Annexure-II

SoftSol

Audited financials for the last 3 financial years, annual report for the last financial year and unaudited financials of the latest quarter & limited review report of SoftSol India Limited, as a part of application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Audited financials of SoftSol India Limited for the last 3 financial years & latest quarter

Particulars	For 3 months ended June 30, 2023	Financial Year 2022-2023*	Financial Year 2021-2022*	Financial Year 2020-2021*
	Unaudited (Limited Reviewed)	Audited	Audited	Audited
Equity Paid up Capital	15,17,77,000	15,17,77,000	17,23,65,240	17,23,65,240
Reserves and surplus	1,19,95,56,277	1,18,05,22,564	1,44,93,47,861	1,34,12,47,714
Carry forward losses	-	-	-	-
Net Worth**	1,35,13,33,277	1,33,22,99,564	1,62,17,13,101	1,51,36,12,954
Miscellaneous Expenditure	-	-	-	-
Secured Loans	-	-	-	-
Unsecured Loans	-	-	-	-
Fixed Assets (Property, Plant and Equipment)	10,02,86,213	10,20,39,406	11,00,60,201	11,82,60,797
Income from Operations	6,54,02,881	31,52,52,095	24,21,07,393	18,89,77,519
Total Income	7,93,69,862	38,89,28,842	26,75,79,775	26,78,79,250
Total Expenditure	5,25,17,105	27,04,66,119	20,18,98,221	14,02,65,474
Profit before Tax	2,68,52,758	11,84,62,724	6,56,81,554	12,76,13,776
Profit after Tax	2,01,39,568	6,05,48,130	4,32,58,772	10,84,61,235
Cash profit #	2,44,49,253	7,62,15,689	6,02,24,095	12,66,08,837
EPS	1.36	4.10	2.57	6.44
Book value	91.53	90.24	96.40	89.98

**Figures based on Standalone Financial Statements.*
***Net Worth has been calculated as Paid-up Share Capital + Other Equity/Reserves & Surplus*
#Cash Profit has been calculated as Profit after Tax + Depreciation

For SoftSol India Limited

Bhaskar Rao Madala
Whole-time Director
DIN: 00474589

Date: August 18, 2023

SOFTSOL INDIA LIMITED HYDERABAD

PAVULURI & Co.
CHARTERED ACCOUNTANTS
Plot No.48, Flat No.301,
MICASA, Phase - I, Kavuri Hills,
Hyderabad - 500 033.
Ph : 040-2970 2638 / 2639 / 2640
Email : mail@pavuluriandco.com

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF THE STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF SOFTSOL INDIA LIMITED

Opinion

We have audited the accompanying Statement of Standalone Financial Results of SOFTSOL INDIA LIMITED (the "Company"), for the quarter and year ended March 31, 2023 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

a. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations;

and

b. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the quarter and year then ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the quarter and year ended March 31, 2023 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

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Management's Responsibilities for the Standalone Financial Results

This Statement, which includes the Standalone financial results is the responsibility of the Company's Board of Directors, and has been approved by them for the issuance. The Statement has been compiled from the related audited Interim condensed standalone financial statements for the three months and year ended March 31, 2023. This responsibility includes preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2023 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors is responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be

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expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.

• Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.

• Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement

or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure, and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

PAVULURI & CO. Chartered Accountants Hyderabad

SOFTSOL INDIA LIMITED HYDERABAD

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

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

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

For PAVULURI & CO
Chartered Accountants
(Firm's Registration No. 012194S)

N. Rajesh

CA.N.RAJESH
Partner
(Membership No.223169)
UDIN: 23223169BGVJSC5716

Place: Hyderabad
Date: May 30, 2023

SOFTSOL INDIA LIMITED
Plot No.4,Infocity,Madhapur,Hyderabad,Telangana

BALANCE SHEET AS AT 31st March 2023

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

Particulars	Note No.	As at 31.03.2023 Amount ₹	As at 31.03.2022 Amount ₹
ASSETS:			
Non-Current Assets			
(a) Property,Plant and Equipment	5	1,020.40	1,100.61
(b) Capital Work In Progress		1.44	445.50
(c) Investment Property	6	2,116.35	1,404.54
(d) Other intangible assets	7	0.04	0.04
(e) Financial assets			
(i) Investments	8(i)	1,760.93	1,760.93
(ii) Other financial assets	9(i)	7,371.35	9,212.95
(f) Non-current tax assets (net)		-	
Total non-current assets		*12,270.51*	*13,924.56*
Current assets			
(a) Financial Assets			
(i) Investments	8(ii)	1,914.95	2,873.18
(ii) Trade receivables	11	733.86	447.86
(iii) Cash and cash equivalents	12(i)	586.01	190.93
(iv) Bank balances other than (iii) above	12(ii)	-	0.65
(v) Other financial assets	9(ii)	2.71	1.52
(b) Other current assets	10	99.90	73.03
Total current assets		*3,337.43*	*3,587.17*
TOTAL ASSETS		15,607.94	17,511.74
EQUITY AND LIABILITIES:			
Equity			
(a) Equity share capital	13	1,517.77	1,723.65
(b) Other equity	14	11,805.22	14,493.48
Total equity		*13,322.99*	*16,217.13*
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	15(i)	833.45	721.73
(b) Provisions	16(i)	573.18	257.92
(c) Deferreed Tax Liabilities (net)		251.72	-
Total non-current liabilities		*1,658.35*	*979.65*
Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	17	50.88	35.30
(ii) Other Financial Liabilities	15(ii)	248.08	225.50
(b) Provisions	16(ii)	327.64	54.15
Total current Liabilities		*626.60*	*314.96*
TOTAL EQUITY AND LIABILITIES		15,607.94	17,511.74

Significant accounting policies are in the notes 1 to 4
The accompanying notes referred to above form an integral part of the financial statements.
This is the Balance sheet referred to in our report of even date.

For PAVULURI & CO
Chartered Accountants
Firm Reg No:012194S

CA N RAJESH
Partner
M.No:223169
UDIN : 23223169BGVJSC5716

Place : Hyderabad
Date : 30.05.2023

For and on behalf of Board of Directors of
SOFTSOL INDIA LIMITED

Bhaskara Rao Madala
DIN:00474589
Wholetime Director

T Hanuman Chowdary
DIN:00107006
Director

B.Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

SOFTSOL INDIA LIMITED HYDERABAD

SOFTSOL INDIA LIMITED

Plot No.4,Infocity,Madhapur,Hyderabad,Telangana

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2023

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

	Particulars	Note No.	Year Ended 31.03.2023 Amount ₹	Year Ended 31.03.2022 Amount ₹
I	**INCOME:**			
	Revenue from Operations	18	3,152.52	2,421.07
	Other Income	19	736.77	254.72
	Total Income		3,889.29	2,675.79
	EXPENSES:			
	Employee Benefit Expense	20	1,926.48	1,501.17
	Finance costs	21	35.31	7.79
	Depreciation and amortisation expense	5,6&7	156.68	169.65
	Other Expenses	22	586.20	340.36
	Total Expenses		2,704.67	2,018.98
	Profit Before Tax		**1,184.62**	**656.81**
	Tax Expense			
	Current Tax	23	327.43	224.23
	Deferred tax Liability		251.72	-
	(Excess)/short Provision of Earlier year tax			36.11
	Previous year MAT credit utilisation/ entitlement			(36.11)
	Profit for the Year		**605.47**	**432.59**
	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
	Re-measurement loss on defined benefit plans		11.27	1.44
	Gain/(Loss) on fair value changes on equity instruments		68.81	646.42
	Gain on exchange fluctuation		760.19	250.46
	Less: Income tax relating to items that will not be reclassified to profit and loss		(233.76)	(249.92)
	Total Other Comprehensive Income for the year		606.50	648.41
	Total Comprehensive Income for the year		**1,211.98**	**1,081.00**
II	**Earnings per equity share (EPS)**	24		
	Par value per share		10	10
	Basic EPS		4.10	2.57
	Diluted EPS		4.10	2.57

Significant accounting policies are in the notes 1 to 4

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

This is the Statement of Profit & Loss referred to in our report of even date.

For PAVULURI & CO
Chartered Accountants
Firm Reg No:012194S

For and on behalf of Board of Directors of
SOFTSOL INDIA LIMITED

Bhaskara Rao Madala
DIN:00474589
Wholetime Director

T Hanuman Chowdary
DIN:00107006
Director

CA N RAJESH
Partner
M.No:223169
UDIN : 23223169BGVJSC5716

Place : Hyderabad
Date : 30.05.2023

B.Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

SOFTSOL INDIA LIMITED HYDERABAD

Softsol India Limited

Statement of Changes in Equity for the year ended 31 March 2023
(All amounts in ₹ lakhs, except share data and where otherwise stated)

A Equity Share Capital

	Notes	Number of shares	Amount
As at 1 April 2021		**17,650,535**	**172,365,240**
Changes in equity share capital	14	-	-
As at 31 March 2022		**17,650,535**	**172,365,240**
Changes in equity share capital	14	(2,058,824)	(20,588,240)
As at 31 March 2023		**15,591,711**	**151,777,000**

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**	**unrealised Foreign Exchange Fluctuation Gain**	**Fair value changes in equity instruments through OCI**	**Total**
Balance as at 31 March 2021	**180.51**	**6,701.14**	**696.90**	**13,326.58**	**(18.34)**	**22.36**	**(7,496.68)**	**13,412.48**
Profit for the year	-	-	-	432.59	-		-	432.59
Other comprehensive income	-	-	-	-	1.44	250.46	646.42	898.33
Income tax relating to items of OCI	-	-	-	-	(0.40)	(69.68)	(179.84)	(249.92)
Balance as at 31 March 2022	**180.51**	**6,701.14**	**696.90**	**13,759.17**	**(17.30)**	**203.15**	**(7,030.09)**	**14,493.48**
Finance Ind AS adjustment								
Transfer from retained earning on accoı	205.88							205.88
Profit for the year		-	-	605.47	-	(292.19)		313.27
Capital redemption reserve				(205.88)				(205.88)
Buyback Premium		(3,294.12)						(3,294.12)
Buyback tax		(313.93)						(313.93)
Other comprehensive income	-	-	-	-	11.27	760.19	68.81	840.27
Income tax relating to items of OCI	-	-	-	-	(3.14)	(211.48)	(19.14)	(233.76)
Balance as at 31 March 2023	**386.39**	**3,093.09**	**696.90**	**14,158.76**	**(9.16)**	**459.66**	**(6,980.42)**	**11,805.22**

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

SOFTSOL INDIA LIMITED * HYDERABAD *

Softsol India Limited

Cash Flow Statement for the year half ended 31st March 2023

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

	For the year ended	
	31 March 2023	**31 March 2022**
Cash flow from operating activities		
Profit before tax	**1,184.62**	**656.82**
Adjustments:		
Depreciation and amortisation expense	156.68	169.65
Realised exchange fluctuation gain from reserve	(292.19)	-
Interest income on fixed deposit	(366.54)	(87.15)
Finance cost - Ind AS	(6.53)	(27.97)
Provision/(reversal) for employee benefits	7.00	21.24
Gain on redemption of mutual funds	-	(55.47)
Unrealised gain on mark to market marking of mutual funds	(37.77)	(76.92)
Operating cash flows before working capital changes	**645.27**	**600.21**
(Increase)/decrease in trade receivables	(286.00)	20.65
Increase/(decrease) in trade payables	15.58	0.45
(Increase)/decrease in other current assets	(26.87)	(53.19)
(Increase)/decrease in other current financial assets	(1.19)	1.21
Increase in non-current financial assets	2,601.79	(1,502.13)
Decrease in other non-current financial liabilities	118.25	325.48
Increase/(decrease) in other current financial liabilities	22.58	139.68
Cash generated from operating activities	**3,089.40**	**(467.62)**
Income-taxes paid/(refund received), net	(282.10)	(189.60)
Net cash generated from operating activities (A)	**2,807.30**	**(657.22)**
Cash flows from investing activities		
Purchase of property, plant and equipment	(344.23)	(442.73)
Net Proceeds from (Investment in) mutual funds and venture capital funds	1,064.81	1,139.73
Movement in other bank balances	0.65	-
Interest income received	366.54	87.15
Net cash used in investing activities (B)	**1,087.77**	**784.15**
Cash flows from financing activities		
Buyback of shares	(3,500)	
Net cash used in financing activities (C)	**(3,500)**	**-**
Net (decrease)/ increase in cash and cash equivalents during the year (A +]	**395.07**	**126.93**
Cash and cash equivalents at the beginning of the year	190.94	64.01
Cash and cash equivalents at the end of the year	**586.01**	**190.94**
Cash and cash equivalents includes		
Balances with banks in current accounts	585.58	190.62
Cash on hand	0.43	0.31
	586.01	**190.94**

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

For PAVULURI & CO
Chartered Accountants
Firm Reg No:012194S

CA N RAJESH
Partner
M.No:223169
UDIN : 23223169BGVJSC5716

Place : Hyderabad
Date : 30.05.2023

For and on behalf of Board of Directors of
SOFTSOL INDIA LIMITED

Bhaskara Rao Madala
DIN:00474589
Wholetime Director

T Hanuman Chowdary
DIN:00107006
Director

B.Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

SOFTSOL INDIA LIMITED HYDERABAD

Softsol India Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

1. General information

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

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

These financial statements for the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors on 30 May 2023.

