SoftSol India Limited

CIN: L72200TG1990PLC011771
Registered Office: Plot No. 4, Infocity, Madhapur, Hyderabad, Telangana - 500032, India.
Tel: +91-40-42568500 | Fax: +91-40-42568600 | Email: cs@softsol.com | Website: www.softsolindia.com

NOTICE OF MEETING OF THE EQUITY SHAREHOLDERS OF SOFTSOL INDIA LIMITED CONVENED AS PER THE DIRECTIONS OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, HYDERABAD BENCH, HYDERABAD

MEETING DETAILS	
Day	Saturday
Date	May 18, 2024
Time	11:00 a.m. IST
Venue	As per the directions of the Hon'ble National Company Law Tribunal, Hyderabad Bench, the Meeting shall be conducted through video conferencing (VC) / other audio-visual means (OAVM). Deemed venue would be the registered office of the company situated at Plot No. 4, Infocity, Madhapur, Hyderabad, Telangana - 500032, India.
Mode	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM).
Cut-off date for sending notice to Equity shareholders	Friday, April 05, 2024
Cut-off date for e-voting	Friday, May 10, 2024
Remote e-voting start date & time	Wednesday, May 15, 2024 at 9:00 a.m. (IST)
Remote e-voting end date & time	Friday, May 17, 2024 at 5:00 p.m. (IST)

E-Voting:

E-Voting during the NCLT Convened Meeting	E-Voting facility shall also be available to the Equity Shareholders of the Company during the NCLT convened meeting of Equity Shareholders.

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The Notice of the Meeting, Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules, SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with applicable SEBI Master Circular and Annexure I to Annexure XIV constitute a single and complete set of documents and should be read together as they form an integral part of this document.

FORM NO. CAA. 2

[Pursuant to Section 230(3) of the Companies Act, 2013 and
Rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, HYDERABAD BENCH
CA (CAA) No. 6/230/HDB/2024

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF COMPANIES ACT, 2013

AND

IN THE MATTER OF THE SCHEME OF ARRANGEMENT BETWEEN
SOFTSOL INDIA LIMITED AND ITS SHAREHOLDERS & CREDITORS
AND
COVANCE SOFTSOL LIMITED AND ITS SHAREHOLDERS & CREDITORS

SoftSol India Limited, a company incorporated under the provisions of the Companies Act, 1956 having CIN:L72200TG1990PLC011771 and its registered office is situated at Plot No. 4, Info City, Madhapur, Hyderabad, Telangana - 500032, India ....1st Applicant Company / Demerged Company

Covance SoftSol Limited, a company incorporated under the provisions of the Companies Act, 2013 having CIN:U62011TS2023PLC175979 and its registered office is situated at Plot No. 4, Info City, Madhapur, Hyderabad, Telangana - 500032, India ....2nd Applicant Company / Resulting Company

NOTICE CONVENING MEETING OF EQUITY SHAREHOLDERS

To,
All the Equity Shareholders of
SoftSol India Limited.

NOTICE is hereby given pursuant to the directions of the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") vide its order dated April 05, 2024 ("NCLT Order"), that a meeting of the Equity Shareholders of the Company will be held on Saturday, May 18, 2024 at 11:00 a.m. (IST) for the purpose of considering, and if thought fit, approving the proposed Scheme of Arrangement between SoftSol India Limited ("Company" / "Demerged Company") and its shareholders & creditors and Covance SoftSol Limited ("Resulting Company") and its shareholders & creditors ("Scheme").

Pursuant to the NCLT Order and as directed therein, the meeting of Equity shareholders will be held through video conferencing ("VC") / other audio visual means ("OAVM"), in compliance with the applicable provisions of the Companies Act, 2013 ("Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), to consider, and if thought fit, pass the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(6) of the Act as amended:

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013, and any other applicable provisions of the Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force) read with the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 and other Rules, Circulars and Notifications made thereunder as may be applicable, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dt. June 20, 2023 (the "SEBI Master Circular"), read with the Observation Letter dated 16.01.2024 issued by the BSE Limited and relevant provisions of other applicable laws, the provisions of the Memorandum of Association and Articles of Association of the Company, and subject to the approval of the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") and such other approvals, permissions and sanctions of regulatory or Governmental and other authorities or Tribunal, as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed by the NCLT, or by any regulatory or other authorities or tribunal, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Arrangement between M/s. SoftSol India Limited ("Demerged Company") and M/s. Covance SoftSol Limited, a wholly owned subsidiary of the Company ("Resulting Company") and their respective Shareholders and Creditors ("Scheme") the draft of which was circulated along with this Notice, be and is hereby approved.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution and for removal of any difficulties or doubts, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper, and to settle any questions or difficulties or doubts that may arise, including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary to give effect to the above resolution, settling of any questions or difficulties arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of the Scheme and if necessary, to waive any of those, and to do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect or to carry out such modifications/directions as may be required and/or imposed and/or permitted by the NCLT while sanctioning the Scheme, or by any Governmental authorities, or to approve withdrawal (and where applicable, re-fling) of the Scheme at any stage for any reason including in case any changes and/or modifications are suggested/required to be made in the Scheme or any condition suggested, required or imposed, whether by any shareholder, creditor, the Securities and Exchange Board of India, the NCLT, and/or any other authority, are in its view not acceptable to the Company, and/or if the Scheme cannot be implemented otherwise, and to do all such acts, deeds and things as it may deem necessary and desirable in connection therewith and incidental thereto."

TAKE FURTHER NOTICE that the equity shareholders shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes (a) through e-voting system available at the meeting to be held through VC / OAVM or (b) by remote electronic voting ("remote e-voting") during the period as stated below:

Remote E-Voting Period	
Commencement of E-Voting Period	Wednesday, May 15, 2024 at 9:00 a.m. (IST)
End of E-Voting Period	Friday, May 17, 2024 at 5:00 p.m. (IST)

A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners mentioned by the Depositories as on the cut-off date, i.e., Friday, May 10, 2024 ("Cut-off Date") only shall be entitled to exercise the voting rights on the resolution in the Notice and attend the Meeting. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the Cut-off Date. A person who is not an equity shareholder as on the Cut-off Date, should treat the Notice for information purpose only.

The Company has engaged the services of KFin Technologies Limited ("KFinTech") as the agency to provide e-voting and other facilities for the meeting.

A copy of the Explanatory Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6(3) of the CAA Rules, the Scheme along with all annexures to the Explanatory Statement are enclosed herewith. A copy of this Notice and the accompanying documents are also placed on the website of the Company at www.softsolindia.com; the website of KFinTech at www.evoting.kfintech.com and the website of BSE Limited at www.bseindia.com.

The NCLT has appointed Mr. Nemalikanti Lakshmidhar, Advocate, as the Chairperson and Mr. Lakshmi Narayana Nalluri, PCS, as the Scrutinizer for convening the meeting of the Equity Shareholders.

The Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the NCLT and such other approval(s), permission(s) and sanction(s) of regulatory or other authorities, as may be necessary.

Nemalikanti Lakshmidhar
Chairperson appointed by the NCLT for the Meeting

Hyderabad, April 12, 2024

Registered Office: Plot No. 4, Info City,
Madhapur, Hyderabad, Telangana - 500032, India.
CIN: L72200TG1990PLC011771
Website: www.softsolindia.com
E-Mail: cs@softsol.com || Telephone: +91 (40) 42568500

Notes:

1. Pursuant to the directions of the Hon'ble National Company Law Tribunal, Hyderabad Bench vide its order dated April 05, 2024, the meeting of the equity shareholders of the Company is being conducted through video conferencing ('VC') / other audio-visual means ('OAVM') facility to transact the business set out in the Notice convening this meeting. The meeting will be conducted in compliance with the provisions of the Act, Secretarial Standard - 2, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with other applicable SEBI Master Circular and in compliance with the requirements prescribed by the Ministry of Corporate Affairs for holding general meetings through VC/OAVM and providing facility of e-voting vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022,11/2022 dated December 28, 2022 and 09/2023 dated September 25/2023 (collectively the 'MCA Circulars'). Accordingly, the meeting of the equity shareholders of the Company will be convened on Saturday, May 18, 2024 at 11:00 a.m. (IST), through VC/OAVM, for the purpose of considering, and if thought fit, approving, the Scheme of Arrangement between M/s. SoftSol India Limited and M/s. Covance SoftSol Limited and their respective Shareholders and Creditors.
2. Explanatory Statement under Sections 230(3), 232(1), 232(2) and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, in respect of the business set out in the Notice, is annexed hereto.
3. In terms of the directions contained in the Order of the NCLT, the Notice convening the Meeting is being published by the Company through advertisement in the 'Business Standard' in English language, and in the 'Nava Telangana', in Telugu language, Hyderabad Edition indicating the day, date, place and time of the Meeting.
4. Equity Shareholders attending the Meeting through VC/ OAVM will be counted for the purpose of reckoning the quorum as prescribed under Section 103 of the Act. Further, in terms of the Order, in case the required quorum for the Meeting is not present at the commencement of the Meeting, then the Meeting shall be adjourned by 30 (thirty) minutes and thereafter, the persons present shall be deemed to constitute the quorum.
5. Equity Shareholders are informed that in case of joint holders attending the Meeting, only such joint holder whose name stands first in the Register of Members / list of Beneficial Owners as received from National Securities Depository Limited /Central Depository Services (India) Limited in respect of such joint holding will be entitled to vote.
6. Equity Shareholders can join the Meeting in the VC/ OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned hereinbelow. The facility of participation at the Meeting through VC/ OAVM will be made available for 1,000 Equity Shareholders on 'first come first serve' basis. This will not include large Equity Shareholders (i.e. Equity Shareholders holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the Meeting without restriction on account of 'first come first serve' basis.
7. Pursuant to the Order of the NCLT, the Company has exercised the option to convene the Meeting of equity shareholders by VC/OAVM and equity Shareholders of the Company may exercise their vote at the meeting either in person or through proxies. However, as per MCA General Circular No. 14/2020 dated April 8, 2020, there is no requirement of appointment of proxies as the meeting is convening through VC/OAVM. Accordingly, the facility of appointment of proxies by equity shareholders under Section 105 of the Act will not be available for the said Meeting. However, in pursuance of Sections 112 and 113 of the Act read with Rule 10 of the Merger Rules, where a body corporate is a member, authorized representatives of the body corporate may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/ OAVM facility and e-voting during the Meeting provided an authority letter/ power of attorney/ a copy of the resolution passed by its board of directors or other governing body of such corporate authorizing such person to attend and vote at the Meeting through VC/ OAVM as its representative and certified to be a true copy by a director, the manager, the secretary, or other authorized officer of such body corporate along with the attested specimen signature of the duly authorized signatory(ies) who are authorized to vote is emailed to the Scrutinizer at cs@nlnassociates.com with a copy marked to KFinTech at evoting@kfintech.com and to the Company at cs@softsol.com not later than 48 (forty eight) hours before the time scheduled for holding the Meeting. Such corporate members are requested to refer Note No. 14(C)(vii) provided herein below, for more information.
8. The Notice of the Meeting and the accompanying documents mentioned in the Index are being sent through electronic mode to those equity shareholders whose email addresses are registered with the Company / Depositories and by registered post / courier to the equity shareholders whose email addresses are not registered with the Transferor Company/ Depositories.
9. The NCLT has appointed Mr. Lakshmi Narayana Nalluri, PCS, as the Scrutinizer to scrutinize votes cast electronically through remote e-voting and e-voting during the Meeting in a fair and transparent manner. The Scrutinizer shall submit a consolidated report on votes cast to the Chairperson of the Meeting or to the person so

authorised by the Chairperson. The Scrutinizer's decision on the validity of the votes cast electronically shall be final.

