SoftSol India Limited

28th Annual Report 2017-18

SoftSol India Limited

Board of Directors	Mr. Srinivasa Rao Madala	Chairman
	Mr. Bhaskar Rao Madala	Whole time Director
	Dr. T. Hanuman Chowdary	Independent Director
	Mr. B.S. Srinivasan	Independent Director
	Mrs. Neelima Thota	Independent Director
	Mr. P. Venkatramaiah (Resigned effective 10th July 2018)	Independent Director
Chief Financial Officer	Mr. Srinivas Mandava	
Company Secretary	Mr. B. Laxman (ACS-20625)	
Statutory Auditors	M/s. JVSL & Associates 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.	
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. Karvy Computershare Private Limited, Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 008, Telangana Phone: 040 - 67161519, Contact : Mr. Shastry M.V.N Emails: shastry.mvn@karvy.com, ramesh.desai@karvy.com	

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Notice of the 28th Annual General Meeting

Notice is hereby given that the Twenty Eighth Annual General Meeting of the members of SoftSol India Limited (CIN: L7220TG1990PLC011771) will be held on Saturday, the 29th day of September, 2018 at 10.00 a.m., 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 receive and adopt the Audited Financial Statements of the Company (both standalone and consolidated basis) for the year ended March 31, 2018 and together with the Report of the Directors and the Auditors thereon.

2. To consider and if thought fit to pass with or without modifications(s), the following resolution as ordinary resolution.

   "RESOLVED THAT, pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, M/s. PAVULURI & CO., Chartered Accountants, Hyderabad (FRN: 012194S) be and are hereby appointed as the Statutory Auditors of the Company in the place of outgoing Statutory Auditors M/s. JVSL & Associates, Chartered Accountants, Hyderabad (FRN: 015002S) to hold office for a term of 5 years from the conclusion of 28th Annual General Meeting until the conclusion of 33rd Annual General Meeting (subject to ratification by the members at every Annual General Meeting held after this Annual General Meeting) at such remuneration, in addition to applicable taxes and reimbursement of out of pocket expenses, as may be mutually agreed between the Board of Directors and the Statutory Auditors."

3. To consider and if thought fit to pass with or without modifications(s), the following resolution a Special resolution.

   "RESOLVED THAT pursuant to provisions of Section 13 of the Companies Act, 2013, and other applicable provisions of the Act, the main object clause (Part A of Main Clause III) of the Memorandum of Association of the Company shall be altered and amended as the following clause shall be added to the Memorandum of Association of the Company and necessary revisions in numbering of the clauses inserted shall be carried out:

   Clause 6:

   To carry on the business of construction, development and maintenance of townships, houses, villas, apartments, other structures or premises for residential, commercial, educational or recreational purposes and also development of roads, bridges, infrastructural facilities or projects and also to take up all kinds of interior works, decorations, civil works and contracts, work contracts, infrastructure projects of any other person or organization including of Government. Also to act as and carry on activities as builders, contractors, sub-contractors, developers of land and structures, leasing of properties or spaces and architects. Also to undertake maintenance, upkeep and management of Properties. Also to carry on distribution, design, installation, sale, import, export, deal and maintenance of equipment related to green energy, water, wiring, security, electrical, HVAC, plumbing, escalators and other facilities and provisions used in projects similar to those listed above, both as integral to the above projects and also to carry on independently in the form of separate lines of business. And also to use modern technologies and solutions including use Artificial Intelligence (AI), Machine Learning, Internet of Things (IOT), and Cloud as applicable to disrupt and revolutionize the way such projects are done.

"RESOLVED FURTHER THAT pursuant to provisions of Section 13 of the Companies Act, 2013, and other applicable provisions of the Act, Clause 35 of Incidental and Ancillary Clauses (Part B of Main Clause III) of Memorandum of Association hereby amended as substitution of words "as per applicable provisions of Companies Act, 2013" in the place of existing words "provision of Sec. 511 of the Act" and also all the existing Clauses in Part C of Main Clause III of Memorandum of Association including heading of "Other Objects" are hereby Deleted.

"FURTHER RESOLVED THAT Sri. Bhaskara Rao Madala, Whole time Director of the Company be and is hereby 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 (MCA), Stock Exchange or any other authority for this purpose."

On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Place: Hyderabad
Date: 14-08-2018

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.

2) The Register of Members and the Share Transfer Books of the company will be closed from 27 September 2018 to 29 September 2018 (both days inclusive) in connection with the AGM.

3) Shareholders/proxies are requested to bring their copies of the Annual Report to the AGM and the attendance slip duly filled in for attending the AGM. Copies of the Annual Report will not be provided at the AGM.

4) M/s. Karvy Computershare 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.

5) 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.

6) 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 R&T agents of the Company.

7) IMPORTANT - Dematerialization of Shares – Amendment to Regulation 40 of SEBI (LODR) Regulations, 2015. (Cir. No. LIST/COMP/15/2018 dated July 05, 2018).

   BSE has issued a Circular to Listed Companies on July 05, 2018 informing about amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated June 8, 2018 has mandated that transfer of securities would be carried out in dematerialized form only. According to the Circular, request for effecting transfer of securities shall not be processed unless the securities are held in the Dematerialized form with the depository with effect from December 5, 2018. Therefore Registrars and Transfer Agent and Company will not be accepting any request for transfer of shares in physical form with effect from December 5, 2018. This restriction shall not be applicable to the request received for transmission or transposition of physical shares.

   Shareholders are accordingly, get in touch with any Depository Participant having registration with SEBI to open a Demat account and You may also visit web site of depositories viz., NSDL or CDSL for further understanding about the demat procedure:

   NSDL website: https://nsdl.co.in/faqs/faq.php (dematerialization)
   CDSL website: https://www.cdslindia.com/investors/open-demat.aspx

   Shareholders, holding shares in physical form are requested to arrange the dematerialization of the said shares at earliest to avoid any inconvenience in future for transferring those shares.

8) The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively), has undertaken a "Green Initiative in Corporate Governance" and allowed companies to share documents with its members in the electronic mode. A recent amendment to the Listing Agreement with the Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their e-mail address for the said purpose. Members are requested to support this green initiative by registering/ updating their e-mail addresses for receiving electronic communications.

9) THE PROCEDURE AND INSTRUCTIONS FOR E-VOTING ARE AS FOLLOWS:

I. Remote e-voting: In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).

(A) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participants (s)]:

i. Launch internet browser by typing the URL: https://evoting.karvy.com.

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy 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 mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (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 your password in case you forget it. It is strongly recommended that you do not share your password with any other person 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 “EVENT” i.e., ‘Name of the Company”

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ 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 have voted on the resolution (s), 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 authorised representative(s), to the Scrutinizer at email vbmraoassociates@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format “ Corporate Name_Event No.”

(B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:

i. \E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the Attendance Slip.
ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

II. Voting at AGM: The Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. The facility for voting through electronic voting system ('Insta Poll') shall be made available at the Meeting. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however those Members are not entitled to cast their vote again in the Meeting.

A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

a) In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.karvy.com (Karvy Website) or contact Mr. Shastry M. V. N., (Unit: Name of the Company) of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at evoting@karvy.com or phone no. 040 – 6716 1500 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.

b) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

c) The remote e-voting period commences on 25th September 2018 (10.00 A.M. IST) and ends on 28th September 2018 (5.00 P.M .IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September 2018, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

d) The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. 22nd September 2018.

e) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., 22nd September 2018, he/she may obtain the User ID and Password in the manner as mentioned below :

i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may sendSMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL:
MYEPWD <SPACE> IN12345612345678
Example for CDSL:
MYEPWD <SPACE> 1402345612345678
Example for Physical:
MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.karvy.com, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Member may call Karvy's toll free number 1800-3454-001.

iv. Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.

10) The results shall be declared on or after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

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

Item No. 3: Alteration and Amendment of Objects Clauses of Memorandum of Association

In view of better opportunities available to the Company in other areas of business i.e. Infrastructure, Housing, Construction and Development and also dealing in electronic and electric equipments as detailed in resolution the Board of Directors at their meeting held on 14th August 2018 approved to amend Main Object Clause of Memorandum of Association with inclusion of New Clause. The proposed change of object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013. Also Board proposes to amend Clause 35 of Incidental and Ancillary Objects due to the Change in Section of New Company Law i.e. Companies Act, 2013 and also Board proposes to delete all Other Objects clauses of Memorandum in compliance with provisions of Companies Act, 2013.

None of the Directors, Key Managerial Persons (KMPs) of the Company or any relatives of such Director or KMPs, shall be considered to be concerned or interested in the proposed Special Resolutions. Your directors recommend passing of these Special Resolutions in the interest of the Company.

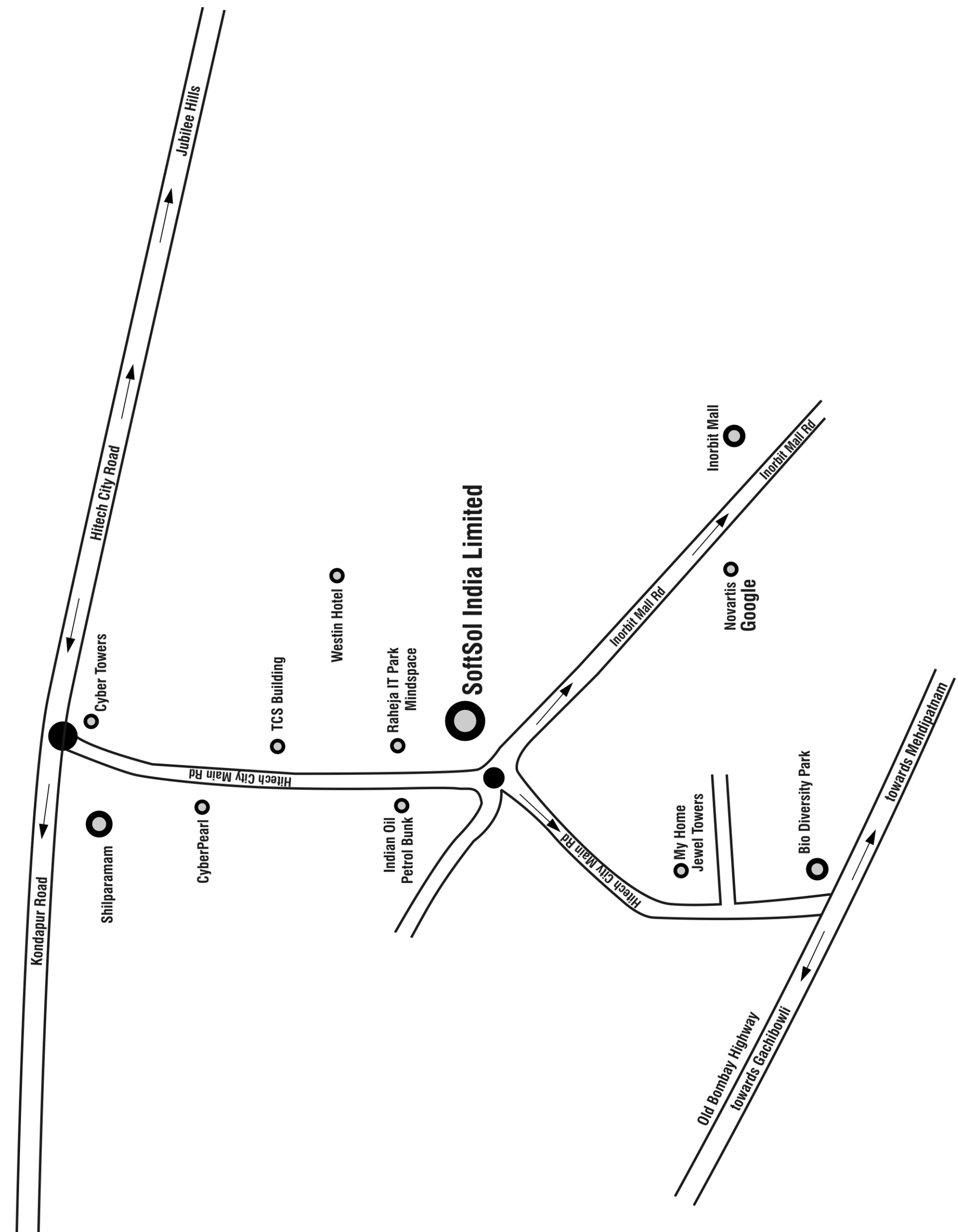
On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Place: Hyderabad
Date: 14-08-2018

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 28th Directors' Report on the business and operations of your Company, for the year ended March 31, 2018.

Financial Highlights

(Amount in Rs. Lakhs)

	Stand Alone		Consolidated	
	31-03-2018	**31-03-2017**	**31-03-2018**	**31-03-2017**
Revenue from Operations	415.93	250.29	3595.79	3,810.93
Other Income	1519.58	1,126.36	1530.88	1,202.96
Total Revenue	1935.51	1,376.65	5124.67	5,013.89
Profit before Interest, Depreciation & Tax (Before Exceptional Items)	1051.70	642.82	1111.01	764.65
Depreciation	258.33	286.02	261.77	289.13
Finance Costs	16.26	1.03	16.26	4.37
Profit before Tax (Before Exceptional Items)	777.11	355.77	832.98	471.15
Exceptional Items		-		-
Current Tax	229.43	72.55	251.23	117.70
Deferred Tax	0	0	0	-
Profit after Tax	547.68	283.22	572.62	353.45
Dividend (Interim Dividend)		-		-
General Reserve		-		-
EPS (Basic & Diluted) (in Rs.)	3.25	1.68	3.40	2.10

Review of Operations

During the year under review, your Company recorded income of Rs. 415.93 lakhs from export of software in comparison with previous year's income of Rs.250.29 lakhs. Your company achieved net profit of Rs. 547.68 Lakhs for the year in comparison with the previous year's net profit of Rs.283.22 Lakhs.

Review of operations of wholly owned subsidiary

SoftSol Resources Inc., (SRI) a wholly owned subsidiary of your Company, recorded total revenue of US$ 5.02 Million for the year 2018 in comparison with the previous year's revenue of US$ 5.67 Millions. SRI recoded net profit of US$ 38415 for the year 2018 in comparison with the previous year's net profit of US$ 107064.

Outlook and Business:

SoftSol India Limited is an IT services company that focuses on enabling businesses to achieve their strategic objectives.

The tech industry is being reshaped in numerous ways. Disruption is evident in software and services delivery, business models, the vast amount of money being poured into startups of all stripes, the cloud, big data, entrepreneurialism, and constant innovation. Against that backdrop, companies can no longer rely on one-note value strategies. Analysts indicate which immediate path holds the most chance for short-term success, but over time, both improving margins and finding new revenue streams are critical for success.

The Company is taking planned steps to diversify its revenue sources by changing its strategic growth plan to move to a hybrid outsourcing model with a focus on products and platforms in addition to services offerings. This strategy enables the Company to capitalize on the opportunities as the world transitions to digital commerce. This transition is prone to challenges as well opportunities which bring potential volatility with it. Fortunately, the Company with its 20+ years of experience has demonstrated success in navigating volatility and achieving managed transition to strengthen its long-term foundation. The Company is committed to use this opportunity to diversify its business and expand its reach to geographies beyond North America.

The Company's approach to focus on strategic accounts, continue to differentiate its service offerings within its focus area, attracting & retaining top talent, focus towards enhancing operational efficiency and scale-up towards building a delivery capability & excellence has established the Company as a preferred partner for its clients within its focused verticals. The client's response towards its solution offering was encouraging. The Company shall continue to propel further in its area of strength through alliances, developing customer center of excellence and by readying its clients to be prepared for digital age. The Company believes that its efforts in becoming a reliable partner to its clients will make it a leader in digital solution provider in the years to come.

The Company will enhance its cutting-edge proposition to address new customers, strengthening its emphasis on marketing to small and medium-sized firms.

Management Discussions and Analysis Report

Pursuant to Regulation 34(2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis Report is annexed to this Report.

Dividend

In view of the financial performance of your Company during the year 2017-18, your Directors have not recommended any dividend for this financial year.

Amounts transferred to Reserves:

During the year under review the Board carried Rs. NIL/- to the Reserves.

Share Capital

The paid up Equity Share Capital as on March 31, 2018 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, 2018 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 held shares of the Company.

Extract of the Annual Return

The details forming part of the extract of the Annual Return in form MGT 9 is annexed to this report.

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 having the following directors as non-executive Independent Director's, namely Dr T. Hanuman Chowdhary, Mr. B. S. Srinivasan and Mrs. Thota Neelima (Woman as well as Independent Director).

The Members at the 24th Annual General Meeting held on September 30, 2014 appointed the existing Independent Directors as said above under the Companies Act, 2013 each for a term of five years.

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.

During the year under review Sri. P. Venkatramaiah (DIN: 00030102) Director (Independent Director) was resigned from the Board of the Company due to his health issues with growing age (87 years) which restricts him to attend the Board Meetings as well to spend time for the Company and also his recent shifting of Residence to Vijayawada in the State of Andhra Pradesh from Hyderabad, Telangana. Board considered and approved the resignation by Circular Resolution passed on 10th July 2018 and his resignation was accepted effective 10th July 2018.

Board further noted that even with the resignation of Sri. P. Venkatramaiah, Independent Director the Board is well constituted with required number of Independent Directors at present even after his resignation (3 Independent Directors and 2 Non-Independent Directors) in compliance with the provisions of Companies Act, 2013 as well as Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

On considering the resignation of Sri. P. Venkatramaiah, Independent Director the Board appoints another existing Independent Director Smt. Neelima Thota (DIN: 06938559) as the member of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee with effect from 10th July 2018 in the place of resigned Director.