2. Basis of preparation

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

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

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

3. Summary of significant accounting policies

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.

SOFTSOL INDIA LIMITED * HYDERABAD *

A **liability** is classified as current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

c. Foreign currency

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

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

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

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

d. Revenue recognition

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

Revenue is recognized upon transfer of control of promised services to the customer, recovery of the consideration is probable, the associated costs and possible return of services can be estimated reliably, there is no continuing management involvement with the services, and the amount of revenue can be measured reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the agreement. Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

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

SOFTSOL INDIA LIMITED * HYDERABAD *

services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

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

The Company classifies the right to consideration in exchange for deliverables as a receivable.
A receivable is a right to consideration that is unconditional upon passage of time.
Revenue for time-and-material contracts are recognized as related control is transferred when services are performed.

Invoicing in excess of earnings is classified as unearned revenue.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.
Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, and adjustment for revenue that has not materialized and adjustments for currency.

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

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

e. Leases
Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.
Transition to Ind AS 116
Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles

SOFTSOL INDIA LIMITED HYDERABAD

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

f. Property, plant and equipment (PPE)

Recognition and initial measurement
Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price. Any trade discount and rebates are deducted in arriving at the purchase price.
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

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

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

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

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

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

g. Investment property

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

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h. Other Intangible assets

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

Subsequent measurement (amortisation)
The cost of capitalized software is amortized over a period of 3 years, on a written down value basis.

i. Impairment of non-financial assets

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

j. Financial instruments

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

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

- Debt instruments at amortised cost
- Equity instruments at fair value through profit or loss (FVTPL) and
- Equity instruments at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost
A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

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- 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

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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

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and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

k. Investment in the nature of equity in subsidiary company

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

l. Income taxes

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

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

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

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

m. Post-employment, long term and short term employee benefits

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

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

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

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

n. Provisions, contingent liabilities and contingent assets

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

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

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

o. Earnings per share

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

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p. Cash Flow statement

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

4. Estimates and assumptions

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

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

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

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

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

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

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

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

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

5 Property, plant and equipment

	Freehold land	Buildings	Plant and Equipment (including Computers)	Furniture and Fixtures	Vehicles	Office equipment	Total
Gross carrying amount							
At 1 April 2021	190.11	1,040.72	450.17	256.90	41.21	7.68	**1,986.80**
Additions	0.75	-	9.01	-	-	0.12	**9.88**
Disposals/retirement	-	-	-	-	-	-	-
Balance as at 31 March 2022	**190.86**	**1,040.72**	**459.18**	**256.90**	**41.21**	**7.80**	**1,996.68**
Additions	-	-	5.11	-	-	-	**5.11**
Disposals/retirement	-	-	-	-	-	-	-
Balance as at 31 March 2023	**190.86**	**1,040.72**	**464.29**	**256.90**	**41.21**	**7.80**	**2,001.79**
Accumulated depreciation							
Up to 1 April 2021	2.79	247.06	321.85	205.50	23.77	3.23	**804.19**
Charge for the year	-	42.20	27.27	17.13	4.83	0.45	**91.88**
Adjustments for disposals/retirement	-	-	-	-	-	-	-
Balance as at 31 March 2022	**3.00**	**289.26**	**349.12**	**222.63**	**28.60**	**4.00**	**896.07**
Charge for the year	-	45.49	24.40	11.60	3.58	0.24	**85.31**
Adjustments for disposals/retirement	-	-	-	-	-	-	-
Balance as at 31 March 2023	**3.00**	**334.75**	**373.52**	**234.23**	**32.18**	**4.24**	**981.38**
Net book value as at 31 March 2021	187.32	793.67	128.32	51.40	17.45	4.46	1,182.61
Net book value as at 31 March 2022	187.86	751.46	110.06	34.27	12.61	3.80	1,100.61
Net book value as at 31 March 2023	**187.86**	**705.97**	**90.77**	**22.67**	**9.00**	**3.56**	**1,020.41**

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

6 Investment property

	Buildings	Total
Gross carrying amount		
As at 1 April 2021	1,839.07	**1,839.07**
Additions		-
As at 31 March 2022	**1,839.07**	**1,839.07**
Additions	783.17	783.00
As at 31 March 2023	**2,622.24**	**2,622.07**
Accumulated depreciation		
As at 1 April 2021	356.75	**357.00**
Charge for the year	77.77	78.00
As at 31 March 2022	**434.53**	**435.00**
Charge for the year	71.36	71.36
As at 31 March 2023	**505.89**	**506.36**
Net carrying amount		
As at 1 April 2021	1,482.31	1,482.07
As at 31 March 2022	1,404.54	1,404.07
As at 31 March 2023	**2,116.35**	**2,115.71**

7. Other intangible assets

	Computer Software	Total
Gross carrying amount		
As at 1 April 2021	0.28	**0.28**
Additions	-	-
As at 31 March 2022	**0.28**	**0.28**
Additions	-	-
As at 31 March 2023	**0.28**	**0.28**
Accumulated amortization		
As at 1 April 2021	0.24	**0.24**
Charge for the year	-	-
As at 31 March 2022	**0.24**	**0.24**
Charge for the year		-
As at 31 March 2023	**0.24**	**0.24**
Net carrying amount		
As at 1 April 2021	0.11	0.04
As at 31 March 2022	0.04	0.04
As at 31 March 2023	**0.04**	**0.04**

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Softsol India Limited

Summary of significant accounting policies and other explanatory information

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

8. Investments

	As at 31 March 2023	As at 31 March 2022
(i) Non-current		
Investments carried at fair value through OCI ('FVOCI')		
Investment in equity shares, unquoted		
Investments in subsidiary		
Softsol Resources Inc, USA 13,120 (31 March 2022:13,120) common stock of USD 100 each, fully paid-up	1,760.93	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	256.03	1,298.30
	256.03	**1,298.30**
Investment carried at FVOCI		
Investment in units, unquoted		
Blume ventures Fund and Inventus Fund		
Blume Venture-5.88 units of Fund 1A of ₹10,000 each , 1,01,115.04 units of Fund II of ₹100 each and 3,00,000 units of fund 1X of ₹100 each (31 March 2022 5.88 units of Fund 1A of ₹10,000 each , 1,13,742.69units of Fund II of ₹100 each and 3,00,000 units of fund 1X of ₹100 each. Inventus III-India Fund 21,000 units of ₹1,000 each (31 March 2022:18,000 units)	1,587.33	1,503.30
Kids Aptivity Tech Pvt Ltd 136 CCPS of ₹10 Each(31 March 2022: 136)	50.06	50.06
Localbuy Technologies Pvt Ltd 32 CCPS of ₹10 Each(31 March 2022: 32)	21.53	21.53
	1,658.92	**1,574.88**
	1,914.96	**2,873.18**
Aggregate amount of quoted investments and market value thereof	256.03	1,298.30
Aggregate amount of unquoted investments	3,348.26	3,264.22

9. Other financial assets

	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
(i) Non-current		
Security deposits	70.10	70.10
Bank deposits (due to mature after 12 months from the reporting date)*	24.64	24.64
Loan to Subsidiary Company	7,276.62	9,118.21
	7,371.36	**9,212.95**
(ii) Current		
Interest accrued on deposits	2.71	1.52
	2.71	**1.52**

10. Other Current assets

	31 March 2023	31 March 2022
(Unsecured)		
- Considered good		
Capital advances	-	19.66
	-	**19.66**
Current		
(Unsecured)		
- Considered good		
Advance for expenses	3.39	5.89
Prepaid expenses	18.90	14.22
Balance with Revenue Authorities	77.61	52.92
	99.90	**73.03**

11. Trade receivables

	31 March 2023	31 March 2022
(Unsecured)		
- Considered good	593.29	291.16
- Considered doubtful	-	-
	593.29	**291.16**
Less: Allowance for doubtful debts	-	-
b. Unbilled Receivable	140.57	156.71
	733.86	**447.87**

Trade Receivables ageing schedule:

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	570.32	-	-	-	22.97	593.29
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
(vii) Unbilled Receivables	140.57					140.57
Total	710.89	-	-	-	22.97	733.86

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As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	268.19	-	-	4.38	18.59	291.16
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
(vii) Unbilled Receivables	156.71					156.71
Total	424.89	-	-	4.38	19.00	447.86

12. Cash and Bank Balances

	31 March 2023	31 March 2022
(i) Cash and cash equivalents		
Balances with banks in current accounts	585.58	190.62
Cash on hand	0.43	0.31
	586.01	**190.93**
(ii) Bank balances other than above		
- Unpaid dividend account	-	0.65
	-	**0.65**
	586.01	**191.58**

13. Equity share capital

i. Authorised share capital:

	As at 31st March 2023		As at 31st March 2022	
	Number	Amount	Number	Amount
Equity shares of ₹10 each	**50,000,000**	**50,000**	**50,000,000**	**50,000**

ii. Issued, subscribed and paid up

	As at 31st March 2023		As at 31st March 2022	
	Number	Amount	Number	Amount
Equity shares of ₹10 each fully paid up	14,763,689	1,476.37	16,822,513	1,682.25
Forfeited shares of ₹10 each, ₹5 paid up	28,200	1.41	28,200	1.41
Forfeited shares (amount originally paid)	828,022	39.99	828,022	39.99
	15,619,911	**1,517.77**	**17,678,735**	**1,723.65**

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

	As at 31st March 2023		As at 31st March 2022	
Equity shares	Number	Amount	Number	Amount
Balance at beginning and end of the year	15,619,911	1,517.77	17,678,735	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

Name of equity shareholders	As at 31st March 2023		As at 31st March 2022	
	Number	% holding	Number	% holding
Durga VLK Madala	9,557,408	64.74%	9,557,408	56.81%
Talluri Samatha	3,324,525	22.52%	3,324,525	19.76%
Srinivasa Rao Madala	30,015	0.20%	1,366,099	8.12%
Sambasiva Rao Madala	118,400	0.80%	118,400	0.70%
Bhaskara Rao Madala	1,069,766	7.25%	1,069,766	6.36%