10. The relevant documents referred in the Notice and the Explanatory Statement are open for inspection by the equity shareholders electronically upto the conclusion of the Meeting and physically at the Registered Office of the Company on all working days, except Saturdays and Sundays, between 11:00 a.m. IST and 5:00 p.m. IST upto the date of the Meeting. Those equity shareholders who wish to inspect such documents electronically (without any fee) may write an e-mail to cs@softsol.com their name, mobile number, PAN, folio number/ DP ID. Equity shareholders seeking to inspect such documents can access the same on the website of the Company at www.softsolindia.com.
11. Equity shareholders attending the Meeting through VC / OAVM shall be reckoned for the purpose of quorum. In terms of the Order of NCLT, the quorum for the meeting of equity shareholders is 30 (Thirty only) in number.
12. The members / investors may send their complaints/queries, if any to the Company's Registrar and Share Transfer Agents' e-mail id: einward.ris@kfintech.com or or contact Mr. Rajkumar Kale, Asstt. General Manager, KFin Technologies Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032 | Phone No.: +91-040-67162222 / 040- 67162222 | Toll- free No.: 1800-309-4001 | E-mail: evoting@kfintech.comto the Company's official e-mail id: cs@softsol.com.
13. Instructions to the Members for attending the meeting through VC / OAVM

    i. For attending the Meeting: Member will be provided with a facility to attend the meeting through video conferencing platform provided by KFinTech. Members may login into its website link https://emeetings.kfintech.com/loginv2.aspx by using the remote e-voting credentials. After logging in, click on "Video Conference" optionand the Name of the Company can be selected.
    ii. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the instructions provided in remote e-voting in Note No. 14 below.
    iii. Members are encouraged to join the Meeting through Desktops, Laptops, Smart phones, Tablets and iPads with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22 for better experience.
    iv. Further, Members will be required to allow access to the Camera, if any, and are requested to use Internet with good speed to avoid any disturbance during the meeting.
    v. Please note that participants using Mobile Devices or Tablets or Laptops or accessing the internet via "Mobile Hotspot" may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
    vi. Submission of Questions / queries prior to the meeting: Members desiring any additional information with regard to the matter to be placed at the meeting or has any question or query are requested to write to cs@softsol.com mentioning their name, DP ID- Client ID/ Folio number during the period from Wednesday, May 15, 2024 (from 9:00 a.m. IST) to Friday, May 17, 2024 (till 5:00 p.m. IST) so as to enable the management to keep the information ready. Please note that, members' questions will be answered only if they hold the shares as of Cut-off Date.
    vii. Speaker Registration before the meeting: The equity shareholders who wish to speak during the meeting may register themselves as speakers for the Meeting to express their views / ask the questions. They can visit https://emeetings.kfintech.com and login through the user id and password provided above. On successful login, select 'Speaker Registration' which will open from Wednesday, May 15, 2024 (from 9:00 a.m. IST) to Friday, May 17, 2024 (till 5:00 p.m. IST). The Company reserves the right to restrict the speakers at the Meeting to only those Members who have registered themselves, depending on the availability of time for the Meeting.. The Chairperson reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the Meeting, hence equity shareholders are encouraged to send their questions etc. in advance as provided in Note No. 13(vi) above.

14. PROCEDURE FOR 'REMOTE E-VOTING' AND E-VOTING AT THE MEETING ('INSTA POLL'):

    A. E-VOTING FACILITY:

    Pursuant to the directions of the NCLT given under the Order, the Company is providing to its equity shareholders, facility to exercise their right to vote on the resolution proposed to be passed at the meeting by electronic means ("e-voting"). Equity shareholders may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("remote e-voting'').

    Further, the facility for voting through electronic voting system will also be made available at the Meeting ("Insta Poll") and equity shareholders attending the meeting who have not cast their vote(s) by remote e-voting will be able to vote at the meeting through Insta Poll.

    The Company has engaged the services of KFinTech as the agency to provide e-voting facility. The manner of voting, including voting remotely by (i) individual equity shareholders holding shares of the Company in demat mode; (ii) equity shareholders other than individuals holding shares of the Company in demat mode; (iii) equity shareholders holding shares of the Company in physical mode; and (iv) equity shareholders who have not registered their e-mail address, is explained in the instructions given under below paras.

The remote e-voting facility will be available during the following voting period:
Commencement of voting: Wednesday, May 15, 2024 at 9:00 a.m. (IST)
End of voting: Friday, May 17, 2024 at 5:00 p.m. (IST)

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFinTech upon expiry of the aforesaid period.

Voting rights of an equity shareholder / beneficial owner (in case of electronic shareholding) shall be in proportion to his/her/its shareholding in the paid-up equity share capital of the Company as on the Cut-off Date (specified in the notice).

Pursuant to the directions of the NCLT, Mr. Nemalikanti Lakshmidhar, Advocate, shall act as the Chairperson of the Meeting and Mr. Lakshmi Narayana Nalluri, PCS, shall act as Scrutiniser to scrutinise the remote e-voting and Insta Poll process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.

B. INFORMATION AND INSTRUCTIONS RELATING TO E-VOTING:
(i) Equity shareholder who has cast his/her/its vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast his/her/its vote(s) again at the Meeting.

(ii) Once the vote on a resolution is cast by an equity shareholder, whether partially or otherwise, the equity shareholder shall not be allowed to change it subsequently or cast the vote again.

(iii) An equity shareholder can opt for only single mode of voting, i.e., through remote e-voting or voting at the Meeting (Insta Poll). If an equity shareholder casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the meeting shall be treated as “INVALID”.

(iv) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date only shall be entitled to avail the facility of remote e-voting or for participation at the meeting and voting through Insta Poll. A person who is not an equity shareholder as on the Cut-off Date, should treat the Notice for information purpose only.

(v) The Company has opted to provide the same electronic voting system at the meeting, as used during remote e-voting, and the said facility shall be operational till the resolution proposed in the Notice is considered and voted upon at the meeting and may be used for voting only by the equity shareholders holding shares as on the Cut-off Date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.

C. REMOTE E-VOTING:
(vi) INFORMATION AND INSTRUCTIONS FOR REMOTE E-VOTING BY INDIVIDUAL EQUITY SHAREHOLDERS HOLDING SHARES OF THE COMPANY IN DEMAT MODE
Individual equity shareholders holding shares of the Company in demat mode can cast their vote, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participant(s). The procedure to login and access remote e-voting, as devised by the Depositories / Depository Participant(s), is given below:

Procedure to login through websites of Depositories

Procedure to login through websites of Depositories
National Securities Depository Limited (“NSDL”) 1. Users already registered for IDeAS e-Services facility of NSDL may follow the following procedure: i. Type in the browser / Click on the following e-Services link: https://eservices.nsdl.com ii. Click on the button “Beneficial Owner” available for login under ‘IDeAS’ section. iii. A new page will open. Enter your User ID and Password for accessing IDeAS. iv. On successful authentication, you will enter your IDeAS service login. Click on “Access to e-Voting” under Value Added Services on the panel available on the left hand side. v. You will be able to see Company Name: “SOFTSOL INDIA LIMITED” on the next screen. Click on the e-Voting link available against SOFTSOL INDIA LIMITED or select e-Voting service provider “KFinTech” and you will be

re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication. 2. Users not registered for IDeAS e-Services:s facility of NSDL may follow the following procedure: i. To register, type in the browser/ Click on the following e-Services link: https://eservices.nsdl.com ii. Select option "Register Online for IDeAS" available on the left hand side of the page. iii. Proceed to complete registration using your DP ID, Client ID, Mobile Number etc. iv. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote. 3. Users may directly access the e-Voting module of NSDL as per the following procedure: i. Type in the browser/Click on the following link: https://www.evoting.nsdl.com/ ii. Click on the button "Login" available under "Shareholder/Member" section. iii. On the login page, enter User ID (i.e., 16-character demat account number held with NSDL, starting with IN), Login Type, (i.e., through typing Password (in case you are registered on NSDL's e-voting platform) / through generation of OTP (in case your mobile / e-mail address is registered in your demat account) and Verification Code as shown on the screen. iv. You will be able to see Company Name: "SOFTSOL INDIA LIMITED" on the next screen. Click on the e-Voting link available against Reliance Industries Limited or select e-Voting service provider "KFinTech" and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication.
Central Depository Services (India) Limited ("CDSL") 1. Users already registered for Easi / Easiest facility of CDSL may follow the following procedure: i. Type in the browser / Click on any of the following links: https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi / Login to My Easi option under Quick Login (best operational in Internet Explorer 10 or above and Mozilla Firefox) ii. Enter your User ID and Password for accessing Easi / Easiest. iii. You will see Company Name: "SOFTSOL INDIA LIMITED" on the next screen. Click on the e-Voting link available against SOFTSOL INDIA LIMITED or select e-Voting service provider "KFinTech" and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication. 2. Users not registered for Easi / Easiest facility of CDSL may follow the following procedure: i. To register, type in the browser / Click on the following link: https://web.cdslindia.com/myeasi/Registration/EasiRegistration ii. Proceed to complete registration using your DP ID-Client ID (BO ID), etc. iii. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote. 3. Users may directly access the e-Voting module of CDSL as per the following procedure: i. Type in the browser / Click on the following links: https://evoting.cdslindia.com/Evoting/EvotingLogin ii. Provide Demat Account Number and PAN. iii. System will authenticate user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account. iv. On successful authentication, you will enter the e-voting module of CDSL. Click on the e-Voting link available against SOFTSOL INDIA LIMITED or select e-Voting service provider "KFinTech" and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication.

Procedure to login through their demat accounts / Website of Depository Participant(s)

Individual equity shareholders holding shares of the Company in Demat mode can access e-Voting facility provided by the Company using login credentials of their demat accounts (online accounts) through their demat accounts / websites of Depository Participants registered with NSDL/CDSL. An option for "e-Voting" will be available once they have successfully logged-in through their respective logins. Click on the option "e-Voting" and they will be redirected to e-Voting modules of NSDL / CDSL (as may be applicable). Click on the e-Voting link available against SOFTSOL INDIA LIMITED or select e-Voting service provider "KFinTech" and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication.

Equity shareholders who are unable to retrieve User ID / Password are advised to use "Forgot User ID" / "Forgot Password" options available on the websites of Depositories / Depository Participant(s).

Equity shareholders facing any technical issue during login can contact (i) NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 / 1800 22 44 30; (ii) CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 02223058738 or 02223058542-43

(vii) INFORMATION AND INSTRUCTIONS FOR REMOTE E-VOTING BY (I) EQUITY SHAREHOLDERS OTHER THAN INDIVIDUALS HOLDING SHARES OF THE COMPANY IN DEMAT MODE AND (II) ALL EQUITY SHAREHOLDERS HOLDING SHARES OF THE COMPANY IN PHYSICAL MODE

(I) (A) In case an equity shareholder receives an e-mail from the Company / KFinTech [for equity shareholder whose e-mail address is registered with the Company / Depository Participant(s)]:

(a) Launch internet browser by typing the URL: https://evoting.kfintech.com.

(b) Enter the login credentials (User ID and password provided in the e-mail). The e-Voting Event Number+Folio No. or DP ID - Client ID will be your User ID. If you are already registered with KFinTech for e-voting, you can use the existing password for logging-in. If required, please visit https://evoting.kfintech.com or contact toll-free numbers 1800 309 4001 (from 9:00 a.m. (IST) to 6:00 p.m. (IST) on all working days) for assistance on your existing password.

(c) After entering these details appropriately, click on "LOGIN".

(d) You will now reach Password Change Menu wherein you are required to mandatorily change your password upon logging-in for the first time. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(e) You need to login again with the new credentials.

(f) On successful login, the system will prompt you to select the e-Voting Event Number ("EVEN") for SOFTSOL INDIA LIMITED.

(g) On the voting page, enter the number of shares as on the Cut-off Date under either "FOR" or "AGAINST" or alternatively, you may partially enter any number under "FOR" / "AGAINST", but the total number under "FOR" / "AGAINST" taken together should not exceed your total shareholding as on the Cut-off Date. You may also choose to "ABSTAIN" and vote will not be counted under either head.

(h) Equity shareholder holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

(i) In case you do not desire to cast your vote, it will be treated as "ABSTAINED".

(j) You may then cast your vote by selecting an appropriate option and click on "SUBMIT".

(k) A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify.

(l) Once you confirm, you will not be allowed to modify your vote.

(m) Institutional / Corporate Equity Shareholders (i.e., other than Individuals, HUFs, NRIs, etc.) are also required to send legible scanned certified true copy (in PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutiniser at e-mail id cs@nlnassociates.com with a copy marked to evoting@kfintech.com and cs@softsol.com. Such authorisation should contain necessary authority for voting by its authorised representative(s). It is also requested to upload the same in the e-voting module in their login. The naming format of the aforesaid legible scanned document shall be "Corporate Name EVEN".

(B) In case of an equity shareholder whose e-mail address is not registered / updated with the Company / KFinTech / Depository Participant(s), please follow the following steps to generate your login credentials:

(a) Equity shareholders holding shares in physical mode, who have not registered / updated their e-mail address with the Company, are requested to register / update the same by clicking on https://rkarisma.kfintech.com/shareholders or by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at cs@softsol.com or to KFinTech at einward.ris@kfintech.com.

(b) Equity shareholders holding shares in dematerialised mode who have not registered their e-mail address with their Depository Participant(s) are requested to register / update their e-mail address with the Depository Participant(s) with which they maintain their demat accounts.

(c) After due verification, the Company / KFinTech will forward your login credentials to your registered e-mail address.

(d) Follow the instructions at (vii).(I).(A).(a) to (m) to cast your vote.

(II) Equity shareholder can also update their mobile number and e-mail address in the "user profile details" in their e-voting login on https://evoting.kfintech.com.

(III) Any person who becomes an equity shareholder of the Company after despatch of the Notice of the Meeting and holding shares as on the Cut-off Date / any equity shareholder who has forgotten the User ID and Password, may obtain / generate / retrieve the same from KFinTech in the manner as mentioned below:

(a) If the mobile number of the equity shareholder is registered against Folio No. / DP ID Client ID, the equity shareholder may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to +91-9212993399
Example for NSDL: MYEPWD <SPACE> IN12345612345678
Example for CDSL: MYEPWD <SPACE> 1402345612345678
Example for Physical: MYEPWD <SPACE> XXXX123456789

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

(c) Equity shareholder may call on KFinTech's toll-free number 1800 309 4001 (from 9:00 a.m. (IST) to 6:00 p.m. (IST) on all working days).

(d) Equity shareholder may send an e-mail request to evoting@kfintech.com. After due verification of the request, User ID and password will be sent to the equity shareholder.

(e) If the equity shareholder is already registered with KFinTech's e-voting platform, then he/she/it can use his/her/its existing password for logging-in.