Key Managerial Personnel

There is no change in the key managerial personnel during the year. Mr. Bhaskara Rao Madala is the Whole time Director, Mr. Srinivas Mandava is the CFO of the Company and Mr. B. Laxman (ACS 20625) is the Company Secretary.

Number of meetings of the Board

During the year Seven Board Meetings and Five Audit Committee Meetings were convened and held. The details of these are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Board Committees:

Details regarding the composition, terms and references, number of meetings and attendance of respective members of the various committees of board are provided separately in the Corporate Governance Report.

Company's policy on Directors' appointment and remuneration

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.

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 his secretarial audit report.

Particulars of Loans, Guarantees or Investment

There are no loans given, guarantees issued or investments made to which provisions of Section 186 are applicable to the Company.

Corporate Governance:

The Company has taken the requisite steps to comply with the recommendations concerning Corporate Governance. A separate statement on Corporate Governance together with a certificate regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

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. Srinivas Mandava, CFO.

Listing at Stock Exchange:

The Equity Shares of the Company continue to be listed on Bombay Stock Exchange Limited and the annual listing fees for the year 2018-19 have been paid to the Exchange.

Auditors:

The Company has received a Resignation Letter dated 08/08/2018 from the Statutory Auditors J V S L & ASSOCIATES, Chartered Accountants (FRN: 015002S) stating their inability to continue as Auditors of the Company effective from conclusion of forthcoming Annual General Meeting of the Company (to be held on or before 30/09/2018) due to sudden shortage of Manpower in their Audit Firm due to leaving of some of senior consultants/resource personnel working with them since long and they could not find suitable replacements.

In accordance with the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under due to resignation of existing Auditors J V S L & ASSOCIATES, Chartered Accountants (FRN: 015002S) stating their inability to continue as Auditors of the Company effective from conclusion of forthcoming Annual General Meeting of the Company (to be held on or before 30/09/2018) due to sudden shortage of Manpower in their Audit Firm due to leaving of some of senior consultants/resource personnel working with them, Board of Directors are hereby proposed to the Shareholders approval for appointment of M/s. PAVULURI & CO., Chartered Accountants, Hyderabad (FRN: 012194S) as the Statutory Auditors of the Company in the place of outgoing Statutory Auditors M/s. JVSL & Associates, Chartered Accountants, Hyderabad (FRN: 015002S) to hold office for a term of 5 years from the conclusion of 28th Annual General Meeting until the conclusion of 33rd Annual General Meeting.

The Company has obtained necessary certificate under Section 141 of the Companies Act, 2013 from the Auditors conveying their eligibility for the above appointment. The Audit Committee and Board reviewed their eligibility criteria, as laid down in Section 141 of the Companies Act, 2013 and recommended their appointment as auditors for the aforesaid period.

Secretarial Auditors

During the year under review the Board of Directors had appointed M/s VBM Rao & Associates, Company Secretaries, Hyderabad for conducting secretarial audit in accordance with the provisions of Companies Act, 2013 and the rules framed there under. The Secretarial Audit Report is annexed and forms part of this report.

Fixed 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, 2018, 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.

Conservation of energy, technology absorption, foreign exchange earnings and outgo:

A. Conservation of energy:

a) 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.
b) The steps taken by the Company for utilising alternate sources of energy: NIL
c) The capital investment on energy conservation equipments: NIL

B. Technology absorption:

a) 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.
b) The 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.

(ii) The expenditure incurred on Research and Development: Nil.

C. Foreign Exchange earnings and outgo: Total foreign exchange earnings during the year were Rs. 84.83 Lakhs (Previous year Rs. 163.17 Lakhs) and foreign exchange outgo was: NIL. (previous year: NIL).

Corporate Social Responsibility (CSR)

Pursuant to Section 135 Companies Act, 2013 read with Rules issued the provisions of Corporate Social Responsibility is not applicable to the Company for the financial year 2017-18. Hence constitution of CSR Committee, allocation of CSR Budget and also spending of CSR Expenditure for the financial year 2017-18 is not applicable for the Company.

Particulars of Employees:

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required as none of the employee's falls under the category.

Employees Relations

The employees' relation at all levels and at all units continued to be cordial during the year.

Board evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The Directors were satisfied with the evaluation results, which reflected the overall engagement 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 Whole time Director has one to one discussion with all Directors to familiarize them with the Company's operations. Further the Company has put in place a system to familiarize the Independent Directors about the Company, its business and on-going events relating to the Company. The details of such familiarization programmes for Independent Directors are posted on the website of the Company viz. www.softsol.com.

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.

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 accounts for the year ended March 31, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2018 and of the profit and loss of the company for that period;

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

d) the directors had prepared the annual accounts on a going concern basis;

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

"Internal Financial Controls" means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including the adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information;

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

Vigil Mechanism / Whistle Blower Policy

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

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 and commitments affecting the Financial Position

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statement relate and the date of the report.

Details of Significant and Material Orders passed by the Regulators

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

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.

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 2018 were as under:
Number of complaints received: Nil
Number of complaints disposed off: Nil

Other Disclosures:

The Directors confirm that during the financial year under review-

- there were no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations;

- there was no issue of equity shares with differential rights as to dividend, voting or otherwise; there was no issue of shares (including sweat equity shares) to the employees of the Company under any scheme.

Acknowledgements:

Your Directors take this opportunity to thank all investors, business partners, clients, banks, regulatory and governmental authorities, stock exchanges and employees for their continued support.

On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Dr. T. Hanuman Chowdary
Director

Place: Hyderabad
Date: 14-08-2018

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

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, 2018. 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

Composition of the Board:

The Company has an optimum combination of Executive and Non-Executive 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."

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	1	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
Mr. P. Venkatramaiah	00030102	Independent Non-Executive Director	Director	6	3	Yes
Mrs. Neelima Thota	06938559	Independent Non-Executive Director	Director	6	5	Yes

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	Nil	Nil
Dr. T. Hanuman Chowdary	Nil	2	2	4
Mr. B. S. Srinivasan	Nil	2	Nil	3
Mr. P. Venkatramaiah	Nil	Nil	Nil	Nil
Mrs. Neelima Thota	Nil	Nil	Nil	Nil

Relationship between Directors:

Out of 6 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.

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 Seven times on 30-05-2017, 14-08-2017, 14-08-2017 (Independent Directors), 14-09-2017, 14-11-2017, 14-12-2017 and 14-02-2018.

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.

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 2017. 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:

SoftSol India Limited 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.softsol.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, 2018. 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: 14-08-2018

3. Audit Committee

The Company has an independent Audit Committee. 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, Mr. P. Venkatramaiah 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 2017-18 Audit Committee of the Board of Directors met Five times on 30-05-2017, 14-08-2017, 14-09-2017, 14-12-2017 and 14-02-2018. Except Mr. P. Venkatramaiah, who has attended 4 out of 5 Committee meetings, all other members of the Committee attended all the meetings.

The Chairman of the Audit Committee was present at the 27th 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 comprises of three non-executive independent directors Dr. T.Hanuman Chowdary, Mr. B.S.Srinivasan and Mr. P. Venkatramaiah. Dr. T. Hanuman Chowdary is the Chairman of the Committee. The Committee met once on 14th August 2017 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.

Remuneration Policy:

Payment of remuneration to the Whole time Director is as per the terms of his appointment. The terms of his appointment were approved by the Nomination & Remuneration Committee, the Board and the shareholders in the year 2017. The remuneration structure comprises salary, perquisites and contributions to Provident Fund, Superannuation and Gratuity.

The Nomination and Remuneration Policy as approved by the Board of Directors is annexed to the Directors' Report.

A sitting fee of Rs. 10,000 (Rupees Ten thousand only) is being paid to non-executive directors for attending each board meeting.

The details of remuneration and sitting fees paid or provided to each of the Directors during the year 2017-18 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	1522800	0	0	1522800
Dr. T. Hanuman Chowdary	Director	0	0	60000	60000
Mr. B. S. Srinivasan	Director	0	0	60000	60000
Mr. P. Venkatramaiah	Director	0	0	30000	30000
Mrs. Neelima Thota	Director	0	0	50000	50000

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.

Shareholding of the Directors in the Company as on 31 March 2018:

Mr. Srinivasa Rao Madala holds 1366099 Equity Shares and Mr. Bhaskar Rao Madala, Whole time Director, holds 2,49,966 equity shares 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. Mr. Bhaskar Rao Madala, Mr. B. S. Srinivasan, Mr. P. Venkatramaiah and Dr. T. Hanuman Chowdary (Chairman).

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, 2017	NIL
Number of complaints received during year ended 31st March, 2018	NIL
Number of complaints attended to/resolved during the year	NIL
Complaints pending as on 31st March, 2018	NIL

The share transfers are processed on behalf of the Company by the Registrar and Transfer Agents viz. Karvy Computershare Private Limited and are placed for approval by the Commitee which are noted and ratified in subsequent board meeting.

Number of share transfers pending for approval as on 31st March, 2018	NIL

Compliance Officer: Mr. Baddam Laxman, Company Secretary
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. General Body Meetings

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

Year/Period	Day, Date and Time	Location
2014-2015	Wednesday, 30th September 2015 at 10.00 a.m.,	At the Registered office of the Company at Plot No.4, Software Units Layout, Madhapur, Hyderabad – 500 081.
2015-2016	Friday, 30th September 2016 at 10.00 a.m.,	At the Registered office of the Company at Plot No.4, Software Units Layout, Madhapur, Hyderabad – 500 081.
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.

a) Whether any special resolutions passed in the previous AGMs: NO.
b) Whether any special resolution passed last year through postal ballot: NO.
c) Whether any special resolution is proposed to be conducted through postal ballot: NO.
d) Procedure for postal ballot: N.A.

7. 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 Stock Exchange where the shares of the Company are listed. The same are published within 48 hours in The Financial Express (English) and Andhra Prabha (Telugu) and are also uploaded on the Company's website www.softsol.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 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.

8. 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

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)

Saturday, the 29th day of September 2018 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 2018-19 are:

Unaudited Results for the First Quarter ended June 30, 2018	On or before 14th August 2018
Unaudited Results for the Second Quarter ended September 30, 2018	On or before 14th November 2018
Unaudited Results for the Third Quarter ended December 31, 2018	On or before 14th February 2019
Audited Results for the Financial year 2018-19	On or before end 30th May 2019

e) Book Closure

From September 27, 2018 to September 29, 2018 (both days inclusive)

f) 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 2018-19 to the Stock Exchange.

g) Stock Code/Symbol

The Bombay Stock Exchange Limited - 532344

h) Share Transfer Agent

M/s. Karvy Computershare Private Limited, Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 008, Telangana

Contact Persons: Mr. MVN Shastry, Mr. Ramesh Desai

Phone: 040 - 67161519, Emails: shastry.mvn@karvy.com, ramesh.desai@karvy.com.

i) 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, 2018, 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.

j) Dematerialization of shares and liquidity

Mode of Holding	Number of Shares	Percentage of holding
NSDL	16619902	98.80
CDSL	136631	0.81
Physical	65980	0.39
Total	16822513	100.00

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

International Securities Identification Number: INE002B01016.

k) Category wise Shareholding as at March 31, 2018

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
FIIs	0	Nil	Nil
Private Corporate Bodies	26	13712	0.08
Indian Public	1697	600497	3.57
Non-Resident Indians	5	154594	0.92
Foreign Trusts	2	3869962	23.00
Others	2	420	0.01
Total	**1738**	**16822513**	**100**

l) 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-Resident Indians		
Radha Krishna Ghanta (Trustee of AAM Trust)	1946762	11.57
Radha Krishna Ghanta (Trustee of SSM Trust)	1923200	11.43

m) Market Price Data:

The monthly high and low quotations of shares traded on The Bombay Stock Exchange Limited during each month in last financial year are as follows:

Month	BSE– High	BSE– Low	Volume (number of Shares)	Month	BSE– High	BSE– Low	Volume (number of shares)
April 2017	42.05	32.80	6,647	October 2017	39.10	32.00	4,559
May 2017	49.60	40.40	2,810	November 2017	53.30	29.10	5,499
June 2017	43.90	37.95	3,827	December 2017	53.50	45.00	4,934
July 2017	45.50	38.85	4,702	January 2018	48.30	39.85	3,818
August 2017	40.00	32.00	1,660	February 2018	43.85	36.70	3,883
September 207	35.50	31.25	5,468	March 2018	35.25	31.70	3,921

n) Distribution of Shareholding as at March 31, 2018.

Number of Equity Shares held	Shareholders (Numbers)	Shareholders (Percentage)	Shares (Numbers)	Shares (Percentage)
1 – 5000	1512	87.35	2507240.00	1.49
5001 – 10000	140	7.83	1178780.00	0.70
10001 – 20000	43	2.41	642180.00	0.38
20001 – 30000	14	0.78	355440.00	0.21
30001 – 40000	4	0.22	144110.00	0.09
40001 – 50000	5	0.28	227020.00	0.13
50001 – 100000	4	0.22	232380.00	0.14
100001 & above	16	0.90	162937980.00	96.86
Total	1738	100.00	16822513.00	100.00

Compliance Officer: Mr. Baddam Laxman, Company Secretary
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.softsol.com

o) 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.

9. Disclosures:

a) Details of Related Party Transactions:

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 31.03.2018 are:

Details	Party Name	31-03-2018 (in Rs.)	31-03-2017 (in Rs.)
	SoftSol Resources Inc.	8482823	1,63,17,368
Investment	SoftSol Resources Inc.	NIL	NIL

No Loans and Advances to Subsidiary Company have been made in the financial year 2017-18. 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) During the year under review, the Vigil Mechanism and Whistle Blower Policy was adopted by the board of directors to provide a framework to promote responsible and secure reporting of undesirable activities. During the year there was no reporting of any undesirable activity by any person.

e) The Company has complied with all the mandatory requirements as prescribed in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The following discretionary requirements have been adopted by the Company:

1) Auditor's Report does not contain any qualifications.
2) The Company has appointed separate persons to the posts of Chairman and Whole time Director.
3) The Internal Auditors report directly to the Audit Committee.

f) Management Discussion and Analysis is annexed to the Directors' Report to shareholders and forms part of Annual Report.

g) 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.

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.

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.

10. 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: 14-08-2018

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

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.

On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Place: Hyderabad
Date: 14-08-2018

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. Srinivas Mandava, 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, 2018 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	Srinivas Mandava
Whole-time Director	Chief Financial Officer

Place: Hyderabad
Date: 14-08-2018

Management's Discussion and Analysis

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.

A. Industry structure and developments

Software and computing technology is transforming businesses in every industry around the world in a profound and fundamental way. 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.

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.

India IT Industry

Introduction

The global sourcing market in India continues to grow at a higher pace compared to the IT-BPM industry. India is the leading sourcing destination across the world, accounting for approximately 55 per cent market share of the US$ 185-190 billion global services sourcing business in 2017-18. Indian IT & ITeS companies have set up over 1,000 global delivery centres in about 80 countries across the world.

More importantly, the industry has led the economic transformation of the country and altered the perception of India in the global economy. India's cost competitiveness in providing IT services, cost savings of 60–70 per cent over source countries, continues to be the mainstay of its Unique Selling Proposition (USP) in the global sourcing market. However, India is also gaining prominence in terms of intellectual capital with several global IT firms setting up their innovation centres in India.

India has become the digital capabilities hub of the world with around 75 per cent of global digital talent present in the country.

Market Size

The internet industry in India is likely to double to reach US$ 250 billion by 2020, growing to 7.5 per cent of gross domestic product (GDP). The number of internet users in India is expected to reach 730 million by 2020, supported by fast adoption of digital technology, according to a report by National Association of Software and Services Companies (NASSCOM).

Indian IT exports increased to US$ 126 billion in FY18 while domestic revenues (including hardware) advanced to US$ 41 billion.

Indian IT and BPM industry is expected to grow to US$ 350 billion by 2025 and BPM is expected to account for US$ 50-55 billion out of the total revenue.

Total spending on IT by banking and security firms in India is expected to grow 8.6 per cent year-on-year to US$ 7.8 billion by 2018 !!.

India's Personal Computer (PC) shipment advanced 11.4 per cent year-on-year to 9.56 million units in 2017 on the back of rise in the quantum of large projects.

Revenue from digital segment is expected to comprise 38 per cent of the forecasted US$ 350 billion industry revenue by 2025.

Investments/ Developments

Indian IT's core competencies and strengths have attracted significant investments from major countries. The computer software and hardware sector in India attracted cumulative Foreign Direct Investment (FDI) inflows US$ 29.825 billion from April 2000 to December 2017, according to data released by the Department of Industrial Policy and Promotion (DIPP).

Leading Indian IT firms like Infosys, Wipro, TCS and Tech Mahindra, are diversifying their offerings and showcasing leading ideas in blockchain, artificial intelligence to clients using innovation hubs, research and development centres, in order to create differentiated offerings.

Some of the major developments in the Indian IT and ITeS sector are as follows:

Nasscom has launched an online platform which is aimed at up-skilling over 2 million technology professionals and skilling another 2 million potential employees and students.

Revenue growth in the BFSI vertical reached nearly 9 per cent y-o-y in the fourth quarter of 2017-18.

As of March 2018, there were over 1,140 GICs operating out of India.

Private Equity (PE)/Venture Capital (VC) investments in India's IT & ITeS sector reached US$ 7.6 billion during April-December 2017.

Government Initiatives

Some of the major initiatives taken by the government to promote IT and ITeS sector in India are as follows:

As a part of Union Budget 2018-19, NITI Aayog is going to set up a national level programme that will enable efforts in AI* and will help in leveraging AI* technology for development works in the country.
The Government of India is going to explore new opportunities in various sectors such as providing BPO service from home, digital healthcare and agriculture to achieve the target of making India a US$ 1 trillion digital economy.