Details of shares held by promoters

Description	31 March 2023			31 March 2022	
	No of Shares	% Holding	% change during	No of Shares	% Holding
DURGA V L K MADALA	9,557,408	64.74		9,557,408	56.81
MADALA SRINIVASA RAO	30,015	0.20		1,366,099	8.12
RAJA RAO BOYAPATI	25,300	0.17		25,300	0.15
M BHASKARA RAO	1,069,766	7.25		1,069,766	6.36
SAMBASIVA RAO MADALA	118,400	0.80		118,400	0.7
M SRIDEVI	46,355	0.31		46,355	0.28
	10,847,244	73.47		12,183,328	72.42

vi. During the financial year 2022-23 the Company has completed its buy-back of 20,58,824 (representing 12.24% of the total number of Equity Shares in the total paid-up equity capital of the Company) Equity Shares at price of 170/- per Equity Share for an aggregate consideration of 35.00 Crores (Excluding Buyback expenses and buyback distribution tax). . The offer size of the Buyback represents 15.3% and 21.12% of the aggregate of the Company's paid-up capital and free reserves as per the latest available standalone and consolidated audited financials of the Company for the year ended as on March 31, 2022. The buyback process was completed on 24th March 2023 and the shares were extinguished on 11th April 2023.no bonus shares have been issued.

vii. Calls unpaid on equity shares

	As at 31st March 2023		As at 31st March 2022	
	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**	**28,200**	**1.41**

SOFTSOL INDIA LIMITED HYDERABAD

14. Other equity

	As at 31 March 2023	As at 31 March 2022
Reserve and surplus		
Capital redemption reserve	386.39	180.51
Securities premium	3,093.09	6,701.14
General reserve	696.90	696.90
Retained earnings	14,158.77	13,759.17
	18,335.15	**21,337.72**
Other reserves		
Remeasurement of defined benefit obligations	(9.16)	(17.30)
unrealised Foreign Exchange Fluctuation Gain	459.66	203.15
Fair value changes on equity instruments through OCI	(6,980.42)	(7,030.09)
	(6,529.93)	**(6,844.24)**
	11,805.22	**14,493.48**

Nature and purpose of reserves

Capital redemption reserve
Capital redemption reserve to the extent of ₹386.39 lakhs 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
Securities premium is used to record the premium received on issue of equity shares. The reserve is utilised for buy back in accordance with provisions of the Companies Act, 2013.

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

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

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

15. Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
(i) **Non-current**		
Security deposits	663.58	711.33
Accrued Rent	169.86	10.41
	833.45	**721.73**
(ii) **Current**		
Accrued expenses	49.99	39.30
Unclaimed dividend	-	0.65
Capital creditors	14.56	124.45
Others	183.53	61.10
	248.08	**225.50**

SOFTSOL INDIA LIMITED * HYDERABAD *

16. Provisions

	As at 31 March 2023	As at 31 March 2022
(i) Non-current		
Gratuity	57.92	21.54
Compensated absences	5.98	6.20
Income tax	509.28	230.19
	573.18	**257.92**
(ii) Current		
Gratuity	11.27	40.57
Compensated absences	2.44	13.58
Buyback tax	313.93	-
Income tax		
	327.64	**54.15**

(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 laks in accordance with Payment of Gratuity Act, 1972.

	As at 31 March 2023	As at 31 March 2022
(i) Change in projected benefit obligation		
Projected benefit obligation at the beginning of the year	62.11	47.82
Service cost	14.72	13.17
Interest cost	4.49	3.26
Actuarial loss	(11.27)	(1.44)
Benefits paid	(0.85)	(0.69)
Projected benefit obligation at the end of the year	**69.20**	**62.11**
(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	69.20	62.11
Net liability recognised in the balance sheet	**69.20**	**62.11**
(iii) Expense recognized in the statement of profit and loss		
Interest cost	4.49	3.26
Service cost	14.72	13.17
Net gratuity costs/(benefits)	**19.21**	**16.43**
(iv) Expense recognized in OCI		
Recognized net actuarial loss	(11.27)	(1.44)
	(11.27)	**(1.44)**
(v) Key actuarial assumptions		
Discount rate	7.46%-7.50%	7.12%-7.35%
Salary escalation rate	5%-8%	5%-8%

(vii) Expected future cash flows	As at 31 March 2023	As at 31 March 2022
The defined benefit obligation shall mature after year ended as follows:		
Within 1 year	11.42	21.54
2- 3 years	26.15	11.78
3 years and above	67.59	33.18

17 Trade payables

	As at 31 March 2023	As at 31 March 2022
Dues to micro and small enterprises	-	-
Others	50.88	35.30
	50.88	**35.30**

As at 31 March, 2023

Particulars	Outstanding for following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	-	-	-	-	-
ii) Others	27.33	-	-	23.55	50.88
iii) Disputed Dues-MSME	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-
Total	27.33	-	-	23.55	50.88

As at 31 March, 2022

Particulars	Outstanding for following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	-	-	-	-	-
ii) Others	9.96	-	-	23.55	33.50
iii) Disputed Dues-MSME	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-
Total	9.96	-	-	24.00	33.50

(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 2023: Nil, 1 April 2022: 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.

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

1.11 Ratios as per the Schedule III requirements

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Current Assets	3,337	3,587.19
Current Liabilities	627	314.96
Ratio	**5.33**	**11.39**
% Change from previous year	**-53.24%**	**-51.95%**

Reason for change more than 25%:
This ratio has decreased from 23.71 in March 2021 to 11.39 in March 2022 mainly due to increase in creditors on account of planned capex.

b) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Total debt	-	-
Total equity	13,322.99	16,217.13
Ratio	-	-
% Change from previous year	**N.A**	**N.A**

c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

Particulars	As at 31 March 2023	As at 31 March 2022
Profit after tax	**605.47**	432.59
Add: Non cash operating expenses and finance cost	**192.00**	177.45
-Depreciation and amortizations	156.68	169.65
-Finance cost	35.31	7.79
Earnings available for debt services	**797.00**	**610.00**
Interest cost on borrowings	-	-
Principal repayments	-	-
Total Interest and principal repayments	-	-
Ratio	-	-
% Change from previous year	**0.00%**	**0.00%**

d) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity

Particulars	As at 31 March 2023	As at 31 March 2022
Net profit after tax	605.47	432.59
Equity	13,322.99	16,217.13
Ratio	**0.05**	**0.03**
% Change from previous year	**70.37%**	**-62.77%**

Reason for change more than 25%:
This ratio has decreased due to redempetion of muatal funds and utilisation of proceeds for loan to subsidiary company, resuted in decrease in other income.

SOFTSOL INDIA LIMITED * HYDERABAD *

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

e) Inventory Turnover Ratio = Cost of goods sold divided by closing inventory

Particulars	As at 31 March 2023	As at 31 March 2022
Cost of goods sold	-	-
Closing Inventory	-	-
Inventory Turnover Ratio	-	-
% Change from previous year	**0.00%**	**0.00%**

12 Ratios as per the Schedule III requirements (Continued)

f) Trade Receivables turnover ratio = Credit Sales divided by Closing trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Credit Sales	3,152.52	2,421.07
Closing Trade Receivables	733.86	447.86
Ratio	**4.30**	**5.41**
% Change from previous year	**-20.53%**	**34.02%**

Reason for change more than 25%: Due to increase in credit sales.

g) Trade payables turnover ratio = Credit purchases divided by closing trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Credit Purchases	566.20	318.96
Closing Trade Payables	50.88	35.30
Ratio	**11.13**	**9.04**
% Change from previous year	**23.16%**	**4.37%**

Reason for change more than 25%: Not Applicable

h) Net capital Turnover Ratio = Sales divided by Working capital whereas working capital= current assets - current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Sales	3,152.52	2,421.07
Working Capital	3,009.79	3,272.23
Ratio	1.05	0.74
% Change from previous year	**41.57%**	**42.12%**

Reason for change more than 25%:
This ratio has increased from 0.52 in March'2021 to 0.74 in March 2022 mainly due to increase in volume of sales

i) Net profit ratio = Net profit after tax divided by Sales

Particulars	As at 31 March 2023	As at 31 March 2022
Net profit after tax	605.47	432.59
Sales	3,152.52	2,421.07
Ratio	0.19	0.18
% Change from previous year	**7.49%**	**-68.87%**

Reason for change more than 25%:
This ratio has decreased 0.57 in March 2022 to 0.18 in March 2022 mainly due to decrease in profit during the year.

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Softsol India Limited

Summary of significant accounting policies and other explanatory information

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

12 Ratios as per the Schedule III requirements (Continued)

j) Return on Capital employed (pre cash)=Earnings before interest and taxes(EBIT) divided by Capital Employed(pre cash)

Particulars	As at 31 March 2023	As at 31 March 2022
Profit before tax (A)	1,184.62	656.82
Finance Costs (B)	35.31	7.79
Other Income (C)	736.77	254.72
EBIT (D) = (A)+(B)-(C)	**483.00**	**410.00**
Capital Employed (Pre Cash) (J)=(E)-(F)-(G)-(H)-(I)	**12,480.00**	**14,132.00**
Total Assets (E)	15,607.94	17,511.74
Current Liabilities (F)	626.60	314.96
Current Investments (G)	1,914.95	2,873.18
Cash and Cash equivalents (H)	586.01	190.93
Bank balances other than cash and cash equivalents (I)	-	0.65
Ratio (D)/(J)	0.04	0.03
% Change from previous year	**33.44%**	**-28.96%**

Reason for change more than 25%:

This ratio has decreased from 0.04 in March 2022 to 0.03 in March 2022 mainly due to decrease EBIT during the year.

As per our report of even date.

For PAVULURI & CO
Chartered Accountants
Firm Reg No:012194S

CA N RAJESH
Partner
M.No:223169
UDIN : 23223169BGVJSC5716

Place : Hyderabad
Date : 30.05.2023

For and on behalf of Board of Directors of
SOFTSOL INDIA LIMITED

Bhaskara Rao Madala
DIN:00474589

T Hanuman Chowdary
DIN:00107006

B.Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

SOFTSOL INDIA LIMITED * HYDERABAD *

Softsol India Limited

Summary of significant accounting policies and other explanatory information

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

18 Revenue from operations

	Year Ended 31 March 2023	Year Ended 31 March 2022
Sale of services		
Software services	1,989.02	1,477.35
Rental income	1,163.50	943.73
	3,152.52	**2,421.07**

19. Other income

	Year Ended 31 March 2023	Year Ended 31 March 2022
Interest income	366.54	87.15
Gain on redemption of mutual funds and Venture Capital units	-	55.47
Unrealised gain on mark to market marking of mutual funds	37.77	76.92
Foreign exchange gain	290.62	-0.57
Other non-operating income	41.84	35.76
	736.77	**254.72**

20. Employee Benefit Expense

	Year Ended 31 March 2023	Year Ended 31 March 2022
Salaries and wages	1,847.76	1,432.55
Contribution to provident and other funds (refer note a below)	65.96	64.26
Staff welfare expenses	12.75	4.35
	1,926.48	**1,501.17**

(a) The amount recognized as an expense towards contribution to provident fund for the year aggregated to ₹64.51 Lakhs (31 March 2022: ₹62.39) and towards employee state insurance fund aggregated to ₹1.44 Lakhs (31 March 2022: ₹1.87).

