,968,083	223,751,608	3,118,878

**STATEMENT OF INCOME FOR THE YEAR ENDED
MARCH 31, 2020**

	As of 31.03.2020 in USD	As of 31.03.2020 in ₹	As of 31.12.2019 in USD
	1USD = 72.2530		
Revenue	3,106,876	224,480,956	4,240,203
Cost of providing services	(2,853,479)	(206,172,276)	(3,861,418)
Gross profit	253,397	18,308,681	378,785
Other income	-	-	-
Selling and Distribution Expenses	(160,336)	(11,584,749)	(153,203)
Administrative Expenses	(319,777)	(23,104,832)	(375,257)
Operating profit	(226,716)	(16,380,900)	(149,675)
Finanance income	-	-	-
Finanace cost	(5,696)	(411,553)	(628)
Sublease Income	43,072	3,112,079	-
Finanace cost net	37,376	2,700,526	(628)
Profit before income tax	(189,340)	(13,680,374)	(150,303)
Income tax expenses	(54,876)	(3,964,953)	(45,847)
Profit from consulting operation	(134,464)	(9,715,421)	(104,456)
Profit/(Loss) from disposa; of non-current assets	-	-	-
Profit	(134,464)	(9,715,421)	(104,456)
Other comprehensive income	-	-	-
Total Comprehensive income	(134,464)	(9,715,421)	(104,456)

Statement of changes in equity
For the year ended March 31,2020

	Share Capital in USD	Retained Earnings in USD	Total in USD	Total in ₹
Balances at March 31,2018	1,312,000	1,501,526	2,813,526	203,285,553
Profit for the period	-	(104,456)	(104,456)	(7,547,254)
Balances at March 31,2019	1,312,000	1,397,070	2,709,070	195,738,299
Prior period adjustment	-	(3,460)	(3,460)	(249,995)
	1,312,000	1,393,610	2,705,610	195,488,304
Profit for the period	-	(134,464)	(134,464)	(9,715,421)
Balances at March 31,2020	1,312,000	1,259,146	2,571,146	185,772,883

Property and Equipment
Property and equipment consisted of the following:

Owned assets	2,020				2019			
	Cost 31.03.2019 in USD	Accumulated Depreciation in USD	Carrying Value in USD	Carrying Value in ₹	Cost 31.03.2019 in USD	Accumulated Depreciation in USD	Carrying Value in USD	Carrying Value in ₹
Furniture & Fixtures	-	-	-	-	-	-	-	-
Office Equipment	88,617	(73,678)	14,939	1,032,584	85,482	(69,348)	16,134	1,115,182
Softsol .com Domain Name	30,000	(17,000)	13,000	898,560	30,000	(15,000)	15,000	1,036,800
Total Other Current Liabilities	118,617	(90,678)	27,939	1,931,144	115,482	(84,348)	31,134	2,151,982

SoftSol Resources Inc., USA

Expenses Classification

Cost of providing services:

	As of 31.03.2020 in USD	As of 31.03.2020 in ₹	As of 31.03.2019 in USD
Consulting outsourced	433,110	31,293,475	607,105
Insurance-Medical & dental	57,152	4,129,401	101,978
Legal & Immigration-Consultants	45,205	3,266,195	39,795
Rebate Charges	10,560	762,991	14,674
Salaries & Wages Consultants	2,139,596	154,592,123	2,885,611
Training	-	-	176
Taxes-Payroll-Consultants	167,856	12,128,091	208,347
Travel-Consultants	-	-	3,733
Total	2,853,479	206,172,276	3,861,419

Selling and distribution expenses:

	As of 31.03.2020 in USD	As of 31.03.2020 in ₹	As of 31.03.2019 in USD
Business development	-	-	374
Commission	1,000	72,253	999
Insurance-Medical & dental	3,098	223,840	2,378
Recruiting	15,029	1,085,890	19,711
Recruiting outsourced	27,253	1,969,110	37,067
Salaries & Wages	76,107	5,498,955	72,981
Taxes-Payroll	6,732	486,407	7,694
Travel	31,117	2,248,295	12,000
Total	160,336	11,584,749	153,204

Expenses Classification

Administrative Expenses

	As of 31.03.2020 in USD	As of 31.03.2020 in ₹	As of 31.03.2019 in USD
Auto Expenses	4,600	332,364	9,036
Bank Charges	1,014	73,264	-
Depreciation & amortization	89,726	6,482,968	5,662
Dues & Subscriptions	5,759	416,105	8,126
Freight & Postage	1,231	88,943	1,157
Insurance	29,207	2,110,292	42,567
Meals & entertainment	1,468	106,067	4,047
Office Expenses	38	2,746	410
Officers salaris & wages	60,661	4,382,936	86,659
Outside services	26,147	1,889,198	32,599
Payroll taxes	6,737	486,768	9,781
Professional Fees	32,799	2,369,825	30,249
Relocation	-	-	4,079
Rent	-	-	29,509
Repairs & Maintenance	238	17,196	3,087
Salaries & Wages	46,380	3,351,092	50,044
Supplies	1,968	142,194	7,520
Taxes , Permits & Licenses	21	1,517	14,594
Telephone	8,174	590,596	19,315
Travel	3,480	251,440	12,375
Utilities	-	-	4,167
Miscellanious	129	9,321	273
Total	319,777	23,104,832	375,256

Statement of Cash Flow for the Year ended March 31, 2020

	Year Ended 31.03.2020 in USD	Year Ended 31.03.2020 in ₹	Year Ended 31.03.2019 in USD
Cash Flows from Operating Activities			
Net Income	(134,463)	(10,136,614)	(104,456)
Adjustments to reconcile Net Income to Net Cash provided by Operations :			
Depreciation	6,330	477,193	5,662
Loss on sale of property	-	-	-
Amortization of right of use assets	83,396	6,286,883	
Deferred Taxes	(58,941)	(4,443,320)	(47,647)
Bad Debt account w/off	(8,577)	(646,585)	(4,320)
Trade and Other Receivables	414,058	31,214,135	(533,888)
Unbilled Revenue	(12,856)	(969,161)	-
Short term receivables	(12,250)	(923,477)	(2,753)
Prepaid and Other assets	9,512	717,071	22,513
Trade and Other payables	(66,179)	(4,988,963)	(4,311)
Employee benefit obligation	(205)	(15,454)	1,559
Provision and employee benefits	(85,903)	(6,475,875)	3,409
Security deposits	-	-	7,453
Net Cash Provided by (used in) Operating Activities	133,922	10,095,830	(656,779)
Cashflow from investing activities			
Acquisition of property and equipment	(3,135)	(236,335)	(4,734)
Net cash used in investing activities	(3,135)	(236,335)	(4,734)
Cashflow from Financing activities			
Principal paid on lease liabilities	(87,501)	(6,596,342)	-
Net Increase in Cash and Cash Equivalents	43,286	9,859,496	(661,513)
Cash and cash equivalents at the Beginning of the Year	337,717	23,342,999	999,230
Cash and cash equivalents at the end of the Year	381,003	33,202,495	337,717

Notes to Financial Statements (March 31st, 2020)

Note 1 – Reporting entity

Softsol Resources, Inc. dba Softsol Inc. (“Company”) was incorporated in California on January 11, 1993. The Company is a provider of E-commerce, network technology, internet infrastructure and other special technology areas. Its IT services include application development, system integration, IT consulting and staffing, IT project management, domestic and offshore outsourcing. The Company has diverse client-based ranging from large customers to small high-tech start-up companies. The Company’s vision is to create a global enterprise by taking a leading role in the revolution in Information Technology to provide highly competent and innovative software solutions.

Note 2 - Basis of preparation

The financial statements are presented in US dollar, which is the Company’s functional currency.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and Interpretations (collectively IFRSs).

Note 3 – Summary of significant accounting policies

Property and equipment

All property, plant and equipment assets are stated at cost less accumulated depreciation.

Depreciation of property, plant and equipment is provided to write off the cost, less residual value, on straight line basis over the estimated useful lives as follows:

Furniture and fixtures	7 years
Office equipment	5 years
Automobile	5 years

Residual values, remaining useful lives and depreciation methods are reviewed annually and adjusted if appropriate. Gains or losses on disposal are included in profit or loss.

Impairment of non- financial assets

The Company assess annually whether there is any indication that any of its assets have been impaired. If such indication exists, the asset’s recoverable amount is estimated and compared to its carrying value. Whether it is impossible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the smallest cash generating unit to which asset is allocated.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, an impairment loss is recognized immediately in profit or loss, unless the assets it carried at a revalued amount, in which case the impairment loss is recognized as revaluation decrease.

Intangible assets

Intangible assets acquired are shown at historical cost less accumulated amortization and impairment losses. Amortization is charged to profit or loss on a straight-line basis over the estimated useful lives of the intangible assets. The useful life used for the intangible assets -Domain name is 15 years. Amortization periods and methods are reviewed annually and adjusted if applicable.