(IV) In case of any query on e-voting, equity shareholder may refer to the "Help" and "FAQs" sections / e-voting user manual available through a dropdown menu in the "Downloads" section of KFinTech's website for e-voting: https://evoting.kfintech.com or contact KFinTech as per the details given under Note No. 12.

D. INSTA POLL:
(viii) INFORMATION AND INSTRUCTIONS FOR INSTA POLL:
Facility to vote through Insta Poll will be made available on the Meeting page (after you log into the Meeting) and will be activated once the Insta Poll is announced at the Meeting. An icon, "Vote", will be available at the bottom left on the Meeting Screen. Once the voting at the Meeting is announced by the Chairperson of the Meeting, equity shareholders who have not cast their vote using remote e-voting will be able to cast their vote by clicking on this icon.

E. CONTACT DETAILS FOR ASSITANCE ON E-VOTING:
(ix) Equity shareholders are requested to note the following contact details for addressing e-voting related grievances:
KFin Technologies Limited
Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,

Nanakramguda, Hyderabad 500 032
Toll-free No.: 1800 309 4001
(from 9:00 a.m. (IST) to 6:00 p.m. (IST) on all working days)
E-mail: einward.ris@kfintech.com

F. E-VOTING RESULT:
(x) The Scrutiniser will, after the conclusion of e-voting at the meeting, scrutinise the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairperson of the meeting. The result of e-voting will be declared within two working days from the conclusion of the meeting and the same, along with the consolidated Scrutiniser's Report, will be placed on the website of the Company: www.softsolindia.com and on the website of KFinTech at https://evoting.kfintech.com. The result will also be communicated to the BSE Limited. The Company will also display the results at its registered office.

(xi) Subject to the receipt of requisite majority of votes in favour of the Scheme i.e., majority in number representing three-fourth in value (as per Sections 230 to 232 of the Act), the Resolution proposed in the Notice shall be deemed to have been passed on the date of the Meeting (specified in the Notice).

15. In accordance with the MCA Circulars, the Company has made necessary arrangements for the equity shareholders to register their e-mail address. (i) Equity shareholders who have not registered their e-mail address are requested to register the same with the Depository Participant(s) where they maintain their demat accounts, if the shares are held in electronic form, and (ii) Equity shareholders holding shares in physical mode, who have not registered / updated their e-mail address with the Company, are requested to register / update their e-mail address by submitting Form ISR-1 (available on the website of the Company) duly filled and signed along with requisite supporting documents to KFinTech at Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032.

16. Equity Shareholders seeking any information with regard to the Scheme or the matter proposed to be considered at the meeting, are requested to write to the Company atleast seven days before the date of the Meeting through e-mail on cs@softsol.com. The same will be replied to by the Company, suitably.

17. Equity shareholders are requested to carefully read all the Notes set out herein and in particular, instructions for joining the meeting and manner of casting vote through remote e-voting or e-voting at the Meeting (Insta Poll).

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, HYDERABAD BENCH
CA (CAA) No. 6/230/HDB/2024

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF COMPANIES ACT, 2013

AND

IN THE MATTER OF THE SCHEME OF ARRANGEMENT BETWEEN
SOFTSOL INDIA LIMITED AND ITS SHAREHOLDERS & CREDITORS
AND
COVANCE SOFTSOL LIMITED AND ITS SHAREHOLDERS & CREDITORS

SoftSol India Limited, a company incorporated under the provisions of the Companies Act, 1956 having CIN:L72200TG1990PLC011771 and its registered office is situated at Plot No. 4, Info City, Madhapur, Hyderabad, Telangana - 500032, India ....1st Applicant Company / Demerged Company

Covance SoftSol Limited, a company incorporated under the provisions of the Companies Act, 2013 having CIN:U62011TS2023PLC175979 and its registered office is situated at Plot No. 4, Info City, Madhapur, Hyderabad, Telangana - 500032, India ....2nd Applicant Company / Resulting Company

Explanatory Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Companies Act, 2013 ("Act") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("Rules"), SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dt. June 20, 2023 ("SEBI Master Circular") and the Observation Letter dt. 16.01.2024 issued by BSE Limited, accompanying the Notice of the Meeting of equity shareholders of the Demerged Company convened pursuant to Order of the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") dated April 05, 2024 ("NCLT Order")

1. Meeting for the Scheme
Pursuant to the Order dated April 05, 2024 passed by the NCLT in respect of the application filed for the proposed Scheme of Arrangement between SoftSol India Limited ("Company" / "Demerged Company") and its Shareholders & Creditors and Covance SoftSol Limited ("Resulting Company") and its Shareholders & Creditors ("Scheme"), a meeting of the Equity Shareholders of the Demerged Company is being convened on Saturday, May 18, 2024 at 11:00 a.m. (IST) through video conferencing ('VC') / other audio-visual means ('OAVM') facility

This is a Statement accompanying the Notice convening the meeting of Equity Shareholders of the Demerged Company. The Scheme provides for demerger, transfer and vesting of the Software Business ('Demerged Undertaking' as defined in the Scheme) from the Demerged Company into the Resulting Company on a going concern basis, and issue of 1 (one) fully paid-up equity share of the Resulting Company having face value of Rs.10 (Rupees Ten) each for every 1 (one) fully paid-up equity share of Rs.10 (Rupees Ten) each held in the Demerged Company, in consideration thereof, in accordance with the provisions of Section 2(19AA) of the Income-tax Act, 1961, and listing of equity shares of the Resulting Company on BSE Limited ("BSE"). Capitalised terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

The proposed Scheme was placed before the Audit Committee and the Committee of Independent Directors of the Demerged Company at their respective meetings held on 14.08.2023. On the basis of Report of Recommendation of Equity Shares Entitlement Ratio dt. 14.08.2023 submitted by CA Kavitha Padmini Sirigina, Registered Valuer and the Fairness Opinion dt. 14.08.2023 issued by M/s. Akasam Consulting Private Limited, Independent SEBI Registered Merchant Banker, explaining the rationale for its opinion as to the fairness of the Share Entitlement Ratio ("Fairness Opinion"), the Audit Committee approved and recommended the Scheme to the Board of Directors of the Demerged Company. The Committee of Independent Directors also recommended the Scheme after taking into consideration, inter alia, that the Scheme is not detrimental to the equity shareholders of the Demerged Company.

The Board of Directors of the Demerged Company, at their meeting held on 14.08.2023, took into account the Report of Recommendation of Equity Shares Entitlement Ratio, the Fairness Opinion and the independent recommendations of the Audit Committee and the Committee of Independent Directors, and on the basis of their independent judgment, approved the Scheme, subject to the approval of Equity Shareholders and Creditors of the Demerged Company. The Demerged Company has filed the Scheme with the Registrar of Companies, Hyderabad in Form No. GNL-1.

2. Salient Features of the Scheme

The salient features of the Scheme, *inter alia*, are as stated below:

(a) The proposed Scheme of Arrangement *inter-alia* provides for the following:

(i) demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Resulting Company on a going concern basis, and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company pursuant to Sections 230 to 232 and other relevant provisions of the Act in the manner provided for in the Scheme and in compliance with Section 2(19AA) of IT Act (as defined in the Scheme) as elaborated in Part IV of the Scheme;

(ii) reduction and cancellation of the entire pre-scheme share capital of the Resulting Company; and

(iii) various other matters consequential or otherwise integrally connected therewith.

(b) In consideration for the transfer and vesting of the Demerged Undertaking, the Resulting Company shall issue and allot equity shares to the equity shareholders of the Demerged Company which will be listed and / or admitted to trading on BSE Limited.

(c) The equity shares of the Demerged Company shall continue to be listed on BSE Limited.

3. Background of the Companies

(a) SoftSol India Limited (“Demerged Company”)

(i) Details of the Demerged Company:

S. No.	Particulars	Demerged Company
1.	Corporate Identification Number (CIN)	L72200TG1990PLC011771
2.	Permanent Account Number (PAN)	AAACN7328P
3.	Name	SoftSol India Limited
4.	Date of Incorporation	20.09.1990
5.	Type of the Company	Listed Public Limited Company
6.	Registered Office address	Plot No. 4, Info City, Madhapur, Hyderabad, Telangana - 500032, India
7.	E-Mail Address	cs@softsol.com

(ii) Summary of main object as per the MOA; and main business carried on by the Demerged Company

The Demerged Company is, actively engaged in the business of information technology services and Infrastructural facilities including leasing of properties or spaces. The objects for which Demerged Company has been established are set out in its Memorandum of Association. The main objects of the Demerged Company, as per its Memorandum of Association, have been reproduced below:

“III (A) The main objects to be pursued by the company on its incorporation are:

a) To carry on and provide consultancy services in the areas of computer management and engineering covering computerised information systems, feasibility studies, systems design and development computer based management information systems, on line real time systems, process control, distributed computing, data base design and implementation, operation systems, simulators, design of compilers, design and development, surveying and survey data systems, industrial engineering applications and all other related areas of computer technology and to establish, provide, maintain and conduct data processing facilities including provision of maintenance systems for mini micro and large computer systems and to act as dealers and/or agents for any computer or computer accessories manufactured in India and abroad and any software developed in India or abroad.

b) To develop software for various organisations, including Computer manufactures Government or Industry, hospitals and health oriented organisations, education oriented organisations and institutions business agencies of all types and all types of service oriented organisations, in India and abroad and to conduct training programmes and to undertake research studies in computer services and management.

c) To carry on the business of consultants advisers and / or technical experts on all matters and problems relating to systems integration, systems management manufacture of computer systems, process control systems. To analyse, collect, examine, consider, formulate, report and recommend all the means and /or methods for extending and /or developing and /or improving and/or promoting and / or managing any type of commerce, business or industry, organisation and methods, techniques and procedures. To consider and evaluate problems relating to manufacture, production, storage, distribution, finance, purchasing, marketing and sale and/ or relating to the rendering of any service, to render the above services to any person, firm, company, trust, Association, Institution, Society, body corporate, Government or Government Department, public or local authority, any other organisation whatsoever and to render all such other services as may be ancillary or incidental to any of the foregoing matters and problems.

d) To undertake, carry out, promote or assist studies, research and surveys in the designs, systems, methods, processes and all or any matters relating to the above fields including publishing and selling instruction manuals package programmes, applications and technical bulletins and colleting, preparing and providing information and statistics in connection therewith.

e) To promote new industrial undertaking related to any of the above mentioned objectives.

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

(iii) Details of change of name, registered office and objects of the Demerged Company during the last five years

There has been no change in the name, registered office and objects of the Demerged Company during the last five years.

(iv) Name of the Stock Exchange(s) where securities of the Demerged Company are listed

The Equity Shares of the Demerged Company are listed on BSE Limited.

(v) Details of the Capital Structure including Authorised, Issued, Subscribed and Paid-up Share Capital of the Demerged Company

(a) Pre Scheme Capital Structure

The Authorized, Issued, Subscribed and Paid-up Share Capital of the Demerged Company as at 31.12.2023 is as under:

Particulars	Amount (Rs.)
Authorised Capital	
5,00,00,000 Equity Shares of Rs.10/- each.	50,00,00,000
Total (Authorised Capital)	50,00,00,000
Issued, Subscribed and Paid-up capital	
1,47,63,689 Equity shares of Rs.10/- each fully paid up	14,76,36,890
Total (Issued, Subscribed and Paid-up Capital)	14,76,36,890

There has been no change in the Capital Structure from 31.12.2023 till date of this Notice.

(b) Post Scheme Capital Structure:

Upon the coming into effect of the Scheme, there will be no change in the Capital Structure of the Demerged Company. The Post Scheme Capital Structure of the Demerged Company shall be same as at 31.12.2023.