21. Finance Costs

	Year Ended 31 March 2023	Year Ended 31 March 2022
Interest expense for financial liabilities carried at amortised cost	35.31	7.79
Bank Charges	-	-
	35.31	**7.79**

22. Other Expenses

	Year Ended 31 March 2023	Year Ended 31 March 2022
Power and fuel	47.41	34.65
Repairs and maintenance:		
- Buildings	-	-
- Plant and equipment	144.94	48.23
- Others	37.87	38.12
Insurance	7.72	9.81
Rates and taxes	9.31	7.94
Communication	37.08	33.12
Travelling and conveyance	25.44	18.72
Legal and professional fees	6.12	2.99
Director's sitting fees	25.39	25.31
Fees and subscriptions	4.80	5.80
Staff training and recruitment charges	6.24	6.79
Advertisement charges	-	4.75
Payments to the auditor (refer note (i))	1.17	0.72
Postage,Printing & Stationery	7.00	8.00
Security Service charges	2.41	1.95
Guest House maintenance	28.04	27.00
Water charges	2.50	8.59
Cleaning charges	3.24	11.65
Outsource Consultancy charges	23.56	22.83
Buy Back Expenses	67.91	-
Miscellaneous expenses	69.92	-
CSR Expenses	8.11	2.01
	20.00	21.40
	586.20	**340.36**

(i) Details of payments to auditors :

	Year Ended 31 March 2023	Year Ended 31 March 2022
As auditor:		
- Statutory & Tax Audit fee	7.00	7.00
- Certificate fee	-	1.00

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23. Income tax

Tax expense comprises of:	Year Ended 31 March 2023	Year Ended 31 March 2022
Current income tax	0.00	224.23
	-	**224.23**

The major components of income tax expense and the reconciliation of expected tax expense based on the effective tax rate of the Company at 27.82% 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 2023	31 March 2022
Profit before tax	1,184.62	656.81
Other comprehensive income	840.27	898.33
	2,024.89	**1,555.14**
Tax at the Indian tax rate	436.34	226.64
Adjustments:		
On account of gain on Ind AS transition which needs to be spread evenly to	-	-
On account of one-fifth of Ind AS transition gain adjusted to the book profit (Y3)		
Income tax expense	**436.34**	**226.64**

*The tax rate used for reconciliation above is the minimum alternate tax rate of 21.5488% at which the Company is liable to

24. Earnings per share (EPS)

	31 March 2023	31 March 2022
Profit attributable to equity shareholders	605.47	432.59
Weighted average number of equity shares used in computing per share	147.64	168.37
Earnings per equity share (in absolute ₹ terms) :		
Basic and Diluted	4.10	2.57
Nominal Value per share equity share	10	10

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25 Fair value measurements

(i) Fair value hierarchy

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

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

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

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

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

	31 March 2023	31 March 2022
Fair value hierarchy (Level 1)		
Financial assets		
Investment in mutual funds	256.03	1,298.30
Fair value hierarchy level (Level 3)		
Financial assets		
Investment in equity shares of subsidiary	1,760.93	1,760.93
Investment in equity units of venture capital fund and others	1,658.92	1,574.88

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

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

	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	256.03		-	1,298.30		-
Trade receivables	-	-	733.86	-	-	447.87
Cash and cash equivalents	-	-	586.01	-	-	190.93
Other bank balances	-	-	-	-	-	0.65
Other financial assets	-	-	2.71	-	-	1.52
Total financial assets	**256.03**	-	**1,322.58**	**1,298.30**	-	**640.97**

	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
Trade payables	-	-	50.88	-	-	35.30
Other financial liabilities	-	-	248.08	-	-	225.50
Total financial liabilities	-	-	**298.96**	-	-	**260.80**

26 Financial instruments risk management

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

The Company is exposed to credit risk, market risk and liquidity risk. The Company's Board of Directors oversees the management of these risks. The Company's Board of Directors are supported by the senior management that advises on financial risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance to the Company's Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

A. Credit risk

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

Trade and other receivables

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

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 2023

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-Mar-23	31-Mar-22
Neither past due nor impaired	-	-
Past due not impaired:		
less than 180 days	710.89	424.89
181-365 days		
Greater than 365 days	22.97	22.97
	733.86	447.86

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 2023 and 31 March 2022.

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 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 2023	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Non-derivatives				
Trade and other payables	50.88	-	-	50.88
Other financial liabilities	248.08	833.45	-	1,081.53
Total	298.96	833.45	-	1,132.41
31 March 2022	**Up to 1 year**	**From 1 to 3 years**	**More than 3 years**	**Total**
Non-derivatives				
Trade payable	35.30	-	-	35.30
Other financial liabilities	225.50	721.73	-	947.24
Total	260.80	721.73	-	982.54

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 2023	31 March 2022
Loan to Subsidiary	88.00	120.00

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

	Impact on profit	
	31 March 2023	31 March 2022
USD sensitivity*		
₹/USD - Increase by 2%	1.76	2.40
₹/USD - Decrease by 2%	(1.76)	(2.40)

* Holding all other variables constant.

27. Capital risk management

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

SOFTSOL INDIA LIMITED HYDERABAD

Softsol India Limited
Summary of significant accounting policies and other explanatory information

28 Related party disclosures

(a) Names of the related parties and nature of relationship

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

(b) Transactions with related parties

	For the year ended	
	31 March 2023	31 March 2022
Transactions with subsidiary company		
Services rendered	-	-
Interest Received for the year	354.99	83.23
Transactions with KMPs		
Short-term employee benefits*	49.49	39.70

(c) Balances receivable

	As at	
	31 March 2023	31 March 2022
Loan to Subsidiary company	727,508,720	910,923,600

*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.

29 Segment reporting

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

Particulars	Standalone		
	IT/ITES	Infra	Total
Revenue from Operaions	1,989.02	1,163.50	3,152.52
Identifiable Operating Expenses	1,489.49	0.00	1,489.49
Allocated Expenses	275.71	161.28	436.99
Segmental Operating Income	223.82	694.40	918.22
Unallocable expenses			435.05
Other Income	464.85	271.92	736.77
Finance Costs	-	35.31	35.31
Reduction in the fair value of disposal group held for sale			-
Profit before tax	709.08	475.54	1,184.62

30. Contingent liabilities and commitments

	As at 31 March 2023	As at 31 March 2022
(a) **Commitments**		
Capital commitments for investments in venture funds	90.00	120.00
(b) **Contingent liabilities**		
Guarantees excluding financial guarantees		
Bank guarantee	15.22	15.22

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

32 Where ever required figures have been regrouped.

For PAVULURI & CO
Chartered Accountants
Firm Reg No:012194S

CA N RAJESH
Partner
M.No:223169
UDIN : 23223169BGVJSC5716

Place : Hyderabad
Date : 30.05.2023

For and on behalf of Board of Directors of
SOFTSOL INDIA LIMITED

Bhaskara Rao Madala
DIN:00474589
Wholetime Director

T Hanuman Chowdary
DIN:00107006
Director

B.Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

SOFTSOL INDIA LIMITED * HYDERABAD *

PAVULURI & Co.
CHARTERED ACCOUNTANTS
Plot No.48, Flat No.301,
MICASA, Phase - I, Kavuri Hills,
Hyderabad - 500 033.
Ph : 040-2970 2638 / 2639 / 2640
Email : mail@pavuluriandco.com

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF SOFTSOL INDIA LIMITED

Opinion

We have audited the accompanying Statement of Consolidated Financial Results of SOFTSOL INDIA LIMITED (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), for the quarter and year ended March 31, 2023 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

(i) includes the audited financial results of the subsidiaries (a) Softsol Resources, Inc

(ii) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations;

and

(iii) gives a true and fair view in conformity with the recognition and measurement laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the quarter and year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

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Management's Responsibilities for the Consolidated Financial Results

This Statement which includes Consolidated financial results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the audited interim condensed consolidated financial statements for the three month and year ended March 31, 2023. This responsibility includes preparation and presentation of the Consolidated Financial Results that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes 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 the 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 respective financial results 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 this Consolidated Financial Results by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of

PAVULURI & CO. Chartered Accountants

assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.

• Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.

• Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

PAVULURI & CO. Firm Reg. No: 012194S Hyderabad Chartered Accountants

SOFTSOL INDIA LIMITED HYDERABAD

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• Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors.

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

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

For PAVULURI & CO
Chartered Accountants
(Firm's Registration No. 012194S)

N. Rajesh

CA.N.RAJESH
Partner
(Membership No.223169)
UDIN: 23223169BGVJSD6289

Place: Hyderabad
Date: May 30, 2023

SOFTSOL INDIA LIMITED
Plot No.4,Infocity,Madhapur,Hyderabad,Telangana

CONSOLIDATED BALANCE SHEET AS AT 31st March 2023

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

Particulars	Note No.	As at 31.03.2023 Amount ₹	As at 31.03.2022 Amount ₹
ASSETS:			
Non-Current Assets			
(a) Property, Plant and Equipment	5	1,033.56	1,137.40
(b) Capital Work In Progress		1.44	445.49
(c) Right-of-use-assets		-	
(d) Investment Property	6	2,116.35	1,404.54
(e) Other intangible assets	7	50.65	11.11
(f) Financial assets			
(i) Other financial assets	9(i) &10(i)	1,363.45	1,919.73
(g) Non-current tax assets (net)		-	-
(h) Deferred tax assets (net)		352.72	32.42
Total non-current assets		*4,918.16*	*4,950.69*
Current assets			
(a) Financial Assets			
(i) Investments	8	10,156.08	14,672.49
(ii) Trade receivables	11	1,540.33	1,028.94
(iii) Cash and cash equivalents	12(i)	1,511.38	1,332.90
(iv) Bank balances other than (iii) above	12(ii)	-	0.65
(v) Other financial assets	9(ii)	2.71	1.52
(b) Other current assets	10(ii)	175.60	104.63
Total current assets		*13,386.10*	*17,141.13*
TOTAL ASSETS		18,304.26	22,091.83
EQUITY AND LIABILITIES:			
Equity			
(a) Equity share capital	13	1,517.77	1,724
(b) Other equity	14	13,211.03	16,892.21
Total equity		*14,728.80*	*18,615.86*
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities			
(ii) Other financial liabilities	15(i)	833.46	721.70
(b) Provisions	16(i)	573.18	193.49
(c) Deferreed Tax Liabilities (net)		256.55	-
Total non-current liabilities		*1,663.18*	*915.19*
Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities		-	
(ii) Trade payables	17	397.66	662.67
(iii) Other Financial Liabilities	15(ii)	1,186.98	1,685.81
(b) Provisions	16(ii)	327.64	212.29
Total current Liabilities		*1,912.28*	*2,560.77*
TOTAL EQUITY AND LIABILITIES		18,304.26	22,091.83

Significant accounting policies are in the notes 1 to 4
The accompanying notes referred to above form an integral part of the financial statements.
This is the Balance sheet referred to in our report of even date.

For PAVULURI & CO
Chartered Accountants
Firm Reg No:012194S

CA N RAJESH
Partner
M.No:223169
UDIN :23223169BGVJSD6289

Place : Hyderabad
Date : 30/05/2023

For and on behalf of Board of Directors of
SOFTSOL INDIA LIMITED

Bhaskara Rao Madala
DIN:00474589
Wholetime Director

T Hanuman Chowdary
DIN:00107006
Director

B.Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

SOFTSOL INDIA LIMITED HYDERABAD

SOFTSOL INDIA LIMITED
Plot No.4,Infocity,Madhapur,Hyderabad,Telangana

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2023

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

	Particulars	Note No.	Year Ended 31.03.2023 Amount ₹	Year Ended 31.03.2022 Amount ₹
I	**INCOME:**			
	Revenue from Operations	18	8,259.37	7,426.39
	Other Income	19	(211.08)	777.67
	Total Income		8,048.29	8,204.06
	EXPENSES:			
	Employee Benefit Expense	20	4,391.50	3,966.12
	Finance costs	21	167.25	103.01
	Depreciation and amortisation expense	5,6&7	181.88	259.29
	Other Expenses	22	3,037.00	2,656.62
	Total Expenses		7,777.63	6,985.04
	Profir Before Exceptional items and taxes		**270.66**	**1,219.02**
	Exceptional Item		-	742.03
	Profit Before Tax		**270.66**	**1,961.05**
	Tax Expense			
	Current Tax	23	315.01	288.66
	(Short)/Excess Earlier Year taxes			36.11
	MAT credit utilisation/entitlement			(36.11)
	Deferred Tax liability /(Asset)		(52.33)	-
	Profit for the Year		7.98	1,672.39
	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
	Re-measurement loss on defined benefit plans		11.27	1.44
	Gain/(loss) on fair value changes on equity instruments		(527.14)	646.42
	Gain on exchange fluctuation		760.19	250.46
	Less: Income tax relating to items that will not be reclassified to profit and loss		(233.76)	(249.92)
	Items that will be reclassified to profit or loss			
	Exchange Difference in translating the financial statements of a foreign operations		(91.67)	142.34
	Total Other Comprehensive Income for the year		(81.11)	790.76
	Total Comprehensive Income for the year		(73.13)	2,463.15
II	**Earnings per equity share (EPES)**	24		
	Par value per share		10	10
	Basic EPES		0.05	9.93
	Diluted EPES		0.05	9.93

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 Statement of Profit & Loss referred to in our report of even date.