Road Ahead

India is the topmost offshoring destination for IT companies across the world. Having proven its capabilities in delivering both on-shore and off-shore services to global clients, emerging technologies now offer an entire new gamut of opportunities for top IT firms in India. Export revenue of the industry is expected to grow 7-9 per cent year-on-year to US$ 135-137 billion in FY19.

B. Opportunities and threats of Global IT services and Products

These are challenging times for the Indian IT Industry given the current global financial crisis. 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. In particular, 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.

C. Outlook

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

With the economic uncertainties, we are exploring the domestic market as well as 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.

D. Risks and Concerns:

It is difficult to pen-down 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.

E. 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.

F. Financial Performance of the company

Your company had recorded consolidated revenues of Rs.51.25 crores and achieved net profit of Rs.5.73 crores in the current year. We expect to achieve significant growth in revenue and net income in the coming year.

G. Human Resources

Human resource development is paramount in every organization. The management continues to lay emphasis on identifying and developing talent on organization with a view to retain them and impart further training to those capable of handling additional responsibilities. This works to increase employee satisfaction within the organization, by providing employees with fresh challenges. Developing people and harnessing their ideas are of high priority for the Company.

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 organisational goals.

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

Cautionary Statement:

Statements in this management discussion and analysis describing the Company’s objectives, projections, estimates and expectations may constitute “forward looking statements” within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE AS STIPULATED UNDER SEBI (LODR) REGULATIONS, 2015

The members of
SoftSol India Limited

1. We have examined the compliance of conditions of Corporate Governance by SoftSol India Limited (the Company) the year ended March 31, 2018 as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as per the Listing Agreement entered into by the Company with the Bombay Stock Exchange Limited.

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

3. In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned listing agreement.

4. 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 affairs of the Company.

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

Place: Hyderabad
Date: 14-08-2018

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	31-03-2018
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	
7	Total assets	USD 32,15,805
8	Total Liabilities	USD 32,15,805
9	Investments	0
10	Turnover	USD 50,24,162
11	Profit before taxation	USD 86,675
12	Provision for taxation	USD 47,620
13	Profit after taxation	USD 38,415
14	Proposed Dividend	0
15	% of shareholding	100%

1. Names of subsidiaries which are yet to commence operation: NIL
2. 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: 14-08-2018

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 contract / arrangements entered into by the Company with the Related Parties referred to in sub-Section 188 (1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

   There were no contracts or arrangements or transactions entered into by the Company with Related Parties during the year ended 31st March, 2018, which were not at arm's length basis.

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

   All transactions with Related Parties are at arm's length. There were no material contracts or arrangement or transactions at arm's length basis for the year ended 31st March, 2018.

On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Dr. T. Hanuman Chowdary
Director

Place: Hyderabad
Date: 14-08-2018

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 31-03-2018

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 my verification of the SoftSol India Limited 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 my opinion, the company has, during the audit period covering the financial year ended on 31-03-2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31-03-2018 according to the provisions of:

1) The Companies Act, 2013 (the Act) and the rules made there under;
2) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under
5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (not applicable during the audit period);
   d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable during the audit period);
   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable during the audit period);
   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable during the audit period); and
   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable during the audit period);
   i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

6) Other laws as applicable specifically to the company: Industrial Laws, Product Laws and Other General and Commercial Laws including Labour Laws and Tax Laws.

I have also examined compliance with the applicable clauses of the following:

a) Secretarial Standards issued by The Institute of Company Secretaries of India.
b) The Listing Agreements entered into by the Company with BSE Limited (SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions of the board were unanimous and the same was captured and recorded as part of the minutes.

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

I further report that during the audit period, there were no instances of:

a) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
b) Redemption / buy-back of securities
c) Merger / amalgamation / reconstruction, etc.
d) Foreign technical collaborations

For VBM Rao & Associates
Company Secretaries

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

Place: Hyderabad
Date: 19-04-2018

EXTRACT OF ANNUAL RETURN FORM NO. MGT-9

As on the financial year ended on 31/03/2018

[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 Email: cs@softsol.com, Website: 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	M/s. Karvy Computershare Private Limited, Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500008, Telangana Contact Persons: Mr. MVN Shastry, Mr. Ramesh Desai Phone: 040 - 67161519, Emails: shastry.mvn@karvy.com, ramesh.desai@karvy.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 held	Applicable Section
1.	SOFTSOL RESOURCES INC 46755, Frement 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:

	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
Category of Shareholders	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

	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
Category of Shareholders	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	11163	0	11163	0.07	14132	0	14132	0.08	+0.01
ii. Overseas									
(b) individuals									
i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	488276	69026	557302	3.31	488854	65926	554780	3.31	
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	46118	0	46118	0.28	45717	0	45717	0.27	-0.01
(C) Others (Specify)									
NRI's	4024548	54	4024602	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	
Sub-Total (B)(2)	4570105	69080	4639185	27.58	4573205	65980	4639185	27.58	
Total Public Shareholding = (B) (1) + (B) (2)	4570105	69080	4639185	27.58	4573205	65980	4639185	27.58	
C. Shares held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	16753433	69080	16822513	100	16753433	69080	16822513	100	0

(ii) Shareholding of Promoters:

		Shareholding at the beginning of the year			Shareholding at the end of the year			
S. No	Shareholders Name	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):

		Share holding at the beginning of the year		**Increase/decrease in shareholding**			**Cumulative Shareholding during the year**	
S.No	**For Each of the Top 10 Shareholders**	**No. of shares**	**% of total shares of the company**	**Date**	**No. of Shares**	**Reason**	**No. of shares**	**% of total shares of the company**
1	The AAM Trust	1923200	11.43	0	00	0	1923200	11.43
2	The SSM Trust	1946762	11.57	0	0	0	1946762	11.57
3	B. Prameela	95369	0.57	0	0	0	95369	0.57
4	N. C. Murthy	58121	0.35	0	0	0	58121	0.35
5	Ramesh P Mehta	25000	0.15	0	0	0	25000	0.15
6	Dasari. V. Rao	20717	0.12	0	0	0	20717	0.12
7	Dr K Vasundhara	20000	0.12	0	0	0	20000	0.12
8	Vatsala Gandhi	10770	0.06	0	0	0	10770	0.06
9	V. Satyanarayana	10531	0.06	0	0	0	10531	0.06
10	S. Arun kumar	6752	0.04	0	0	0	6752	0.04

(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:

S. No	Particulars of Remuneration	Name of MD/WTD/Manager				
		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	15,22,800				15,22,800
(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)		15,22,800		-	-	-
Ceiling as per the Act		60,00,000		-	-	-

B. Remuneration to other Directors:

S. No	Particulars of Remuneration	Name of Directors				
		Dr. T. H. Chowdhary	Mr. B. S. Srinivasan	Mr. P. Venkatramaiah	Mrs. Neelima Thota	Total Amount
	3. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	60,000	60,000	30,000	50,000	2,00,000
Total (1)		60,000	60,000	30,000	50,000	2,00,000
4. Other Non-Executive Directors	• Fee for attending board / committee meetings • Commission • Others, please specify	0	0	0	0	0
Total (2)						
Total (B) = (1)+(2)						
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			
		CEO	CS	CFO	Total
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	615000	1890000	2505000
(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)		-	615000	1890000	2505000

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: 14-08-2018

Independent Auditor's Report

TO THE MEMBERS OF
SOFTSOL INDIA LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of SOFTSOL INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules,2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and 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 the 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 standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section-143 of the Act, we give in the Annexure – A, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i). The Company has no pending litigations which would impact its financial position of the Company.

   ii). The Company has no long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii). There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For J V S L & ASSOCIATES
Chartered Accountants
(Firm Regn No.015002S)

Place: Hyderabad
Date: 30-05-2018

J VENKATESWARLU
Partner
ICAI Ms. No. 022481

Annexure – A to Independent Auditors' Report dated 30.05.2018 issued to the Members of SOFTSOL INDIA LIMITED

Statement on the matters specified in Paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016

(i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) The company's fixed assets have been physically verified by the management at reasonable intervals as per a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.

(ii) 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.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained U/s.189 of the Companies Act, 2013. Hence, our comments on sub-clauses (a),(b) and (c) of clause (iii) of paragraph 3 of the order are Nil.

(iv) 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 the Companies Act, 2013.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits and hence compliance with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder is not applicable. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against this company in any matter relating to the deposits

(vi) 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.

(vii) (a) The company is regular in depositing undisputed statutory dues including Provident Fund, employees' state insurance, income tax, Sales-Tax, Service Tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Value added tax, Cess and other material statutory dues as applicable to it to the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts in respect of the above statutory dues are in arrears as at 31/03/2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material dues of Income Tax, Sales tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Value added tax 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	2007-08 to 2011-12	6,18,962/-	CESTAT, Bangalore	2,23,544/-

(viii) 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.

(ix) During the year under review, the company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). The Company has not availed any Term loans.

(x) During the year under review, no fraud by the company or on the Company by its officers or employees has been noticed or reported.

(xi) As per the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.

(xii) The Company is not a Nidhi Company and hence our comments on clause (xii) of para 3 of the order are nil.

(xiii) As per the information and explanations given to us and based on our audit, in our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) During the year under review, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Hence, compliance with the provisions of Section 42 of the Companies Act, 2013 is not applicable.

(xv) As per the information and explanations given to us and based on our audit, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence, compliance with provisions of Section 192 of Companies Act, 2013 is not applicable.

(xvi) As per the information and explanations given to us and based on our audit, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For J V S L & ASSOCIATES
Chartered Accountants
(Firm Regn No. 15002S)

Place: Hyderabad
Date: 30-05-2018

J. VENKATESWARLU
Partner
ICAI Ms. No. 022481

Annexure - B to Independent Auditors' Report dated 30.05.2018 issued to the Members of SOFTSOL INDIA LIMITED

Report on the Internal Financial Controls over Financial Reporting in terms of 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 SOFTSOL INDIA LIMITED("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

1. Management's Responsibility for Internal Financial Controls

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

2. Auditors' Responsibility

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

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

3. 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

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

4. Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

5. Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of Internal Financial 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 J V S L & ASSOCIATES
Chartered Accountants
(Firm Regn No. 15002S)

Place: Hyderabad
Date: 30-05-2018

J. VENKATESWARLU
Partner
ICAI Ms. No. 022481

BALANCE SHEET AS AT 31 MARCH 2018

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

Particulars	Note	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
ASSETS				
Non-current assets				
(a) Property, plant and equipment	6	1,494.22	1,598.68	1,621.74
(b) Investment property	7	1,322.38	1,398.52	1,468.05
(c) Other intangible assets	8	-	0.03	0.11
(d) Financial assets				
(i) Investments	9 (i)	1,760.93	1,760.93	1,760.93
(ii) Other financial assets	10 (i)	95.78	90.18	71.65
(e) Non-current tax assets (net)		47.01	155.67	218.46
(f) Other non-current assets	11 (i)	1.38	1.54	16.17
Total non-current assets		**4,721.70**	**5,005.55**	**5,157.11**
Current assets				
(a) Financial Assets				
(i) Investments	9 (ii)	7,675.93	6,871.01	5,873.04
(ii) Trade receivables	12	197.00	171.60	240.09
(iii) Cash and cash equivalents	13(i)	167.42	109.84	144.93
(iv) Bank balances other than (iii) above	13(ii)	13.21	0.66	9.95
(v) Other financial assets	10 (ii)	180.33	166.81	140.83
(b) Other current assets	11 (ii)	12.40	24.37	18.78
Total current assets		**8,246.29**	**7,344.29**	**6,427.62**
Total assets		**12,967.99**	**12,349.84**	**11,584.73**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	14	1,723.65	1,723.65	1,723.65
(b) Other equity	15	10,773.11	10,165.81	9,389.20
Total equity		**12,496.76**	**11,889.46**	**11,112.85**
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Other financial liabilities	16 (i)	327.49	315.63	319.91
(b) Provisions	17 (i)	38.23	26.48	22.67
(c) Other non-current liabilities	18	3.17	19.54	41.80
Total non-current liabilities		**368.89**	**361.65**	**384.38**
Current liabilities				
(a) Financial liabilities				
(i) Trade payables	19	17.29	28.83	25.28
(ii) Other financial liabilities	16 (ii)	74.43	53.78	54.25
(b) Provisions	17 (ii)	10.62	16.12	7.97
Total current liabilities		**102.34**	**98.73**	**87.50**
Total equity and liabilities		**12,967.99**	**12,349.84**	**11,584.73**

Significant accounting policies are in the notes 1 to 5
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 **J V S L & Associates**
Chartered Accountants
(Firm Regn.No:15002S)

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

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholetime Director

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

Place: Hyderabad
Date: 30.05.2018

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2018

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

Particulars	Note No	Year ended 31-03-2018	Year ended 31-03-2017
Income			
Revenue from operations	20	415.93	250.29
Other income	21	1,519.58	1,602.52
Total income		**1,935.51**	**1,852.81**
Expenses			
Employee benefits expense	22	577.81	421.48
Finance costs	23	16.26	19.44
Depreciation and amortisation expense	6, 7 & 8	258.33	286.02
Other expenses	24	306.00	291.89
Total expenses		**1,158.40**	**1,018.83**
Profit before tax		**777.11**	**833.98**
Tax expense	25		
Current tax		229.43	76.09
Profit for the year		**547.68**	**757.89**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement loss on defined benefit plans		(0.86)	(20.46)
Gain on fair value changes on equity instruments		60.48	39.18
Total other comprehensive income for the year		**59.62**	**18.72**
Total comprehensive income for the year		**607.30**	**776.61**
Earnings per equity share [EPES]			
(in absolute ₹ terms)	26		
Par value per share		10	10
Basic EPES		3.25	4.50
Diluted EPES		3.25	4.50

Significant accounting policies are in the notes 1 to 5
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 **J V S L & Associates**
Chartered Accountants
(Firm Regn.No:15002S)

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

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholetime Director

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

Place: Hyderabad
Date: 30.05.2018

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

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

	Year ended 31-03-2018	Year ended 31-03-2017
Cash flow from operating activities		
Profit before tax	**777.11**	**833.98**
Adjustments:		
Depreciation and amortisation expense	258.33	286.02
Interest income on fixed deposit	(5.40)	(5.33)
Interest income on others	(15.85)	(18.60)
Interest on income tax refunds	(5.62)	(13.74)
Profit on sale of fixed assets	-	(1.50)
Gain on redemption of mutual funds	-	(118.77)
Finance cost	16.26	19.44
Excess provision written back	(1.93)	-
Provision/(reversal) for employee benefits	7.11	(8.50)
Rent receivable written off	13.95	-
Unrealised gain on mark to market marking of mutual funds	(457.96)	(457.56)
Operating cash flows before working capital changes	**586.00**	**515.44**
(Increase)/decrease in trade receivables	(25.40)	68.49
Increase/(decrease) in trade payables	(9.61)	3.55
(Increase)/decrease in other current assets	11.97	(5.59)
Increase in other current financial assets	(30.38)	(23.09)
Increase in non-current financial assets	(5.60)	(18.53)
Decrease in other non-current financial liabilities	(4.40)	(22.69)
Increase in other non-current liabilities	4.93	-
Increase/(decrease) in other current financial liabilities	20.65	(0.47)
Cash generated from operating activities	**548.16**	**517.11**
Income-taxes paid/(refund received), net	(115.15)	0.45
Net cash generated from operating activities (A)	**433.01**	**517.56**
Cash flows from investing activities		
Purchase of property, plant and equipment	(82.99)	(182.38)
Investment in mutual funds and venture capital funds	(288.20)	(1,177.31)
Proceeds from sale of mutual funds	-	794.84
Proceeds from sale of property, plant and equipment	-	1.50
Movement in other bank balances	(12.55)	9.29
Interest income received	8.31	2.44
Net cash used in investing activities (B)	**(375.43)**	**(551.62)**
Cash flows from financing activities		
Other borrowing costs paid	-	(1.03)
Net cash used in financing activities (C)	**-**	**(1.03)**
" Net (decrease)/ increase in cash and cash equivalents during the year (A + B + C) "	57.58	(35.09)
Cash and cash equivalents at the beginning of the year	109.84	144.93
Cash and cash equivalents at the end of the year	**167.42**	**109.84**
Cash and cash equivalents includes		
Balance with banks in current accounts	167.39	109.58
Cash on hand	0.03	0.26
	167.42	**109.84**

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

for **J V S L & Associates**
Chartered Accountants
(Firm Regn.No:15002S)

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

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholetime Director

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

Place: Hyderabad
Date: 30.05.2018

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

Statement of Changes in Equity for the year ended 31-03-2018

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

A. Equity Share Capital

	Notes	Number of shares	Amount
As at 1 April 2016		**17,650,535**	**1,723.65**
Changes in equity share capital	14	-	-
As at 31 March 2017		**17,650,535**	**1,723.65**
Changes in equity share capital	14	-	-
As at 31 March 2018		**17,650,535**	**1,723.65**

B. Other Equity (Refer note 15)

	Reserves and Surplus				Other reserves		
	Capital redemption reserve	Securities premium reserve	General reserve	Retained earnings	Remeasurement of defined benefit obligations	Fair value changes in equity instruments through OCI	**Total**
Balance as at 1 April 2016	**180.51**	**6,701.14**	**696.90**	**9,552.85**	**-**	**(7,742.20)**	**9,389.20**
					-		
Profit for the year	-	-	-	757.89	-	-	757.89
Other comprehensive income ("OCI")	-	-	-	-	(20.46)	39.18	18.72
Balance as at 31 March 2017	**180.51**	**6,701.14**	**696.90**	**10,310.74**	**(20.46)**	**(7,703.02)**	**10,165.81**
Profit for the year	-	-	-	547.68	-	-	547.68
Other comprehensive income	-	-	-	-	(0.86)	60.48	59.62
Balance as at 31 March 2018	**180.51**	**6,701.14**	**696.90**	**10,858.42**	**(21.32)**	**(7,642.54)**	**10,773.11**

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

for **J V S L & Associates**
Chartered Accountants
(Firm Regn.No:15002S)

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

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholetime Director

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

Place: Hyderabad
Date: 30.05.2018

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

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 information and technology services.