Loans and receivables

Loans and receivables are recorded at a mortized cost using the effective interest method which is the present value of future cash receipts discounted at the effective interest rate. The loans and receivables pertain to security deposit, which is to be recorded at fair value plus transaction cost. However, as the amount is to be refunded in the near term, amortized amounts are immaterial that require no adjustment in the financial statements.

Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, deposits held on call with banks, investment in money market instruments and bank overdrafts.

Revenue recognition

The Company derives revenues primarily from information and technology services.

The Company adopted IFRS 15, Revenue from Contracts with Customers. Revenue is recognized upon transfer of control of promised services to the customer, recovery of the consideration is probable, the associated costs and possible return of services can be estimated reliably, there is no continuing management involvement with the services, and the amount of revenue can be measured reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the agreement. Revenues in excess of invoicing are classified as contract assets (which the Company refers to as unbilled revenue) while invoicing in excess of revenues are reclassified as contract liabilities (which we refer to as unearned revenues). Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional goods/services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company classifies the right to consideration in exchange for deliverables as trade and other receivables. Trade receivable is a right to consideration that is unconditional upon passage of time.

Revenue for time-and-material contracts are recognized as related control is transferred when services are performed.

Interest/finance income is recognized in the period in which interest is earned.

Deferred revenue

Advance payments received for services to be provided under contract agreements are deferred until the requisite service is provided and accepted, at which time revenue is considered earned and recognized. There was no deferred revenue as of March 31, 2020.

Income taxes

Taxation on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly inequity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date.

The charge for deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rate that is expected to apply to the period when the asset is realized or the liability is settled.

Employee benefits

The Company operates defined contribution plan which is available to all eligible employees. The plan is funded by employee and employer contribution. The plan is governed by the Department of Labor's Rules and regulation. There was no matching contribution from the employer for the year ended March 31, 2020 and 2019.

The Company has a voluntary flexible spending plan where in a certain amount of money opted by the employee at the beginning of the plan year to be deducted from employee's payroll every month. The contributed amount will be used to reimburse the employees for their eligible medical expenses and childcare expenses. As of March 31, 2020, and 2019, the accumulated contributions were \$34,775 and \$33,704, respectively. This account is included in the provision and other liabilities account.

The advances given to employees are for expenses which employees are required to present documentation and any amount not substantiated is refunded to the Company. As of March 31, 2020, and 2019, the employee advances were \$69,053 and \$56,803, respectively, classified as short-term receivable in financial statements.

The Company provides paid vacation leave to certain employees of the Company. Vacation leave credits are expensed within the year and are not carried forward the following year, therefore, no accrual is recognized in the financial statements.

Provisions and other liabilities

Provisions are recognized when the Company has a present legal or constructive obligation, as a result of past events for which it is probable that an out flow of economic benefits will be required to settle the obligation, and a reliable estimate can be made for the obligation. Where the effect of discounting to present value is material, provisions are adjusted to reflect the time value of money. This includes the Company's obligations.

Financial instruments

Financial instruments recognized on the balance sheet include trade and other receivables, cash and cash equivalents, and trade and other payables. Financial instruments are initially recognized at fair value, which includes transaction costs, except for those items carried at fair value through profit or loss, when the Company is party to a contractual arrangement.

Trade and other receivables

Trade and other receivables are recognized at amortized cost, less provisions for impairments. Where the effect of discounting is immaterial, short duration receivables with no stated interest rate are measured at original invoice amount less provision for impairment. Impairment is established when there is objective evidence that Trade and

SoftSol Resources Inc., USA

other receivables are recognized at amortized cost, less provisions for impairments. Impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of sale. The provision for impairment was \$71,694 as of March 31, 2020 and \$80,271 for March 31, 2019. During the year, total bad debts of \$8,577 was written off.

Significant financial difficulties of the debtor, or delinquency in payments, are considered indicators that the trade receivable is impaired. The impairment is expensed in the incomestatement.

Cash and cash equivalents

Cash and cash equivalents are measured at cost which is equivalent to fair value.

Trade and other payables

Trade and other payables are recognized at amortized cost. Where the effect of discounting is immaterial, trade payables with no stated interest rate are measured at original invoice amount.

Use of estimates

Preparing financial statements in conformity with IFRS requires estimates and assumptions that affect reported amounts and related disclosures. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognized prospectively.

Property and equipment

The useful lives and residual values of items of property and equipment are assessed annually in order for depreciation to be provided. The actual lives and residual values of assets may vary depending on several factors. Consideration has to be given to whether components of an asset have different useful lives to the rest of the asset, whether such a component forms a significant part of the asset's original cost, and whether subsequent expenditure on assets is to be treated as maintenance or to be capitalized.

Trade and other receivables

Impairment of trade and other receivables requires the consideration of the impairment indicators, namely significant financial difficulties of the debtor, or delinquency in payments.

Leases

For any new contracts entered into on or after April 1, 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract the Company has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases

At lease commencement date, the Group recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease 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 Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or statement of profits and loss if the right-of-use asset is already reduced to zero.

New accounting standards

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in statement of profits and loss on a straight-line basis over the lease term.

The Company has adopted IFRS 16 'Leases'. The adoption of this new Standard has resulted in the Company recognising a right-of-use asset and related lease liability in connection except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application. The new Standard has been applied using the modified retrospective approach, with the cumulative effect of adopting IFRS 16 being recognized in equity as an adjustment to the opening balance of retained earnings for the current period. Prior periods have not been restated. The Company has elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of IFRS 16, April 1, 2019. At this date, the Company has also elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition. On transition to IFRS 16 the incremental borrowing rate applied to lease liabilities recognized under IFRS 16 was 3%.

New standards, interpretations and amendments effective – Not adopted yet

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board (IASB) that are effective in future accounting periods that the Company has decided not to adopt early. The most significant of these are:

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- IAS1PresentationofFinancialStatementsandIAS8AccountingPolicies,Changes in Accounting Estimates andErrors

In January 2020, the IASB issued amendments to IAS 1, which clarify the criteria used to determine whether liabilities are classified as current or non-current. These amendments clarify that current or non-current classification is based on whether an entity has a right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. The amendments also clarify that ‘settlement’ includes the transfer of cash, goods, services, or equity instruments unless the obligation to transfer equity instruments arises from a conversion feature classified as an equity instrument separately from the liability component of a compound financial instrument.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022. Management is currently evaluating the potential impact that the adoption of this standard will have on the Company’s financial position, results of operations, and related disclosures.

Note 4 – Property and equipment

Property and equipment consisted of the following:

	2020		
	Cost	Accumulated depreciation	Carrying value
Office equipment	\$ 88,617	\$ (73,678)	\$ 14,939
Softsol.com Domain Name	30,000	(17,000)	13,000
Total	\$ 118,617	\$ (90,678)	\$ 27,939

	2019		
	Cost	Accumulated depreciation	Carrying value
Office equipment	\$ 85,482	\$ (69,348)	\$ 16,134
Softsol.com Domain Name	30,000	(15,000)	15,000
Total	\$ 115,482	\$ (84,348)	\$ 31,134

Note 5 – Related party transactions

The Company is wholly owned by Softsol India Limited (also known as SIL India), an Indian based company.

Softsol Technologies, Inc. (known as STI), a Nevada Corporation, was previously owned by Mrs. Durga Madala, spouse of Mr. Srinivasa Rao Madala. In August 2017, STI’s ownership was transferred to Mr. Madala.

The Company has entered into professional services agreement with Softsol Technologies, Inc. and Softsol India Limited. The Company shares and charges Softsol Technologies, Inc. certain common selling and administrative expenses.

SoftSol Resources Inc., USA

All transactions and balances with related parties are as follows:

Softsol Technologies, Inc.	2020	2019
Services received from	\$342,735	\$266,417
Trade receivable	68,534	199,318
Receivable-nontrade	1,690,367	1,782,937
Softsol India Limited	2020	2019
Services rendered to	\$37,267	\$135,240
Trade payable	-	135,240

Related party trade receivable and receivable-nontrade are included in the trade and other receivables account. Related party trade payable is included in the trade and other payables account.

Note 6 – Provisions and Other Liabilities

	2020	2019
Accrued salaries and wages	\$15,576	\$107,894
Credit card liabilities	18,223	10,178
Flexible spending payable	34,775	33,704
Income tax payable	1,000	750
Other accrued liabilities	16,896	19,846
Total	86,469	\$172,372

Note 7 – Share capital

	2020	2019
Authorized common stocks of \$100 Par value	100,000,000	100,000,000
Issued - 13,120 Common stock of \$100 par value	\$1,312,000	\$1,312,000

Note 8 – Concentration of risks

Cash

Cash is maintained with major financial institutions in the United States. Deposits with one bank exceed the amount of the \$250,000 Federal Deposit Insurance Corporation insurance provided on such deposits. The Company has not experienced any losses in such accounts and believes it is not subject to any significant credit risk as all its deposits are maintained in high quality financial institutions.