(c) Pre and Post Scheme Shareholding Pattern:

Sr. No.	Category	Pre-Scheme		Post-Scheme	
		No. of fully Paid-up Equity Shares held	%	No. of fully Paid-up Equity Shares held	%
(A)	Promoter and Promoter Group				
(A)(1)	Indian				
(a)	Individuals/Hindu undivided family	12,34,521	8.36	12,34,521	8.36

(b)	Body corporate	-	-	-	-
	Sub Total (A)(1)	12,34,521	8.36	12,34,521	8.36
(A)(2)	Foreign				
(a)	Individuals/Hindu undivided family	96,12,723	65.11	96,12,723	65.11
(b)	Body corporate	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1) + (A)(2)	1,08,47,244	73.47	1,08,47,244	73.47
(B)	Public Shareholding				
(B)(1)	Institutions	-	-	-	-
(B)(2)	Institutions (Domestic)	-	-	-	-
(B)(3)	Institutions (Foreign)	-	-	-	-
(B)(4)	Central Government / State Government(s) / President of India	-	-	-	-
(B)(5)	Non-Institutions				
(a)	Investor Education and Protection Fund (IEPF)	43,230	0.29	43,230	0.29
(b)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	4,11,130	2.78	4,11,130	2.78
(c)	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	20,717	0.14	20,717	0.14
(d)	Non-Resident Indians (NRIs)	33,90,248	22.96	33,90,248	22.96
(e)	Bodies Corporate	6,264	0.04	6,264	0.04
(f)	Others	44,856	0.30	44,856	0.30
	Sub Total (B)(5)	39,16,445	26.53	39,16,445	26.53
	Total Public Shareholding (B)= (B)(1) + (B)(2) + (B)(3) + (B)(4) + (B)(5)	39,16,445	26.53	39,16,445	26.53
	Total Shareholding (A + B)	1,47,63,689	100.00	1,47,63,689	100.00

(vi) Details of Directors and Promoter of the along with their addresses

Promoters:

S. No.	Name	Address
1.	Srinivasa Rao Madala	18310, Chadbourne LN Monte Sereno, CA 95030 Monte Sereno USA 95030
2.	Durga Madala	18310, Chadbourne LN, Monte Sereno, California - 95030
3.	Raja Rao Boyapati	18310, Chadbourne LN, Monte Sereno, California - 95030
4.	Sambasiva Rao Madala	Plot No.100, Amar Co Operative Society, Kavuri Hills, Madhapur, Hyderabad, Telangana – 500081
5.	Bhaskara Rao Madala	Flat No. 115, Tulip B 1, Telecom Nagar, L and T Serene County, Gachibowli, K.V.Rangareddy, Hyderabad, Telangana - 500032
6.	Sridevi Madala	Flot No.115, Tulip B1, L&T Serene County, Telecom Nagar, Gachibowli, Hyderabad, Telangana – 500032s

Directors:

S. No.	Name	Address
1.	Srinivasa Rao Madala	18310, Chadbourne LN Monte Sereno, CA 95030 Monte Sereno USA 95030
2.	Bhaskar Rao Madala	Flat No. 115, Tulip B 1, Telecom Nagar, L and T Serene County, Gachibowli, K.V.Rangareddy, Hyderabad, Telangana - 500032
3.	Hanuman Chowdary Tripuraneni	Plot No 8, P and T Colony, Karkhana, Secunderabad, Telangana - 500009
4.	Subbiah Srinivasan Battina	Plot No. 93, Womens Co-Op Housing Society, Road No. 5, Jubilee Hills, Hyderabad, Telangana - 500033
5.	Naga Padma Valli Kilari	137, Primrose, L & T Serene County Telecom Nagar, Serilingampally, Hyderabad, Telangana - 500032
6.	Veeraghavulu Kandula	8-2-293/82/A/186/B, Road No. 15, Jubilee Hills, Hyderabad, Telangana - 500033

(b) Covance SoftSol Limited ("Resulting Company")

(i) Details of the Resulting Company

S. No.	Particulars	Resulting Company
1.	Corporate Identification Number (CIN)	U62011TS2023PLC175979
2.	Permanent Account Number (PAN)	AALCC2399A
3.	Name	Covance SoftSol Limited
4.	Date of Incorporation	11.08.2023
5.	Type of the Company	Public Limited Company
6.	Registered Office address	Plot No. 4, Info City, Madhapur, Hyderabad, Telangana - 500032, India
7.	E-Mail Address	cs@covance.ai

(ii) Summary of main object as per the MOA; and main business carried on by the Resulting Company

The objects for which Resulting Company has been established are set out in its Memorandum of Association. The main objects of the Resulting Company, as per its Memorandum of Association, have been reproduced below:

"3 (a) The objects to be pursued by the company on its incorporation are:

(i) To carry on and provide consultancy services in the areas of computer management and engineering covering computerised information systems, feasibility studies, systems design and development computer based management information systems, on line real time systems, process control, distributed computing, data base design and implementation, operation systems, simulators, design of compilers, design and development, surveying and survey data systems, industrial engineering applications and all other related areas of computer technology and to establish, provide, maintain and conduct data processing facilities including provision of maintenance systems for mini micro and large computer systems and to act as dealers and/or agents for any computer or computer accessories manufactured in India and abroad and any software developed in India or abroad.

(ii) To develop software for various organisations, including Computer manufactures Government or Industry, hospitals and health oriented organisations, education oriented organisations and institutions business agencies of all types and all types of service oriented organisations, in India and abroad and to conduct training programmes and to undertake research studies in computer services and management.

(iii) To carry on the business of consultants advisers and / or technical experts on all matters and problems relating to systems integration, systems management manufacture of computer systems, process control systems. To analyse, collect, examine, consider, formulate, report and recommend all the means and / or methods for extending and /or developing and /or improving and/or promoting and / or managing any type of commerce, business or industry, organisation and methods, techniques and procedures. To consider and evaluate problems relating to manufacture, production, storage, distribution, finance, purchasing, marketing and sale and/ or relating to the rendering of any service, to render the above services to any person, firm, company, trust, Association, Institution, Society, body corporate, Government or Government Department, public or local authority, any other organisation whatsoever and to render all such other services as may be ancillary or incidental to any of the foregoing matters and problems.

(iv) To undertake, carry out, promote or assist studies, research and surveys in the designs, systems, methods, processes and all or any matters relating to the above fields including publishing and selling instruction manuals package programmes, applications and technical bulletins and colleting, preparing and providing information and statistics in connection therewith.

(v) To promote new industrial undertaking related to any of the above mentioned objectives."

(iii) Details of change of name, registered office and objects of the Resulting Company during the last five years

There has been no change in the name, registered office and objects of the Resulting Company since incorporation.

(iv) Name of the Stock Exchange(s) where securities of the Resulting Company are listed

None of the securities of the Resulting Company are listed on any stock exchange.

(v) Details of the Capital Structure including Authorised, Issued, Subscribed and Paid-up Share Capital

(a) Pre Scheme Capital Structure:

The Authorized, Issued, Subscribed and Paid-up Share Capital of the Resulting Company as at 31.12.2023 is as under:

Particulars	Amount (Rs.)
Authorised Capital	
1,50,00,000 Equity Shares of Rs.10/- each.	15,00,00,000
Total (Authorised Capital)	15,00,00,000
Issued, Subscribed and Paid-up capital	
10,000 Equity shares of Rs.10/- each fully paid up	1,00,000
Total (Issued, Subscribed and Paid-up Capital)	1,00,000

There has been no change in the Capital Structure from 31.12.2023 till date of this Notice.

(b) Post Scheme Capital Structure:

Pursuant to the Scheme, the Resulting Company will allot 1 (One) fully paid-up equity share of Rs.10/- each to the equity shareholders of Demerged Company for every 1 (One) fully paid-up equity share held in the Demerged Company. Upon allotment of the equity shares of the Resulting Company, pursuant to the Scheme, the entire pre-scheme paid-up share capital of the Resulting Company shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company, pursuant to Sections 230 to 232 of the Act as an integral part of the Scheme. The post-scheme share capital of the Resulting Company (based on the share capital of Demerged Company as on 31.12.2023 is as below:

Particulars	Amount (Rs.)
Authorised Capital	
1,50,00,000 Equity Shares of Rs.10/- each.	15,00,00,000
Total (Authorised Capital)	15,00,00,000
Issued, Subscribed and Paid-up capital	
1,47,63,689 Equity shares of Rs.10/- each fully paid up	14,76,36,890
Total (Issued, Subscribed and Paid-up Capital)	14,76,36,890

(c) Pre and Post Scheme Shareholding Pattern:

Sr. No.	Category	Pre-Scheme		Post-Scheme	
		No. of fully Paid-up Equity Shares held	%	No. of fully Paid-up Equity Shares held	%
(A)	Promoter and Promoter Group				
(A)(1)	Indian				
(a)	Individuals/Hindu undivided family	6	0.06	12,34,521	8.36
(b)	Body corporate	9,994	99.94	-	-
	Sub Total (A)(1)	10,000	100	12,34,521	8.36
(A)(2)	Foreign				
(a)	Individuals/Hindu undivided family	-	-	96,12,723	65.11
(b)	Body corporate	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1) + (A)(2)	10,000	100	1,08,47,244	73.47
(B)	Public Shareholding				
(B)(1)	Institutions	-	-	-	-
(B)(2)	Institutions (Domestic)	-	-	-	-
(B)(3)	Institutions (Foreign)	-	-	-	-
(B)(4)	Central Government / State Government(s) / President of India	-	-	-	-
(B)(5)	Non-Institutions				
(a)	Investor Education and Protection Fund (IEPF)	-	-	43,230	0.29
(b)	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	-	-	4,11,130	2.78
(c)	Resident Individuals holding nominal share	-	-	20,717	0.14

	capital in excess of Rs. 2 lakhs				
(d)	Non-Resident Indians (NRIs)	-	-	33,90,248	22.96
(e)	Bodies Corporate	-	-	6,264	0.04
(f)	Others	-	-	44,856	0.30
	Sub Total (B)(5)	-	-	39,16,445	26.53
	Total Public Shareholding (B)= (B)(1) + (B)(2) + (B)(3) + (B)(4) + (B)(5)	-	-	39,16,445	26.53
	Total Shareholding (A + B)	10,000	100	1,47,63,689	100.00

(vi) Details of Directors and Promoter of the along with their addresses

Promoters:

S. No.	Name	Address
1.	Devi Prasad Rath*	Plot No. 524, Ground Floor, Behind Ntr Park, Pragathi Nagar, Hyderabad - 500072, Telangana, India.
2.	Shyam Prasad Parthigalla*	Plot No.4, Software Units Layout, Infocity, Madhapur, Hyderabad - 500081, Telangana, India.
3.	Koteswara Rao Yerragopi*	Flat No. 343-1E, Type - 5, 1st Floor, Shimla Block, Hill County, Bachupally, Hyderabad - 500090, Telangana, India.
4.	Srikanth Kamsali*	Kalamurthy Nilayam, Bn 435, 26-117/2, Balram Nagar, Safilguda, Hyderabad - 500047, Telangana, India.
5.	Nagamani Yerneni*	S M R Vinay Acro Polis, Block 2b, Flat 204, White Fields, Kondapur, Serilingampally - 500084, Telangana, India.
6.	SoftSol India Limited	Plot No.4, Software Units Layout, Infocity, Madhapur, Hyderabad - 500081, Telangana, India.
7.	Arvind Bady*	No#4, Software Units Layout, Infocity, Madhapur, Hyderabad - 500081, Telangana, India.

** Nominees of SoftSol India Limited.*

Directors:

S. No.	Name	Address
1.	Bhaskar Rao Madala	Flat No. 115, Tulip B 1, Telecom Nagar, L and T Serene County, Gachibowli, K.V.Rangareddy, Hyderabad, Telangana - 500032
2.	Subbiah Srinivasan Battina	Plot No. 93, Womens Co-Op Housing Society, Road No. 5, Jubilee Hills, Hyderabad, Telangana - 500033
3.	Naga Padma Valli Kilari	137, Primrose, L & T Serene County Telecom Nagar, Serilingampally, Hyderabad, Telangana - 500032

4. Relationship between the Companies involved in the Scheme of Arrangement

   Covance SoftSol Limited (Resulting Company) is Wholly-owned Subsidiary of SoftSol India Limited (Demerged Company)

5. The date of the Board Meeting at which the Scheme was approved by the Board of Directors including the name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote/ participate on such resolution

(a) SoftSol India Limited (Demerged Company)

The Scheme was unanimously approved by the Board of Directors of Demerged Company on 14.08.2023. The details of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution are as under:

Sl. No.	Name of Director	Voted in favour / against / did not participate or vote
1.	Srinivasa Rao Madala	Voted in favour
2.	Bhaskar Rao Madala	Voted in favour
3.	Hanuman Chowdary Tripuraneni	Voted in favour
4.	Subbiah Srinivasan Battina	Voted in favour
5.	Naga Padma Valli Kilari	Voted in favour
6.	Veeraghavulu Kandula	Voted in favour

(b) Covance SoftSol Limited (Resulting Company)
The Scheme was unanimously approved by the Board of Directors of Resulting Company on 14.08.2023. The details of the Directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution are as under:

Sl. No.	Name of Director	Voted in favour / against / did not participate or vote
1.	Bhaskar Rao Madala	Voted in favour
2.	Subbiah Srinivasan Battina	Voted in favour
3.	Naga Padma Valli Kilari	Voted in favour

6. Appointed Date, Effective Date, Record Date and Consideration

(a) Appointed Date: Appointed Date of the Scheme shall be the April 01, 2023 or such other date as may be approved by the NCLT.

(b) Effective Date: Effective Date means the date on which the Scheme shall become effective pursuant to Clause 11 of the Scheme. Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" or "after this Scheme becomes effective" means and refers to the Effective Date;

(c) Record Date: Record Date means the date to be fixed by the respective Boards of the Demerged Company and the Resulting Company for the purpose of determining the equity shareholders of the Demerged Company to whom shares will be allotted pursuant to Clause 4 of the Scheme;

(d) Consideration: Upon coming into effect of the Scheme, and in consideration of the transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company pursuant to Part III of this Scheme, the Resulting Company shall, without any further act or deed and without any further payment issue and allot to the equity shareholders of the Demerged Company (whose name is recorded in the register of members of the Demerged Company as holding equity shares on the Record Date) in the following manner:

"For every 1 (one) equity share of the Demerged Company of face value of Rs. 10 each held in the Demerged Company, every equity shareholder of the Demerged Company, shall without any application, act or deed, be entitled to receive 1 (one) equity share of face value Rs. 10 each of the Resulting Company, credited as fully paid up on the same terms and conditions of issue as prevalent in the Demerged Company."