These financial statements for the year ended 31 March 2018 were authorized and approved for issue by the Board of Directors on 30 May 2018.

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.

For all periods up to and including the year ended 31 March 2017, the Company has prepared its financial statements in accordance with accounting standards notified under the section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). These financial statements for the year ended 31 March 2018 are the first which the Company has prepared in accordance with Ind AS (see note 34 for explanation for transition to Ind AS). For the purpose of comparatives, financial statements for the year ended 31 March 2017 are also prepared under Ind AS.

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. Recent accounting pronouncements

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

a. Ind AS 115 'Revenue from Contracts with Customers' (Ind AS 115)

There is one new standard notified by MCA on 28 March 2018 for revenue recognition which overhauls the existing revenue recognition standards including Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

i. Identification of the contracts with the customer
ii. Identification of the performance obligations in the contract
iii. Determination of the transaction price
iv. Allocation of transaction price to the performance obligations in the contract (as identified in step ii)
v. Recognition of revenue when the Company satisfies a performance obligation.

This new standard is effective from financial period beginning on or after 1 April 2018.Based on management's assessment, the effect on adoption of Ind AS 115 is expected to be insignificant.

b. Appendix B to Ind AS 21, Foreign currency transactions and advance consideration

On 28 March 2018, MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

This new standard is effective from financial period beginning on or after 1 April 2018. Based on management's assessment, the effect on adoption of Appendix B to Ind AS 21 is expected to be insignificant.

4. 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 classifications 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 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 spotexchange 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

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Goods and service tax/Service tax is not received by the Company on its own account. Rather, it is 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.

Rental income

Rental income is recognized on time proportion basis by the Company.

e. 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 or 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 straight-line 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. 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 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 income statement when the asset is derecognised.

f. 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.

g. 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 straight line basis.

h. 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.

i. 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.

j. Investment in the nature of equity in subsidiary company

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

k. 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.

l. 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.

m. 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.

n. 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.

o. 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.

5. 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)

6. 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 2016	139.18	50.92	1,006.16	307.72	110.11	4.49	3.16	1,621.74
Additions	-	-	34.54	94.28	63.86	-	0.67	193.35
Disposals/retirement	-	-	-	-	-	-	-	-
Balance as at 31 March 2017	**139.18**	**50.92**	**1,040.70**	**402.00**	**173.97**	**4.49**	**3.83**	**1,815.09**
Additions	-	-	-	23.07	53.08	-	1.55	77.70
Disposals/retirement	-	-	-	-	-	-	-	-
Balance as at 31 March 2018	**139.18**	**50.92**	**1,040.70**	**425.07**	**227.05**	**4.49**	**5.38**	**1,892.79**
Accumulated depreciation								
Up to 1 April 2016	-	-	-	-	-	-	-	-
Charge for the year	-	0.56	63.60	90.46	58.74	2.75	0.30	216.41
Adjustments for disposals/retirement	-	-	-	-	-	-	-	-
Balance as at 31 March 2017	**-**	**0.56**	**63.60**	**90.46**	**58.74**	**2.75**	**0.30**	**216.41**
Charge for the year	-	0.56	51.03	79.98	48.43	1.26	0.90	182.16
Adjustments for disposals/retirement	-	-	-	-	-	-	-	-
Balance as at 31 March 2018	**-**	**1.12**	**114.63**	**170.44**	**107.17**	**4.01**	**1.20**	**398.57**
Net book value as at 1 April 2016 (Deemed cost)	139.18	50.92	1,006.16	307.72	110.11	4.49	3.16	1,621.74
Net book value as at 31 March 2017	139.18	50.36	977.10	311.54	115.23	1.74	3.53	1,598.68
Net book value as at 31 March 2018	**139.18**	**49.80**	**926.07**	**254.63**	**119.88**	**0.48**	**4.18**	**1,494.22**

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)

7. Investment property

	Buildings	Total
Gross carrying amount		
As at 1 April 2016	**1,468.05**	**1,468.05**
Additions	-	-
As at 31 March 2017	**1,468.05**	**1,468.05**
Additions	-	-
As at 31 March 2018	**1,468.05**	**1,468.05**
Accumulated depreciation		
Up to 1 April 2016	-	-
Charge for the year	69.53	69.53
Up to 31 March 2017	**69.53**	**69.53**
Charge for the year	76.14	76.14
Up to 31 March 2018	**145.67**	**145.67**
Net carrying amount		
As at 1 April 2016 (Deemed Cost)	1,468.05	1,468.05
As at 31 March 2017	1,398.52	1,398.52
As at 31 March 2018	**1,322.38**	**1,322.38**

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.

8. Other intangible assets

	Computer Software	Total
Gross carrying amount		
As at 1 April 2016	**0.11**	**0.11**
Additions	**-**	**-**
As at 31 March 2017	**0.11**	**0.11**
Additions	**-**	**-**
As at 31 March 2018	**0.11**	**0.11**
Accumulated amortization		
Up to 1 April 2016	**-**	**-**
Charge for the year	0.08	0.08
Up to 31 March 2017	**0.08**	**0.08**
Charge for the year	0.03	0.03
Up to 31 March 2018	**0.11**	**0.11**
Net carrying amount		
As at 1 April 2016 (Deemed Cost)	0.11	0.11
As at 31 March 2017	0.03	0.03
As at 31 March 2018	**-**	**-**

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

9. Investments

	31 March 2018	31 March 2017	1 April 2016
(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	1,760.93
13,120 (31 March 2017:13,120) (1 April 2016:13,120) common stock of USD 100 each, fully paid-up"			
Total	**1,760.93**	**1,760.93**	**1,760.93**
(ii) Current			
Investment carried at fair value through profit or loss ('FVTPL')			
Investment in mutual funds, quoted	7,281.78	6,573.82	5,667.33
Total	**7,281.78**	**6,573.82**	**5,667.33**
Investment carried at FVOCI			
Investment in equity units, unquoted			
"Blume ventures Fund	394.15	297.19	205.71
1,446 units of Fund 1A of ₹10,000 each and 118,941 units of Fund II of ₹100 each (31 March 2017:1,447 units of Fund 1A and 82,427 units of Fund II) (1 April 2016:1,148 units of Fund 1A and 60,000 units of Fund II) "			
	394.15	**297.19**	**205.71**
Total	**7,675.93**	**6,871.01**	**5,873.04**
Aggregate amount of quoted investments and market value thereof	7,281.78	6,573.82	5,667.33
Aggregate amount of unquoted investments	2,155.08	2,058.12	1,966.64

10. Other financial assets

	31 March 2018	31 March 2017	1 April 2016
Unsecured, considered good			
(i) Non-current			
Security deposits	68.00	64.96	57.59
Bank deposits (due to mature after 12 months from the reporting date)*	27.78	25.22	14.06
Total	**95.78**	**90.18**	**71.65**

*Represents deposits held as margin money with banks.

	31 March 2018	31 March 2017	1 April 2016
(ii) Current			
Rent receivable	175.00	158.57	135.48
Interest accrued on deposits	5.33	8.24	5.35
Total	**180.33**	**166.81**	**140.83**

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

11. Other assets

	31 March 2018	31 March 2017	1 April 2016
(i) Non-current			
(Unsecured)			
- Considered good			
Capital advances	1.38	1.54	16.17
Total	**1.38**	**1.54**	**16.17**
(ii) Current			
(Unsecured)			
- Considered good			
Advance for expenses	2.43	-	0.86
Prepaid expenses	9.97	9.90	4.32
Balances with statutory authorities	-	14.47	13.60
Total	**12.40**	**24.37**	**18.78**

12. Trade receivables

	31 March 2018	31 March 2017	1 April 2016
(Unsecured)			
- Considered good	197.00	171.60	240.09
- Considered doubtful	-	-	-
	197.00	**171.60**	**240.09**
Less: Allowance for doubtful debts	-	-	-
Total	**197.00**	**171.60**	**240.09**

13. Cash and Bank Balances

	31 March 2018	31 March 2017	1 April 2016
(i) Cash and cash equivalents			
Balances with banks in current accounts	167.39	109.58	144.19
Cash on hand	0.03	0.26	0.74
	167.42	**109.84**	**144.93**
(ii) Bank balances other than above			
- Unpaid dividend account	0.65	0.66	0.70
- in deposit accounts (with original maturity of more than 3 months but less than 12 months)*	12.56	-	9.25
	13.21	**0.66**	**9.95**
Total	**180.63**	**110.50**	**154.88**

*Represents deposits held as margin money with banks.

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

14. Equity share capital

i. Authorised share capital

	31 March 2018		31 March 2017		1 April 2016	
	Number	Amount	Number	Amount	Number	Amount
Equity shares of ₹10 each	50,000,000	5,000	50,000,000	5,000	50,000,000	5,000

ii. Issued, subscribed and paid up

	31 March 2018		31 March 2017		1 April 2016	
	Number	Amount	Number	Amount	Number	Amount
Equity shares of ₹10 each fully paid up	16,822,513	1,682.25	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	28,200	1.41
Forfeited shares (amount originally paid)	799,822	39.99	799,822	39.99	799,822	39.99
Total	**17,650,535**	**1,723.65**	**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 2018		31 March 2017		1 April 2016	
	Number	Amount	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	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 2018		31 March 2017		1 April 2016	
	Number	Amount	Number	Amount	Number	Amount
Durga VLK Madala	9,557,408	56.81%	9,557,408	56.81%	9,557,408	56.81%
Sambasiva Rao Madala	918,400	5.46%	918,400	5.46%	918,400	5.46%
Srinivasa Rao Madala	1,366,099	8.12%	1,366,099	8.12%	980,691	5.83%
Adalat Corporation	-	0.00%	-	0.00%	1,755,370	10.43%
Radhakrishna Ghanta (Trustee of AAM trust)	1,946,762	11.57%	1,946,762	11.57%	1,250,000	7.43%
Radhakrishna Ghanta (Trustee of SSM trust)	1,923,200	11.43%	1,923,200	11.43%	1,250,000	7.43%

vi. During the five previous financial years ended 31 March 2018, 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 2018		31 March 2017		1 April 2016	
	Number	Amount	Number	Amount	Number	Amount
- By Directors and Officers	-	-	-	-	-	-
- By others at ₹5 per equity share	28,200	1.41	28,200	1.41	28,200	1.41
Total	**28,200**	**1.41**	**28,200**	**1.41**	**28,200**	**1.41**

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

15. Other equity

	31 March 2018	31 March 2017	1 April 2016
Reserve and surplus			
Capital redemption reserve	180.51	180.51	180.51
Securities premium reserve	6,701.14	6,701.14	6,701.14
General reserve	696.90	696.90	696.90
Retained earnings	10,858.42	10,310.74	9,552.85
	18,436.97	**17,889.29**	**17,131.40**
Other reserves			
Remeasurement of defined benefit obligations	(21.32)	(20.46)	-
Fair value changes on equity instruments through OCI	(7,642.54)	(7,703.02)	(7,742.20)
	(7,663.86)	**(7,723.48)**	**(7,742.20)**
Total	**10,773.11**	**10,165.81**	**9,389.20**

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.

16. Other Financial Liabilities

	31 March 2018	31 March 2017	1 April 2016
(i) Non-current			
Security deposits	327.49	315.63	319.91
Total	**327.49**	**315.63**	**319.91**
(ii) Current			
Accrued expenses	42.99	46.06	48.90
Unclaimed dividend	0.65	0.66	0.70
Others	30.79	7.06	4.65
Total	**74.43**	**53.78**	**54.25**

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

17. Provisions

	31 March 2018	31 March 2017	1 April 2016
(i) Non-current			
Gratuity	30.74	20.16	20.87
Compensated absences	7.49	6.32	1.80
Total	**38.23**	**26.48**	**22.67**
(ii) Current			
Gratuity	8.10	10.76	7.59
Compensated absences	2.52	5.36	0.38
Total	**10.62**	**16.12**	**7.97**

(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.

(i) Change in projected benefit obligation

	31 March 2018	31 March 2017	1 April 2016
Projected benefit obligation at the beginning of the year	30.92	28.46	28.56
Service cost	8.02	(15.10)	2.45
Interest cost	2.16	2.02	2.05
Actuarial loss	0.86	20.46	-
Benefits paid	(3.12)	(4.92)	(4.60)
Projected benefit obligation at the end of the year	**38.84**	**30.92**	**28.46**
(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	38.84	30.92	28.46
Funded status of the plans	-	-	-
Net liability recognised in the balance sheet	**38.84**	**30.92**	**28.46**
(iii) Expense recognized in the statement of profit and loss			
Interest cost	2.16	2.02	2.05
Service cost	8.02	(15.10)	2.45
Expected returns on plan assets	-	-	-
Net gratuity costs/(benefits)	**10.18**	**(13.08)**	**4.50**
(iv) Expense recognized in OCI			
Recognized net actuarial loss	0.86	20.46	-
	0.86	**20.46**	**-**
(v) Key actuarial assumptions			
Discount rate	7.55% - 7.7%	6.8% - 7.9%	7.8%
Salary escalation rate	5% - 8%	5% - 8%	7%

(vi) Sensitivity analysis

Reasonably possible changes as at 31 March 2018 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)

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

(vii) Expected future cash flows

	31 March 2018
The defined benefit obligation shall mature after year ended 31 March 2018 as follows:	
Within 1 year	16.05
2- 3 years	-
3 years and above	22.79

18. Other liabilities

	31 March 2018	31 March 2017	1 April 2016
Non-current			
Deferred rent	-	10.92	29.52
Capital creditors	3.17	8.62	12.28
Total	**3.17**	**19.54**	**41.80**

19. Trade payables

	31 March 2018	31 March 2017	1 April 2016
Dues to micro and small enterprises	-	-	-
Others	17.29	28.83	25.28
Total	**17.29**	**28.83**	**25.28**

(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 2017: Nil, 1 April 2016: 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.

20. Revenue from operations

	31 March 2018	31 March 2017
Sale of services		
Software services	415.93	250.29
Total	**415.93**	**250.29**

21. Other income

	31 March 2018	31 March 2017
Interest income from fixed deposits	5.40	5.33
Interest income on others	15.85	18.60
Interest on income tax refunds	5.62	13.74
Rental income	1,032.01	987.02
Excess Provisions written back	1.93	-
Gain on redemption of mutual funds	-	118.77
Unrealised gain on mark to market marking of mutual funds	457.96	457.56
Profit on sale of tangible fixed assets	-	1.50
Other non-operating income	0.81	-
Total	**1,519.58**	**1,602.52**

22. Employee benefits expense

	31 March 2018	31 March 2017
Salaries and wages	544.27	391.08
Contribution to provident and other funds (refer note a below)	24.25	20.25
Staff welfare expenses	9.29	10.15
Total	**577.81**	**421.48**

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

(a) The amount recognized as an expense towards contribution to provident fund for the year aggregated to ₹ 23.76 (31 March 2017: ₹ 16.17) and towards employee state insurance fund aggregated to ₹ 1.35 (31 March 2017: ₹ 2.14).

23. Finance costs

	31 March 2018	31 March 2017
Interest expense for financial liabilities carried at amortised cost	16.26	18.41
Other borrowing costs	-	1.03
Total	**16.26**	**19.44**

24. Other expenses

	31 March 2018	31 March 2017
Power and fuel	39.73	45.78
Repairs and maintenance		
- Buildings	28.73	21.67
- Plant and equipment	68.37	54.88
- Others	7.16	13.32
Insurance	11.66	3.20
Rates and taxes, excluding taxes on income	32.71	32.25
Communication	8.77	11.57
Travelling and conveyance	14.49	19.54
Legal and professional fees	25.33	32.02
Director's sitting fees	2.06	1.95
Fees and subscriptions	3.95	3.81
Staff training and recruitment charges	0.49	0.05
Advertisement charges	0.56	0.49
Rent receivable written off	13.95	-
Foreign exchange fluctuation loss	0.30	3.34
STPI charges	-	0.68
Payments to the auditor (refer note (i))	2.84	2.68
Printing & Stationery	2.31	2.09
Security Service charges	20.93	22.16
House keeping charges	13.99	14.75
Office maintenance	2.04	2.02
Water charges	2.52	2.48
Miscellaneous expenses	3.11	1.16
Total	**306.00**	**291.89**

(i) Details of payments to auditors :

	31 March 2018	31 March 2017
As auditor:		
- Audit fee	2.29	1.15
In other capacities:		
- Taxation matters	0.55	1.53

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

25. Income tax

	31 March 2018	31 March 2017
Tax expense comprises of:		
Current income tax	229.43	76.09
Total	**229.43**	**76.09**

The major components of income tax expense and the reconciliation of expected tax expense based on the effective tax rate of the Company at 21.34% and the reported tax expense in the statement of profit and loss is as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

	31 March 2018	31 March 2017
Profit before tax	777.11	833.98
Other comprehensive income	59.62	18.72
	836.73	**852.70**
Tax at the Indian tax rate (21.34%)*	178.56	181.97
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	-	(105.88)
On account of one-fifth of Ind AS transition gain adjusted to the book profit	50.87	-
Income tax expense	**229.43**	**76.09**

*The tax rate used for reconciliation above is the minimum alternate tax rate of 21.34% at which the Company is liable to pay tax on taxable income under the Indian Tax Law.