For PAVULURI & CO
Chartered Accountants
Firm Reg No:012194S

CA N RAJESH
Partner
M.No:223169
UDIN :23223169BGVJSD6289

Place : Hyderabad
Date : 30/05/2023

For and on behalf of Board of Directors of
SOFTSOL INDIA LIMITED

Bhaskara Rao Madala
DIN:00474589
Wholetime Director

T Hanuman Chowdary
DIN:00107006
Director

B.Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

SOFTSOL INDIA LIMITED HYDERABAD

Softsol India Limited

Statement of Changes in Equity for the year ended 31st March 2023
(All amounts in ₹ Rupees, except share data and where otherwise stated)

A Equity Share Capital

	Notes	Number of shares	Amount
As at 31 March 2021		**17,678,735**	**1,723.65**
Changes in equity share capital	13	-	-
As at 31 March 2022		**17,678,735**	**1,723.65**
Changes in equity share capital	13	(2,058,824)	205.88
As at 31 March 2023		**15,619,911**	**1,517.77**

B Other Equity (Refer note 15)

	Reserves and Surplus				Other reserves				Total
	Capital redemption reserve	Securities premium reserve	General reserve	Retained earnings	Remeasurement of defined benefit obligations	unrealised Foreign Exchange Fluctuation Gain	Fair value changes in equity instruments through OCI	Exchange difference in translatimg the financial satements	
Balance as at 1 April 2021	180.51	6,701.14	696.90	5,780.86	-18.07	-	276.19	225.51	13,843.03
Profit for the year	-	-	-	1,672.39	-	-	0.00	0.00	1,672.39
Other comprehensive income	-	-	-	-	1.44	-	646.42	392.80	1,040.67
Income tax relating to items of OCI	-	-	-	-	(0.40)		(179.84)	(69.68)	-249.92
Balance as at 31 March 2022	180.51	6,701.14	696.90	7,453.25	(17.03)	-	742.78	548.63	16,306.18
Prior Period adjustment				586.03					586.03
Balance as at 31 March 2022 after adjustment	180.51	6,701.14	696.90	8,039.28	(17.03)	-	742.78	548.63	16,892.21
Finance Ind AS adjustment	-	-	-		-		-		-
Transfer from retained earning on account of buyback of equity shares	205.88								205.88
Profit for the year	-	-	-	7.98			-		7.98
Capital redemption reserve				(205.88)					(205.88)
Buyback Premium		(3,294.12)							(3,294.12)
Buyback tax		(313.93)							(313.93)
Other comprehensive income	-	-	-	-	11.27		(527.14)	668.52	152.65
Income tax relating to items of OCI	-	-	-	-	(3.14)		(19.14)	(211.48)	(233.76)
Balance as at 31 March 2023	386.39	3,093.09	696.90	7,841.38	(8.89)	-	196.50	1,005.66	13,211.03

SOFTSOL INDIA LIMITED HYDERABAD

Softsol India Limited
Consolidated Cash Flow Statement for the year half ended 31 March 2023
(All amounts in ₹ Rupees, except share data and where otherwise stated)

	For the year ended	
	31 March 2023	**31 March 2022**
Cash flow from operating activities		
Profit before tax	**270.66**	1961.05
Adjustments:		0.00
Depreciation and amortisation expense	181.88	259.29
Interest income on fixed deposit and others	(214.98)	(3.92)
Finance cost - Ind AS	(6.53)	(27.97)
Provision/(reversal) for employee benefits	7.00	21.24
Gain/(loss) on redemption of mutual funds	796.29	(55.47)
Unrealised gain on mark to market marking of mutual funds	(37.77)	(667.26)
Operating cash flows before working capital changes	**996.55**	**1486.96**
(Increase)/decrease in trade receivables	(511.39)	(150.80)
Increase/(decrease) in trade payables	(265.01)	563.90
(Increase)/decrease in other current assets	(70.97)	(21.26)
Decrease/(Increase) in other current financial assets	(1.19)	(277.36)
(Increase)/Decrease in non-current financial assets	556.29	330.38
Increase/(Decrease) in other non-current financial liabilities	111.76	297.51
Decrease in Lease liabilities	0.00	(38.30)
Increase/(decrease) in other current financial liabilities	(44.95)	141.56
Cash generated from operating activities	**771.09**	**2,332.57**
Income-taxes paid	(368.26)	(288.66)
Net cash generated from operating activities (A)	**402.83**	**2,043.91**
Cash flows from investing activities		
Purchase of property, plant and equipment	(385.32)	(442.73)
Net Investment in mutual funds and venture capital funds	3,230.75	(3,818.52)
Movement in other bank balances	0.65	-
Interest income received	214.98	3.92
Net cash used in investing activities (B)	**3,061.06**	**(4,257.33)**
Cash flows from financing activities		
Proceeds from short term Borrowings	(453.89)	1,255.05
Buyback of shares	(3,500.00)	
Net cash used in financing activities (C)	**(3,953.89)**	**1,255.05**
Net (decrease)/ increase in cash and cash equivalents during the year	**(490)**	**(958.37)**
Effect of Exchange rate changes on cash and cash equivalents	668.52	392.80
Cash and cash equivalents at the beginning of the year	1,332.89	1,898.46
Cash and cash equivalents at the end of the year	**1,511.41**	**1,332.89**
Cash and cash equivalents includes		
Balances with banks in current accounts	1,510.95	1,332.59
Cash on hand	0.43	0.31

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

For PAVULURI & CO
Chartered Accountants
Firm Reg No:012194S

For and on behalf of Board of Directors of
SOFTSOL INDIA LIMITED

Bhaskara Rao Madala
DIN:00474589
Wholetime Director

T Hanuman Chowdary
DIN:00107006
Director

CA N RAJESH
Partner
M.No:223169
UDIN :23223169BGVJSD6289

Place : Hyderabad
Date : 30/05/2023

B.Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

SOFTSOL INDIA LIMITED HYDERABAD

Softsol India Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

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 2023 The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on a recognised stock exchange in India. The registered office of the Company is at Plot No. 4, Software Units Layout, Madhapur, Hyderabad – 500081.

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

These consolidated financial statements for the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors on 30 May 2023.

2. Basis of preparation

The consolidated financial statements of the Group have been prepared and presented in accordance with all the material aspects of the Indian Accounting Standards ('Ind AS') as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')). The Group has uniformly applied the accounting policies during the periods presented.

The consolidated financial statements have been prepared on a going concern basis under historical cost, except for the following:

- certain financial assets and liabilities are measured either at fair value or at amortised cost depending on the classification; and
- Employee defined benefit assets/ (liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation.

The consolidated financial statements are presented in ` and all values are rounded to the nearest lakhs, except when otherwise indicated.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

SOFTSOL INDIA LIMITED HYDERABAD

- 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

SOFTSOL INDIA LIMITED * HYDERABAD *

- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

Details of entity included in the consolidated financial statement is as under:

Name of the entity	Relationship	Country of incorporation	Proportion of ownership interest as at 31 March 2023	31 March 2022
Softsol Resources Inc.	Subsidiary	USA	100%	100%

3. Summary of significant accounting policies

The financial statements have been prepared using the accounting policies and measurement basis summarized below.

a. Operating Cycle

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

b. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

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

A **liability** is classified as current when:
• It is expected to be settled in normal operating cycle
• It is held primarily for the purpose of trading
• It is due to be settled within twelve months after the reporting period, or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

c. Foreign currency

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

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

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

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

d. Revenue recognition

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

Revenue is recognized upon transfer of control of promised services to the customer, recovery of the consideration is probable, the associated costs and possible return of services can be estimated reliably, there is no continuing management involvement with the services, and the amount of revenue can be measured reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the agreement.
Revenues in excess of invoicing are classified as contract assets (which we refer to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

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

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

The Company classifies the right to consideration in exchange for deliverables as a receivable.
A receivable is a right to consideration that is unconditional upon passage of time.
Revenue for time-and-material contracts are recognized as related control is transferred when services are performed.

Invoicing in excess of earnings is classified as unearned revenue.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.
Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time-and-material basis.
Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, and adjustment for revenue that has not materialized and adjustments for currency.

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The impact on account of applying the erstwhile Ind AS 18, Revenue instead of Ind AS 115, Revenue from Contracts with Customers on the financials results of the Company for the year ended and as at March 31, 2019 is insignificant.

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

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

e. Leases
Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.
Transition to Ind AS 116
Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.
The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its lease. The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application. The Company does not have any significant impact on account of sub-lease on the application of this standard

f. Property, plant and equipment (PPE)

Recognition and initial measurement
Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price. Any trade discount and rebates are deducted in arriving at the purchase price.
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

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

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

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

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

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

g. Investment property

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

h. Other Intangible assets

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

Subsequent measurement (amortisation)
The cost of capitalized software is amortized over a period of 3 years, on a written down value basis.

i. Impairment of non-financial assets

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

j. Financial instruments

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

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

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- 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.

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For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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

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

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

Financial Liabilities

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

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

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

Trade and other payables
These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

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

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

k. Investment in the nature of equity in subsidiary company

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

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l. Income taxes

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

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

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

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

m. Post-employment, long term and short term employee benefits

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

Defined benefit plan
The Company has gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognized 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.

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

n. Provisions, contingent liabilities and contingent assets

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

Contingent liability is disclosed for:

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

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

o. Earnings per share

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p. Cash Flow statement

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

4. Estimates and assumptions

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

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

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

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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.