The equity shares of the Resulting Company issued to the equity shareholders of the Demerged Company under the Scheme will be listed and/ or admitted to trading on BSE Limited where the shares of the Demerged Company are listed on the Effective Date.

7. Share Entitlement Ratio Report and Fairness Opinions

Copies of Share Entitlement Ratio Report dt. 14.08.2023 issued by CA Kavitha Padmini Sirigina, Independent Registered Valuer and Fairness Opinion dt. 14.08.2023 issued by M/s. Akasam Consulting Private Limited, Independent SEBI Registered Merchant Banker are annexed to this Notice. Share Entitlement Ratio Report and Fairness Opinion are annexed here and also available for inspection at the registered office of the Demerged Company as detailed in Point No. 10 of the Notes to the Notice.

8. Capital / Debt Restructuring

There is no debt restructuring envisaged in the Scheme.

Pursuant to the Scheme, the equity shareholders of the Demerged Company will receive 1 (One) fully paid-up equity share of the Resulting Company having face value of Rs. 10 each for every 1 (One) fully paid-up equity share of Rs. 10 each held in the Demerged Company. The Pre-Scheme and Post-Scheme share capital details of the Resulting Company are mentioned above in paragraph 3(b)(v).

9. Rationale and benefits of the Scheme

The transfer and vesting of the Demerged Undertaking into the Resulting Company pursuant to this Scheme shall be in the interest of all concerned stakeholders including shareholders, customers, creditors, employees and general public, in the following ways:

(i) At present, the Demerged Company has two distinct categories of assets and operations – (a) IT and software technology related business, and (b) Tangible assets and holdings including income generating real estate and investments. Both the businesses of the Demerged Company address different market segments with unique opportunities and dynamics in terms of business strategy, customer set, geographic focus, competition, capabilities set, talent needs and distinct capital requirements. The transfer of the Demerged Undertaking into the Resulting Company will enable each business to sharpen their focus and organize their activities and resources to improve their offerings to their respective customers. This would help to improve their competitiveness, operational efficiency, agility and strengthen their position in relevant markets resulting in more sustainable growth and competitive advantage.

(ii) The demerger will enable dedicated management focus, resources and skill set allocation to each business, enhance business operations by streamlining operations more efficient management control and outlining independent growth strategies.

(iii) Further, as the two businesses have separate growth trajectories, risk profile and capital requirement, the segregation of the Demerged Undertaking and the Infrastructure Business will enable independent value discovery and lead to unlocking of economic value for each business and result in shareholder value maximization.

The Scheme is in the interests of all stakeholders of the Demerged Company and the Resulting Company.

10. Amount due to Unsecured Creditors

(a) The amount due to unsecured creditors of the Demerged Company, as on 22.12.2023 is Rs. 1,44,863.

(b) The amount due to unsecured creditors of the Resulting Company, as on 22.12.2023 is Rs. 15,35,387.

11. Disclosure about the effect of the Scheme on the following persons

Equity Shareholders Key Managerial Personnel (KMP) Promoters Non-Promoter Members	The effect of the Scheme on the Equity Shareholders, KMP, Promoters and Non-Promoter Members of the Demerged Company and the Resulting Company is given in the reports adopted by the Board of Directors of the Demerged Company and the Resulting Company on 14.08.2023, pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013 which are annexed as Annexure-IV.
Directors	The Scheme will have no effect on the office of the existing Directors of the Demerged Company and the Resulting Company. Further, no change in the Board of Directors of the Demerged Company and the Resulting Company is envisaged on account of the Scheme. It is clarified that, the composition of the Board of Directors of the Demerged Company and of the Resulting Company may change by appointments, retirements or resignations in accordance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable laws and Memorandum and Articles of Association of the Demerged Company and of the Resulting Company.
Creditors	a. The demerger, transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company, will not adversely impact the rights and interest of the creditors of the Demerged Company. The creditors of the Demerged Company not forming part of the Demerged Undertaking shall continue to be creditors of the Demerged Company and shall be paid in the ordinary course of business by the Demerged Company. b. The creditors of the Demerged Company forming part of the Demerged Undertaking, if any, will become creditors of the Resulting Company and shall be paid in the ordinary course of business by the Resulting Company. c. There will be no adverse impact on the rights and interest of the creditors of the Demerged Company and the Resulting Company.
Employee	a. All employees of the Demerged Company engaged in or in relation to the Demerged Undertaking shall be transferred to the Resulting Company on terms and conditions no less favourable than those on which they are engaged by the Demerged Company and without any interruption in service. b. Upon the Scheme coming into effect, the employees of the Resulting Company shall continue on the existing terms and conditions. c. There shall not be any change in the terms and conditions of employment of the employees of the Demerged Company not forming part of the Demerged Undertaking on account of the Scheme. d. Thus, the Scheme will have no adverse effect on the employees of the Demerged Company and the Resulting Company.
Debenture Holders & Debenture Trustee	The Demerged Company and the Resulting Company have not issued any debentures or bonds and do not have any Debenture Trustee
Depositors & Deposit Trustees	The Demerged Company and the Resulting Company have not accepted any deposits within the meaning of the Companies Act, 2013 and the Rules framed thereunder. Hence, no Deposit Trustees have been appointed.

12. Effect of arrangement on material interests or directors, Key Managerial Personnel (KMP) and debenture trustee
None of the Directors / KMPs (and their respective relatives) of the Demerged Company and the Resulting Company have any material interest in the Scheme except to the extent of their directorship and shareholding, if any, in the Demerged Company and the Resulting Company. The Demerged Company and the Resulting Company have not issued any debentures or bonds and do not have any Debenture Trustee.

13. Investigation or Proceedings
There are no investigation or proceedings instituted or pending against Demerged Company and the Resulting Company.

14. Auditors' Certificate on conformity of accounting treatment specified in the Scheme with Accounting Standards
The Auditors of the Demerged Company and of the Resulting Company have confirmed that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.

15. Disclosures as per the SEBI's comments in accordance with Regulation 37(1) of SEBI Listing Regulations
a. Details of ongoing adjudications / recovery proceedings / prosecutions / enforcement actions on the Company, its promoters and directors are detailed in Annexure-XI.

b. Details of Pre & Post Assets and Liabilities of the Demerged and Resulting Company is annexed as Annexure-XIV.

c. Details of Assets and Liabilities, turnover of Demerged Undertaking is annexed as Annexure-XIV.

d. Rationale for achieving at the share entitlement ration 1:1: The determination of a fair equity share entitlement ratio is based on the Report of Recommendation of Equity Shares Entitlement Ratio submitted by CA Kavitha Padmini Sirigina, Registered Valuer and the Fairness Opinion issued by M/s. Akasam Consulting Private Limited, Independent SEBI Registered Merchant Banker, explaining the rationale for its opinion as to the fairness of the Share Entitlement Ratio.

e. Rationale of the Scheme and its impact on the public shareholders: Rationale of the Scheme is detailed in point number 9 above. There will be no adverse impact on the public shareholders of the Demerged Company and all those public shareholders will become the shareholders of Resulting Company as there will be allotment of shares by the Resulting Company in such a manner that, allotment of 1 (One) fully paid-up equity share of Rs.10/- each of the Resulting Company to the shareholders of Demerged Company for every 1 (One) fully paid-up equity share held in such the Demerged Company.

16. Availability of documents for inspection and obtaining copies of / extract from documents
The following documents will be available for obtaining extract from or for making or obtaining copies of or for inspection by the members and creditors of the Demerged Company at its Registered Office at Plot No. 4, Info City, Madhapur, Hyderabad, Telangana - 500032, India, between 11.00 a.m. IST to 5.00 p.m. IST on any working day up to the date of the Meeting:

a. Copies of the audited standalone and consolidated financial statements of the Demerged Company for the financial year ended 31.03.2023;
b. Copies of the unaudited standalone and consolidated financial results (limited reviewed) for the quarter and half year ended 30.09.2023 and quarter and nine months ended 31.12.2023 of the Demerged Company;
c. Unaudited financial results (limited reviewed) for the quarter ended 31.12.2023 of the Resulting Company;
d. Copy of the Scheme of Arrangement;
e. Copies of contracts or agreements material to the arrangement;
f. Copies of Certificates of the Statutory Auditors of the Demerged Company and the Resulting Company confirming that the accounting treatment specified in the Scheme is in compliance with Section 133 of the Companies Act, 2013 and applicable accounting standards;
g. Copies of Share Entitlement Ratio Report and Fairness Opinion;
h. Copies of the Report of the Audit Committee and Committee of Independent Directors of the Demerged Company recommending the Scheme;
i. Copies of the Reports adopted by the Board of Directors of the Demerged Company and Resulting Company as per the provisions of Section 232(2)(c) of the Companies Act, 2013;
j. Information pertaining to the Resulting Company involved in the Scheme in the format prescribed for abridged prospectus as specified in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
k. Copy of the Observation Letter dt. 16.01.2024 issued by BSE Limited;
l. Copy of Order of the NCLT;

Electronic copies of above documents will also be available for inspection in the "Investor" section of the website of the Company at www.softsolindia.com.

17. Approvals, Sanctions or No-Objections

In terms of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and under SEBI Master Circular, BSE Limited by its letter dt. 16.01.2024 has communicated its observations on the Scheme to the Demerged Company. There are no adverse observations on the Scheme in the said letter of BSE Limited. Copy of the said observation letter issued by BSE Limited to the Company is attached as Annexure-VII. Further, the Company has not received any complaint relating to the Scheme and "NIL" Report on Complaints was filed by the Demerged Company with BSE Limited in terms of the SEBI Master Circular, copy of the same is annexed as Annexure-XII.

Joint Company Application along with the annexure thereto (which includes the Scheme) has been filed with the NCLT on 13.02.2024 and the NCLT has passed directions to convene Meeting of the Equity Shareholders of the Company vide its Order pronounced on April 05, 2024.

The Scheme is subject to approval by the majority of the equity shareholders representing three-fourth in value of the equity shareholders of the Company in terms of the applicable provisions of the Companies Act, 2013 and the Rules made thereunder. All the equity shareholders of the Resulting Company have given their consent Affidavit to the Scheme. All the unsecured creditors of both the Demerged Company and the Resulting Company have given their respective consent by way of individual affidavits to the Scheme. Both the Demerged Company and the Resulting Company do not have any secured creditors.

Both the Demerged Company and the Resulting Company would obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, if so required.

The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.

Nemalikanti Lakshmidhar
Chairperson appointed by the NCLT for the Meeting

Hyderabad, April 12, 2024

Registered Office: Plot No. 4, Info City,
Madhapur, Hyderabad, Telangana - 500032, India.
CIN: L72200TG1990PLC011771
Website: www.softsolindia.com
E-Mail: cs@softsol.com || Telephone: +91 (40) 42568500

Annexure-I

SCHEME OF ARRANGEMENT

UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013

BETWEEN

SOFTSOL INDIA LIMITED

AND

COVANCE SOFTSOL LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

AND

THEIR RESPECTIVE CREDITORS

For SOFTSOL INDIA LIMITED

M. Nagaraju

Company Secretary

For COVANCE SOFTSOL LIMITED

Director

DIN: 00474589

PART I
INTRODUCTION, DEFINITIONS AND INTERPRETATION

1. INTRODUCTION, DEFINITIONS AND INTERPRETATION

1.1. INTRODUCTION

1.1.1. SOFTSOL INDIA LIMITED

(i) SOFTSOL INDIA LIMITED (hereinafter referred to as "SIL" or the "Demerged Company") is a public company incorporated under the Companies Act, 1956 on September 20, 1990. The registered office of the Demerged Company is situated at Plot No.4, Infocity, Madhapur, Hyderabad-500032, Telangana, India.

(ii) The shares of the Demerged Company are, at present, listed on BSE Limited.

(iii) The main objects of the Demerged Company as per its Memorandum of Association are as follows:

a) To carry on and provide consultancy services in the areas of computer management and engineering covering computerised information systems, feasibility studies, systems design and development computer based management information systems, on line real time systems, process control, distributed computing, data base design and implementation, operation systems, simulators, design of compilers, design and development, surveying and survey data systems, industrial engineering applications and all other related areas of computer technology and to establish, provide, maintain and conduct data processing facilities including provision of maintenance systems for mini micro and large computer systems and to act as dealers and/or agents for any computer or computer accessories manufactured in India and abroad and any software developed in India or abroad.

b) To develop software for various organisations, including Computer manufactures Government or Industry, hospitals and health oriented organisations, education oriented organisations and institutions business agencies of all types and all types of service oriented organisations, in India and abroad and to conduct training programmes and to undertake research studies in computer services and management.

c) To carry on the business of consultants advisers and / or technical experts on all matters and problems relating to systems integration, systems management manufacture of computer systems, process control systems. To analyse, collect, examine, consider, formulate, report and recommend all the means and /or methods for extending and /or developing and /or improving and/or promoting and / or managing any type of commerce, business or industry, organisation and methods, techniques and procedures. To consider and evaluate problems relating to manufacture, production, storage, distribution, finance, purchasing, marketing and sale and/ or relating to the rendering of any service, to render the above services to any person, firm, company, trust, Association, Institution, Society, body corporate, Government or Government Department, public or local authority, any other organisation whatsoever and to render all such other services as may be ancillary or incidental to any of the foregoing matters and problems.

d) To undertake, carry out, promote or assist studies, research and surveys in the designs, systems, methods, processes and all or any matters relating to the above fields including publishing and selling instruction manuals package programmes, applications and technical bulletins and colleting, preparing and providing information and statistics in connection therewith.