26. Earnings per share (EPS)

	31 March 2018	31 March 2017
Profit attributable to equity shareholders	547.68	757.89
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	3.25	4.50
Nominal Value per share equity share	10	10

Summary of significant accounting policies and other explantory information

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

27. 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 explantory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

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

	31 March 2018	31 March 2017	1 April 2016
Fair value hierarchy (Level 1)			
Financial assets			
Investment in mutual funds	7,281.78	6,573.82	5,667.33
Fair value hierarchy level (Level 3)			
Financial assets			
Investment in equity shares of subsidiary	1,760.93	1,760.93	1,760.93
Investment in equity units of venture capital fund	394.15	297.19	205.71

The Company does not have any financial instrument measured at fair value on recurring basis under Level 2 catergory. 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

	31 March 2018			31 March 2017			1 April 2016		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets									
Investments	7,281.78	2,155.08	-	6,573.82	2,058.12	-	5,667.33	1,966.64	-
Trade receivables	-	-	197.00	-	-	171.60	-	-	240.09
Cash and cash equivalents	-	-	167.42	-	-	109.84	-	-	144.93
Other bank balances	-	-	13.21	-	-	0.66	-	-	9.95
Other financial assets	-	-	276.11	-	-	256.99	-	-	212.48
Total financial assets	**7,281.78**	**2,155.08**	**653.74**	**6,573.82**	**2,058.12**	**539.09**	**5,667.33**	**1,966.64**	**607.45**

	31 March 2018			31 March 2017			1 April 2016		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities									
Trade payables	-	-	17.29	-	-	28.83	-	-	25.28
Other financial liabilities	-	-	401.92	-	-	369.41	-	-	374.16
Total financial liabilities	**-**	**-**	**419.21**	**-**	**-**	**398.24**	**-**	**-**	**399.44**

Summary of significant accounting policies and other explantory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

28. 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.

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 2018.

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 2018	31 March 2017	1 April 2016
Neither past due nor impaired	-	-	-
Past due not impaired:			
less than 180 days	132.13	89.58	193.53
181-365 days	64.88	82.02	46.56
Greater than 365 days	-	-	-
	197.00	**171.60**	**240.09**

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 2018 and 31 March 2017.

Summary of significant accounting policies and other explantory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

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.

31 March 2018	**Up to 1 year**	**From 1 to 3 years**	**More than 3 years**	**Total**
Non-derivatives				
Trade and other payables	17.29	-	-	17.29
Other financial liabilities	74.43	327.49	-	401.92
Total	**91.72**	**327.49**	**-**	**419.21**

31 March 2017	**Up to 1 year**	**From 1 to 3 years**	**More than 3 years**	**Total**
Non-derivatives				
Trade payable	28.83	-	-	28.83
Other financial liabilities	53.78	315.63	-	369.41
Total	**82.61**	**315.63**	**-**	**398.24**

1 April 2016	**Up to 1 year**	**From 1 to 3 years**	**More than 3 years**	**Total**
Non-derivatives				
Trade payable	25.28	-	-	25.28
Other financial liabilities	54.25	319.91		374.16
Total	**79.53**	**319.91**	**-**	**399.44**

Summary of significant accounting policies and other explantory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

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 2018	31 March 2017	1 April 2016
Trade receivables	85.04	119.41	84.49

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

	Impact on profit	
	31 March 2018	31 March 2017
USD sensitivity*		
₹ / USD - Increase by 2%	1.70	2.39
₹ / USD - Decrease by 2%	(1.70)	(2.39)

* Holding all other variables constant.

29. 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.

30. 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 Mandava Srinivas, Chief Financial Officer B.Laxman, Company Secretary	Key Managerial Personnel (KMP)
Softsol Resources Inc., USA	100% Subsidiary Company

Summary of significant accounting policies and other explantory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

(b) Transactions with related parties

	For the year ended	
	31 March 2018	**31 March 2017**
Transactions with subsidiary company		
Services rendered	84.83	163.17
Transactions with KMPs		
Short-term employee benefits*	32.40	30.98

(c) Balances receivable

	31 March 2018	**31 March 2017**	**1 April 2016**
Subsidiary company	85.04	119.41	84.49

*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.

31. Segment reporting

In accordance with Ind AS 108 - 'Operating segments', segment information has been given in the consolidated financial statements of the Company and therefore no separate disclosure on segment information is given in these standalone financial statements.

32. Contingent liabilities and commitments

	As at		
	31 March 2018	**31 March 2017**	**1 April 2016**
(a) Commitments			
Capital commitments for investments in venture funds	-	67.50	120.00
(b) Contingent liabilities			
Guarantees excluding financial guarantees			
Bank guarantee	27.77	23.31	23.31
Other money for which the company is contingently liable			
Guarantee given on behalf of subsidiary to banker	-	-	960.00

33. 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.

34. First time adoption of Ind AS

"These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 (previous GAAP or Indian GAAP). The Company has prepared financial statements which comply with Ind AS applicable for periods ending on or after 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition), as described in the summary of significant accounting policies.

Summary of significant accounting policies and other explantory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

However, these financial statements do not include financial information for the prior period. In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with previous GAAP. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes."

Optional exemptions availed and mandatory exceptions applied
Set out below are the Ind AS 101 optional exemptions availed as applicable and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

(i) Deemed cost for property, plant and equipment, investment property and other intangible assets
On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment, investment property and other intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment, investment property and other intangible assets.

(ii) Designation of previously recognised financial instruments
"At the date of transition to Ind AS, Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances of each case. The Company has elected to apply this exemption for its investment in subsidiary and equity units held in venture capital fund.

At the date of transition to Ind AS, Ind AS 101 also allows an entity to designate investments in equity instruments at FVTPL on the basis of the facts and circumstances of each case. The Company has elected to apply this exemption for its investment in mutual funds."

(iii) Estimates
"As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error.

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:"
a) Investment in equity instruments carried at FVOCI.
b) Investment in equity instruments carried at FVTPL.
c) Impairment of financial assets based on expected credit loss model.
d) Determination of the discounted value for financial instruments carried at amortised cost.

(iv) Classification and measurement of financial assets and liabilities
"Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable."

(v) De-recognition of financial assets and liabilities
The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date.

Summary of significant accounting policies and other explantory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

(vi) Reconciliations

	Notes	As at 31 March 2017	As at 1 April 2016
Reconciliation of total equity			
Total equity as per previous GAAP		18,472.91	18,189.68
Add / (less) : Adjustments for GAAP differences			
On account of measuring investments at FVTPL	(a)	1,117.19	659.63
On account of measuring investments at FVOCI	(b)	(7,703.03)	(7,742.19)
Others		2.39	5.73
Total adjustments		**(6,583.45)**	**(7,076.83)**
Total Equity (shareholder's fund) under Ind AS		**11,889.46**	**11,112.85**

Particulars	Notes	For the year ended 31 March 2017
Net profit under previous GAAP		**283.22**
Net gain on investments in equity instruments at FVTPL	(a)	457.56
Remeasurement of employee benefits	(c)	20.46
Others		(3.35)
Total net profit for the period under Ind AS		**757.89**
Other comprehensive income		
Remeasurement of employee benefits	(c)	(20.46)
Net gain on investments in equity instruments at FVOCI	(b)	39.18
Total comprehensive income		**776.61**

Notes on reconciliations between previous GAAP and Ind AS

(a) Investments in mutual funds at fair value through profit or loss

Under Indian GAAP, investments in mutual funds are accounted for as short-term investments and accordingly they are carried at lower of cost and fair value. Under Ind AS, the Company has designated such investments measured at FVTPL. At the date of transition to Ind AS, difference between the fair value of mutual funds and Indian GAAP carrying amount has been recognised as a separate component of equity, in the retained earnings.

b) Investments in unquoted equity instruments at fair value through OCI

"Under Indian GAAP, the Company accounted for long-term investments in unquoted equity shares as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVOCI investments. Ind AS requires FVOCI investments to be measured at fair value. At the date of transition to Ind AS, difference between the fair value of shares and Indian GAAP carrying amount has been recognised as a separate component of equity, in the retained earnings.

Furthemore, under Indian GAAP, investments in equity units of venture capital fund are accounted for as short-term investments and accordingly they are carried at lower of cost and fair value. Under Ind AS, the Company has designated such investments measured at FVOCI. At the date of transition to Ind AS, difference between the fair value of equity units and Indian GAAP carrying amount has been recognised as a separate component of equity, in the retained earnings."

Summary of significant accounting policies and other explantory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

(c) Remeasurement of employee benefits

Under previous GAAP, actuarial gains and losses were recognised in statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined benefit liability / asset which is recognised in other comprehensive income in the respective periods.

(d) Effect of transition to Ind AS on Cash Flow Statement for the year ended 31 March 2017

Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities and has no impact on the net cash flow for the year ended 31 March 2017 as compared with the previous GAAP.

(e) Retained earnings

Retained earnings as at 1 April 2016 has been adjusted consequent to the above Ind AS transition adjustments.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

for **J V S L & Associates**
Chartered Accountants
(Firm Regn.No:15002S)

For and on behalf of Board of Directors of
SoftSol Limited

J. Venkateswarlu Partner ICAI Ms.No.022481	Bhaskara Rao Madala (DIN : 00474589) Wholetime Director	Dr. T. Hanuman Chowdary (DIN:00107006) Director
Place: Hyderabad Date: 30.05.2018	B. Laxman Company Secretary	Srinivas Mandava Chief Financial Officer

SoftSol Resources Inc., USA

Board of Directors

Mr. Srinivasa Rao Madala	President & CEO
Dr. Durga V.L.K. Madala	Director

Registered Office

46755, Frement Blvd.,
Fremont,
California - 94538.
Tel No. (510) 824-2000,
Web site: www.softsolusa.com

Auditors

The Chugh Firm, LLP
California, USA.

Board of Director's Report 2018

Dear Members
Your Directors take pleasure in presenting their report for the financial year 2018

The Financial Highlights :

(USD in 000's)

Particulars	2018	2017
Total Revenue	5,024	5,677
Other Income	18	112
Total Operating Expense	4,956	5,613
Provision for Taxation	48	69
Net Profit	38	107

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
May 11, 2018

INDEPENDENT AUDITOR'S COMPILATION REPORT

To the Board of Directors and Stockholders
of SoftsolResources, Inc.

We have audited the accompanying financial statements of Softsol Resources, Inc. (the
‘Company’), which comprise the statement of financial positionasofMarch 31, 2018, and the statements of profit and loss, changes inequity and cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information.

Management’s responsibility for the financial statements

Management is responsible for the preparation and fair presentationof these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessaryto enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ responsibility

Our responsibility is to expressan opinion on these financialstatements based on our audit. We conducted our audit in accordance with International Standardson Auditing. Thosestandards require that we comply with ethical requirements and plan and perform the audit to obtain reasonableassuranceaboutwhetherthefinancialstatementsare freefrommaterial misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider 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 express nosuch 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 give a true and fair view of the financial positionof Softsol Rebsources, Inc. as at March 31, 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Chugh CPAs,LLP
Cerritos,CA
May11, 2018

BALANCE SHEET AS OF MARCH 31, 2018

	As of 31.03.2018 in USD	As of 31.03.2018 in ₹	As of 31.12.2017 in USD
		1USD = 65.04	
ASSETS			
Non-Current Assets			
Property and Equipment	15,062	979,632	2,853
Intangible assets	17,000	1,105,680	19,000
Deferred Tax Assets	37,148	2,416,106	51,345
Loans and Receivables	15,000	975,600	15,000
Trade and Other Rceivables	1,355,275	88,147,086	898,537
Total Non -Current Assets	**1,439,485**	**93,624,104**	**986,735**
Current Assets			
Trade and Other Rceivables	667,626	43,422,395	764,545
Shortterm receivables	54,050	3,515,412	48,550
Cash and Cash Equivalents	999,230	64,989,919	1,474,191
Prepaid and Other aseets	55,414	3,604,127	57,750
Total Current assets	**1,776,320**	**115,531,853**	**2,345,036**
Total Assets	**3,215,805**	**209,155,957**	**3,331,771**
LIABILITIES			
Current Liabilities			
Trade and other payables	227,573	14,801,348	450,407
Employee benefit obligation	9,776	635,831	-
Provisions & Other Liabilities	170,669	11,100,312	111,991
Total Current Liabilities	**408,018**	**26,537,491**	**562,398**
Total Current Liabilities	**408,018**	**26,537,491**	**562,398**
EQUITY			
Share capital	1,312,000	85,332,480	1,312,000
Retained Earnings	1,495,787	97,285,986	1,457,373
Total Stockholders Equity	**2,807,787**	**182,618,466**	**2,769,373**
Total Liabilities and Stockholders Equity	**3,215,805**	**209,155,957**	**3,331,771**

STATEMENT OF INCOME FOR THE YEAR ENDED MARCH 31, 2018

	As of 31.03.2018 in USD	As of 31.03.2018 in ₹	As of 31.12.2017 in USD
		1USD = 64.94	
Revenue	5,024,162	326,269,080	5,677,407
Cost of providing services	(4,434,648)	(287,986,041)	(5,009,820)
Gross profit	589,514	38,283,039	667,587
Other income	18,000	1,168,920	116,779
Selling and Distribution Expenses	(143,148)	(9,296,031)	(159,841)
Administrative Expenses	(377,718)	(24,529,007)	(442,653)
Operating profit	86,648	5,626,921	181,872
Finanance income	27	1,753	-
Finanace cost	-	-	(5,087)
Finanace cost net	27	1,753	(5,087)
Profit before income tax	**86,675**	**5,628,674**	**176,785**
Income tax expenses	(47,620)	(3,092,443)	(69,722)
Profit from consulting operation	39,055	2,536,232	107,063
Profit/(Loss) from disposa; of non-current assets	(640)	(41,562)	-
Profit	38,415	2,494,670	107,063
Other comprehensive income	-	-	-
Total Comprehensive income	**38,415**	**2,494,670**	**107,063**

Statement of changes in equity
For the year ended March 31,2018

	Share Capital in USD	Retained Earnings in USD	Total in USD	Total in ₹
Balances at March 31,2016	1,312,000	1,350,309	2,662,309	172,890,346
Profit for the period	-	107,063	107,063	6,952,671
Balances at March 31,2017	1,312,000	1,457,372	2,769,372	179,843,018
Profit for the period	-	38,415	38,415	2,494,670
Balances at March 31,2018	**1,312,000**	**1,495,787**	**2,807,787**	**182,337,688**

Property and Equipment
Property and equipment consisted of the following:

	2,018				2017			
Owned assets	Cost **31.03.2018** in USD	Accumulated **Depreciation** in USD	Carrying **Value** in USD	Carrying **Value** in ₹	Cost **31.03.2017** in USD	Accumulated **Depreciation** in USD	Carrying **Value** in USD	Carrying **Value** in ₹
Furniture & Fixtures	29,369	(29,369)	-	-	144,372	(142,476)	1,896	122,937
Office Equipment	80,748	(65,686)	15,062	979,632	116,702	(115,745)	957	62,052
Softsol .com Domain Name	30,000	(13,000)	17,000	1,105,680	30,000	(11,000)	19,000	1,231,960
Total Other Current Liabilities	**140,117**	**(108,055)**	**32,062**	**2,085,312**	**291,074**	**(269,221)**	**21,853**	**1,416,949**

Other Income
Other Income consisted of the following:

	As of 31.03.2018 in USD	As of 31.03.2018 in ₹	As of 31.03.2017 in USD
Rent received	18,000	1,168,920	42,959
Miscellanious Income	-	-	73,820
Total Cost of Sales	**18,000**	**1,168,920**	**116,779**

Expenses Classifcation

Cost of providing services:

	As of 31.03.2018 in USD	As of 31.03.2018 in ₹	As of 31.03.2017 in USD
Consulting outsourced	961,462	62,437,342	1,467,921
Insurance-Medical & dental	98,600	6,403,084	83,804
Legal & Immigration-Consultansts	25,954	1,685,453	55,250
Professional development	-	-	1,024
Rebate Charges	10,823	702,846	17,845
Salaries &Wages Consultants	3,091,157	200,739,736	3,097,787
Trainning	325	21,106	13,800
Taxes-Payroll-Consultants	228,146	14,815,801	238,944
Travel-Consultants	18,181	1,180,674	33,445
Total	**4,434,648**	**287,986,041**	**5,009,820**

Selling and distribution expenses:

	As of 31.03.2018 in USD	As of 31.03.2018 in ₹	As of 31.03.2017 in USD
Business development	-	-	2,443
Insurance-Medical & dental	2,630	170,792	12,851
Recruiting	18,294	1,188,012	75,295
Recruiting outsourced	35,805	2,325,177	75,295
Salaries & Wages	73,169	4,751,595	75,295
Taxes-Payroll	11,144	723,691	3,117
Travel	2,107	136,829	11,681
Total	**143,149**	**9,296,096**	**255,977**

Expenses Classifcation

Administrative Expenses

	As of 31.03.2018 in USD	As of 31.03.2018 in ₹	As of 31.03.2017 in USD
Auto Expenses	10,165	660,115	6,654
Advertising & Promotion	-	-	4,142
Bank Charges	438	28,444	1,579
Depreciation & amortization	5,287	343,338	4,749
Dues & Subscriptions	6,693	434,643	12,302
Freight & Postage	2,956	191,963	1,234
Insurance	48,126	3,125,302	45,853
Janitorial	-	-	2,698
Meals & entertainment	7,674	498,350	6,695
Office Expenses	356	23,119	2,810
Officers salaris & wages	69,923	4,540,800	69,231
Outside services	39,082	2,537,985	45,718
Payroll taxes	17,054	1,107,487	10,974
Professional Fees	21,616	1,403,743	47,219
Rent	33,559	2,179,321	66,702
Salaries & Wages	59,834	3,885,620	51,770
Supplies	5,926	384,834	13,772
Taxes , Permits & Licebses	7,322	475,491	13,152
Telephone	17,224	1,118,527	18,101
Travel	11,213	728,172	4,542
Utilities	7,618	494,713	8,834
Miscellanious	5,651	366,976	3,924
Total	**377,717**	**24,528,942**	**442,655**

Statement of Cash Flow for the Year ended March 31, 2018

	Year Ended 31.03.2018 in USD	Year Ended 31.03.2018 in ₹	Year Ended 31.03.2017 in USD
Cash Flows from Operating Activities			
Net Income	**38,415**	**2,498,512**	**107,064**
Adjustments to reconcile Net Income to Net Cash provided by Opertaions :			
Depreciation	3,287	213,786	2,749
Amortization	2,000	130,080	2,000
Loss on sale of property	640	41,626	-
Deferred Taxes	14,197	923,373	20,545
Trade and Other Receivables	(359,817)	(23,402,498)	900,383
Shorterm receievables	(5,500)	(357,720)	-
Prepaid and Other assets	2,336	151,933	(77,856)
Trade and Other payables	(222,834)	(14,493,123)	132,720
Provision and employee benefits	68,452	4,452,118	71,433
Loan Receivables	-	-	1,965
Net Cash Provided by (used in) Operating Activities	**(458,824)**	**(29,841,913)**	**1,161,003**
Cashflow from investing activitiesFinancing activities			
Acquisition of property	(16,137)	(1,049,550)	-
Net cash used in investing activities	(16,137)	(1,049,550)	-
Cashflow from Financing activities			
Repayment of Borrowings	-	-	(750,000)
Net Increase in Cash and Cash Equivalents	**(474,961)**	**(30,891,463)**	**411,003**
Cash and cash equivalents at the Beginning of the Year	1,474,191	95,881,383	1,063,188
Cash and cash equivalents at the end of the Year	**999,230**	**64,989,919**	**1,474,191**

Notes to Financial Statements (March 31st, 2018)

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

These financial statements have been prepared in accordance with International Financial Reporting Standards 'IFRS').