Trade receivable and sales

The Company performs ongoing credit evaluations of its customers and when required recognize provisions for impairments. The Company generally does not require collateral to secure its accounts receivable.

The Company's sales to its three major customers, totaled approximately \$1.3 million that accounts for approximately 41% of the Company's total revenue for the year. Accounts receivable from these three customers as of March 31, 2020 was \$211,114 which is approximately 43% of total accounts receivable.

For the year ended March 31, 2019, approximately \$1.8 million representing 46% of the Company's total revenue was accounted to its three major customers. Accounts receivable from these customers was \$284,515 as of March 31, 2019 which is approximately 35% of total accounts receivable.

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Trade and other receivables, cash and cash equivalents and trade and other payables are of short -term maturity and non-interest bearing.

Liquidity risk

Responsibility for liquidity risk management rests with the owners. The Company manages liquidity risk by maintaining adequate banking facilities and continuously monitoring forecast and actual cash flows.

Fair value of financial instruments

All financial instruments are carried at fair value or amounts that approximate fair value.

The carrying amounts for cash and cash equivalents, trade and other receivables and trade and other payables approximate fair value due to the short-term nature of these instruments.

Note 9 – Cost of Providing and Expenses

Cost of providing services:

	2020	2019
Consulting outsourced	\$ 433,110	\$ 607,105
Insurance-Medical & dental	57,152	101,978
Legal & Immigration-Consultants	45,205	39,795
Rebate Charges	10,560	14,674
Salaries & Wages Consultants	2,139,596	2,885,611
Training	-	176
Taxes-Payroll-Consultants	167,856	208,347
Travel-Consultants	-	3,733
Total	\$ 2,853,479	\$ 3,861,419

Selling expenses:

	2020	2019
Business development	\$ -	\$ 374
Commission	1,000	999
Insurance - medical & dental	3,098	2,378
Recruiting	15,029	19,711
Recruiting outsourced	27,253	37,067
Salaries & wages	76,107	72,981
Taxes - payroll	6,732	7,694
Outside services	31,117	12,000
	\$ 160,336	\$ 153,203

Administrative expenses :

	2020	2019
Auto expense	\$ 4,600	\$ 9,036
Bank charges	1,014	-
Depreciation & amortization	89,726	5,662
Dues & subscriptions	5,759	8,126
Freight & postage	1,231	1,157
Insurance	29,207	42,567
Meals & entertainment	1,468	4,047
Office expense	38	410
Officer's salaries & wages	60,661	86,659
Outside services	26,147	32,599
Payroll taxes	6,737	9,781
Professional fees	32,799	30,249
Relocation	-	4,079
Rent	-	29,509
Repairs & maintenance	238	3,087
Salaries & wages	46,380	50,044
Supplies	1,968	7,520
Taxes, permits & licenses	21	14,594
Telephone	8,174	19,315
Travel	3,480	12,375
Utilities	-	4,167
Miscellaneous	129	273
Total	\$ 319,775	\$ 375,257

Note 10 – Lease commitments

In September 2018, the Company had amended its lease agreement for its new office location at 42808 Christy Street, Fremont, CA. The new lease commenced on November 16, 2018 and will mature on November 30, 2021. The initial base was \$7,114 per month. In addition to the base rent, the Company is responsible for the payment of monthly common area maintenance and operating expenses. During the year ended March 31, 2020, common area maintenance and operating expense totaled \$227. These variable lease payments are excluded from the initial measurement of the lease liability and asset.

The right of use assets on the statement of financial position pertains only to lease of the above mentioned office space.

The Company has elected not to recognize a lease liability for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. There were no payments made under such leases.

During the year ended March 31, 2020, interest paid on lease liabilities totaled \$5,286. The future minimum lease payments under this operating lease are as follows:

For year ending March 31,		<u>Amount</u>
2021		\$ 81,477
2022		60,376
		<u>141,853</u>
Less: Present value discount		(3,508)
Total		<u>\$ 138,345</u>

Note 11 - Income taxes

The components of income tax expense (benefit) for the year ended March 31, 2020 and 2019 are as follows:

2020				
	Prior year	Current	Deferred	Total
State	\$ 1,901	\$ 1,800	\$ (16,463)	\$ (13,572)
Federal	1,174	-	(42,478)	(41,304)
Total	\$ 2,265	\$ 1,800	\$ (47,647)	\$ (45,847)

2019				
	Prior year	Current	Deferred	Total
State	\$ -	\$ 1,800	\$ (13,340)	\$ (11,540)
Federal	-	-	(34,307)	(34,307)
Total	\$ -	\$ 1,800	\$ (47,647)	\$ (45,847)

The components of deferred tax assets and liabilities at March 31, 2020 and 2019, are as follows:

	2020	2019
Deferred tax assets		
Bad debt	\$ 21,508	\$ 24,081
Net operating loss carryover	105,564	46,438
State income tax – current	378	378
State income tax - deferred	7,891	4,433
	<u>135,341</u>	<u>75,330</u>
Less: Allowance	-	-
Net deferred tax asset	<u>\$ 135,341</u>	<u>\$ 75,330</u>
Deferred tax liabilities		
Depreciation - Federal	\$ 2,841	\$ 74
Depreciation - Right of use asset	847	-
Depreciation - State	222	2,767
	<u>\$ 3,910</u>	<u>\$ 2,841</u>

Note 12 - Subsequent event

In April 2020, the Company received a loan of \$502,200 pursuant to section 1102 of Corona virus Aid, Relief, and Economic Security Act's Paycheck Protection Program.

Since December 31, 2019, the spread of COVID-19 and related global responses have caused material disruptions to businesses around the world. The disruptions had adversely affected the Company's financial condition and results of operations as of and for the year ended March 31, 2020. The impact of COVID 19 may be different from that estimated by the Company and the Company will continue to closely monitor any material changes in future economic conditions as well as their impact on the financial position and results of the Company for future periods.

Independent Auditor's Report

TO THE MEMBERS OF
SOFTSOL INDIA LIMITED

Report on the Consolidated Ind AS Financial Statements**Opinion**

We have audited the accompanying Consolidated Ind AS financial statements of M/s.SOFTSOL INDIA LIMITED('the Holding Company') and its subsidiary company (the Holding Company and its subsidiary company together referred as 'the Group'), which comprise the Consolidated Balance Sheet as at March 31, 2020, 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 a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2020, the Consolidated profit, Consolidated total comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 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 audit opinion on the consolidated financial statements.

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. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.no	Key Audit matter
1.	<p>1. The valuation and existence of the portfolio of investments is considered as a key audit matter as the portfolio of investments represents the principal element of the net asset of the Scheme.</p> <p>2. As per Ind AS 36 – ‘Impairment of assets’, the standard is applicable to financial assets classified as subsidiaries. Accordingly, in assessing whether there is any indication that an asset may be impaired, an entity shall consider as a minimum, the external and internal sources of information, any other indications or evidences from internal reporting that indicates that the assets may be impaired.</p>
	<p>Auditor’s Response</p> <p>Principal Audit Procedure Performed</p> <p>1. We gained an understanding of the internal control structure and operating effectiveness of key controls surrounding valuation and existence of investments. We tested the existence of the Investments by obtaining and reconciling the direct confirmations of the holdings from Custodians of the Scheme.</p> <p>2. Obtained and read the financial statements of Softsol Resources Inc., to identify if any disclosure is made for impairment of assets in its standalone financial statements. Obtained the impairment indicator assessment performed by management considering the internal/ external sources of information.</p> <p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of INDAS115 “Revenue from contracts with customers. The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>

Auditor's Response**Principal Audit Procedure**

We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard.

Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows :

- Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.
- Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.
- Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.
- Selected a sample of continuing and new contracts and performed the following procedures :
 - Read, analyzed and identified the distinct performance obligations in these contracts.
 - Compared these performance obligations with that identified and recorded by the Company.
 - Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.
 - Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.
 - Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.

We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

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

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual Report, but does not include the consolidated financial statements and our auditor's 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 during the course of our 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.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of requirements of the Act that give a true and fair view of the Consolidated financial position, Consolidated financial performance, Consolidated total comprehensive income, Consolidated changes in equity and Consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India including The Indian Accounting Standard specified under sec.133 of the act. This responsibility also includes 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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.

The Board of Directors are responsible for overseeing the Group's financial reporting process

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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 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 Company 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 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 independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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 Matter

We did not audit the financial statements of Softsol Resources Inc., subsidiary, whose financial statements reflect total assets of Rs.2237.52lakhs as at 31stMarch,2020, total revenues of Rs.2275.93 lakhs for the year ended on that date. The above financial information are before giving effect to any consolidated adjustments. These financial statements have been audited by other auditors whose reports have been furnished to us by the

management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-section (3) of section 143 of the Act, insofar as it relates the aforesaid subsidiary is based solely on the reports of the other auditors.