For SOFTSOL INDIA LIMITED

Company Secretary

For COVANCE SOFTSOL LIMITED

Director
DIN: 00474589

e) To promote new industrial undertaking related to any of the above mentioned objectives.

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

(iv) The Demerged Company engaged in the business of information and technology services and Infrastructural facilities including leasing of properties or spaces.

a) Software Business means services related software development and information technology.

b) Infrastructure Business means Development, holding of properties and facilities, providing infrastructural facilities including leasing of properties or spaces.

1.1.2. COVANCE SOFTSOL LIMITED

(i) COVANCE SOFTSOL LIMITED(hereinafter referred to as "CSL" or the "Resulting Company") incorporated under the Companies Act, 2013 on August 11, 2023. The registered office of the Resulting Company is situated at Plot No.4, Infocity, Madhapur, Hyderabad-500032, Telangana, India.

(ii) The shares of the Resulting Company are not listed on Stock Exchanges.

(iii) The Main Objects of the Resulting Company are as follows:

(a) To carry on and provide consultancy services in the areas of computer management and engineering covering computerised information systems, feasibility studies, systems design and development computer based management information systems, on line real time systems, process control, distributed computing, data base design and implementation, operation systems, simulators, design of compilers, design and development, surveying and survey data systems, industrial engineering applications and all other related areas of computer technology and to establish, provide, maintain and conduct data processing facilities including provision of maintenance systems for mini micro and large computer systems and to act as dealers and/or agents for any computer or computer accessories manufactured in India and abroad and any software developed in India or abroad.

(b) To develop software for various organisations, including Computer manufactures Government or Industry, hospitals and health oriented organisations, education oriented organisations and institutions business agencies of all types and all types of service oriented organisations, in India and abroad and to conduct training programmes and to undertake research studies in computer services and management.

(c) To carry on the business of consultants advisers and / or technical experts on all matters and problems relating to systems integration, systems management manufacture of computer systems, process control systems. To analyse, collect, examine, consider, formulate, report and recommend

For SOFTSOL INDIA LIMITED

M. Nagesh

Company Secretary

For COVANCE SOFTSOL LIMITED

Director
DIN: 00474589

all the means and / or methods for extending and /or developing and /or improving and/or promoting and / or managing any type of commerce, business or industry, organisation and methods, techniques and procedures. To consider and evaluate problems relating to manufacture, production, storage, distribution, finance, purchasing, marketing and sale and/ or relating to the rendering of any service, to render the above services to any person, firm, company, trust, Association, Institution, Society, body corporate, Government or Government Department, public or local authority, any other organisation whatsoever and to render all such other services as may be ancillary or incidental to any of the foregoing matters and problems.

(d) To undertake, carry out, promote or assist studies, research and surveys in the designs, systems, methods, processes and all or any matters relating to the above fields including publishing and selling instruction manuals package programmes, applications and technical bulletins and colleting, preparing and providing information and statistics in connection therewith.

(e) To promote new industrial undertaking related to any of the above mentioned objectives.

(iv) The Resulting Company is the wholly owned subsidiary (WOS) of the Demerged Company.

1.1.3. OVERVIEW OF THE SCHEME

This Scheme of Arrangement amongst the Demerged Company and the Resulting Company and their respective shareholders and creditors (hereinafter referred as the "**Scheme**") is presented under Sections 230 to 232 and other applicable provisions of the Act (as defined hereinafter) for transfer and vesting of the Demerged Undertaking (as defined hereinafter) from the Demerged Company to the Resulting Company and other related matters. This Scheme provides for, simultaneously, the following:

(i) demerger, transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company on a going concern basis, and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company pursuant to Sections 230 to 232 and other relevant provisions of the Act in the manner provided for in the Scheme and in compliance with Section 2(19AA) of IT Act (as defined hereinafter) as elaborated in Part IV of the Scheme;

(ii) reduction and cancellation of the entire pre-scheme share capital of the Resulting Company; and

(iii) various other matters consequential or otherwise integrally connected therewith.

1.1.4. RATIONALE OF THE SCHEME

The transfer and vesting of the Demerged Undertaking into the Resulting Company pursuant to this Scheme shall be in the interest of all concerned stakeholders including shareholders, customers, creditors, employees and general public, in the following ways:

(i) At present, the Demerged Company has two distinct categories of assets and operations – (a) IT and software technology related business, and (b) Tangible assets and holdings including income generating real estate and investments. Both the businesses of the Demerged Company address different market segments with unique opportunities and dynamics in terms of business strategy, customer set, geographic focus, competition, capabilities set, talent needs and distinct capital requirements. The transfer of the Demerged Undertaking into the Resulting Company will enable each business to sharpen their focus and organize their activities and resources to improve their offerings to their respective customers. This would help to improve their competitiveness, operational efficiency, agility and strengthen their position in relevant markets resulting in more sustainable growth and competitive advantage.

For SOFTSOL INDIA LIMITED

M. Nagaraju

Company Secretary

For COVANCE SOFTSOL LIMITED

Director

DIN: 00474589

(ii) The demerger will enable dedicated management focus, resources and skill set allocation to each business, enhance business operations by streamlining operations more efficient management control and outlining independent growth strategies.

(iii) Further, as the two businesses have separate growth trajectories, risk profile and capital requirement, the segregation of the Demerged Undertaking and the Infrastructure Business will enable independent value discovery and lead to unlocking of economic value for each business and result in shareholder value maximization.

The Scheme is in the interests of all stakeholders of the Demerged Company and the Resulting Company.

1.1.5. The Scheme is divided into five parts:

a) **Part I** sets forth the introduction, Definitions and Interpretation
b) **Part II** sets-forth the Capital Structure of the Resulting Company and the Demerged Company;
c) **Part III** deals with demerger, transfer and vesting of the Demerged Undertaking into the Resulting Company, in accordance with Sections 230 to 232 of the Act;
d) **Part IV** deals with consideration, accounting and tax treatments in the Financial Statements of the Demerged Company and the Resulting Company pursuant to the transfer and vesting of the Demerged Undertaking into the Resulting Company in terms of this Scheme; and
e) **Part V** deals with general/residuary terms and conditions.

1.2. DEFINITIONS

1.2.1. "**Act**" means the Companies Act, 2013 and the rules made thereunder, and includes any alterations, modifications and amendments made thereto and/or any re-enactment thereof;

1.2.2. "**Applicable Law(s)**" means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority; Governmental Authority resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question;

1.2.3. "**Appointed Date**" means April 01, 2023 or such other date as may be approved by NCLT;

1.2.4. "**Appropriate Authority**" means:

(i) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, Tribunal, central bank, commission or other authority thereof;
(ii) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, statutory, licensing, competition, Tax, importing, exporting or other governmental or quasi-governmental authority including without limitation, SEBI, RBI and the Tribunal;
and
(iii) BSE Limited.

1.2.5. "**Board of Directors**"/ "**Board**" in relation to the Demerged Company and/or the Resulting Company, as the case may be, shall, unless it be repugnant to the context or otherwise, include a committee of

For SOFTSOL INDIA LIMITED
M. Nagaraju
Company Secretary

For COVANCE SOFTSOL LIMITED
Director
DIN: 00474589

directors or any person authorized by the Board of Directors or such committee as may be constituted by the Board of Directors;

1.2.6. "**Clause**" and "**Sub-Clause**" means the relevant clauses and sub-clauses set out in this Scheme;

1.2.7. "**Software Business**" means the business of the Demerged Company as defined in Clause 1.1.1.(iv)(a);

1.2.8. "**Demerged Undertaking**" means the Demerged Company's business, activities and operations pertaining to the software business, and comprising of all the assets and liabilities, as described hereunder, as on the Appointed Date relating thereto;

(i) all movable assets, title, interests, investments, goodwill, loans, deposits, receivables, advances and rights, including rights arising under contracts, wherever located in India or outside India (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, exclusively used or held, by the Demerged Company in, or otherwise identified for use in, the Demerged Company's undertaking, business, activities and operations pertaining to the Software Business (collectively, "Assets");

(ii) all debts, liabilities, guarantees, assurances, commitments and obligations of any nature of description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted; matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, (including, without limitation, whether arising out of any statute, contract or tort based on negligence or strict liability), pertaining to the Demerged Company's undertaking, business, activities and operations pertaining to the Software Business (collectively, "Liabilities");

(iii) all existing and future contracts, agreements, request for proposal, bids, responses to invitation for expression of interest, leases, leave and licences, memoranda of undertakings, memoranda of agreements, arrangements, undertakings, whether written or otherwise, deeds, bonds, insurance policies, schemes, arrangements, sales orders, purchase orders or other instruments of whatsoever nature to which the Demerged Company is either a party or it may enter, exclusively relating to the Demerged Company's undertaking, business, activities and operations pertaining to the Software Business (collectively, "Contracts");

(iv) all registrations, trademarks, trade names, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names, including any derivatives and enhancements thereof, exclusively used by or held for use by the Demerged Company in the Demerged Company's undertaking, business, activities and operations pertaining to the Software Business including inter alia the copyrights and trademarks (collectively, "Intellectual Property");

(v) all permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights and any waiver of the foregoing issued by any legislative, executive or judicial unit of any Governmental Authority or semi-Governmental entity or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority exclusively used or held for use by the Demerged Company in the Demerged Company's undertaking, business, activities and operations pertaining to the Software Business (collectively, "Licenses");

(vi) all such permanent employees of the Demerged Company and employees/personnel engaged on contract basis, as are primarily engaged in or in relation to the Demerged Company's

For SOFTSOL INDIA LIMITED

M. Nagaraju

Company Secretary

For COVANCE SOFTSOL LIMITED

Director

DIN: 00474589

undertaking, business, activities and operations pertaining to the Software Business, at its respective offices or otherwise, and any other employees/personnel hired by the Demerged Company after the date hereof who are primarily engaged in or in relation to the Demerged Company's undertaking, business, activities and operations pertaining to the Software Business (collectively, "Employees");

(vii) all taxes, tax deferrals and benefits, subsidies, concessions, refund of any tax, duty, cess or of any excess payment, tax credits (including, without limitation, all amounts claimed as refund, whether or not so recorded in the books of accounts and credits in respect of income tax, such as carry forward tax losses comprising of unabsorbed depreciation), tax deducted at source and goods and services tax, of the Software Business;

(viii) all rights to any claim not preferred or made by the Demerged Company pertaining to the Demerged Undertaking in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Demerged Company pertaining to the Demerged Undertaking and any interest thereon, under Applicable Law, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortisation benefit, etc, under any Applicable Law, or any other or like benefits under and in accordance with any Applicable Law or act, whether in India or anywhere outside India;

(ix) all legal, tax, regulatory, quasi-judicial, administrative or other proceedings, suits, appeals, applications or proceedings of whatsoever nature, initiated by or against the Demerged Company pertaining to the Software Business;

(x) all insurance policies relating to the Software Business;

(xi) all necessary books, records, files, papers, computer programmes, manuals, data, catalogues, list of present and former customers, suppliers, customer pricing information, customer credit information, and other records whether in physical or electronic form in connection with or relating to Software Business.

Any question or doubts that may arise as to whether a specified asset or liability pertains to or does not pertain to the Software Business or whether it arises out of the activities or operations or is to be included in the Software Business shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company.

1.2.9. "**Effective Date**" means the date on which the Scheme shall become effective pursuant to Clause 11of this Scheme. Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" or "after this Scheme becomes effective" means and refers to the Effective Date;

1.2.10. "**Financial Statements**" would include standalone and consolidated accounts, as applicable;

1.2.11. "**Governmental Authority**" means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on-behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof;

1.2.12. "**INR**" or "**Rs**" means Indian Rupees;

1.2.13. "**IT Act**" means the Income Tax Act, 1961;

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M. Nagaraju

Company Secretary

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1.2.14. "**NCLT**" means the Hon'ble National Company Law Tribunal having jurisdiction over the Demerged Company and the Resulting Company;

1.2.15. "**RBI**" means the Reserve Bank of India;

1.2.16. "**Record Date**" means, the date to be fixed by the respective Boards of the Demerged Company and the Resulting Company for the purpose of determining the shareholders of the Demerged Company to whom shares will be allotted pursuant to Clause 4 of this Scheme;

1.2.17. "**Residual Business**" means all the undertakings, businesses, activities and operations of the Demerged Company other than the Demerged Undertaking, including but not limited to the Infrastructure Business;

1.2.18. "**SEBI**" means the Securities and Exchange Board of India;

1.2.19. "**SEBI Circular**" means SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dt. June 20, 2023 on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of Rule 19 of the Securities Contracts (Regulation) Rules, 1957, as amended from time to time or any other circular issued by SEBI applicable to schemes of arrangement, from time to time;

1.2.20. "**SEBI LODR**" means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;

1.2.21. "**Infrastructure Business**" means the business of the Demerged Company as defined inClause1.1.1.(iv)(b);

1.2.22. "**Scheme**" or "**the Scheme**" or "**this Scheme**" means this Scheme of Arrangement in its present form (along with any annexures, schedules, etc., annexed/attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals and sanctions of the NCLT and other relevant regulatory authorities, as may be required under the Act, as applicable, and under all other Applicable Laws;

1.2.23. "**Stock Exchange**" means BSE Limited;

1.2.24. "**Subsidiary**" means such subsidiary (including its branch offices, if any) of the Demerged Company as set out in Schedule I;

1.2.25. "**Subsidiary Company Schedule**" means Schedule I of this Scheme;

1.2.26. "**Taxation**" or "**Tax**" or "**Taxes**" means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, minimum alternate tax, goods and services tax or otherwise or attributable directly or primarily to any of the Parties or any other Person and all penalties, charges, costs and interest relating thereto;

1.2.27. "**Resulting Company**" means Covance SoftSol Limited, as defined in Clause 1.1.2 above;

For COVANCE SOFTSOL LIMITED

[signature]

Director
DIN: 00474589

For SOFTSOL INDIA LIMITED

M. Nagaraju

Company Secretary

1.2.28. **"Demerged Company"** means SoftSol India Limited, as defined in Clause 1.1.1 above, and

1.3 INTERPRETATION

1.3.1 The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words used in this Scheme refers to this entire Scheme.

1.3.2 In this Scheme, unless the context otherwise requires:

(i) words denoting the singular shall include the plural and vice versa;

(ii) reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement, re-enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder; and

(iii) headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are for information and convenience only and shall be ignored in construing the same.