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with United States generally accepted accounting principles (US Gaap). These financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with IFRS. Please refer to Note 11 for information on how the Company adopted IFRS.

The comparative financial statements for Company will be those for the year ended March 31, 2017. The date of transition is the start date of the earliest period reported in the financial statements. Therefore, Company's date of transition is April 1, 2016.

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 revocable 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 amortized 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

Revenue comprises services to external customers. Revenue from the sale of services is measured at the fair value of the consideration receivable, net of discounts, and is recognized at when services are performed.

Rental income is recorded in the financial statements in terms of the lease agreements with tenants, and on a straight-line basis over the period of each lease.

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, 2018.

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 in equity.

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, 2018.

The Company has a voluntary flexible spending plan wherein 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, 2018, the accumulated contributions were $5,685. 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, 2018, the employee advances balance was $54,050 and 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 outflow 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. Subsequent measurement as below:

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 the Company will not be able to collect all amounts due according to the original terms of sale. As of March 31, 2018, provision for impairment was $84,591.

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 income statement.

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.

Note 4 – 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 also subleases it office space to STI. The sublease income referred to as rental income and other income are included in the other income account.

All transactions and balances with related parties are as follows:

Softsol Technologies, Inc.	**2018**	**2017**
Services received from	$209,350	$266,663
Trade receivable	11,122	94,305
Receivable-nontrade	1,344,153	804,232
Rental income	18,000	42,959
Other Income	-	45,992
-		

Softsol India Limited	**2018**	**2017**
Services rendered to	$131,441	$243,658
Trade payable	131,441	184,158

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 5 – Property and equipment

Property and equipment consisted of the following:

	2018			2017		
Owned assets	**Cost**	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
Furniture & fixtures	$29,369	$(29,369)	-	$144,372	$(142,476)	$1,896
Office equipment						
Softsol.com Domain	80,748	(65,686)	15,062	116,702	(115,745)	957
Name	30,000	(13,000)	17,000	30,000	(11,000)	19,000
Total	**$140,117**	**$(108,055)**	**$32,062**	**$291,074**	**$ (269,221)**	**$ 21,853**

Note 6 – Share capital

	2018	**2017**
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 7 – 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 four major customers, totaled approximately $2.6 million that accounts for approximately 52% of the Company's total revenue for the year. Accounts receivable from these four customers as of March 31, 2018 was $421,591 which is approximately 59% of total accounts receivable.

Interest rate risk

The Company is exposed to interest rate risk when it borrows or lends funds at either fixed and floating interest rates, and when it has surplus cash invested.

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 8 – Other income

Other income consisted of the following:

	2018	2017
Rent received	$18,000	$42,959
Miscellaneous income	-	73,820
Total	**$18,000**	**$116,779**

Note 9 – Expense classification

Cost of providing services:

	2018	2017
Consulting outsourced	$ 961,462	$1,467,921
Insurance - medical & dental	98,600	83,804
Legal & immigration - Consultants	25,954	55,250
Professional development	-	1,024
Rebate charges	10,823	17,845
Salaries and wages - Consultants	3,091,157	3,097,787
Training	325	13,800
Taxes - payroll - Consultants	228,146	238,944
Travel - Consultants	18,181	33,445
Total	**$4,434,648**	**$5,009,820**

Selling expenses:

	2018	2017
Business development	$ -	$ 2,443
Insurance - medical & dental	2,630	12,851
Recruiting	18,294	75,295
Recruiting outsourced	35,805	-
Salaries & wages	73,169	54,453
Taxes - payroll	11,144	3,117
Travel	2,107	11,681
Total	**$143,149**	**$159,841**

Administrative expenses :

	2018	2017
Auto expense	$10,165	$6,654
Advertising & promotion	-	4,142
Bank charges	439	1,579
Depreciation & amortization	5,287	4,749
Dues & subscriptions	6,693	12,302
Freight & postage	2,956	1,234
Insurance	48,126	45,853
Janitorial	-	2,698
Meals & entertainment	7,674	6,695
Office expense	356	2,810
Officer's salaries & wages	69,923	69,231
Outside services	39,082	45,718
Payroll taxes	17,054	10,974
Professional fees	21,616	47,219
Rent	33,559	66,702
Salaries & wages	59,834	51,770
Supplies	5,926	13,772
Taxes, permits & licenses	7,322	13,152
Telephone	17,224	18,101
Travel	11,213	4,542
Utilities	7,618	8,834
Miscellaneous	5,649	3,924
Total	**$377,716**	**$442,653**

Note 10 – Lease commitments

In September 2016, the Company had amended its lease agreement for its office located at 46755 Fremont Boulevard, Fremont, California. The new lease has term beginning October 1, 2016 to May 31, 2018. The future minimum lease payments under this operating lease for the year ending March 31, 2018 and 2019 are $22,728 and $3,806, respectively. In addition to the base rent, the Company is responsible for the payment of monthly common area maintenance and operating expenses of $885.

The Company also leases storage space on a month to month basis.

Note 11 - Income taxes

The components of income tax expense (benefit) for the year ended March 31, 2018 are as follows:

	Prior year	Current	Deferred	Total
State	$ 2,462	$ 7,966	$ 140	$ 5,644
Federal	7,496	20,423	14,057	41,976
Total	**$5,034**	**$28,389**	**$14,197**	**$47,620**

The components of deferred tax assets at March 31, 2018 and 2017, are as follows:

	2018	2017
Deferred tax assets		
Bad debt	$ 17,764	$ 32,990
State income tax – current	1,857	3,808
State income tax - deferred	2,421	1,237
Depreciation - Federal	3,578	9,255
Depreciation - State	3,915	4,055
Net deferred tax asset	**$ 37,148**	**$ 51,345**

The Tax Cuts and Jobs Act (the "Tax Act") was enacted on December 22, 2017. Among the significant changes to the U.S. Internal Revenue Code, the Tax Act lowers the U.S. federal corporate income tax rate ("Federal Tax Rate") from 35% to 21% effective January 1, 2018. The Company will compute its income tax expense using a blended Federal Tax Rate of 27.75%, by applying a prorated percentage prior to and subsequent to the effective date. The 21% Federal Tax Rate will apply to fiscal years ending March 31, 2019.

The 27.75% Federal Tax Rate will apply to earnings reported for the full 2018 fiscal year. Accordingly, the first three quarter income previously subject to tax at the 30% will benefit from the 27.75% Federal Tax Rate. The Company will re-measure its net deferred tax assets and liabilities using Federal Tax Rate that will apply when these amounts are expected to reverse. The re-measurement of deferred tax assets will increase income tax and decrease the deferred tax assets of the approximately $12,000. The effect of the re- measurement is reflected in the period that includes the enactment date and is allocated directly to income tax expense.

Note 12 - First-time adoption of IFRS

These financial statements, for the year ended March 31, 2018, are the first the Company has prepared in accordance with IFRS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with generally accepted accounting principles in United States ("US Gaap").

Accordingly, the Company has prepared financial statements which comply with IFRS applicable for periods ending on or after March 31, 2018, together with comparative period data as at and for the year ended March 31, 2017, as described in the accounting policies. In preparing these financial statements, the Company's opening statement of financial position was prepared as at April 1, 2016, the Company's date of transition to IFRS.

Except for the following, there have been no reconciliations prepared between the previously issued US gaap financial statements and IFRS as adjustments have no material impact on the financial statements.

Deferred tax assets
Deferred tax assets are classified as noncurrent.

Statement of cash flows
The transition from US Gaap to IFRS has not had a material impact on the statements of cash flows.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
SOFTSOL INDIA LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of 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 31st March, 2018, the consolidated Statement of Profit and Loss, including Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements')

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act,2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules,2015 as amended. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors referred to in the 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2017 and its consolidated profit and its consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of Softsol Resources Inc., subsidiary, whose financial statements reflect total assets of Rs.2091.56 lakhs as at March 31, 2018, total revenues of Rs. 3273.98 lakhs and net cash outflows amounting to Rs.308.91 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

As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2018, 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, 2018 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 and the operating effectiveness of such controls, refer to our report in "Annexure A".

g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i) There were no pending litigations which would impact the consolidated Ind AS financial position of the Group.

   ii) The Group did not have any material foreseeable losses on long term contracts including derivative contracts.

   iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For J V S L & ASSOCIATES
Chartered Accountants
(Firm Regn No. 15002S)

Place: Hyderabad
Date: 30.05.2018

J. VENKATESWARLU
Partner
ICAI Ms. No. 022481

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')

We have audited the internal financial controls over financial reporting of Softsol India Limited ('the Holding Company') as at March 31, 2018 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls over financial reporting. Those Standards and the Guidance Note require that we comply with the 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of Internal Financial 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 J V S L & ASSOCIATES
Chartered Accountants
(Firm Regn No. 15002S)

Place: Hyderabad
Date: 30.05.2018

J. VENKATESWARLU
Partner
ICAI Ms. No. 022481

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2018

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

Particulars	Note	As at 31-03-2018	As at 31-03-2017	As at 01-04-2016
ASSETS				
Non-current assets				
(a) Property, plant and equipment	6	1,504.01	1,600.53	1,625.46
(b) Investment property	7	1,322.38	1,398.52	1,468.05
(c) Other intangible assets	8	11.06	12.34	14.04
(d) Financial assets				
(i) Trade Receivables	12 (i)	881.47	582.61	921.10
(ii) Other financial assets	10 (i)	105.53	99.91	82.90
(e) Non-current tax assets (net)		47.01	155.67	218.46
(f) Deferred tax assets	13	24.16	33.29	47.68
(g) Other non-current assets	11 (i)	1.38	1.54	16.17
Total non-current assets		**3,897.00**	**3,884.41**	**4,393.86**
Current assets				
(a) Financial Assets				
(i) Investments	9	7,675.93	6,871.01	5,873.04
(ii) Trade receivables	12 (ii)	546.40	547.92	934.84
(iii) Cash and cash equivalents	14 (i)	817.32	1,065.71	850.14
(iv) Other bank balances	14 (ii)	13.21	0.66	9.95
(v) Other financial assets	10	180.33	198.29	157.45
(b) Other current assets	11 (ii)	80.17	59.23	16.04
Total current assets		**9,313.36**	**8,742.82**	**7,841.46**
Total assets		**13,210.36**	**12,627.23**	**12,235.32**
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	15	1,723.65	1,723.65	1,723.65
(b) Other equity	16	10,834.94	10,197.97	9,391.62
Total equity attributable to equity shareholders of the Company		12,558.59	11,921.62	11,115.27
(c) Non-controlling interests		-	-	-
Total equity		**12,558.59**	**11,921.62**	**11,115.27**
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Other financial liabilities	18 (i)	327.49	315.63	313.94
(b) Provisions	19 (ii)	38.23	26.48	22.67
(c) Other non-current liabilities	20	3.17	19.54	41.80
Total non-current liabilities		**368.89**	**361.65**	**378.41**
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	17	-	-	497.48
(ii) Trade payables	21	80.47	201.44	155.04
(iii) Other financial liabilities	18 (ii)	189.88	106.19	79.69
(b) Provisions	19 (ii)	10.62	16.12	7.97
(c) Current tax liabilities (net)		1.91	20.21	1.46
Total current liabilities		**282.88**	**343.96**	**741.64**
Total equity and liabilities		**13,210.36**	**12,627.23**	**12,235.32**

Significant accounting policies are in note 1 to 5

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

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

for **J V S L & Associates**
Chartered Accountants
(Firm Regn.No:15002S)

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

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholetime Director

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

Place: Hyderabad
Date: 30.05.2018

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2018

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

Particulars	Note No	Year ended 31-03-2018	Year ended 31-03-2017
Revenue from operations	22	3,593.79	3,810.94
Other income	23	1,530.88	1,679.12
Total income		**5,124.67**	**5,490.06**
Expenses			
Employee benefits expense	24	2,791.39	2,569.16
Finance costs	25	16.26	22.78
Depreciation and amortisation expense	6, 7 & 8	261.77	289.13
Other expenses	26	1,222.27	1,659.06
Total expenses		**4,291.69**	**4,540.13**
Profit before tax		**832.98**	**949.93**
Tax expense	27		
Current tax		251.23	107.44
Deferred tax		9.13	14.39
Profit for the year		**572.62**	**828.10**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement loss on defined benefit plans		(0.86)	(20.46)
Gain on fair value changes on equity instruments		60.48	39.18
Items that will be reclassified to profit or loss			
Exchange difference in translating the financial statements of a foreign operation		5.58	(40.47)
Total other comprehensive income for the year		**65.20**	**(21.75)**
Total comprehensive income for the year		**637.82**	**806.35**
Profit for the year attributable to			
Owners of the company		572.62	828.10
Non-controlling interest		-	-
Total other comprehensive income attributable to			
Owners of the company		637.82	806.35
Non-controlling interest		-	-
Earnings per equity share [EPES]			
(in absolute ₹ terms)	28		
Par value per equity share		10	10
Basic EPES		3.40	4.92
Diluted EPES		3.40	4.92

Significant accounting policies are in note 1 to 5
The accompanying notes referred to above form an integral part of the financial statements.
This is the Consolidated Statement of Proft & Loss referred to in our report of even date.

for **J V S L & Associates**
Chartered Accountants
(Firm Regn.No:15002S)

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

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholetime Director

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

Place: Hyderabad
Date: 30.05.2018

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

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

	Year ended 31-03-2018	Year ended 31-03-2017
Cash flow from operating activities		
Profit before tax	832.98	949.93
Adjustments:		
Depreciation and amortisation expense	261.77	289.13
Interest income on fixed deposit	(5.40)	(5.33)
Interest income on others	(15.85)	(18.60)
Interest on income tax refunds	(5.62)	(13.74)
Profit on sale of fixed assets	-	(1.50)
Gain on redemption of mutual funds	-	(118.77)
Finance cost	16.26	22.78
Excess provision written back	(1.93)	-
Provision/(reversal) for employee benefits	5.39	(8.50)
Rent receivable written off	13.95	-
Unrealised gain on mark to market marking of mutual funds	(457.96)	(457.56)
Operating cash flows before working capital changes	**643.59**	**637.84**
(Increase)/decrease in trade receivables	(297.34)	725.41
Increase/(decrease) in trade payables	(119.04)	46.40
Increase in other current assets	(20.94)	(43.19)
(Increase)/decrease in other current financial assets	1.10	(37.95)
Increase in non-current financial assets	(5.62)	(17.01)
Increase/ (Decrease) in other non-current financial liabilities	27.71	(20.05)
Decrease in other non-current liabilities	(27.18)	-
Increase in other current financial liabilities	83.69	26.50
Cash generated from operating activities	**285.97**	**1,317.95**
Income-taxes paid, net	(155.13)	(12.15)
Net cash generated from operating activities (A)	**130.84**	**1,305.80**
Cash flows from investing activities		
Purchase of property, plant and equipment	(93.12)	(182.00)
Investment in mutual funds and venture capital funds	(287.45)	(1,177.31)
Proceeds from sale of mutual funds	-	794.84
Proceeds from sale of property, plant and equipment	-	1.50
Movement in other bank balances	(12.55)	9.29
Interest income received	8.31	2.44
Net cash used in investing activities (B)	**(384.81)**	**(551.24)**
Cash flows from financing activities		
Repayment of short term borrowings	-	(497.48)
Other borrowing costs paid	-	(1.04)
Net cash used in financing activities	**-**	**(498.52)**
“ Net (decrease)/ increase in cash and cash equivalents during the year”	**(253.97)**	**256.04**
Effect of exchange rate changes on cash and cash equivalents	5.58	(40.47)
Cash and cash equivalents at the beginning of the year	1,065.71	850.14
Cash and cash equivalents at the end of the year (Note 1)	**817.32**	**1,065.71**
Cash and cash equivalents includes		
Balance with banks in current accounts	817.29	1,065.45
Cash on hand	0.03	0.26
	817.32	**1,065.71**

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

for **J V S L & Associates**
Chartered Accountants
(Firm Regn.No:15002S)

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

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholetime Director

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

Place: Hyderabad
Date: 30.05.2018

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

Consolidated Statement of Changes in Equity for the year ended 31-03-2018

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

A. Equity Share Capital

	Notes	Number of shares	Amount
As at 1 April 2016		**17,650,535**	**1,723.65**
Changes in equity share capital	15	-	-
As at 31 March 2017		**17,650,535**	**1,723.65**
Changes in equity share capital	15	-	-
As at 31 March 2018		**17,650,535**	**1,723.65**

B. Other Equity (Refer note 16)

	Reserves and Surplus				Other reserves			
	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**	**Total**
Balance as at 1 April 2016	180.51	6,701.14	696.90	1,782.16	-	30.91	-	9,391.62
Profit for the year		-	-	828.10	-	-	-	828.10
Other comprehensive income ("OCI")		-	-	-	(20.46)	39.18	(40.47)	(21.75)
Balance as at 31 March 2017	**180.51**	**6,701.14**	**696.90**	**2,610.26**	**(20.46)**	**70.09**	**(40.47)**	**10,197.97**
Profit for the year	-	-	-	572.62	-	-	-	572.62
OCI and Other adjustments		-	-	(0.85)	(0.86)	60.48	5.58	64.35
Balance as at 31 March 2018	**180.51**	**6,701.14**	**696.90**	**3,182.03**	**(21.32)**	**130.57**	**(34.89)**	**10,834.94**

This is the Consolidated Statement of Changes in equity referred to in our report of even date.

for **J V S L & Associates**
Chartered Accountants
(Firm Regn.No:15002S)

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

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholetime Director

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

Place: Hyderabad
Date: 30.05.2018

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

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 2018.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.