The above subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in that country and which have been audited by other auditors under generally accepted auditing standards applicable in that country. The Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our Opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the company and audited by us. Our Opinion on the consolidated financial statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

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.
 - 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group Companies incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those Companies, for reasons stated therein.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 consolidated financial statements.
- ii. The Company didnot have any long-term contracts including derivative contracts for which there arefor material foreseeable losses
- iii. There were no amounts which were required to be transferred to the to the Investor Education and Protection Fund by the Company.

For PAVULURI&Co.
Chartered Accountants
Firm Reg. No: 012194S

Place: Hyderabad
Date: 30.06.2020

(CA V N DEEPTHI KONERU)
PARTNER
M.No: F-228424
UDIN: 20228424AAAACT2471

ANNEXURE ‘A’ TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of M/s. Softsol India limited (“the Holding Company”) and such companies incorporated in India under the Act which are its subsidiary companies as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable

detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial statements

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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For PAVULURI&Co.
Chartered Accountants
Firm Reg. No: 012194S

Place: Hyderabad
Date: 30/06/2020

(CA V N DEEPTHI KONERU)
PARTNER
M.No: F-228424
UDIN: 20228424AAAAC2471

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2020

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	Note	As at	
		31-03-2020	31-03-2019
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	5	1,300.90	1,395.72
(b) Capital Work In Progress		84.97	-
(c) Right-of-use assets		104.78	-
(d) Investment Property	6	1,182.15	1,250.33
(e) Other intangible assets	7	8.96	10.47
(f) Financial assets			
(i) Trade Receivables	09(ii)	1,274.30	1,232.37
(ii) Other financial assets	09(i)&10(i)	110.67	97.44
(g) Non-current tax assets (net)		26.64	-
(h) Deferred Tax assets (Net)		102.03	52.07
Total non-current assets		4,195.41	4,038.40
Current assets			
(a) Financial Assets			
(i) Investments	8(ii)	9,617.91	8,854.81
(ii) Trade receivables	11	726.95	1,013.18
(iii) Cash and cash equivalents	12(i)	423.47	271.41
(iv) Bank balances other than (iii) above	12(ii)	0.65	14.45
(v) Other financial assets	09(iii)	102.66	5.93
(b) Other current assets	10(ii)	40.87	86.12
Total current assets		10,912.50	10,245.91
TOTAL ASSETS		15,107.91	14,284.31
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	1,723.65	1,723.65
(b) Other equity	14	12,485.91	11,658.08
Total equity		14,209.57	13,381.74
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities		45.01	-
(ii) Other financial liabilities	15	398.32	346.92
(b) Provisions	16(i)	28.95	27.07
(c) Deferred Tax liabilities (net)		2.95	-
Total non-current liabilities		475.23	374.00
Current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities		59.29	-
(ii) Trade payables	17	139.81	175.71
(iii) Other financial liabilities	15(ii)	138.61	263.11
(b) Provisions	16(ii)	85.42	87.80
(c) Current tax liabilities (net)		-	1.96
Total current liabilities		423.12	528.58
Total equity and liabilities		15,107.91	14,284.31

Significant accounting policies are in the notes 1 to 4

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

This is the Balance sheet referred to in our report of even date.

for **PAVULURI & CO**
Chartered Accountants
(Firm Regn.No:012194S)

For and on behalf of Board of Directors of
SoftSol India Limited

CA V N DEEPTHI KONERU
Partner
M.No: 228424

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

Dr. T. Hanuman Chowdary
Director
(DIN:00107006)

Place: Hyderabad
Date: 30.06.2020

B. Laxman
Company Secretary

Chiranjeevi Thota
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2020
(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	Note No	Year ended 31-03-2020	Year ended 31-03-2019
INCOME			
Revenue from operations	18	4,455.56	4,680.77
Other income	19	558.65	496.23
Total income		5,014.21	5,177.00
Expenses			
Employee Benefits expense	20	2,734.74	3,057.65
Finance costs	21	26.62	24.02
Depreciation and amortisation expense	5, 6 & 7	272.00	231.97
Other expenses	22	1,067.76	1,091.86
Total expenses		4,101.13	4,405.50
Profit before tax		913.08	771.50
Tax expense			
Current tax	23	484.28	239.14
Previous year MAT Recognised		(206.69)	-
Deferred tax		(39.65)	(30.75)
Profit for the year		675.14	563.11
Other comprehensive income			
Items that will not be reclassified to profit or loss			
a) Remeasurement loss on defined benefit plans		1.67	(1.24)
b) Gain on fair value changes on equity instruments		17.49	180.69
Less: Income tax relating to items that will not be reclassified to profit and loss		(5.58)	(38.68)
Items that will be reclassified to profit or loss			
Exchange difference in translating the financial statements of a foreign operation		161.05	119.23
Total other comprehensive income for the year		174.63	260.00
Total comprehensive income for the year		849.77	823.10
Earnings per equity share [EPES]			
(in absolute ₹ terms)			
Par value per equity share	24	10.00	10.00
Basic EPES		4.01	3.34
Diluted EPES		4.01	3.34

Significant accounting policies are in the notes 1 to 4

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

This is the Balance sheet referred to in our report of even date.

for **PAVULURI & CO**
Chartered Accountants
(Firm Regn.No:012194S)

For and on behalf of Board of Directors of
SoftSol India Limited

CA V N DEEPTHI KONERU
Partner
M.No: 228424

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

Dr. T. Hanuman Chowdary
Director
(DIN:00107006)

Place: Hyderabad
Date: 30.06.2020

B. Laxman
Company Secretary

Chiranjeevi Thota
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020
(All amounts in ₹ lakhs, except share data and where otherwise stated)

	Year ended 31-03-2020	Year ended 31-03-2019
Cash flow from operating activities		
Profit before tax	913.08	771.50
Adjustments:		
Depreciation and amortisation expense	272.00	231.97
Interest income on fixed deposit	(5.70)	(5.79)
Finance cost	26.62	24.02
Excess provision written back/Msc Income	-	(1.32)
Provision/(reversal) for employee benefits	(3.58)	(23.00)
Gain on redemption of mutual funds	(317.67)	(23.23)
Unrealised gain on mark to market marking of mutual funds	(174.90)	(439.76)
Operating cash flows before working capital changes	709.86	534.38
(Increase)/decrease in trade receivables	244.30	(874.65)
Increase/(decrease) in trade payables	(35.90)	95.24
(Increase)/decrease in other current assets	45.26	(13.57)
Increase in other current financial assets	(96.73)	(0.61)
Increase in non-current financial assets	(13.23)	(6.93)
Decrease in other non-current financial liabilities	2.84	19.43
Increase in other non-current liabilities	104.29	(1.85)
Increase/(decrease) in other current financial liabilities	(124.50)	(1.33)
Cash generated from operating activities	836.18	(249.89)
Income-taxes paid/(refund received), net	(314.39)	(65.53)
Net cash generated from operating activities (A)	521.79	(315.42)
Cash flows from investing activities		
Purchase of property, plant and equipment	(297.25)	180.93
Investment in mutual funds and venture capital funds	(7,925.00)	(620.00)
Proceeds from sale of mutual funds	7,671.96	84.80
Movement in other bank balances	13.80	(1.24)
Interest income received	5.70	5.79
Net cash used in investing activities (B)	(530.79)	(349.71)
Cash flows from financing activities		
Other borrowing costs paid	-	-
Net cash used in financing activities (C)	-	-
(A + B + C)	(8.99)	(665.13)
Effect of exchange rate changes on cash and cash equivalents	161.05	119.23
Cash and cash equivalents at the beginning of the year	271.41	817.32
Cash and cash equivalents at the end of the year	423.47	271.41
Cash and cash equivalents includes		
Balances with banks in current accounts	136.05	0.15
Cash on hand	287.42	271.26
	423.47	271.41

This is the Consolidated Cash Flow Statement referred to in our report of even date.

for **PAVULURI & CO**
Chartered Accountants
(Firm Regn.No:012194S)

For and on behalf of Board of Directors of
SoftSol India Limited

CA V N DEEPTHI KONERU
Partner
M.No: 228424

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

Dr. T. Hanuman Chowdary
Director
(DIN:00107006)

Place: Hyderabad
Date: 30.06.2020

B. Laxman
Company Secretary

Chiranjeevi Thota
Chief Financial Officer

Consolidated Statement of Changes in Equity for the year ended 31-03-2020

(All amounts in ₹ lakhs, except share data and where otherwise stated)

A. Equity Share Capital

	Notes	Number of shares	Amount
As at 1 April 2018		17,650,535.00	1,723.65
Changes in equity share capital	13	-	-
As at 31 March 2019		17,650,535.00	1,723.65
Changes in equity share capital	13	-	-
As at 31 March 2020		17,650,535.00	1,723.65