1.3.3 The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, guidelines, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.

1.4 DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT shall be deemed to be effective from the Appointed Date but shall be operative only from the Effective Date.

For SOFTSOL INDIA LIMITED

M. Nagchetty

Company Secretary

For COVANCE SOFTSOL LIMITED

Director

DIN: 00474589

PART II
CAPITAL STRUCTURE

2. CAPITAL STRUCTURE

2.1 The share capital of the Demerged Company as on June 30, 2023 was as under:

Share Capital	Amount in Indian Rupees
Authorized Share Capital	
5,00,00,000 Equity Shares of Rs.10/- each	Rs.50,00,00,000/-
Total	**Rs.50,00,00,000/-**
Issued Share Capital	
1,47,63,689Equity Shares of Rs.10/- each	Rs.14,76,36,890/-
Subscribed and Paid-up Capital	
1,47,63,689 Equity Shares of Rs.10/- each	Rs.14,76,36,890/-

Subsequent to June 30, 2023, there has been no change in the authorised, issued, subscribed and paid up share capital of the Demerged Company.

2.2 The share capital of the Resulting Company as on August 14, 2023was as under:

Share Capital	Amount in Indian Rupees
Authorized Share Capital	
1,50,00,000 Equity Shares of Rs.10/- each	Rs.15,00,00,000
Total	**Rs.15,00,00,000**
Issued Share Capital	
10,000 Equity Shares of Rs.10/- each	Rs.1,00,000
Subscribed and Paid up Capital	
10,000 Equity Shares of Rs.10/- each	Rs.1,00,000

For SOFTSOL INDIA LIMITED
M. Nagaraju
Company Secretary

For COVANCE SOFTSOL LIMITED
Director
DIN: 00474589

PART III
DEMERGER, TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING FROM THE DEMERGED COMPANYINTO THE RESULTING COMPANY

3. TRANSFER AND VESTING

Upon this Scheme becoming effective, and with effect from the Appointed Date, the Demerged Undertaking, together with all its rights, benefits, interests and obligations therein, shall, in accordance with Section 2(19AA) of the IT Act and Sections 230 to 232 and other applicable provisions of the Act without any further act, instrument or deed, stand transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company, as a going concern, and shall become the property of and an integral part of the Resulting Company.

3.1. TRANSFER OF ASSETS

3.1.1. Upon this Scheme becoming effective, and with effect from the Appointed Date:

(i) All the Assets of the Demerged Undertaking that are movable, in nature or incorporeal property or are otherwise capable of transfer by manual or constructive delivery or by endorsement and delivery or by vesting and recorded, pursuant to this Scheme, shall stand vested in the Resulting Company and shall become the property and an integral part of the Resulting Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual or constructive delivery or by endorsement and delivery or by vesting and recorded, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly.

(ii) All the Assets of the Demerged Undertaking that are movable properties other than those described under sub-clause (i) above, including but not limited to trade investment, investments in mutual funds, companies, associate companies, fellow subsidiary, joint ventures and non-current investments, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Governmental Authority, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Resulting Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is clarified that upon the Scheme becoming effective, the Subsidiary set out in Subsidiary Company Schedule shall cease to be Subsidiary of the Demerged Company and shall become subsidiary of the Resulting Company.

(iii) Without prejudice to the generality of the foregoing, all estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Demerged Company for or in relation to the Demerged Undertaking shall be deemed to have been accrued to and/or acquired for and on behalf of the Resulting Company and shall, upon this Scheme becoming effective, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Resulting Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Resulting Company.

(iv) All the Intellectual Property currently being used, primarily or solely, by the Demerged Undertaking, shall stand transferred to and be vested in the Resulting Company. The Demerged

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M. Nagaraju
Company Secretary

For COVANCE SOFTSOL LIMITED
Director
DIN: 00474589

Companyagrees to execute and deliver, at the request of the Resulting Company, all relevant documents and instruments required in respect of the Intellectual Property, to vest such rights, title and interest in the name of the Resulting Company and in order to update the records of the concerned registries, wherever applicable, to reflect the name and address of the Resulting Company as the current owner of the Intellectual Property. As part of this Scheme, the Demerged Company shall have the royalty free economic right to use, as a licensee, the Intellectual Property, in perpetuity from the Appointed Date, in accordance with such terms and conditions as may be mutually agreed.

(v) All the intellectual property other than those set out in sub-clause (v) above, shall continue to be owned by the Demerged Company. As part of this Scheme, the Resulting Company shall have the royalty free economic right to use, as a licensee, the intellectual property other than those set out in sub-clause (v) above, in perpetuity from the Appointed Date, in accordance with such terms and conditions as may be mutually agreed. Notwithstanding anything contained in this clause, it is hereby clarified that the trademark 'SoftSol' shall continue to be owned by the Demerged Company. As part of the Scheme, the Resulting Company shall have the right to use the word 'SoftSol', in perpetuity from the Appointed Date, without payment of any royalty to the Demerged Company. The Demerged Company and the Resulting Company may enter into agreements in relation to the aforementioned arrangements for the word 'SoftSol'.

(vi) Notwithstanding anything contained herein, it is hereby clarified that the Demerged Company and the Resulting Company shall be free to undertake further developments and enhancements to the intellectual property owned by them or licensed to them by the Demerged Company or Resulting Company (as the case may be) ("Derivative Intellectual Property"). In the event the Demerged Company or Resulting Company (as the case may be) is desirous of obtaining a license to use any Derivative Intellectual Property which it was not involved in developing (fully or partially), the charges for such Derivative Intellectual Property shall be decided between the Demerged Company and the Resulting Company on such terms and conditions as may be mutually agreed, in accordance with Applicable Laws.

(vii) The Resulting Company shall, at any time after the Effective Date and as the successor entity of the Demerged Company, in relation to the Demerged Undertaking, if so required under any Applicable Law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Demerged Undertaking, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Resulting Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings in the name of and on behalf of the Demerged Company in relation to the Demerged Undertaking and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company, inter alia, in its capacity as the successor-in-interest of the Demerged Company in relation to the Demerged Undertaking.

(viii) The past track record of the Demerged Company relating to the Demerged Undertaking, including without limitation, the profitability, production volumes, experience, credentials and market share, shall be deemed to be the track record of the Resulting Company for all commercial and regulatory purposes including for the purpose of eligibility, standing, evaluation and participation of the Resulting Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.

For SOFTSOL INDIA LIMITED

M. Nagaraju

Company Secretary

For COVANCE SOFTSOL LIMITED

Director

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(ix) All the Licenses of the Demerged Undertaking shall stand transferred to and vested in the Resulting Company. Any other permits, licenses, consents, approvals, authorisations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, as are held at present by the Demerged Company, but relate to or benefitting at present the Residual Business and the Demerger Undertaking, shall be deemed to constitute separate permits, licenses, consents, approvals, authorisations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, casements; tenancies, privileges and similar rights, and any waiver of the foregoing, and the necessary substitution/endorsement shall be made and duly recorded in the name of the Demerged Company and the Resulting Company by the relevant authorities pursuant to the sanction of this Scheme by the NCLT. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this sub-clause, the said. third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Resulting Company pursuant to sanction of this Scheme by the NCLT. For this purpose, the Resulting Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

3.2. TRANSFER OF LIABILITIES

Upon this Scheme becoming effective, and with effect from the Appointed Date:

(i) All the Liabilities of the Demerged Undertaking shall without any further act, instrument or deed, become the liability of the Resulting Company and shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company, as the case may be, and the Resulting Company shall be liable to meet, discharge and satisfy the same in accordance with its terms. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities duties and obligations have arisen in order to give effect to the provisions of this sub-clause,

It is clarified that the unsecured loan provided by the Demerged Company to SoftSol Resources Inc., a wholly owned subsidiary, for its software business activities in US, will not be forming a part of the Demerged Undertaking as that loan amount is deemed a tangible investment or asset, and rightfully belongs to the tangible assets/holding business ("SoftSol Holdings"). Hence, the said liability of unsecured loan will not be transferred to the Resulting Company.

It is further clarified that all guarantees provided by the Demerged Company for its activities (including for and on behalf of the Subsidiary) forming a part of the Demerged Undertaking shall stand transferred to the Resulting Company. The Demerged Company and the Resulting Company shall undertake all necessary compliances prescribed under the relevant contracts, deed or other documents under which such guarantee obligations, have arisen and/or Applicable Law, to effectuate such transfers/assignment.

(ii) All cheques and other negotiable instruments, payment orders, and electronic fund transfers (like NEFT, RTGS, etc.) received in the name of the Demerged Company pertaining to the Demerged Undertaking after the Effective Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company.

For SOFTSOL INDIA LIMITED

M. Nagaraju

Company Secretary

For COVANCE SOFTSOL LIMITED

Director

DIN: 00474589

3.3. TRANSFER OF CONTRACTS

Upon this Scheme becoming effective, and with effect from the Appointed Date:

(i) All the Contracts of the Demerged Undertaking, including but not limited to contracts/ purchase orders with customers and vendors, and all contracts (including contracts pending for renewal or for fresh allocation of capacity), deeds, bonds, lease deeds, agreements entered into with various persons including independent consultants, Subsidiary, arrangements and other instruments of whatsoever nature; to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect against or in favour, as the case may be, of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto.

(ii) Any contract of the Demerged Company relating to or benefiting at present the Infrastructure Business and the Demerged Undertaking, shall be deemed to constitute separate contracts, thereby relating to and/or benefiting the Demerged Company and the Resulting Company.

(iii) It is hereby clarified that if any Contracts in relation to the Demerged Undertaking to which the Demerged Company is a party to, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company insofar as it is permissible so to do, till such time the transfer is effected.

(iv) The Resulting Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any Applicable Law or otherwise, execute deeds, confirmations or other writings or arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Demerged Company will, if reasonably necessary, also be a party to the above. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.

TRANSFER OF EMPLOYEES

3.3.1. Upon this Scheme becoming effective, all the employees of the Demerged Company engaged in or in relation to the Demerged Undertaking shall be deemed to be transferred to and engaged by the Resulting Company with effect from the Appointed Date or their respective joining date, whichever is later, without any interruption of service and on the basis of continuity of service, and on such terms and conditions as are no less favourable than those on which they are currently engaged by the Demerged Company. The services of such employees with the Demerged Company up to the Effective Date shall be taken into account for the purposes of all benefits and continuity to which, if any, such employees may be eligible under Applicable Law.

For SOFTSOL INDIA LIMITED

M. Nagaraju

Company Secretary

For COVANCE SOFTSOL LIMITED

Director

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3.3.2. Upon this Scheme becoming effective and with effect from Appointed Date, all contributions including any provisions created therefor, to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, or any other special scheme or, to tax benefits (including medical, pension and leave travel allowance) or any other benefits created or existing exclusively for the benefit of the employees; if any, upon this Scheme becoming effective, shall be made by the Resulting Company in accordance with the provisions of such schemes or funds and Applicable Law. In relation to the employees, for whom the Demerged Company is making contributions to the employee state insurance corporation, the Resulting Company shall stand substituted for the Demerged Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with provisions of such fund, bye laws, etc. in respect to such employees.

3.3.3. In relation to the provident fund contributions being made for the employees by the Demerged Company to the trust of Resulting Company upon this Scheme becoming effective, the Resulting Company shall make contributions for such employees on the same terms and conditions to the employee provident fund maintained with the Regional Provident Fund Office in terms of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The existing accumulations in the Provident Fund Trust pertaining to the Employees shall be continued on the same terms and conditions and shall be transferred to the employee provident fund maintained with the Regional Provident Fund Office in accordance with Applicable Law.

3.3.4. The existing accumulations under employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme or benefits of the Demerged Company pertaining to the employees shall be continued on the same terms and conditions and shall be transferred to, the employees' state insurance corporation, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Resulting Company or as may be created by the Resulting Company for such purpose, in accordance with Applicable Law. Pending such transfer, the contributions required to be made in respect of the employees shall continue to be made by the Resulting Company to the existing funds maintained by the Demerged Company.