These consolidated financial statements for the year ended 31 March 2018 were authorized and approved for issue by the Board of Directors on 30 May 2018.

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.

In accordance with the notification issued by the Ministry of Corporate Affairs, the Group has adopted Indian Accounting Standards (Referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1 April 2017. Previous periods have been restated to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Group has presented a reconciliation from the presentation of Financial Statements under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at 31 March 2017 and 1 April 2016 and of the Comprehensive net income for the year ended 31 March 2017 (refer note 37).

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.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use or for the purpose of better presentation of financial statements. Management evaluates all recently issued or revised Accounting Standards on an ongoing basis and accordingly changes the Accounting policies as applicable.

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:

			Proportion of ownership interest as at		
Name of the entity	**Relationship**	**Country of incorporation**	**31 March 2018**	**31 March 2017**	**1 April 2016**
Softsol Resources Inc.	Subsidiary	USA	100%	100%	100%

3. Recent accounting pronouncements

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

a. Ind AS 115 'Revenue from Contracts with Customers' (Ind AS 115)

There is one new standard notified by MCA on 28 March 2018 for revenue recognition which overhauls the existing revenue recognition standards including Ind AS 18 – Revenue and Ind AS 11 – Construction contracts. The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

i. Identification of the contracts with the customer
ii. Identification of the performance obligations in the contract
iii. Determination of the transaction price
iv. Allocation of transaction price to the performance obligations in the contract (as identified in step ii)
v. Recognition of revenue when the Company satisfies a performance obligation.

This new standard is effective from financial period beginning on or after 1 April 2018.Based on management's assessment, the effect on adoption of Ind AS 115 is expected to be insignificant.

b. Appendix B to Ind AS 21, Foreign currency transactions and advance consideration

On 28 March 2018, MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.
This new Appendix is effective from financial period beginning on or after 1 April 2018. Based on management's assessment, the effect of Appendix B to Ind AS 21 is expected to be insignificant.

4. 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 spotexchange 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

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Goods and service tax/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.

Rental income
Rental income is recognized on time proportion basis.

e. 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 losswhen the asset is derecognised.

f. 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.

g. 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.

h. 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.

i. 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.

j. Investment in the nature of equity in subsidiary company

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

k. 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.

l. 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.

m. 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.

n. 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.

o. 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.

5. 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)

6. 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 2016	139.18	50.92	1,006.16	307.72	110.11	4.49	6.88	1,625.46
Additions	-	-	34.54	94.28	63.86	-	0.67	193.35
Translation difference	-	-	-	-	-	-	(0.09)	(0.09)
Balance as at 31 March 2017	**139.18**	**50.92**	**1,040.70**	**402.00**	**173.97**	**4.49**	**7.46**	**1,818.72**
Additions	-	-	-	23.07	53.08	-	11.62	87.77
Translation difference	-	-	-	-	-	-	0.01	0.01
Balance as at 31 March 2018	**139.18**	**50.92**	**1,040.70**	**425.07**	**227.05**	**4.49**	**19.09**	**1,906.50**
Accumulated depreciation								
Up to 1 April 2016	-	-	-	-	-	-	-	-
Charge for the year	-	0.56	63.60	90.46	58.74	2.75	2.10	218.21
Translation difference	-	-	-	-	-	-	(0.02)	(0.02)
Balance as at 31 March 2017	**-**	**0.56**	**63.60**	**90.46**	**58.74**	**2.75**	**2.08**	**218.19**
Charge for the year	-	0.56	51.03	79.98	48.43	1.26	3.04	184.30
Translation difference	-	-	-	-	-	-	-	-
Balance as at 31 March 2018	**-**	**1.12**	**114.63**	**170.44**	**107.17**	**4.01**	**5.12**	**402.49**
Net book value as at 1 April 2016 (Deemed cost)	139.18	50.92	1,006.16	307.72	110.11	4.49	6.88	1,625.46
Net book value as at 31 March 2017	139.18	50.36	977.10	311.54	115.23	1.74	5.38	1,600.53
Net book value as at 31 March 2018	**139.18**	**49.80**	**926.07**	**254.63**	**119.88**	**0.48**	**13.97**	**1,504.01**

Notes:
(i) The Group 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 37.

(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)

7. Investment property

	Buildings	Total
Gross carrying amount		
As at 1 April 2016	**1,468.05**	**1,468.05**
Additions	-	-
As at 31 March 2017	**1,468.05**	**1,468.05**
Additions	-	-
As at 31 March 2018	**1,468.05**	**1,468.05**
Accumulated depreciation		
Up to 1 April 2016	-	-
Charge for the year	69.53	69.53
Up to 31 March 2017	**69.53**	**69.53**
Charge for the year	76.14	76.14
Up to 31 March 2018	**145.67**	**145.67**
Net carrying amount		
As at 1 April 2016 (Deemed Cost)	1,468.05	1,468.05
As at 31 March 2017	1,398.52	1,398.52
As at 31 March 2018	**1,322.38**	**1,322.38**

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 37.

(ii) The Company, based on its best estimate, assessed that the carrying value of the investment property represents its fair value.

8. Other intangible assets

	Computer Software	Total
Gross carrying amount		
As at 1 April 2016	**14.04**	**14.04**
Translation difference	(0.32)	(0.32)
As at 31 March 2017	**13.72**	**13.72**
Translation difference	0.05	0.05
As at 31 March 2018	**13.77**	**13.77**
Accumulated amortization		
Up to 1 April 2016	-	-
Charge for the year	1.39	1.39
Translation difference	(0.01)	(0.01)
Up to 31 March 2017	**1.38**	**1.38**
Charge for the year	1.33	1.33
Translation difference	-	-
Up to 31 March 2018	**2.71**	**2.71**
Net carrying amount		
As at 1 April 2016 (Deemed Cost)	14.04	14.04
As at 31 March 2017	12.34	12.34
As at 31 March 2018	**11.06**	**11.06**

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

9. Investments

	31 March 2018	31 March 2017	1 April 2016
Current			
Investment carried at fair value through profit or loss ('FVTPL')			
Investment in mutual funds, quoted	7,281.78	6,573.82	5,667.33
Total	**7,281.78**	**6,573.82**	**5,667.33**
Investments carried at fair value through OCI ('FVOCI')			
Investment in equity units, unquoted			
"Blume ventures Fund 1,446 units of Fund 1A of ₹ 10,000 each and 118,941 units of Fund II of ₹ 100 each (31 March 2017:1,447 units of Fund 1A and 82,427 units of Fund II) (1 April 2016:1,148 units of Fund 1A and 60,000 units of Fund II) "	394.15	297.19	205.71
	394.15	**297.19**	**205.71**
Total	**7,675.93**	**6,871.01**	**5,873.04**
Aggregate amount of quoted investments and market value thereof	7,281.78	6,573.82	5,667.33
Aggregate amount of unquoted investments	394.15	297.19	205.71

10. Other financial assets

	31 March 2018	31 March 2017	1 April 2016
Unsecured, considered good			
(i) Non-current			
Security deposits	77.75	74.69	68.84
Bank deposits (due to mature after 12 months from the reporting date)*	27.78	25.22	14.06
Total	**105.53**	**99.91**	**82.90**

*Represents deposits held as margin money with banks.

	31 March 2018	31 March 2017	1 April 2016
(ii) Current			
Rent receivable	175.00	158.57	135.48
Interest accrued on deposits	5.33	8.24	5.35
Others	-	31.48	16.62
Total	**180.33**	**198.29**	**157.45**

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

11. Other assets

	31 March 2018	31 March 2017	1 April 2016
(i) Non-current			
Unsecured - Considered good			
Capital advances	1.38	1.54	16.17
Total	**1.38**	**1.54**	**16.17**
(ii) Current			
(Unsecured) - Considered good			
Advance for expenses	2.43	-	0.86
Prepaid expenses	42.59	44.76	1.58
Others	35.15	-	-
Balances with statutory authorities	-	14.47	13.60
Total	**80.17**	**59.23**	**16.04**

12. Trade receivables

	31 March 2018	31 March 2017	1 April 2016
(i) Non - Current			
(Unsecured)			
- Considered good	881.47	582.61	921.10
- Considered doubtful	-	-	-
	881.47	**582.61**	**921.10**
Less: Allowance for doubtful debts	-	-	-
Total	**881.47**	**582.61**	**921.10**
(ii) Current			
(Unsecured)			
- Considered good	546.40	547.92	934.84
- Considered doubtful	-	-	-
	546.40	**547.92**	**934.84**
Less: Allowance for doubtful debts	-	-	-
Total	**546.40**	**547.92**	**934.84**

13. Deferred tax assets

	31 March 2018	31 March 2017	1 April 2016
Deferred tax assets arising on account of:			
Provision for doubtful debts	11.55	21.33	33.93
Depreciation	4.87	8.63	8.45
Others	7.73	3.33	5.30
Total	**24.16**	**33.29**	**47.68**

14. Cash and Bank Balances

	31 March 2018	31 March 2017	1 April 2016
(i) Cash and cash equivalents			
Balances with banks in current accounts	817.29	1,065.45	849.40
Cash on hand	0.03	0.26	0.74
	817.32	**1,065.71**	**850.14**
(ii) Bank balances other than above			
- Unpaid dividend account	0.65	0.66	0.70
- in deposit accounts (with original maturity of more than 3 months but less than 12 months)*	12.56	-	9.25
	13.21	**0.66**	**9.95**
Total	**830.53**	**1,066.37**	**860.09**

*Represents deposits held as margin money with banks.

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

15. Equity share capital

i. Authorised share capital

	31 March 2018		31 March 2017		1 April 2016	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Equity shares of ₹10 each	50,000,000	5,000	500,000,000	5,000	50,000,000	5,000

ii. Issued, subscribed and paid up

	31 March 2018		31 March 2017		1 April 2016	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Equity shares of ₹ 10 each fully paid up	16,822,513	1,682.25	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	28,200	1.41
Forfeited shares (amount originally paid)	799,822	39.99	799,822	39.99	799,822	39.99
Total	**17,650,535**	**1,723.65**	**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 2018		31 March 2017		1 April 2016	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
Equity shares						
Balance at the beginning and end of the year	17,650,535	1,723.65	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 2018		31 March 2017		1 April 2016	
Name of the equity share holders	**Number**	**% holding**	**Number**	**% holding**	**Number**	**% holding**
Durga VLK Madala	9,557,408	56.81%	9,557,408	56.81%	9,557,408	56.81%
Sambasiva Rao Madala	918,400	5.46%	918,400	5.46%	918,400	5.46%
Srinivasa Rao Madala	1,366,099	8.12%	1,366,099	8.12%	980,691	5.83%
Adalat Corporation	-	0.00%	-	0.00%	1,755,370	10.43%
Radhakrishna Ghanta (Trustee of AAM trust)	1,946,762	11.57%	1,946,762	11.57%	1,250,000	7.43%
Radhakrishna Ghanta (Trustee of SSM trust)	1,923,200	11.43%	1,923,200	11.43%	1,250,000	7.43%

vi. During the five previous financial years ended 31 March 2018, 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 2018		31 March 2017		1 April 2016	
	Number	**Amount**	**Number**	**Amount**	**Number**	**Amount**
- By Directors and Officers	-	-	-	-	-	-
- By others at ₹ 5 per equity share	28,200	1.41	28,200	1.41	28,200	1.41
Total	**28,200**	**1.41**	**28,200**	**1.41**	**28,200**	**1.41**

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

16. Other equity

	31 March 2018	31 March 2017	1 April 2016
Reserve and surplus			
Capital redemption reserve	180.51	180.51	180.51
Securities premium reserve	6,701.14	6,701.14	6,701.14
General reserve	696.90	696.90	696.90
Retained earnings	3,182.03	2,610.26	1,782.16
	10,760.58	**10,188.81**	**9,360.71**
Other reserves			
Remeasurement of defined benefit obligations	(21.32)	(20.46)	-
Fair value changes on equity instruments through OCI	130.57	70.09	30.91
Exchange difference in translating the financial statements of a foreign operation	(34.89)	(40.47)	-
	74.36	**9.16**	**30.91**
Total	**10,834.94**	**10,197.97**	**9,391.62**

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.

17. Borrowings

	31 March 2018	31 March 2017	1 April 2016
Secured			
Line of credit	-	-	497.48
Total	**-**	**-**	**497.48**

The line of credit was repayable on demand and was repaid during the year ended 31 March 2017.

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

18. Other financial liabilities

	31 March 2018	31 March 2017	1 April 2016
(i) Non-current			
Deposits	327.49	315.63	313.94
	327.49	**315.63**	**313.94**
(ii) Current			
Expenses payable	139.55	98.47	74.34
Unclaimed dividend	0.65	0.66	0.70
Others	49.68	7.06	4.65
Total	**189.88**	**106.19**	**79.69**

19. Provisions

	31 March 2018	31 March 2017	1 April 2016
(i) Non-current			
Gratuity	30.74	20.16	20.87
Compensated absences	7.49	6.32	1.80
Total	**38.23**	**26.48**	**22.67**
(ii) Current			
Gratuity	8.10	10.76	7.59
Compensated absences	2.52	5.36	0.38
Total	**10.62**	**16.12**	**7.97**

(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.

(i) Change in projected benefit obligation

	31 March 2018	31 March 2017	1 April 2016
Projected benefit obligation at the beginning of the year	30.92	28.46	28.56
Service cost	8.02	(15.10)	2.45
Interest cost	2.16	2.02	2.05
Actuarial loss	0.86	20.46	-
Benefits paid	(3.12)	(4.92)	(4.60)
Projected benefit obligation at the end of the year	**38.84**	**30.92**	**28.46**

(ii) Reconciliation of present value of obligation on the fair value of plan assets

	31 March 2018	31 March 2017	1 April 2016
Present value of projected benefit obligation at the end of the year	38.84	30.92	28.46
Funded status of the plans	-	-	-
Net liability recognised in the balance sheet	**38.84**	**30.92**	**28.46**

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

(iii) Expense recognized in the statement of profit and loss

Interest cost	2.16	2.02	2.05
Service cost	8.02	(15.10)	2.45
Net gratuity costs/(benefits)	**10.18**	**(13.08)**	**4.50**

(iv) Expense recognized in OCI

Recognized net actuarial loss	0.86	20.46	-
	0.86	**20.46**	**-**

(v) Key actuarial assumptions

Discount rate	7.55% - 7.7%	6.8% - 7.9%	7.8%
Salary escalation rate	5% - 8%	5% - 8%	7%

(vi) Sensitivity analysis

Reasonably possible changes as at 31 March 2018 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 2018
The defined benefit obligation shall mature after year ended 31 March 2018 as follows:	
Within 1 year	16.05
2- 3 years	-
3 years and above	22.79

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.

20. Other non-current liabilities

	31 March 2018	**31 March 2017**	**1 April 2016**
Deferred rent	-	10.92	29.52
Capital creditors	3.17	8.62	12.28
Total	**3.17**	**19.54**	**41.80**

21. Trade payables

	31 March 2018	**31 March 2017**	**1 April 2016**
Dues to micro and small enterprises		-	-
Others	80.47	201.44	155.04
Total	**80.47**	**201.44**	**155.04**

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

(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 2017: Nil, 1 April 2016: 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.