B. Other Equity (Refer note 14)

	Reserves and Surplus				Other reserves			Total
	Capital redemption reserve	Securities premium reserve	General reserve	Retained earnings	Remeasurement of defined benefit obligations	Fair value changes in equity instruments through OCI	Exchange difference in translating the financial statements of a foreign operation	
Balance as at 1 April 2018	180.51	6701.14	696.90	3182.03	(21.32)	130.57	(34.89)	10834.94
Profit for the year	-	-	-	563.11	-	-	-	563.11
Other comprehensive income ("OCI")	-	-	-	-	(1.24)	180.69	119.23	298.70
	-	-	-	-	0.27	(38.95)	-	(38.68)
Balance as at 31 March 2019	180.51	6701.14	696.90	3745.14	(22.29)	272.31	84.34	11658.08
Finance Cost IND as adjustments	-	-	-	(21.94)	-	-	-	(21.94)
Profit for the year	-	-	-	675.14	-	-	-	675.14
Other comprehensive income	-	-	-	-	1.67	17.49	161.05	180.21
Income Tax relating items of OCI	-	-	-	-	(0.49)	(5.09)	-	(5.58)
Balance as at 31 March 2020	180.51	6701.14	696.90	4420.28	(21.10)	284.71	245.39	12485.91

This is the Statement of Changes in Equity referred to in our report of even date.

for **PAVULURI & CO**
Chartered Accountants
(Firm Regn.No:012194S)

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

1. General information

The consolidated financial statements of “Softsol India Limited” (“the Company” or “Parent Company” or “Parent”) and its subsidiary (collectively referred to as “Group”) are for the year ended 31 March 2020. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on a recognised stock exchange in India. The registered office of the Company is at Plot No. 4, Software Units Layout, Madhapur, Hyderabad – 500081.

The Group is engaged in information and technology services and Infrastructural facilities including leasing of properties or spaces.

These consolidated financial statements for the year ended 31 March 2020 were authorized and approved for issue by the Board of Directors on 30 June 2020.

2. Basis of preparation

The consolidated financial statements of the Group have been prepared and presented in accordance with all the material aspects of the Indian Accounting Standards (‘Ind AS’) as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs (‘MCA’)). The Group has uniformly applied the accounting policies during the periods presented.

The consolidated financial statements have been prepared on a going concern basis under historical cost, except for the following:

- certain financial assets and liabilities are measured either at fair value or at amortised cost depending on the classification; and
- Employee defined benefit assets/ (liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation.

The consolidated financial statements are presented in ₹ and all values are rounded to the nearest lakhs, except when otherwise indicated.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group’s voting rights and potential voting rights
- The size of the Group’s holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of the entity used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on 31 March. When the end of the reporting period of the Parent Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Parent Company to enable the Parent Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent Company with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in subsidiary and the parent's portion of equity of subsidiary.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Details of entity included in the consolidated financial statement is as under:

Name of the entity	Relationship	Country of incorporation	Proportion of ownership interest as at	
			31 March 2020	31 March 2019
Softsol Resources Inc.	Subsidiary	USA	100%	100%

3. Summary of significant accounting policies

The financial statements have been prepared using the accounting policies and measurement basis summarized below.

a. Operating Cycle

Based on the nature of services/ activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

b. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An **asset** is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A **liability** is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

c. Foreign currency

Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR' or '₹') which is also the functional and presentation currency of the Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are converted to functional currency using the spot exchange rates as at the reporting date. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

d. Revenue recognition

The Company derives revenues primarily from information and technology services and leasing of properties or spaces.

Revenue is recognized upon transfer of control of promised services to the customer, recovery of the consideration is probable, the associated costs and possible return of services can be estimated reliably, there is no continuing management involvement with the services, and the amount of revenue can be measured reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the agreement.

Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional Goods/ services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

The Company classifies the right to consideration in exchange for deliverables as a receivable.

A receivable is a right to consideration that is unconditional upon passage of time.

Revenue for time-and-material contracts are recognized as related control is transferred when services are performed.

Invoicing in excess of earnings is classified as unearned revenue.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material basis.

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, and adjustment for revenue that has not materialized and adjustments for currency.

The impact on account of applying the erstwhile Ind AS 18, Revenue instead of Ind AS 115, Revenue from Contracts with Customers on the financials results of the Company for the year ended and as at March 31, 2019 is insignificant.

Goods and service tax is not received by the Company on its own account. It is a tax collected by the Company on behalf of the government. Accordingly, it is excluded from revenue.

Interest Income

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable. For all financial instruments measured at amortised cost, interest income is recorded using the Effective Interest Rate (EIR) method.

e. Leases

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its lease. The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application. The Company does not have any significant impact on account of sub-lease on the application of this standard.

f. Property, plant and equipment (PPE)

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the written down value method, computed on the basis of useful lives as estimated by the management which coincides with the useful lives mentioned in Schedule II to the Companies Act, 2013 except for Plant and equipment which are depreciated over a useful life of 10 years

as compared to useful life of 15 years mentioned in Schedule II of the Companies Act. Freehold land is not depreciated.

Cost of the leasehold land is amortized on a straight-line basis over the term of the lease.

The residual values, useful lives and method of depreciation of assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

g. Investment property

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. When the use of a property changes from owner occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

h. Other Intangible assets

Recognition and initial measurement

Other Intangible assets are stated at their cost of acquisition. The cost comprises purchase price. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent measurement (amortisation)

The cost of capitalized software is amortized over a period of 3 years, on a written down value basis.

i. Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the Company estimates the recoverable amount of the asset or the cash generating unit. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

j. Financial instruments

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.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Debt instruments at amortised cost
- Equity instruments at fair value through profit or loss (FVTPL) and
- Equity instruments 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:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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, 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 finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Equity instruments measured at FVTPL and FVOCI

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Cash and Cash Equivalents

Cash and Cash Equivalents represent cash and bank balances and fixed deposits with banks with original maturity of less than three months. Cash and cash equivalent are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

De-recognition

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

Impairment of Financial Assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets that are debt instruments, and are measured at amortised cost e.g., deposits, trade receivables and bank balances.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs 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. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Financial Liabilities*Initial recognition and measurement*

All financial liabilities are recognised initially at fair value. The Company's financial liabilities include trade and other payables and security deposits.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Security deposits

After initial recognition, security deposits are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

k. Investment in the nature of equity in subsidiary company

The Company has elected to recognise its investment in equity instrument in subsidiary at fair value in the financial statements in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

l. Income taxes

Tax expense recognized in statement of profit or loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted for the reporting period. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred 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 assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

m. Post-employment, long term and short term employee benefits*Defined contribution plan*

The Company's contribution to provident fund and employee state insurance schemes is charged to the statement of profit and loss. The Company's contributions towards Provident Fund are deposited with the Regional Provident Fund Commissioner under a defined contribution plan.

Defined benefit plan

The Company has gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains and losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long-term employee benefits

The Company also provides benefit of compensated absences to its employees which are in the nature of long-term benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the statement of profit and loss in the year in which such gains or losses arise.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

n. Provisions, contingent liabilities and contingent assets

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

o. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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.

p. Cash Flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

4. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company.

Recognition of deferred tax assets: The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Evaluation of indicators for impairment of assets: The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Recoverability of advances/receivables: At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Useful lives of depreciable/amortisable assets: Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

Defined benefit obligation (DBO): Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements: Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Provisions: At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from this judgement.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

5. Property, plant and equipment

	Freehold land	Leasehold land **	Buildings	Plant and Equipment (including Computers)	Furniture and Fixtures	Vehicles	Office equipment	Total
Gross carrying amount								
At 1 April 2018	139.18	50.92	1040.70	425.07	227.05	4.49	19.08	1906.49
Additions	-	-	-	6.68	3.36	36.73	3.48	50.25
Disposals / Retirement	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	139.18	50.92	1040.70	431.75	230.41	41.22	22.56	1956.74
Additions	-	-	-	16.39	26.48	-	4.36	47.24
Translation difference	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	139.18	50.92	1040.70	448.14	256.90	41.22	26.92	2003.97
Accumulated depreciation								
Up to 1 April 2018	-	1.12	114.63	170.74	107.17	4.01	4.83	402.50
Charge for the year	-	.56	48.28	62.09	40.80	3.54	3.24	158.52
Adjustments for disposal/retirement	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	-	1.68	162.91	232.83	147.97	7.55	8.07	561.02
Charge for the year	-	.55	45.70	50.73	32.05	9.34	3.69	142.05
Adjustment for disposal/retirement	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	2.23	208.61	283.55	180.02	16.89	11.76	703.07
Net book value as at 1 April 2018	139.18	49.80	926.07	254.33	119.88	.48	14.25	1503.99
Net book value as at 31 March 2019	139.18	49.24	877.79	198.93	82.44	33.66	14.49	1395.72
Net book value as at 31 March 2020	139.18	48.69	832.09	164.59	76.88	24.32	15.16	1300.90

Notes:

(i) The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount at the date of transition to Ind AS. Refer Note 34.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

**During the financial year 2005-06, the Govt. of A.P. allotted a land of one acre to the company, bearing Plot No.6, in Sy.No.408/1, I.T. Industries Layout, Madhurawada Village, Visakhapatnam District on outright sale basis under its ICT policy 2005-10 at a consideration of ₹ 10 per acre vide MOU dt.13.06.2005 and Agreement for sale of land dt.23.02.2006. Accordingly, the company has paid the consideration and took possession of the same and started developing the same for its IT facility. Subsequently, on getting the permission from the Govt. of India for developing, operating and maintaining IT / ITES SEZ in the said land, the Govt. of A.P. converted the above sale of land into lease and fixed a one time lease payment of ₹10 per acre and further fixed an annual lease rental of ₹ 0.01 per acre vide lease deed dated 05.02.2009. As per the above, the GOAP adjusted the amount of ₹ 10 paid by the company towards sale consideration for the one time lease premium.