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5. Property, plant and equipment

	Freehold land	Buildings	Plant and Equipment (including Computers)	Furniture and Fixtures	Vehicles	Office equipment	Total
Gross carrying amount							
At 1 April 2021	190.10	1,040.70	450.17	256.90	41.22	26.92	**2,006.00**
Additions	0.75	-	9.01	-	-	0.12	**9.88**
Disposals/retirement/merger	-	-	-	-	93.53	36.41	**129.95**
Balance as at 31 March 2022	**190.85**	**1,040.70**	**459.18**	**256.90**	**134.75**	**63.45**	**2,145.83**
Additions	-	-	5.11	-	-	-	**5.11**
Disposals/retirement/merger							-
Balance as at 31 March 2023	**190.85**	**1,040.70**	**464.29**	**256.90**	**134.75**	**63.45**	**2,150.94**
Accumulated depreciation							
Up to 1 April 2021	2.79	247.06	322.14	205.51	23.76	14.37	**815.63**
Charge for the year	-	42.20	27.27	17.13	17.11	4.36	**108.07**
Adjustments for disposals/retirement	-	-	-	-	48.33	36.41	**84.74**
Balance as at 31 March 2022	**2.79**	**289.26**	**349.41**	**222.63**	**89.20**	**55.14**	**1,008.43**
Charge for the year	-	45.49	48.02	11.60	3.58	0.24	**108.94**
Adjustments for disposals/retirement/merg	-						-
Balance as at 31 March 2023	**3.00**	**334.75**	**397.43**	**234.23**	**92.78**	**55.38**	**1,117.37**
Net book value as at 31 March 2021	187.31	793.64	128.04	51.39	17.45	12.55	1,190.38
Net book value as at 31 March 2022	188.06	751.44	109.77	34.27	45.55	8.31	1,137.40
Net book value as at 31 March 2023	**187.85**	**705.95**	**66.86**	**22.67**	**42.00**	**8.07**	**1,033.57**

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

6. Investment property

	Buildings	Total
Gross carrying amount		
As at 1 April 2021	1,839.07	**1,839.07**
Additions		-
As at 31 March 2022	**1,839.07**	**1,839.07**
Additions	783.17	**783.17**
As at 31 March 2023	**2,622.23**	**2,622.23**
Accumulated depreciation		
As at 1 April 2021	356.75	356.75
Charge for the year	77.77	77.77
As at 31 March 2022	**434.53**	**434.53**
Charge for the year	71.36	71.36
As at 31 March 2023	**505.89**	**505.89**
Net carrying amount		
As at 1 April 2021	1,482.31	1,482.31
As at 31 March 2022	1,404.54	1,404.54
As at 31 March 2023	**2,116.35**	**2,116.35**

7. Other intangible assets

	Computer Software	Total
Gross carrying amount		
As at 1 April 2021	13.94	**13.94**
Additions	36.22	**36.22**
As at 31 March 2022	**50.16**	**50.16**
Additions	41.11	**41.11**
As at 31 March 2023	**91.27**	**91.27**
Accumulated amortization		
As at 1 April 2021	6.46	**6.46**
Charge for the year	32.58	**32.58**
As at 31 March 2022	**39.05**	**39.05**
Charge for the year	1.5812	**1.58**
As at 31 March 2023	**40.63**	**40.63**
Net carrying amount		
As at 1 April 2021	7.48	84.80
As at 31 March 2022	11.11	11.11
As at 31 March 2023	**50.64**	**50.64**

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Softsol India Limited

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

8. Investments

	As at 31 March 2023	As at 31 March 2022
(i) Current		
Investment carried at fair value through profit or loss ('FVTPL')		
Investment in mutual funds and equity instruments,quoted	8,140.92	12,768.66
	8,140.92	**12,768.66**
Investment carried at FVOCI		
Investment in units, unquoted		
Blume Venture-5.88 units of Fund 1A of ₹10,000 each , 1,01,115.04 units of Fund II of ₹100 each and 3,00,000 units of fund 1X of ₹100 each (31 March 2022 5.88 units of Fund 1A of ₹10,000 each , 1,13,742.69units of Fund II of ₹100 each and 3,00,000 units of fund 1X of ₹100 each. Inventus III-India Fund 21,000 units of ₹1,000 each (31 March 2022:18,000 units).	1,587.33	1,503.30
Kids Activity Tech Pvt Ltd	50.06	50.06
136 CCPS of ₹10 Each(31 March 2022: 136)	-	-
Localbuy Technologies Pvt Ltd	21.53	21.53
32 CCPS of ₹10 Each(31 March 2022: 32)	-	-
Other invetments	356.24	328.94
	2,015.16	**1,903.83**
	10,156.08	**14,672.49**
Aggregate amount of quoted investments and market value thereof	8,140.92	12,768.66
Aggregate amount of unquoted investments	2,015.16	1,903.83

9. Other financial assets

	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
(i) Non-current		
Security deposits	72.73	70.10
Bank deposits (due to mature after 12 months from the reporting date)*	24.64	24.64
Other receivables	-	687.34
	97.37	**782.07**
(ii) Current		
Interest accrued on deposits	2.71	1.52
Other Loans & Receivables	-	-
	2.71	**1.52**

10. Other Current assets

	31 March 2023	31 March 2022
(i) Non-current		
(Unsecured)		
- Considered good		
Other Loans and Receivables	1,266.09	1,137.66
	1,266.09	**1,137.66**
(ii) Current		
(Unsecured)		
- Considered good		
Advance for expenses	3.39	5.89
Prepaid expenses	94.60	45.82
Balance with Revenue Authorities	77.61	52.92
	175.60	**104.63**

11. Trade receivables

	31 March 2023	31 March 2022
(Unsecured)		
- Considered good	1,018.52	872.23
- Considered doubtful	-	-
	1,018.52	**872.23**
Less: Allowance for doubtful debts	-	-
b. Unbilled Revenue	521.82	156.71
	1,540.34	**1,028.94**

Trade Receivables ageing schedule:

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	995.55	-	-	22.97	1,018.52
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-
(vii) Unbilled Receivables	521.82				521.82
Total	**1,517.36**	-	-	**22.97**	**1,540.34**

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As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	867.85	-	-	4.38	872.23
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-
(vii) Unbilled Receivables	156.71				156.71
Total	**1,024.56**	-	-	**4.38**	**1,028.94**

12. Cash and Bank Balances

	31 March 2023	31 March 2022
(i) Cash and cash equivalents		
Balances with banks in current accounts	1,510.95	1,332.59
Cash on hand	0.43	0.31
	1,511.38	**1,332.90**
(ii) Bank balances other than above		
- Unpaid dividend account	-	0.65
	-	**0.65**
	1,511.38	**1,333.55**

13. Equity share capital

i. Authorised share capital:

	As at 31st March 2023		As at 31st March 2022	
	Number	Amount	Number	Amount
Equity shares of ₹10 each	**50,000,000**	**5,000**	**50,000,000**	**5,000**

ii. Issued, subscribed and paid up

	As at 31st March 2023		As at 31st March 2022	
	Number	Amount	Number	Amount
Equity shares of ₹10 each fully paid up	14,763,689	1,476.37	16,822,513	1,682.25
Forfeited shares of ₹10 each, ₹5 paid up	28,200	1.41	28,200	1.41
Forfeited shares (amount originally paid)	828,022	39.99	799,822	39.99
	15,619,911	**1,517.77**	**17,650,535**	**1,723.65**

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

	As at 31st March 2023		As at 31st March 2022	
	Number	Amount	Number	Amount
Equity shares				
Balance at beginning and end of the year	15,619,911	1,517.77	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

	As at 31st March 2023		As at 31st March 2022	
Name of equity shareholders	Number	% holding	Number	% holding
Durga VLK Madala	9,557,408	64.74%	9,557,408	56.81%
Talluri Samatha	3,324,525	22.52%	3,324,525	19.76%
Srinivasa Rao Madala	30,015	0.20%	1,366,099	8.12%
Sambasiva Rao Madala	118,400	0.80%	118,400	0.70%
Bhaskara Rao Madala	1,069,766	7.25%	1,069,766	6.36%

Details of shares held by promoters

Description	31 March 2023			31 March 2022	
	No of Shares	% Holding	% change during the period / year	No of Shares	% Holding
DURGA V L K MADALA	9,557,408	64.74		9,557,408	56.81
MADALA SRINIVASA RAO	30,015	0.20		1,366,099	8.12
RAJA RAO BOYAPATI	25,300	0.17		25,300	0.15
M BHASKARA RAO	1,069,766	7.25		1,069,766	6.36
SAMBASIVA RAO MADALA	118,400	0.80		118,400	0.7
M SRIDEVI	46,355	0.31		46,355	0.28
	10,847,244	**73.47**		**12,183,328**	**72.42**

vi. During the financial year 2022-23 the Company has completed its buy-back of 20,58,824 (representing 12.24% of the total number of Equity Shares in the total paid-up equity capital of the Company) Equity Shares at price of 170/- per Equity Share for an aggregate consideration of 35.00 Crores (Excluding Buyback expenses and buyback distribution tax). The offer size of the Buyback represents 15.3% and 21.12% of the aggregate of the Company's paid-up capital and free reserves as per the latest available standalone and consolidated audited financials of the Company for the year ended as on March 31, 2022. The buyback process was completed on 24th March 2023 and the shares were extinguished on 11th April 2023.no bonus shares have been issued.

vii. Calls unpaid on equity shares

	As at 31st March 2023		As at 31st March 2022	
	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**	**28,200**	**1.41**

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14. Other equity

	As at 31 March 2023	As at 31 March 2022
Reserve and surplus		
Capital redemption reserve	386.39	180.51
Securities premium reserve	3,093.09	6,701.14
General reserve	696.90	696.90
Retained earnings	7,841.37	8,039.28
	12,017.75	**15,617.82**
Other reserves		
Remeasurement of defined benefit obligations	(8.89)	(17.03)
unrealised Foreign Exchange Fluctuation Gain	-	-
Fair value changes on equity instruments through OCI	196.50	742.78
Exchange Difference in translating the financial statements of a foreign operations	1,005.67	548.63
	1,193.27	1,274.38
	13,211.03	16,892.21

Nature and purpose of reserves

Capital redemption reserve
Capital redemption reserve to the extent of ₹386.39 Lakhs 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 is used to record the premium received on issue of equity shares. The reserve is utilised for buy back in accordance with provisions of the Companies Act, 2013.

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

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

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

15. Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
(i) **Non-current**		
Security deposits	833.45	721.70
Accrued Rent	-	-
	833.45	**721.70**
(ii) **Current**		
Accrued expenses	171.77	72.53
Unclaimed dividend	-	0.65
Capital creditors	14.56	124.45
PPP Loan	-	-
Revolving Line of Credit/short term Borrwoings	850.52	1,304.40
Others	150.13	183.78
	1,186.98	**1,685.81**

16. Provisions

	As at 31 March 2023	As at 31 March 2022
(i) **Non-current**		
Gratuity	57.92	21.54
Compensated absences	5.98	6.20
Income tax	509.28	165.75
	573.18	**193.49**
(ii) **Current**		
Gratuity	11.27	40.57
Compensated absences	2.44	13.58
Buyback tax	313.93	-
Income Tax	-	158.13
	327.64	**212.29**

(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.

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(i) Change in projected benefit obligation	As at 31 March 2023	As at 31 March 2022
Projected benefit obligation at the beginning of the year	62.11	47.82
Service cost	14.72	13.17
Interest cost	4.49	3.26
Actuarial loss	(11.27)	(1.44)
Benefits paid	(0.85)	(0.69)
Projected benefit obligation at the end of the year	69.20	62.11
(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	69.20	62.11
Funded status of the plans	-	-
Net liability recognised in the balance sheet	69.20	62.11
(iii) Expense recognized in the statement of profit and loss		
Interest cost	4.49	3.26
Service cost	14.72	13.17
Expected returns on plan assets	-	-
Net gratuity costs/(benefits)	19.21	16.43
(iv) Expense recognized in OCI		
Recognized net actuarial loss	(11.27)	(1.44)
	(11.27)	(1.44)
(v) Key actuarial assumptions		
Discount rate	7.46%-7.50%	7.12%-7.35%
Salary escalation rate	5%-8%	5%-8%

(vii) Expected future cash flows	As at 31 March 2023	As at 31 March 2022
The defined benefit obligation shall mature after year ended 31 March 2023 as follows:		
Within 1 year	11.42	21.54
2- 3 years	26.15	11.78
3 years and above	67.59	33.18

17 Trade payables

	As at 31 March 2023	As at 31 March 2022
Dues to micro and small enterprises	-	-
Others	397.66	662.67
	397.66	662.67

As at 31 March, 2023

Particulars	Outstanding for following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	-	-	-	-	-
ii) Others	374.12	-	-	23.55	397.66
iii) Disputed Dues-MSME	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-
Total	374.12	-	-	23.55	397.66

As at 31 March, 2022

Particulars	Outstanding for following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	-	-	-	-	-
ii) Others	639.13	-	-	23.55	662.67
iii) Disputed Dues-MSME	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-
Total	639.13	-	-	24.00	662.67

(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 2023: Nil, 31 March 2022: 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.