22. Revenue from operations

	31 March 2018	31 March 2017
Sale of services		
Software services	3,593.79	3,810.94
Total	**3,593.79**	**3,810.94**

23. Other income

	31 March 2018	31 March 2017
Interest income from fixed deposits	5.40	5.33
Interest income from others	15.85	18.60
Interest on income tax refunds	5.62	13.74
Rental income	1,043.70	1,015.19
Excess Provision written back	1.93	-
Gain on redemption of mutual funds	-	118.77
Unrealised gain on mark to market marking of mutual funds	457.96	457.56
Profit on sale of tangible fixed assets	-	1.50
Other non-operating income	0.42	48.43
Total	**1,530.88**	**1,679.12**

24. Employee benefits expense

	31 March 2018	31 March 2017
Salaries and wages	2,757.85	2,538.75
Contribution to provident and other funds (refer note a below)	24.25	20.25
Staff welfare expenses	9.29	10.16
Total	**2,791.39**	**2,569.16**

(a) The amount recognized as an expense towards contribution to provident fund for the year aggregated to ₹ 23.76 (31 March 2017: ₹ 16.17) and towards employee state insurance fund aggregated to ₹ 1.35 (31 March 2017: ₹ 2.14).

25. Finance costs

	31 March 2018	31 March 2017
Interest expense for financial liabilities carried at amortised cost	16.26	21.74
Other borrowing costs	-	1.04
Total	**16.26**	**22.78**

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

26. Other expenses

	31 March 2018	31 March 2017
Power and fuel	39.73	45.78
Rent	21.79	43.75
Repairs and maintenance		
- Buildings	28.73	21.67
- Plant and equipment	68.37	54.88
- Others	7.16	13.32
Consulting Outsource	624.37	962.81
Insurance	108.66	96.67
Rates and taxes, excluding taxes on income	37.47	40.88
Communication	19.95	23.44
Travelling and conveyance	34.95	52.12
Legal and professional fees	56.23	99.23
Director’s sitting fees	2.06	1.95
Fees and subscriptions	8.29	12.55
Recruiting and outside services	60.51	79.37
Rebate Charges	7.03	11.70
Rent receivable written off	13.95	-
Foreign exchange fluctuations loss	0.30	3.34
Payments to the auditor (refer note (i))	2.84	2.68
Printing & Stationery	2.31	2.09
Security service charges	20.93	22.16
House keeping charges	13.99	14.75
Office maintenance	5.89	11.05
Water charges	7.47	8.27
Miscellaneous expenses	29.29	34.60
Total	**1,222.27**	**1,659.06**

(i) Details of payments to auditors :

	31 March 2018	31 March 2017
As auditor:		
- Audit fee	2.29	1.15
In other capacities:		
- Taxation matters	0.55	1.53

27. Income tax

	31 March 2018	31 March 2017
Tax expense comprises of:		
Current tax	251.23	107.52
Deferred tax	9.13	14.31
Total	**260.36**	**121.82**

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 21.34% 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 2018	31 March 2017
Profit before tax	832.98	949.93
Other comprehensive income	65.20	(21.75)
	898.18	**928.18**
Tax at the Indian tax rate (21.34%)*	191.67	198.07
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	-	(105.88)
On account of one-fifth of Ind AS transition gain adjusted to the book profit	50.87	-
On account of difference between Indian and foreign tax rates	17.82	29.63
Income tax expense	**260.36**	**121.82**

*The tax rate used for reconciliation above is the minimum alternate tax rate of 21.34% at which the Parent company is liable to pay tax on taxable income under the Indian Tax Law.

28. Earnings per share (EPS)

	31 March 2018	31 March 2017
Profit attributable to equity shareholders	572.62	828.10
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	3.40	4.92
Nominal Value per share equity share	10	10

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

29. 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 2018	31 March 2017	1 April 2016
Fair value hierarchy (Level 1)			
Financial assets			
Investment in mutual funds	7,281.78	6,573.82	5,667.33
Fair value hierarchy level (Level 3)			
Financial assets			
Investment in equity units of venture capital fund	394.15	297.19	205.71

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 2018			31 March 2017			1 April 2016		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets									
Investments	7,281.78	394.15	-	6,573.82	297.19	-	5,667.33	205.71	-
Trade receivables	-	-	1,427.87	-	-	1,130.53	-	-	1,855.94
Cash and cash equivalents	-	-	817.32	-	-	1,065.71	-	-	850.14
Other bank balances	-	-	13.21	-	-	0.66	-	-	9.95
Other financial assets	-	-	285.86	-	-	298.20	-	-	240.35
Total financial assets	**7,281.78**	**394.15**	**2,544.26**	**6,573.82**	**297.19**	**2,495.10**	**5,667.33**	**205.71**	**2,956.38**

	31 March 2018			31 March 2017			1 April 2016		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities									
Borrowings	-	-	-	-	-	-	-	-	497.48
Trade payables	-	-	80.47	-	-	201.44	-	-	155.04
Other financial liabilities	-	-	517.37	-	-	421.82	-	-	393.63
Total financial liabilities	**-**	**-**	**597.84**	**-**	**-**	**623.26**	**-**	**-**	**1,046.15**

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

30. 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 2018.

Financial assets that are past due but not impaired

The Group's credit period for customers generally ranges from 0 - 270 days. The aging of trade receivables that are not due and past due but not impaired is given below:

	31 March 2018	31 March 2017	1 April 2016
Neither past due nor impaired	-	-	-
Past due not impaired:			
less than 180 days	481.52	1,103.37	1,809.38
181-365 days	946.35	27.17	46.56
Greater than 365 days	-	-	-
	1,427.87	**1,130.53**	**1,855.94**

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 2018 and 31 March 2017.

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 2018	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Non-derivatives				
Trade and other payables	80.47	-	-	80.47
Other financial liabilities	189.88	327.49	-	517.37
Total	**270.35**	**327.49**	**-**	**597.84**

31 March 2017	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Non-derivatives				
Trade payable	201.44	-	-	201.44
Other financial liabilities	106.19	315.63	-	421.82
Total	**307.63**	**315.63**	**-**	**623.26**

1 April 2016	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Non-derivatives				
Borrowings	497.48	-	-	497.48
Trade payable	155.04	-	-	155.04
Other financial liabilities	79.69	313.94	-	393.63
Total	**732.21**	**313.94**	**-**	**1,046.15**

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.

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

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$, the Group's revenues measured in Indian rupees may decrease. The following table details non derivative financial instruments which are denominated in US$:"

	31 March 2018	31 March 2017	1 April 2016
Assets			
Trade receivables	1,315.69	1,078.34	1,700.35
Cash and cash equivalents	649.90	955.87	705.21
Other financial assets	9.76	41.21	27.87
	1,975.35	**2,075.42**	**2,433.43**
Liabilities			
Borrowings	-	-	497.48
Trade payables	62.97	172.63	126.23
Other financial liabilities	6.36	52.40	25.44
	69.33	**225.03**	**649.15**

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

	Impact on profit	
	31 March 2018	**31 March 2017**
USD sensitivity*		
₹/USD - Increase by 2%	38.12	37.01
₹/USD - Decrease by 2%	(38.12)	(37.01)

* Holding all other variables constant.

31. Capital risk management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce borrowings.

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by total equity (as shown in the balance sheet).

The gearing ratio is as follows*:

	1 April 2016
Borrowings	497.48
Less: Cash and cash equivalents	850.14
Net debt	**-**
Equity share capital	1,723.65
Other equity	9,391.62
Total equity	**11,115.27**
Equity and net debt	11,115.27
Gearing ratio	**0%**

*The Group did not had any long term borrowings or working capital loans as on 31 March 2018 and 31 March 2017.

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

In order to achieve Group's overall objective, the Group's capital management, amongst other things, aims to ensure that the Group meets the financial covenants, which are attached to the borrowings. Breaches in meeting the financial covenants could permit the bankers to immediately call back the borrowings. There have been no material breaches in meeting such financial covenants.

32. 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 Mandava Srinivasa, Chief Financial Officer B.Laxman, Company Secretary	Key Managerial Personnel (KMP)

(b) Transactions with related parties

	For the year ended	
	31 March 2018	**31 March 2017**
Transactions with KMPs		
Managerial remuneration*	32.40	30.98

(c) Balances receivable

	As at		
	31 March 2018	**31 March 2017**	**1 April 2016**
KMPs	-	-	-

*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.

33. Contingent liabilities and commitments

	As at		
	31 March 2018	**31 March 2017**	**1 April 2016**
(a) Commitments			
Capital commitments for investments in venture funds	-	67.50	120.00
(b) Contingent liabilities			
Guarantees excluding financial guarantees			
Bank guarantee	27.77	23.31	23.31

34. 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.

35. Segment reporting

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the Group has only one reportable segment namely "Software".

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

The table below presents revenue, capital expenditure and asset information detailing the Group's geographic distribution of activities:

Particulars	For the year ended and as at					
	31 March 2018			31 March 2017		
	" Segment revenue "	" Segment assets "	Capital expenditure	" Segment revenue "	" Segment assets "	Capital expenditure
India	331.10	11,118.80	77.70	87.12	10,466.91	193.35
United States of America	3,262.69	2,091.56	10.07	3,723.83	2,160.32	-
Total	**3,593.79**	**13,210.36**	**87.77**	**3,810.94**	**12,627.23**	**193.35**

Non-current operating assets

More than 99% of the Group's non current operating assets as at 31 March 2018, 31 March 2017 and 1 April 2016 are located in India. Non current operating assets for this purpose consists of property, plant and equipment, investment property and intangible assets.

Major customer

The Group has four customers who contributed more than 10% of the Group's total revenue during the current and previous year. The revenue from such major customers during the year is $ 2.6 millon (31 March 2017: $ 3.9 millon).

36. Additional disclosure as required under paragraph 2 of 'General Instructions for the preparation of Consolidated Financial Statements' of the Schedule III to the Act

	For the year ended and as at 31 March 2018				For the year ended and as at 31 March 2017			
Name of the entity	Net assets		Share in profit or loss		Net assets		Share in profit or loss	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount
Parent company								
Sofsol India Limited	98%	12,967.99	96%	547.68	98%	12,349.84	92%	757.89
Foreign subsidiary								
Sotfsol Resources Inc.	16%	2,091.56	4%	24.94	17%	2,160.32	8%	70.21
Non-controlling interest	-	-	-	-	-	-	-	-
Total	**114%**	**15,059.55**	**100%**	**572.62**	**115%**	**14,510.16**	**100%**	**828.10**
Consolidation adjustments	-14%	(1,849.19)	-	-	-15%	(1,882.93)	-	-
Net amount	**100%**	**13,210.36**	**100%**	**572.62**	**100%**	**12,627.23**	**100%**	**828.10**

The disclosure as above represents separate information for each of the consolidated entities before elimination of inter–company transactions. The net impacts on elimination of inter–company transactions/profits/consolidation adjustments have been disclosed separately. Based on the group structure, the management is of the view that the above disclosure is appropriate under the requirements of the Act.

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

37. First time adoption of Ind AS

"These consolidated financial statements, for the year ended 31 March 2018, are the first the Group has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Group prepared its consolidated financial statements in accordance with Indian GAAP, including accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 (previous GAAP or Indian GAAP). The Group has prepared consolidated financial statements which comply with Ind AS applicable for periods ending on or after 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017 and in the preparation of an opening Ind AS consolidated balance sheet at 1 April 2016 (the Group's date of transition), as described in the summary of significant accounting policies. However, these consolidated financial statements do not include financial information for the prior period. In preparing its opening Ind AS consolidated balance sheet, the Group has adjusted the amounts reported previously in consolidated financial statements prepared in accordance with previous GAAP. An explanation of how the transition from previous GAAP to Ind AS has affected the Group's consolidated financial position, consolidated financial performance and consolidated cash flows is set out in the following tables and notes."

Optional exemptions availed and mandatory exceptions applied

Set out below are the Ind AS 101 optional exemptions availed as applicable and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

(i) Deemed cost for property, plant and equipment, investment property and other intangible assets

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment, investment property and other intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment, investment property and other intangible assets.

(ii) Designation of previously recognised financial instruments

"At the date of transition to Ind AS, Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances of each case. The Group has elected to apply this exemption for its investment in equity units held in venture capital fund.

At the date of transition to Ind AS, Ind AS 101 also allows an entity to designate investments in equity instruments at FVTPL on the basis of the facts and circumstances of each case. The Group has elected to apply this exemption for its investment in mutual funds."

(iii) Estimates

"As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error.

The Group's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the consolidated financial statements that were not required under the previous GAAP are listed below:"

a) Investment in equity instruments carried at FVOCI.
b) Investment in equity instruments carried at FVTPL.
c) Impairment of financial assets based on expected credit loss model.
d) Determination of the discounted value for financial instruments carried at amortised cost.

(iv) Classification and measurement of financial assets and liabilities

"Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Group has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.”

(v) De-recognition of financial assets and liabilities

The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date.

(vi) Cumulative translation differences on foreign operations

The Group has elected the option to reset the cumulative translation differences on foreign operations that exists as of the transition date to zero.

(vii) Business combination

“Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

Accordingly the Group has applied the standard for all acquistions completed on or after 1 April 2010. For all such acquisitions:

(a) Intangible assets previously included within Goodwill under IGAAP have been recognised separately in the opening Consolidated Balance Sheet in accordance with Ind AS 103.

(b) Retained earnings has been adjusted to include the amortization on identified intangibles that would have been recorded from the date of acquisition till the transition date.”

(viii) Reconciliations

		As at	
	Notes	**31 March 2017**	**1 April 2016**
Reconciliation of total equity			
Total equity as per previous GAAP		19,509.60	19,196.63
Add / (less) : Adjustments for GAAP differences			
On account of amortisation of intangible assets recognized in business combination	(a)	(8,777.65)	(8,777.65)
On account of measuring investments at FVTPL	(b)	1,117.19	659.63
On account of measuring investments at FVOCI	(c)	70.09	30.91
Others		2.39	5.75
Total adjustments		**(7,587.98)**	**(8,081.36)**
Total Equity (shareholder’s fund) under Ind AS		**11,921.62**	**11,115.27**

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

Particulars	Notes	For the year ended 31 March 2017
Net profit under previous GAAP		353.45
Net gain on investments in equity instruments at FVTPL	(b)	457.56
Remeasurement of employee benefits	(d)	20.46
Others		(3.37)
Total net profit for the period under Ind AS		**828.10**
Other comprehensive income		
Remeasurement of employee benefits	(d)	(20.46)
Net gain on investments in equity instruments at FVOCI	(c)	39.18
Exchange differences in translating the financial statements of a foreign operation	(e)	(40.47)
Total comprehensive income		**806.35**

Notes on reconciliations between previous GAAP and Ind AS

(a) Amortization of intangible assets recognized in business combination

"Under IGAAP, intangible assets arising as part of business combinations were recorded as part of Goodwill. Under Ind AS, such intangible assets are separately recognised in the balance sheet and amortized over their useful lifes.

This adjustment reflects the impact of amortization of intangible assets, which were included within the Goodwill under the IGAAP."

(b) Investments in mutual funds at fair value through profit or loss

Under Indian GAAP, investments in mutual funds are accounted for as short-term investments and accordingly they are carried at lower of cost and fair value. Under Ind AS, the Group has designated such investments measured at FVTPL. At the date of transition to Ind AS, difference between the fair value of mutual funds and Indian GAAP carrying amount has been recognised as a separate component of equity, in the retained earnings.

(c) Investments in unquoted equity instruments at fair value through OCI

Under Indian GAAP, investments in equity units of venture capital fund are accounted for as short-term investments and accordingly they are carried at lower of cost and fair value. Under Ind AS, the Group has designated such investments measured at FVOCI. At the date of transition to Ind AS, difference between the fair value of equity units and Indian GAAP carrying amount has been recognised as a separate component of equity, in the retained earnings.

(d) Remeasurement of employee benefits

Under previous GAAP, actuarial gains and losses were recognised in statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of net defined benefit liability / asset which is recognised in other comprehensive income in the respective periods.

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

(e) Exchange differences in translating the financial statements of a foreign operation

Under previous GAAP, exchange differences in translating the financial statements of a foreign operation were recognised in statement of profit and loss. Under Ind AS, such exchange differences are recognised in other comprehensive income in the respective periods.

(f) Effect of transition to Ind AS on Consolidated Cash Flow Statement for the year ended 31 March 2017

Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities and has no impact on the consolidated net cash flow for the year ended 31 March 2017 as compared with the previous GAAP.

(g) Retained earnings

Retained earnings as at 1 April 2016 has been adjusted consequent to the above Ind AS transition adjustments.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

for **J V S L & Associates** Chartered Accountants (Firm Regn.No:15002S)	For and on behalf of Board of Directors of SoftSol India Limited	
J. Venkateswarlu Partner ICAI Ms.No.022481	Bhaskara Rao Madala (DIN : 00474589) Wholetime Director	Dr. T. Hanuman Chowdary (DIN:00107006) Director
Place: Hyderabad Date: 30.05.2018	B. Laxman Company Secretary	Srinivas Mandava 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 Computershare Private Limited, Karvy Selenium Tower B, Plot No 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032
CIN : U74140TG2003PTC041636

ATTENDANCE SLIP

28th 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 Saturday, 29th day of September, 2018 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 Computershare Private Limited, Karvy Selenium Tower B, Plot No 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032
CIN : U74140TG2003PTC041636

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 28th Annual General Meeting of the company at Saturday, the 29th day of September, 2018 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:

1. To receive and adopt the audited financial statements of the Company (both standalone and consolidated) for the financial year ended on 31 March 2018 and together with the reports of the board of directors and auditors thereon.
2. To appoint M/s. Pavuluri & Co. Chartered Accountants (FRN: 012194S) in the place of M/s. JVSL & Associates, Chartered Accountants (FRN: 015002S), as auditors of the company.
3. To amend memorandum of the company by altering object clauses.

Signed this…………………......................................day of September 2018 (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.