As per the lease deed, the land will be converted from leasehold to freehold after a period of 10 years from the execution of the above lease deed, subject to provisions of the SEZ Act, 2005 / SEZ Rules, 2006.

As the period of 10 years from the execution of the lease deed is not yet completed, the company is continuing to pay the annual lease rental of ₹ 0.01 and showing the said land as a leasehold land in the fixed asset schedule.

Company has applied to GOI for exit its Unit at Visakhapatnam from SEZ. Accordingly GOI vide letter no. 26(D)/54SSSEZ/VSEZ/2017/3631 dt.15.05.2017 has allowed to exit from SEZ Scheme w.e.f.15.05.2017.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

6. Investment property

	Buildings	Total
Gross carrying amount		
As at 1 April 2018	1,468.05	1,468.05
Additions	-	-
As at 31 March 2019	1,468.05	1,468.05
Additions	-	-
As at 31 March 2020	1,468.05	1,468.05
Accumulated depreciation		
Up to 1 April 2018	145.67	145.67
Charge for the year	72.04	72.04
Up to 31 March 2019	217.71	217.71
Charge for the year	68.19	68.19
Up to 31 March 2020	285.90	285.90
Net carrying amount		
As at 1 April 2018	1,322.38	1,322.38
As at 31 March 2019	1,250.34	1,250.34
As at 31 March 2020	1,182.15	1,182.15

Notes:

- (i) The Company has elected to measure all its investment property and other intangible assets at the previous GAAP carrying amount at the date of transition to Ind AS. Refer Note 34.
- (ii) The Company, based on its best estimate, assessed that the carrying value of the investment property represents its fair value.

7. Other intangible assets

	Computer Software	Total
Gross carrying amount		
As at 1 April 2018	13.77	13.77
Additions	0.17	0.17
As at 31 March 2019	13.94	13.94
Additions	-	-
As at 31 March 2020	13.94	13.94
Accumulated amortization		
Up to 1 April 2018	2.71	2.71
Charge for the year	0.75	0.75
Up to 31 March 2019	3.47	3.47
Charge for the year	1.51	1.51
Up to 31 March 2020	4.97	4.97
Net carrying amount		
As at 1 April 2018	11.06	11.06
As at 31 March 2019	10.47	10.47
As at 31 March 2020	8.96	8.96

(All amounts in ₹ lakhs, except share data and where otherwise stated)

8. Investments

	31 March 2020	31 March 2019
(i) Current		
Investment carried at fair value through profit or loss ('FVTPL')		
Investment in mutual funds, quoted	8941.16	8279.97
	8941.16	8279.97
Investment carried at FVOCI		
Investment in units, unquoted		
“Blume ventures Fund	676.75	574.84
1216.61 units of Fund 1A of ₹10,000 each and 144302.66 units of Fund II of ₹100 each (31 March 2019:1,376.94 units of Fund 1A and 133919.67 units of Fund II) “		
“Inventus III India Fund		
9000 units of Fund 1A of ₹1,000 each (31 March 2019: Nil)		
	676.75	574.84
	9617.91	8854.81
Aggregate amount of quoted investments and market value thereof	8941.16	8279.97
Aggregate amount of unquoted investments	2437.67	2335.76

9. Other financial assets

	31 March 2020	31 March 2019
Unsecured, considered good		
(i) Non-current		
Security deposits	70.10	73.22
Bank deposits (due to mature after 12 months from the reporting date)*	15.22	15.22
Total	85.32	88.44
(ii) Unsecured, considered good		
Trade Receivables		
- Considered good	1274.30	1232.37
- Considered doubtful	-	-
	1274.30	1232.37
Less: Allowance for doubtful debts	-	-
	1274.30	1232.37

*Represents deposits held as margin money with banks.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

(iii) Current

Interest accrued on deposits	8.07	5.93
Other Loans & Receivables	94.59	-
Total	102.66	5.93

10. Other assets

	31 March 2020	31 March 2019
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(i) Non-current**Unsecured, considered good**

Capital advances	19.66	9.00
Other Loans and Receivables	5.69	-
Total	25.35	9.00

(ii) Current**Unsecured, considered good**

Advance for expenses	1.02	4.01
Prepaid expenses	36.62	42.59
Balance with Revenue Authorities	3.23	39.52
Total	47.87	86.12

11. Trade receivables

	31 March 2020	31 March 2019
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(i) (Unsecured)

- Considered good	726.95	1,013.18
- Considered doubtful	-	-
	726.95	1,013.18
Less: Allowance for doubtful debts	-	-
Total	726.95	1,013.18

12. Cash and Bank Balances

	31 March 2020	31 March 2019
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(i) Cash and cash equivalents

Balances with banks in current accounts	136.05	271.26
Cash on hand	287.42	0.15
	423.47	271.41

(ii) Bank balances other than above

- Unpaid dividend account	0.65	0.65
- in deposit accounts (with original maturity of more than 3 months but less than 12 months)*	-	13.80
	0.65	14.45
Total	424.12	285.86

*Represents deposits held as margin money with banks.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

13. Equity share capital

i. Authorised share capital

	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
Equity shares of ₹10 each	500,000,000	50,000	500,000,000	50,000

ii. Issued, subscribed and paid up

	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
Equity shares of ₹10 each fully paid up	16,822,513	1,682.25	16,822,513	1,682.25
Equity shares of ₹10 each, ₹ 5 paid up	28,200	1.41	28,200	1.41
Forfeited shares (amount originally paid)	799,822	39.99	799,822	39.99
Total	17,650,535	1,723.65	17,650,535	1,723.65

iii. Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
Equity shares				
Balance at beginning and end of the year	17,650,535	1,723.65	17,650,535	1,723.65

iv. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing general meeting.

v. Details of shareholders holding more than 5% equity shares in the Company

	31 March 2020		31 March 2019	
	Number	% holding	Number	% holding
Durga VLK Madala	9,557,408	56.81%	9,557,408	56.81%
Talluri Samatha	3,324,525	19.76%	3,324,525	19.76%
Srinivasa Rao Madala	1,366,099	8.12%	1,366,099	8.12%
Sambasiva Rao Madala	918,400	5.46%	918,400	5.46%

vi. During the five previous financial years ended 31 March 2020, no shares have been bought back, issued for consideration other than cash and no bonus shares have been issued.

vii. Calls unpaid on equity shares

	31 March 2020		31 March 2019	
	Number	Amount	Number	Amount
- By Directors and Officers	-	-	-	-
- By others at ₹5 per equity share	28,200	1.41	28,200	1.41
Total	28,200	1.41	28,200	1.41

(All amounts in ₹ lakhs, except share data and where otherwise stated)

14. Other equity

	31 March 2020	31 March 2019
Reserve and surplus		
Capital redemption reserve	180.51	180.51
Securities premium reserve	6,701.14	6,701.14
General reserve	696.90	696.90
Retained earnings	4,420.28	3,745.14
	11,998.83	11,323.68
Other reserves		
Remeasurement of defined benefit obligations	(21.10)	(22.29)
Fair value changes on equity instruments through OCI	284.71	272.31
Exchange difference in translating the financial statements of a foreign operation	245.42	84.34
	509.03	334.36
Total	12,485.91	11,658.04

Nature and purpose of reserves

Capital redemption reserve

Capital redemption reserve to the extent of ₹ 180.51 was created on buy back of equity shares. The Company uses Capital redemption reserve for transactions in accordance with the provisions of the Companies Act, 2013.

Securities premium reserve

Securities premium reserve is used to record the premium received on issue of equity shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

General reserve

The Company generally appropriates a portion of its earnings to the general reserve to be used for contingencies. These reserves are freely available for use by the Company.

Fair value changes on equity instruments through OCI

The Company has elected to recognise changes in the fair value of certain investment in equity shares and units in OCI. This amount will be reclassified to retained earnings on derecognition of equity shares and units.

Remeasurement of defined benefit obligations

The reserve represents the remeasurement gains/(losses) arising from the actuarial valuation of the defined benefit obligations of the Company. The remeasurement gains/(losses) are recognized in other comprehensive income and accumulated under this reserve within equity. The amounts recognized under this reserve are not reclassified to statement of profit or loss.