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Softsol India Limited

Summary of significant accounting policies and other explanatory information

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

1.11 Ratios as per the Schedule III requirements

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Current Assets	13,386.10	17,141.13
Current Liabilities	1,912.28	2,560.77
Ratio	**7.00**	**7.54**
% Change from previous year	**-7.20%**	**-34.67%**

Reason for change more than 25%:

This ratio has decreased from 7.54 in March 2022 to 7.00 in March 2023 mainly due to increase current liabilities.

b) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Total debt	-	-
Total equity	14,728.80	18,615.86
Ratio	-	-
% Change from previous year	**N.A**	**N.A**

c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

Particulars	As at 31 March 2023	As at 31 March 2022
Profit after tax	**7.98**	1,672.39
Add: Non cash operating expenses and finance cost	**349.00**	**362.00**
-Depreciation and amortizations	181.88	259.29
-Finance cost	167.25	103.01
Earnings available for debt services	**357.00**	**2,034.00**
Interest cost on borrowings	-	-
Principal repayments	-	-
Total Interest and principal repayments	-	-
Ratio	-	-
% Change from previous year	**0.00%**	**0.00%**

d) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity

Particulars	As at 31 March 2023	As at 31 March 2022
Net profit after tax	7.98	1,672.39
Equity	14,728.80	18,615.86
Ratio	**0.00**	**0.09**
% Change from previous year	**-99.42%**	**0.00%**

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Softsol India Limited

Summary of significant accounting policies and other explanatory information

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

e) Inventory Turnover Ratio = Cost of goods sold divided by closing inventory

Particulars	As at 31 March 2023	As at 31 March 2022
Cost of goods sold		
Closing Inventory	-	-
Inventory Turnover Ratio	-	-
% Change from previous year	**0.00%**	**0.00%**

12 Ratios as per the Schedule III requirements (Continued)

f) Trade Receivables turnover ratio = Credit Sales divided by Closing trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Credit Sales	8,259.37	7,426.39
Closing Trade Receivables	1,540.33	1,028.94
Ratio	**5.36**	**7.22**
% Change from previous year	**-25.71%**	**59.40%**

Reason for change more than 25%: Due to increase in credit sales.

g) Trade payables turnover ratio = Credit purchases divided by closing trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Credit Purchases	3,017.00	2,635.22
Closing Trade Payables	397.66	662.67
Ratio	**7.59**	**3.98**
% Change from previous year	**90.79%**	**-45.06%**

Reason for change more than 25%: Increase is due to increase in revenues.

h) Net capital Turnover Ratio = Sales divided by Working capital whereas working capital= current assets - current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Sales	8,259.37	7,426.39
Working Capital	11,473.82	15,819.32
Ratio	0.72	0.47
% Change from previous year	**53.34%**	**-19.39%**

Reason for change more than 25%:

This ratio has increased from 0.47 in March'2022 to 0.72 in March 2023 mainly due to increase in curennt assets

i) Net profit ratio = Net profit after tax divided by Sales

Particulars	As at 31 March 2023	As at 31 March 2022
Net profit after tax	7.98	1,672.39
Sales	8,259.37	7,426.39
Ratio	0.00	0.23
% Change from previous year	**-99.57%**	**0.23%**

Reason for change more than 25%:

This ratio has decreased 0.23 in March 2022 to 0.00 in March 2023 mainly due to Decrease in profit during the year.

SOFTSOL INDIA LIMITED HYDERABAD

Softsol India Limited

Summary of significant accounting policies and other explanatory information

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

12 Ratios as per the Schedule III requirements (Continued)

j) Return on Capital employed (pre cash)=Earnings before interest and taxes(EBIT) divided by Capital Employed(pre cash)

Particulars	As at 31 March 2023	As at 31 March 2022
Profit before tax (A)	270.66	1,961.05
Finance Costs (B)	167.25	103.01
Other Income (C)	(211.08)	777.67
EBIT (D) = (A)+(B)-(C)	**649.00**	**1,286.00**
Capital Employed (Pre Cash) (J)=(E)-(F)-(G)-(H)-(I)	**4,725.00**	**3,525.00**
Total Assets (E)	18,304.26	22,091.83
Current Liabilities (F)	1,912.28	2,560.77
Current Investments (G)	10,156.08	14,672.49
Cash and Cash equivalents (H)	1,511.38	1,332.90
Bank balances other than cash and cash equivalents (I)	-	0.65
Ratio (D)/(J)	0.14	0.57
% Change from previous year	**-75.96%**	**177.45%**

Reason for change more than 25%:

This ratio has Decreased from 0.57 in March 2022 to 0.14 in March 2023 mainly due to Increase EBIT during the year.

As per our report of even date.

For PAVULURI & CO
Chartered Accountants
Firm Reg No:012194S

CA N RAJESH
Partner
M.No:223169

Place : Hyderabad
Date : 30/05/2023

For and on behalf of Board of Directors of
SOFTSOL INDIA LIMITED

Bhaskara Rao Madala
DIN:00474589

T Hanuman Chowdary
DIN:00107006

B.Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

SOFTSOL INDIA LIMITED * HYDERABAD *

18 Revenue from operations

	Year Ended 31 March 2023	Year Ended 31 March 2022
Sale of services		
Software services	7,095.86	6,482.66
Rental income	1,163.50	943.73
	8,259.37	**7,426.39**

19. Other income

	Year Ended 31 March 2023	Year Ended 31 March 2022
Interest income	214.98	3.92
Gain (loss) on sale of investment /redemption of mutual funds	(796.29)	55.47
Unrealised gain on mark to market marking of mutual funds	37.77	667.26
Foreign exchange gain	290.62	(0.57)
Sub lease Income(Net)	0.00	15.83
Other non-operating income	41.84	35.76
	(211.08)	**777.67**

20. Employee Benefit Expense

	Year Ended 31 March 2023	Year Ended 31 March 2022
Salaries and wages	4,312.78	3,897.50
Contribution to provident and other funds (refer note a below)	65.96	64.26
Staff welfare expenses	12.75	4.35
	4,391.50	**3,966.12**

(a) The amount recognized as an expense towards contribution to provident fund for the year aggregated to ₹39.50 Lakhs (31 March 2020: ₹49.71) and towards employee state insurance fund aggregated to ₹1.44 Lakhs (31 March 2020: ₹2.17).

21. Finance Costs

	Year Ended 31 March 2023	Year Ended 31 March 2022
Interest expense for financial liabilities carried at amortised cost	71.85	10.71
Bank Charges	95.40	92.30
	167.25	**103.01**

22. Other Expenses

	Year Ended 31 March 2023	Year Ended 31 March 2022
Power and fuel	47.41	34.65
Repairs and maintenance:	-	-
- Buildings	144.94	48.23
- Plant and equipment	37.87	38.12
- Others	7.72	9.81
Consulting outsourced	2,019.86	1,766.86
Insurance	75.97	55.91
Rates and taxes	229.72	57.44
Communication	33.84	24.69
Travelling and conveyance	23.60	16.60
Legal and professional fees	150.28	336.91
Director's sitting fees	4.80	5.80
Fees and subscriptions	23.53	21.71
Staff training and recruitment charges	-	4.94
Rebate Charges	1.53	5.64
Advertisement charges	1.17	0.72
Payments to the auditor (refer note (i))	7.00	8.81
Postage,Printing & Stationery	3.24	1.95
Security Service charges	28.04	27.00
Office and Guest House maintenance	7.04	11.20
Water charges	3.24	11.65
Cleaning charges	23.56	22.83
Miscellaneous expenses	70.00	15.14
Buy Back Expenses	69.92	-
Commission	2.71	108.61
CSR Expenses	20.00	21.40
	3,037.00	**2,656.62**

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(i) Details of payments to auditors :

	Year Ended 31 March 2023	Year Ended 31 March 2022
As auditor:		
- Audit fee	7.00	7.00
- Certification fee	-	1.00

23. Income tax

	Year Ended 31 March 2023	Year Ended 31 March 2022
Tax expense comprises of:		
Current income tax	355.14	223.60
	355.14	**223.60**

The major components of income tax expense and the reconciliation of expected tax expense based on the effective tax rate of the Company at 27.82% 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 2023	31 March 2022
Profit before tax	270.66	1,961.05
Other comprehensive income	(515.87)	647.87
	(245.21)	**2,608.92**
Tax at the Indian tax rate (27.82%)*	(52.84)	562.19
Adjustments:		
On account of gain on Ind AS transition which needs to be spread evenly to the book profit over five years from the convergence year	-	-
On account of one-fifth of Ind AS transition gain adjusted to the book profit (Y3)		
Income tax expense	**(52.84)**	**562.19**

The major components of income tax expense and the reconciliation of expected tax expense based on the effective tax rate of the Company at 27.82% and the reported tax expense in the statement of profit and loss is as follows:

24. Earnings per share (EPS)

	31 March 2023	31 March 2022
Profit attributable to equity shareholders	7.98	1,672.39
Weighted average number of equity shares outstanding during the year	14,763,689.00	16,836,613.00
Earnings per equity share (in absolute ₹ terms) :		
Basic and Diluted	0.05	9.93
Nominal Value per share equity share	10	10

SOFTSOL INDIA LIMITED HYDERABAD

Softsol India Limited
Summary of significant accounting policies and other explanatory information

25 Fair value measurements

(i) Fair value hierarchy

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

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

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

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

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

	31 March 2023	31 March 2022
Fair value hierarchy (Level 1)		
Financial assets		
Investment in mutual funds and quoted investments	8,140.92	12,768.66
Fair value hierarchy level (Level 3)		
Financial assets		
Investment in equity shares of subsidiary	1,760.93	1,760.93
Investment in equity units of venture capital fund and others	2,015.16	1,903.83

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

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

	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	8,140.92		-	12,768.66		-
Trade receivables	-	-	1,540.34	-	-	1,028.94
Cash and cash equivalents	-	-	1,511.38	-	-	-63,674.45
Other bank balances	-	-	-	-	-	65,008.00
Other financial assets	-	-	2.71	-	-	1.52
Total financial assets	8,140.92	-	3,054.43	12,768.66	-	2,364.01

	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
Trade payables	-	-	397.66	-	-	662.67
Other financial liabilities	-	-	1,186.98	-	-	1,685.81
Total financial liabilities	-	-	1,584.64	-	-	2,348.48

26 Financial instruments risk management

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

The Company is exposed to credit risk, market risk and liquidity risk. The Company's Board of Directors oversees the management of these risks. The Company's Board of Directors are supported by the senior management that advises on financial risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance to the Company's Board of Directors that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

A. Credit risk

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

Trade and other receivables

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

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 2023

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-Mar-23	31-Mar-22
Neither past due nor impaired	-	-
Past due not impaired:		
less than 180 days	1,517.36	1,006.97
181-365 days	-	-
Greater than 365 days	22.97	22.97
	1,540.33	1,029.94

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 2023 and 31 March 2022.

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 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 2023	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Non-derivatives				
Trade and other payables	397.66	-	-	397.66
Other financial liabilities	1,186.98	573.18	-	1,760.16
Total	1,584.64	573.18	-	2,157.82

31 March 2022	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Non-derivatives				
Trade payable	662.67	-	-	662.67
Other financial liabilities	1,685.81	193.49	-	1,879.30
Total	2,348.48	193.49	-	2,541.97

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 2023	31 March 2022
Trade receivables	-	-

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

	Impact on profit	
	31 March 2023	31 March 2022
USD sensitivity*		
₹/USD - Increase by 2%	-	-
₹/USD - Decrease by 2%	-	-

* Holding all other variables constant.