15. Other Financial Liabilities

	31 March 2020	31 March 2019
(i) Non-current		
Security Deposits	398.32	346.92
Accrued Rent	-	-
	398.32	346.92
(ii) Current		
Accrued expenses	77.56	183.66
Unclaimed dividend	0.65	0.65
Capital Creditors	10.73	-
Others	49.67	78.80
	138.61	263.11

(All amounts in ₹ lakhs, except share data and where otherwise stated)

16. Provisions

	31 March 2020	31 March 2019
(i) Non-current		
Gratuity	23.35	21.59
Compensated absences	5.60	5.49
Total	28.95	27.07
(ii) Current		
Gratuity	17.37	21.31
Compensated absences	2.86	6.05
Income Tax	65.19	60.44
Total	85.42	87.80
(a) Gratuity		
<p>The Company provides its employees with benefits under a defined benefit plan, referred to as the “Gratuity Plan”. The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/ exit, restricted to a sum of ₹ 20 in accordance with Payment of Gratuity Act, 1972.</p>		
(i) Change in projected benefit obligation		
	31 March 2020	31 March 2019
Projected benefit obligation at the beginning of the year	42.90	38.83
Service cost	8.70	7.60
Interest cost	2.76	2.82
Actuarial loss	(1.67)	(2.66)
Benefits paid	(11.97)	(3.69)
Projected benefit obligation at the end of the year	40.72	42.90
(ii) Reconciliation of present value of obligation on the fair value of plan assets		
	31 March 2020	31 March 2019
Present value of projected benefit obligation at the end of the year	40.72	42.90
Funded status of the plans	-	-
Net liability recognised in the balance sheet	40.72	42.90
(iii) Expense recognized in the statement of profit and loss		
Interest cost	2.76	2.82
Service cost	8.70	7.60
Expected returns on plan assets	-	-
Net gratuity costs/(benefits)	11.46	10.42
(iv) Expense recognized in OCI		
Recognized net actuarial loss	(1.67)	(2.66)
	(1.67)	(2.66)
(v) Key actuarial assumptions		
Discount rate	6.76% - 6.8%	7.55% - 7.7%
Salary escalation rate	5% - 8%	5% - 8%

(All amounts in ₹ lakhs, except share data and where otherwise stated)

(vi) Sensitivity analysis

Reasonably possible changes as at 31 March 2019 to one of the relevant actuarial assumptions, holding other assumptions constant, can affect the defined benefit obligation by the amounts shown below.

	31 March 2018	
	Increase	Decrease
Discount rate (1% movement)	39.95	(37.82)
Future salary growth (1% movement)	39.98	(37.80)

(vii) Expected future cash flows

	31 March 2020
The defined benefit obligation shall mature after year ended 31 March 2020 as follows:	
Within 1 year	17.37
2- 3 years	6.36
3 years and above	18.32

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, salary escalation rate and the average life expectancy. The calculation of the net defined benefit liability is sensitive to these assumptions. However, the impact of these changes is not ascertained to be material by the management.

17. Trade Payables

	31 March 2020	31 March 2019
Dues to micro and small enterprises	-	-
Others	139.81	175.71
Total	139.81	175.71

- (a) There are no micro and small enterprises, as defined under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues as at the reporting date (31 March 2020: Nil, 1 April 2019: Nil). The micro and small enterprises have been identified by management on the basis of information available with the Company and have been relied upon by the auditors.

(All amounts in ₹ lakhs, except share data and where otherwise stated)

18. Revenue from operations

	31 March 2020	31 March 2019
Sale of services		
Software services	3,183.94	3,596.38
Rental income	1,271.62	1,084.40
Total	4,455.56	4,680.77

19. Other income

	31 March 2020	31 March 2019
Interest income from fixed deposits	5.70	5.79
Excess Provisions written back	-	1.32
Gain on redemption of mutual funds	317.67	23.23
Unrealised gain on mark to market marking of mutual funds	174.90	439.76
Foreign exchange gain	7.71	1.61
Sub lease Income(Net)	27.01	-
Other non-operating income	25.65	24.51
Total	558.65	496.23

20. Employee benefits expense

	31 March 2020	31 March 2019
Salaries and wages	2,666.52	3,000.18
Contribution to provident and other funds (refer note a below)	51.88	40.59
Staff welfare expenses	16.34	16.88
Total	2,734.74	3,057.65

- (a) (a) The amount recognized as an expense towards contribution to provident fund for the year aggregated to ₹49.71 (31 March 2019: ₹39.22) and towards employee state insurance fund aggregated to ₹2.17 (31 March 2019: ₹2.60).

21. Finance costs

	31 March 2020	31 March 2019
Interest expense for financial liabilities carried at amortised cost	26.62	24.02
	26.62	24.02

(All amounts in ₹ lakhs, except share data and where otherwise stated)

22. Other expenses

	31 March 2020	31 March 2019
Power and fuel	53.33	61.90
Rent, Rates and taxes	40.79	16.37
Repairs and maintenance:		
- Buildings	47.81	65.83
- Plant and equipment	76.68	71.39
- Others	10.25	10.59
Consulting outsourced	312.93	407.19
Insurance	70.51	112.80
Communication	16.48	21.00
Travelling and conveyance	47.80	46.58
Legal and professional fees	253.27	82.44
Director's sitting fees	2.70	1.30
Fees and subscriptions	16.78	11.24
Staff training and recruitment charges	10.94	59.95
Rebate Charges	7.63	9.84
Advertisement charges	1.43	-
STPI charges	0.55	-
Payments to the auditor (refer note (i))	5.00	5.00
Postage, Printing & Stationery	5.40	4.00
Security Service charges	22.07	25.66
Water charges	3.04	2.79
Cleaning charges	20.04	12.96
Miscellaneous expenses	16.01	15.37
commission	13.81	2.65
CSR Expenses	12.50	-
TOTAL	1,067.76	1,091.86

(i) Details of payments to auditors :

	31 March 2020	31 March 2019
As auditor:		
- Audit fee	5.00	5.00

23. Income tax

	31 March 2020	31 March 2019
Tax expense comprises of:		
Current tax	484.28	239.14
Total	484.28	239.14

The major components of income tax expense and the reconciliation of expected tax expense based on the effective tax rate of the Parent company at 21.55% and the reported tax expense in the statement of profit and loss is as follows:

(All amounts in ₹ lakhs, except share data and where otherwise stated)

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

	31 March 2020	31 March 2019
Profit before tax	913.08	771.50
Other comprehensive income	19.16	179.44
	932.24	950.94
Tax at the Indian tax rate (21.34%)*	200.89	226.64
Adjustments:		
On account of gain on Ind AS transition which needs to be spread evenly to the book profit over five years from the convergence year	-	-
On account of one-fifth of Ind AS transition gain adjusted to the book profit (Y3)	-	51.17
Income tax expense	200.89	277.81

*The tax rate used for reconciliation above is the minimum alternate tax rate of 21.5488% at which the Parent company is liable to pay tax on taxable income under the Indian Tax Law.

24. Earnings per share (EPS)

	31 March 2020	31 March 2019
Profit attributable to equity shareholders	675.14	563.11
Weighted average number of equity shares outstanding during the year	1,68,36,613	1,68,36,613
Earnings per equity share (in absolute ₹ terms) :		
Basic and Diluted	4.01	3.34
Nominal Value per share equity share	10.00	10.00

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

25. Fair value measurements

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

(ii) Financial assets and financial liabilities measured at fair value

	31 March 2020	31 March 2019
Fair value hierarchy (Level 1)		
Financial assets		
Investment in mutual funds	8,941.16	8,279.97
Fair value hierarchy level (Level 3)		
Financial assets		
Investment in equity shares of subsidiary	1,760.93	1,760.93
Investment in equity units of venture capital fund	676.75	574.84

The Group does not have any financial instrument measured at fair value on recurring basis under Level 2 category. There are no transfers between levels during the year. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(iii) Valuation technique used to determine fair value

Investment in equity units of venture capital fund are valued based on valuation principles, techniques and methodology adopted by such venture capital fund. Investment in equity share of subsidiary are valued based on valuation techniques, including discounted cash flow method, adopted by the Company.

(iv) Financial instruments by category

For instruments carried at amortised cost, carrying value represents the best estimate of fair value.

	31 March 2020			31 March 2019		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	8941.16			8279.97		
Trade receivables			726.95			1013.18
Cash and cash equivalents			423.47			271.41
Other bank balances			0.65			14.45
Other financial assets			102.66			5.93
Total financial assets	8941.16		1253.73	8279.97		1304.97

	31 March 2020			31 March 2019		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
Trade payables	-	-	21.39	-	-	21.39
Other financial liabilities	-	-	138.61	-	-	263.11
Total financial liabilities	-	-	159.99	-	-	284.49

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

26. Financial instruments risk management

“The Group’s principal financial liabilities comprises of trade and other payables. The Group’s principal financial assets include trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations. The Group also holds FVTOCI and FVTPL investments.

The Group is exposed to credit risk, market risk and liquidity risk. The Group’s Board of Directors oversees the management of these risks. The Group’s Board of Directors are supported by the senior management that advises on financial risks and the appropriate financial risk governance framework for the Group. The senior management provides assurance to the Group’s Board of Directors 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

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group’s receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for credit losses and impairment that represents its estimate of expected losses in respect of trade and other receivables.

Trade and other receivables

The Group’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Financial assets that are neither past due nor impaired

None of the Group’s cash equivalents, including fixed deposits, were either past due or impaired as at 31 March 2020.

Financial assets that are past due but not impaired

The Group’s credit period for customers generally ranges from 60 - 270 days. The aging of trade receivables that are not due and past due but not impaired is given below:

	31 March 2020	31 March 2019
Neither past due nor impaired	-	-
Past due not impaired:		
less than 180 days	1,256.36	225.68
181-365 days	-	-
Greater than 365 days	17.94	17.94
	1,274.30	243.62

Other than trade receivables, the Group has no significant class of financial assets that is past due but not impaired.

On account of adoption of Ind AS 109, the Group uses Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, the Group uses a provision matrix to compute the expected credit loss amount for trade receivables. The provision matrix takes into account external and internal credit risk factors and historical data of credit losses from various customers. The management believes that there is no change in allowance for credit losses during the year ended 31 March 2020 and 31 March 2019.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

B. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet obligations, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The Group's principal sources of liquidity are the cash flows generated from operations. Currently the Group has no long term borrowings and working capital facilities which the management believes are not required considering its present scale of operations.

Maturities of financial liabilities

The tables below analyses the Group's financial liabilities following into different maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

31 March 2020	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Non-derivatives				
Trade and other payables	139.81			139.81
Other financial liabilities	138.61	398.32		536.93
Total	278.41	398.32		676.74

31 March 2019	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Non-derivatives				
Trade payable	175.71			175.71
Other financial liabilities	263.11	346.92		610.03
Total	438.81	346.92		785.73

C. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk. Thus, the Group's exposure to market risk is a function of revenue generating and operating activities in foreign currencies.

Foreign exchange risk

"The Group's foreign exchange risk arises from its foreign currency revenues (primarily in US\$). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency. A significant portion of the Group's revenues are in US\$. As a result, if the value of the Indian rupee appreciates relative to US\$, the Group's revenues measured in Indian rupees may decrease.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

The following table details non derivative financial instruments which are denominated in US \$.

	31 March 2020	31 March 2019
Trade receivables	-	93.76

The following table analyses foreign currency risk from non derivative financial instruments, which are denominated in US\$

	Impact on profit	
	31 March 2020	31 March 2019
USD sensitivity*		
₹/USD - Increase by 2%	-	1.88
₹/USD - Decrease by 2%	-	(1.88)

* Holding all other variables constant.

27. Related party disclosures**(a) Names of the related parties and nature of relationship**

Names of related parties	Nature of relationship
Madala Srinivasa Rao, Chairman Madala Bhaskar Rao, Whole Time Director Thota Chiranjeevi, Chief Financial Officer B.Laxman, Company Secretary	Key Managerial Personnel (KMP)

(b) Transactions with related parties

	For the year ended	
	31 March 2020	31 March 2019
Transactions with subsidiary company		
Services rendered	26.11	153.77
Transactions with KMPs		
Managerial remuneration*	44.79	33.29

(c) Balances receivable

	As at	
	31 March 2020	31 March 2019
KMPs	-	93.76

*KMPs are eligible for gratuity and compensated absences along with other employees of the Group. The provision made for gratuity and compensated absences pertaining to the KMPs has not been included in the aforementioned disclosures as these are not determined on an individual basis.

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

28. Segmenting Report

The Management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 “Operating Segment”

Particulars	Consolidated			
	IT/ITES		INFRA	TOTAL
Revenue from Operations	3183.93		1271.62	4455.55
Identifiable Operating Expenses	763.02		304.74	1067.76
Allocated Expenses	1954.23		780.50	2734.73
Segmental Operating Income				
Unallocable expenses	64.83		207.17	272
Other Income	256.99		301.65	558.64
Finance Costs	0.74		25.88	26.62
Reduction in the fair value of disposal group held for sale				
Profit before tax	658.10		254.98	913.08

29. Contingent liabilities and commitments

	As at	
	31 March 2020	31 March 2019
(a) Commitments		
Capital commitments for investments in venture funds	210.00	-
(b) Contingent liabilities		
Guarantees excluding financial guarantees		
Bank guarantee	15.22	15.22

30. Deferred tax assets have been recognized only to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income of the company.

31. Where ever required figures have been re grouped

for **PAVULURI & CO**
Chartered Accountants
Firm Reg. No: 012194S

For and on behalf of Board of Directors of
SoftSol India Limited

CA V N DEEPTHI KONERU
Partner
M.No.F-228424

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

Dr. T. Hanuman Chowdary
Director
(DIN:00107006)

Place: Hyderabad
Date: 30.06.2020

B. Laxman
Company Secretary

Chiranjeevi Thota
Chief Financial Officer

SOFTSOL INDIA LIMITED

(CIN: L7220TG1990PLC011771)

Regd. Off.: Plot No. 4, Software Units Layout, Madhapur, Hyderabad – 500 081.

Telephone: +91 (40) 42568500, Facsimile: + 91 (40) 42568600

E-mail: cs@softsol.com, Website: www.softsolindia.com

Share Transfer Agent: M/s. Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot No 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032
CIN : U72400TG2017PTC117649

ATTENDANCE SLIP

30th Annual General Meeting

I hereby state that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company held on Wednesday, 30th day of December, 2020 at 10.00 a.m. at the Registered Office of the Company at Plot No. 4, Software Units Layout, Infocity, Madhapur, Hyderabad – 500 081, Telangana, India, or/any adjournment thereof.

Name of the attending Shareholder:.....
(in block letters)

Name of the Proxy:.....
(to be filled in if proxy attends)

Signature of Shareholder:.....

Signature of Proxy:.....

Registered Folio Number: or DP / Client ID No.
.....

Number of Shares held:

Note:

1. Shareholders/proxy holders are requested to bring the Attendance Slips with them duly completed when they come to the meeting and hand them over at the entrance, affixing their signature on them.
 2. Members are informed that no duplicate attendance slips will be issued at the venue of the meeting.
-

SOFTSOL INDIA LIMITED

(CIN: L7220TG1990PLC011771)

Regd. Off.: Plot No. 4, Software Units Layout, Madhapur, Hyderabad – 500 081.**Telephone: +91 (40) 42568500, Facsimile: + 91 (40) 42568600****E-mail: cs@softsol.net, Website: www.softsolindia.com****Share Transfer Agent:** M/s. Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot No 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032

CIN : U72400TG2017PTC117649

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Shareholder(s):.....

Address of the Shareholder(s):.....

E-mail Id:.....

Folio No. / DP id & Client id:

I / We being the member(s) of Shares of SoftSol India Limited, hereby appoint:

1. Name:.....

Address:.....

E-mail Id:.....

Signature:..... or failing him:

2. Name:.....

Address:.....

E-mail Id:.....

Signature:..... or failing him:

3. Name:.....

Address:.....

E-mail Id:.....

Signature:.....

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the company at Wednesday, the 30th day of December, 2020 at 10.00 a.m. at the Registered Office of the Company at Plot No. 4, Software Units Layout, Infocity, Madhapur, Hyderabad – 500 081, Telangana, India, or/any adjournment thereof in respect of such resolutions as are indicated below:

- To consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended on March 31, 2020 and the reports of the Board of Directors and Auditors thereon.
- To appoint Mr. Srinivasa Rao Madala (DIN 01180342), who retires by rotation as a Director.
- To ratify the holding of office by Statutory Auditors up to the conclusion of 31st AGM to be held in 2021 within their period of appointment.
- To consider and approve the appointment of Mr. VEERAGHAVULU KANDULA (DIN: 03090720) AS INDEPENDENT DIRECTOR FOR A FIRST TERM OF 5 YEARS effective 21st August 2020.
- To consider and approve for increase the investment limit of Non-Resident Indians (as defined under FEMA) in the equity shares of the Company under the Portfolio Investment Scheme under FEMA, from 10% to 24% of the paid-up equity share capital of the Company.
- To consider and approve the re-appointment of Mr. Bhaskara Rao Madala (DIN 00474589) as Whole time Director for a period of 3 years effective 1st November 2020.
- To consider and approve for increase in the limits applicable for making investments / extending loans and giving guarantees or providing securities in connection with loans to Persons / Bodies Corporate.

Signed this.....day of December 2020 (Affix Revenue Stamp)

Signature of Shareholder.....Signature of Proxy holder(s).....

Note: The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.