27. Capital risk management

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

SOFTSOL INDIA LIMITED * HYDERABAD *

28 Related party disclosures

(a) **Names of the related parties and nature of relationship**

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

(b) **Transactions with related parties**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Transactions with subsidiary company		
Services rendered	-	-
Loan given	727,508,720	910,923,600
Transactions with KMPs		
Short-term employee benefits*	4,949,280	3,969,964

(c) **Balances receivable**

	As at 31 March 2023	As at 31 March 2022
Loan to Subsidiary company	727,508,720	910,923,600

*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.

29. Segment reporting

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

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

Particulars	Consolidated		
	IT/ITES	Infra	Total
Revenue from Operaions	7,095.86	1,163.50	8,259.36
Identifiable Operating Expenses	4,083.67	307.83	4,391.50
Allocated Expenses	2,148.11	161.28	2,309.39
Segmental Operating Income	864.07	694.40	1,558.47
Unallocable expenses			909.49
Other Income	(483.00)	271.92	(211.08)
Finance Costs	131.93	35.31	167.24
Reduction in the fair value of disposal group held for sale			-
Profit before tax	(204.88)	475.64	270.66

30. Contingent liabilities and commitments

	As at 31 March 2023	As at 31 March 2022
(a) **Commitments**		
Capital commitments for investments in venture funds	9,000,000	12,000,000
(b) **Contingent liabilities**		
Guarantees excluding financial guarantees		
Bank guarantee	1,521,838	1,521,838

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

32 Where ever required figures have been regrouped.

For PAVULURI & CO
Chartered Accountants
Firm Reg No:012194S

For and on behalf of Board of Directors of
SOFTSOL INDIA LIMITED

CA N RAJESH
Partner
M.No:223169
UDIN :23223169BGVJSD6289

Bhaskara Rao Madala
DIN:00474589
Wholetime Director

T Hanuman Chowdary
DIN:00107006
Director

B.Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

Place : Hyderabad
Date : 30/05/2023

SOFTSOL INDIA LIMITED HYDERABAD

SOFTSOL INDIA LIMITED

Plot No. 4, Software Units Layout, Cyberabad, Hyderabad-500 081, India
T: +91 (40) 42568500, E: cs@softsol.com, URL: www.softsolindia.com, CIN: L72200TG1990PLC011771

AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR QUARTER ENDED 30 JUNE 2023

(Amount in lakhs of ₹, unless otherwise stated)

Sl. No.	Particulars	Standalone				Consolidated			
		Quarter ended			Year ended	Quarter ended			Year ended
		30.06.2023 (Unaudited)	31.03.2023 (Audited)	30.06.2022 (Unaudited)	31.03.2023 (Audited)	30.06.2023 (Unaudited)	31.03.2023 (Audited)	30.06.2022 (Unaudited)	31.03.2023 (Audited)
1	Revenue								
	(a) Revenue from operations	654.03	731.53	823.57	3,152.52	1,900.13	1,877.00	2,313.18	8,259.37
	(b) Other income	139.67	435.46	33.45	736.77	76.23	1,571.79	(1,998.71)	(211.08)
	Total income	793.70	1,166.99	857.02	3,889.29	1,976.36	3,448.79	314.47	8,048.29
2	Expenses								
	(a) Work in progress	-	-	-	-	-	-	-	-
	(b) Employee benefits expense	358.72	421.77	492.32	1,926.48	946.06	1,050.66	1,174.21	4,391.50
	(c) Finance costs	8.93	8.83	8.82	35.31	9.34	139.95	34.58	167.25
	(d) Depreciation and amortisation expense	43.10	41.44	37.83	156.68	43.10	66.65	37.82	181.88
	(e) Other expenses	114.42	260.90	90.78	586.20	669.07	768.87	743.69	3,037.00
	Total expenses	525.17	732.94	629.75	2,704.67	1,667.57	2,026.13	1,990.30	7,777.63
3	Profit/(Loss) before Exceptional Itmms and Tax	268.53	434.05	227.27	1,184.62	308.79	1,422.66	(1,675.83)	270.66
4	Exceptional Items	-	-	-	-	-	-	-	-
5	Profit before tax (1-2)	268.53	434.05	227.27	1,184.62	308.79	1,422.66	(1,675.83)	270.66
6	Tax expense								
	(a) Current tax	67.13	139.79	62.09	327.43	67.13	109.93	63.77	315.01
	(b) Earlier Year taxes	-	-	-	-	-	-	-	-
	(c) MAT Credit entitlement	-	-	-	-	-	-	-	-
	(d) Deferred tax expense	-	251.72	-	251.72	-	(52.33)	-	(52.33)
7	Profit for the period/ year (3-4)	201.40	42.54	165.18	605.47	241.66	1,365.06	(1,739.60)	7.98
8	Net Profit / (Loss) after taxes and minority interest (5-6)								
9	Other comprehensive income (net of taxes)								
	(a) Items that will not be reclassified to profit or loss								
	(i) Re-measurement losses on defined benefit plans	-	11.27	-	11.27	-	11.27	-	11.27
	(ii) Net gain on fair valuation of investments in equity instruments	-	(9.36)	-	68.81	547.40	(605.31)	-	(527.14)
	(iii) Gain on Exchange Fluctuation	(15.32)	(64.89)	363.82	760.19	(15.32)	(64.89)	363.82	760.19
	Income tax on above items	4.26	17.52	(101.21)	(233.76)	4.26	17.53	(101.21)	(233.76)
	(b) Items that will be reclassified to profit or loss	-	-	-		-	-	-	
	(i) Exchange differences in translating the financial statements of a foreign operation	-	-	-		-	(301.23)	102.88	(91.67)
	Total comprehensive income	190.34	(2.92)	427.79	1,211.98	778.00	422.43	(1,374.11)	(73.13)
10	Paid-up equity share capital (Face value of ₹10 per share)	1,517.77	1,517.77	1,723.65	1,517.77	1,517.77	1,517.77	1,723.65	1,517.77
11	Other equity				13,322.99				14,728.80
12	Earnings per share (of ₹10 each) (In absolute ₹ terms)								
	(a) Basic	1.36	0.29	0.98	4.10	1.64	9.25	(10.33)	0.05
	(b) Diluted	1.36	0.29	0.98	4.10	1.64	9.25	(10.33)	0.05

See accompanying notes to the financial results

SOFTSOL INDIA LIMITED

Plot No. 4, Software Units Layout, Cyberabad, Hyderabad-500 081, India

T: +91 (40) 42568500, E: cs@softsol.com, URL: www.softsolindia.com, CIN: L72200TG1990PLC011771

AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR QUARTER ENDED 30 JUNE 2023

Business Segments

Year Ended June 30 2023

(Amount in lakhs of ₹, unless otherwise stated)

Particulars	Standalone			Consolidated		
	IT/ITES	INFRA	Total	IT/ITES	INFRA	Total
Revenue from Operaions	326.42	327.61	654.03	1,572.52	327.61	1,900.13
Identifiable Operating Expenses	249.05	59.94	308.99	891.13	59.94	951.07
Allocated Expenses	54.73	54.93	109.66	54.73	54.93	109.66
Segmental Operating Income	22.63	212.74	235.37	626.66	212.74	839.40
Unallocable expenses	48.70	48.88	97.58	548.62	48.88	597.50
Other Income	69.71	69.96	139.67	6.27	69.96	76.23
Finance Costs	-	8.94	8.94	0.40	8.94	9.34
Reduction in the fair value of disposal group held for sale				-		
Profit before tax	43.64	224.88	268.52	83.91	224.88	308.79

NOTES:

1. The above audited standalone and consolidated financial results were reviewed by the Audit Committee of the Board and approved by the Board of Directors of the Company at their meeting held on 14 august 2023.
2. The management has assessed the identification of reportable segments in accordance with the requirements of IND AS 108, "Operating Segment" and believes that the Company has two reportable segment namely "IT/ITES" and "Infra Business".
3. The consolidated financial results include results for the Quarter ended 30 June 2023 of Softsol Resources, Inc., Wholly owned Subsidiary of the Company.
4. Figures of the previous period have been regrouped wherever considered necessary to conform to current period classification.

Place: Hyderabad
Date: 14.08.2023

For Softsol India Limited

Bhaskara Rao Madala
Whole-time Director

For Softsol India Limited

Koteswara Rao Y
Chief Financial Officer

SOFTSOL INDIA LIMITED * HYDERABAD *

SOFTSOL INDIA LIMITED * HYDERABAD *

SOFTSOL INDIA LIMITED * HYDERABAD *

PAVULURI & Co.
CHARTERED ACCOUNTANTS
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Email : pavuluriandco@gmail.com

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
SOFTSOL INDIA LIMITED

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of SOFTSOL INDIA LIMITED ("the Parent") and its subsidiary (the Parent and Subsidiaries together referred to as "the Group") for the quarter ended June 30, 2023 ("the Statement"),being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The consolidated unaudited financial results includes the interim financial results of subsidiary company M/s Softsol Resources Inc which has not been reviewed by their auditors. These unaudited financial results and other unaudited financial information have been furnished to us by the management.

SOFTSOL INDIA LIMITED HYDERABAD

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5. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

N. Rajesh

CA N RAJESH
Partner
M. No: 223169

PAVULURI & CO. Firm Reg. No 012194S HYDERABAD Chartered Accountants

Place : Hyderabad
Date :14/08/2023

UDIN # 23223169BGVJTK5413

SOFTSOL INDIA LIMITED HYDERABAD

PAVULURI & Co.
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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF
SOFTSOL INDIA LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of SOFTSOL INDIA LIMITED ("the Parent Company"), for the quarter ended June 30, 2023 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

N. Rajesh

CA N RAJESH
Partner
M. No: 223169

PAVULURI & CO. Firm Reg. No. 012194S HYDERABAD Chartered Accountants

Place : Hyderabad
Date :14/08/2023

UDIN # 23223169BGVJTJ3049

Branches : Flat No : 301, Block C, Green City Towers, Green City Township, Near Export Apparel Park, Visakhapatnam - 530049.
Flat No.: 504, Madhu Towers, Srinivasa Nagar Bank Colony, Vijayawada - 520008, Ph : 0866-2545418

SOFTSOL INDIA LIMITED HYDERABAD

Annexure-12

COVANCE SOFTSOL LIMITED

CIN: U62011TS2023PLC175979
Registered Office Address: Plot No.4, Infocity, Madhapur, Jubilee Hills, Shaikpet, Hyderabad-500033, Telangana, India
E-mail: bhaskara.madala@softsol.com

To,
The General Manager,
Department of Corporate Services,
BSE Limited
P.J. Towers, Dalal Street,
Mumbai - 400 001.

Dear Sir / Madam,

Subject: **Application for obtaining approval under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Scheme of Arrangement**

Reference: **Scheme of Arrangement between M/s. SoftSol India Limited ("Demerged Company") and M/s. Covance SoftSol Limited ("Resulting Company") and their respective Shareholders and Creditors ("Scheme") for the purpose of demerger of the software division ("Demerged Undertaking") of the Demerged Company, transfer and vesting of the same into the Resulting Company.**

In reference to the application by SoftSol India Limited **(Demerged Company)** under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the purpose of obtaining Observation Letter / No Objection Letter, we, Covance SoftSol Limited (an unlisted company involved in the Scheme and also the Resulting Company), hereby confirm that the Resulting Company is a newly incorporated company, incorporated on 11.08.2023 and hence the financials and the annual report of the Resulting Company are not available.

In view of the above, we confirm that the requirement of submission of audited financials of last 3 years (audited financials not being more than 6 months old) of unlisted company and submission of annual report for the last 3 financial years, are not applicable to the Resulting Company.

For **Covance SoftSol Limited**

Bhaskar Rao Madala
Director
DIN: 00474589

COVANCE SOFTSOL LIMITED Hyderabad

Date: August 18, 2023
Place: Hyderabad

SOFTSOL INDIA LIMITED HYDERABAD