3.4. CONTINUATION OF LEGAL PROCEEDINGS

3.4.1. Upon this Scheme becoming effective, and with effect from the Appointed Date, the Resulting Company shall be entitled to the benefits and shall bear the burdens of any legal or other proceedings to the extent specifically relating to the Demerged Undertaking, initiated by or against the Demerged Company. If any suit, appeal or other proceedings to the extent specifically relating to the Demerged Undertaking initiated by or against the Demerged Company is pending, the same shall not be abated, be discontinued or in any way be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced by or against the Resulting Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Demerged Company, if this Scheme had not been effected.

3.4.2. All costs and expenses incurred, and payments made, by the Demerged Company in respect of any proceedings initiated by or against the Demerged Company after the Appointed Date to the extent relating to the Demerged Undertaking shall be reimbursed by the Resulting Company upon submission by the Demerged Company to the Resulting Company of documents evidencing that the Demerged Company has, incurred such costs and expenses or made such payments. The Resulting Company shall file necessary application for transfer of all pending suit/appeal or other proceedings of whatsoever nature relating to the Demerged Undertaking.

For SOFTSOL INDIA LIMITED

M. Nagaraju

Company Secretary

For COVANCE SOFTSOL LIMITED

[signature]

Director

DIN: 00474589

3.4.3. Subject to the terms of the Scheme, the transfer and vesting of the Demerged Undertaking and continuance of proceedings by or against the Resulting Company, as provided herein, shall not affect any transactions or proceedings already concluded by the Demerged Company before the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company in relation to the Demerged Undertaking as acts, deeds and things done and executed by and on behalf of the Resulting Company.

3.5. TAXATION MATTERS

3.5.1. Upon this Scheme becoming effective, and with effect from the Appointed Date all rights, obligations, benefits available under any direct and indirect taxes, including tax incentives, advantages, privileges, exemptions, entitlements, credits (including, but not limited to, credits in respect of income tax, including carry forward tax losses, unabsorbed depreciation, closing balance of input tax credit, value added tax, turnover tax, central sales tax, excise duty, goods and services tax, security transaction tax, minimum alternate tax and duty entitlement credit certificates), holidays, remissions, reductions, etc., sales tax benefits/exemptions, service tax credit, stamp duty benefits and exemptions which may be obtained by the Demerged Company or which the Demerged Company is entitled to or which are or may be available to the Demerged Company in respect of the Demerged Undertaking shall, pursuant to the sanction of this Scheme, be available to the Resulting Company on and as is where is/going concern basis. The Demerged Company shall undertake all necessary compliances prescribed under Applicable Laws to effectuate transfer of credits of goods and services tax in relation to the Demerged Undertaking to the Resulting Company. It is hereby clarified that any tax related liabilities/benefits, arising out of or in connection with an event occurring prior to the Appointed Date, even when the same may arise and/or accrue subsequent to the Appointed Date, shall, subject to and in accordance with applicable direct and indirect tax laws, continue to be liabilities/benefits of the Demerged Company.

3.6. BENEFITS OF STATUTORY/CORPORATE APPROVALS

3.6.1. Without prejudice to the generality of the above and upon the Scheme becoming effective, the benefits of any and all corporate approvals, statutory approvals as may have already been taken by the Demerged Company:

a) in relation to the Demerged Undertaking, whether being in the nature of compliances or otherwise and any other approvals as obtained under the Act or SEBI LODR including but not limited to approvals under the Act, shall stand transferred to the Resulting Company and the said corporate approvals and compliances shall be deemed to have been taken / complied with by the Resulting Company, by virtue of approval of this Scheme.

3.6.2. Upon the Scheme becoming effective, all the fresh appointments of directors, key managerial personnel (those not covered under this Scheme) and new transaction(s) contemplated to be entered into by the Resulting Company with its related parties shall be done in accordance with the applicable provisions of the Act and other Applicable Laws.

For SOFTSOL INDIA LIMITED

M. Nagaraju

Company Secretary

For COVANCE SOFTSOL LIMITED

Director
DIN: 00474589

3.7. CONDUCT OF BUSINESS

With effect from the Appointed Date and until occurrence of the Effective Date:

(i) the Demerged Company undertakes to carry on and shall be deemed to have carried on all its business activities of the Demerged Undertaking and stand possessed of the properties and assets of the Demerged Undertaking, for and on account of and in trust for the Resulting Company; and

(ii) all profits or income accruing to or received by the Demerged Company, out of the Demerged Undertakingand all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, fringe benefit tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, etc.) or losses arising in or incurred by the Demerged Company with respect to the Demerged Undertaking shall, for all purposes, be treated as and deemed to be the profits, losses, income or taxes, as the case may be, of the Resulting Company; and

(iii) the Demerged Company shall carry on the business of the Demerged Undertaking with reasonable diligence and business prudence and in a manner consistent with its past practices; and

(iv) the Demerged Company shall carry on the business of the Demerged Undertaking, in its ordinary course of business. All the actions taken by the Demerged Company for the Demerged Undertaking, Inter-alia, including any income, advances, payments made/collections received, funds or resources deployed or cost incurred, shall be suitably accounted for and recorded by the Demerged Company and the Resulting Company on such terms and conditions as the Board of Directors of the Demerged Company and the Resulting Company may agree upon. Notwithstanding anything contained herein above, it is hereby clarified that no separate corporate approvals, inter-alia, under the Act, shall be required to be taken by the Demerged Company for undertaking any of the foregoing actions/transactions pertaining to the Demerged Undertakingand such actions/transactions shall be deemed to be in compliance with the Act as applicable, by virtue of approval of the Scheme; and

(v) the Demerged Company shall not, in relation to the Demerged Undertaking, vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligations undertaken prior to the date of approval of the Scheme by the Board of Directors of the Demerged Company, the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of the Resulting Company; and

(vi) the Demerged Company shall not undertake any actions in relation to the Demerged Undertaking which are not in the ordinary course of business of the Demerged Undertaking(including undertaking any acquisitions or disposal of Assets which are not in the ordinary course of business), except with the written concurrence of the Board of the Demerged Company and the Resulting Company in compliance with Applicable Laws.

3.8. SAVING OF CONCLUDED TRANSCATIONS

The transfer of assets and liabilities to, and the continuance of proceedings by or against the Resulting Company, shall not affect any transaction or proceedings already concluded by the Demerged

For SOFTSOL INDIA LIMITED

M. Nagababu

Company Secretary

For COVANCE SOFTSOL LIMITED

Director
DIN: 00474589

Companyon or before the Appointed Date, and after Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of itself.

3.9. Without prejudice to the other provisions of this Scheme, the Demerged Company and/or the Resulting Company, as the case may be, shall, at any time after this Scheme becomes effective in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Demerged Company in relation to the Demerged Undertaking. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/ endorsement in the name of the Resulting Company upon this Scheme becoming effective in accordance with the terms hereof, For this purpose, the Resulting Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

3.10. ARRANGEMENTS BETWEEN THE DEMERGEDCOMPANY AND THE RESULTING COMPANY ETC.

(i) Currently, the Demerged Undertaking is being carried on as a part of the business of the Demerged Company and will continue to be carried on by the Demerged Company till the Effective Date. The Demerged Undertaking and Infrastructure Business of the Demerged Company would have certain inter-dependencies and, therefore, to ensure continuity of the operations, the Demerged Company and Resulting Company propose to undertake various business relationships with each other to provide transition and continual support to give full effect to the Scheme, on an arm's length basis, for which appropriate contracts will be entered into between the Demerged Company and the Resulting Company prior to the Effective Date. In relation to the aforementioned, some of the key business relationships proposed between the Demerged Company and the Resulting Company, which may continue beyond Effective Date, pertain to (a) functional support services (including costs allocated inter alia) such as logistics, procurement, finance, human resource, legal, IT services (including software licensed from third parties), marketing, etc.; (b) corporate and management services; (c) licensing of certain intellectual properties; and (d) infrastructure leasing and/or licensing.

(ii) The agreements executed prior to the Effective Date between the Demerged Company and the Resulting Company, shall be subject to the necessary approvals of the Demerged Company and the Resulting Company (as applicable) in accordance with the Act, SEBI LODR and all other applicable provisions of Applicable Law, and such agreements shall be binding on the parties thereto.

(iii) It is clarified that all guarantees provided by the Demerged Company (including for and on behalf of the Subsidiary) in respect of the Demerged Undertaking and the Demerged Company shall be valid and subsisting till adequate arrangements/ guarantees have been provided in respect of the same by the Resulting Company.

For SOFTSOL INDIA LIMITED

M. Nagaraju

Company Secretary

For COVANCE SOFTSOL LIMITED

Director
DIN: 00474589

3.11. INFRASTRUCTURE BUSINESS

(i) The Infrastructure Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.

(ii) All legal, taxation or other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company which relate to the Infrastructure Business under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Infrastructure Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Infrastructure Business) shall be continued and enforced by or against the Demerged Company after the Effective Date. The Resulting Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceeding against the Demerged Company, which relate to the Infrastructure Business.

(iii) With effect from the Appointed Date and beyond the Effective Date, the Demerged Company:

(a) shall be deemed to have been carrying on and to be carrying on all the business and activities relating to the Infrastructure Business for and on its own behalf; and

(b) all profits accruing to the Demerged Company thereon or losses arising or incurred by it relating to the Infrastructure Business, shall, for all purposes be treated as the profits or losses, as the case may be, of the Demerged Company.

For SOFTSOL INDIA LIMITED

M. Nagaraju

Company Secretary

For COVANCE SOFTSOL LIMITED

Director

DIN: 00474589

PART IV
CONSIDERATION, ACCOUNTING AND TAX TREATMENTS OF THE DEMERGED COMPANY AND THE RESULTING COMPANY

4. CONSIDERATION

4.1. Upon the coming into effect of the Scheme, and in consideration of the transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company pursuant to Part III of this Scheme, the Resulting Company shall, without any further act or deed and without any further payment issue and allot to the shareholders of the Demerged Company (whose name is recorded in the register of members of the Demerged Company as holding equity shares on the Record Date) in the following manner:

"For every 1 (one) equity share of the Demerged Company of face value of INR 10 each held in the Demerged Company, every equity shareholder of the Demerged Company, shall without any application, act or deed, be entitled to receive 1 (one) equity share of face value INR 10 each of the Resulting Company, credited as fully paid up on the same terms and conditions of issue as prevalent in the Demerged Company".

4.2. The equity shares to be issued by the Resulting Company shall be issued in dematerialized form to those shareholders who hold shares of the Demerged Company in dematerialized form, into the account in which shares of the Demerged Company are held or such other account as is intimated in writing by the shareholders to the Demerged Company and/ or its registrar provided such intimation has been received by the Demerged Company and/or its registrar at least 7 (seven) days before the Record Date. All those shareholders who hold shares of the Demerged Company in physical form shall also receive the equity shares to be issued by the Resulting Company, in dematerialized form provided the details of their account with the depository participant are intimated in writing to the Demerged Company and/ or its registrar provided such intimation has been received by the Demerged Company and/or its registrar at least 7 (seven) days before the Record Date. If no such intimation is received from any shareholder who holds shares of the Demerged Company in physical form 7 (seven) days before the Record Date, or if the details furnished by any shareholder do not permit electronic credit of the shares of the Resulting Company, then the Resulting Company shall open an escrow demat account with a depository participant to keep such shares in abeyance / in such escrow demat account and will credit the same to the respective demat account(s) of such shareholders as and when the details of such shareholder's account with the depository participant are intimated in writing by the shareholders to the Resulting Company and/or its registrar.

4.3. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors of the Resulting Company shall be empowered in appropriate cases, prior to or even-subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on Record Date, in order to remove any difficulties, after the effectiveness of this Scheme.

4.4. The equity shares to be issued by the Resulting Company, pursuant to Clause 4.1 above, in respect of any equity shares of the Demerged Company which are held in abeyance under the provisions of Section

For SOFTSOL INDIA LIMITED

M. Nagaraju

Company Secretary

For COVANCE SOFTSOL LIMITED

Director
DIN: 00474589

126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of any court or otherwise, be held in abeyance by the Resulting Company.

4.5. The equity shares to be issued by the Resulting Company in respect of the equity shares of the Demerged Company held in the unclaimed suspense account shall be credited to a new unclaimed suspense account created for shareholders of the Resulting Company.

4.6. The equity shares to be issued by the Resulting Company in respect of the shares of the Demerged Company held in the Investor Education and Protection Fund shall be credited to the Investor Education and Protection Fund.

4.7. Without prejudice to the generality of Clause 4.1 above, the Board of the Resulting Company shall, if and to the extent required, apply for and obtain any approvals from concerned appropriate authorities and undertake necessary compliance for the issue and allotment of equity shares to the members of the Demerged Company pursuant to Clause 4.1 of the Scheme.

4.8. Approval of this Scheme by the equity shareholders of the Resulting Company shall be deemed to be the due compliance of the provisions of Section 13, Section 14, Section 42, Section 62 and other relevant and applicable provisions of the Act and rules made thereunder for the issue and allotment of the equity shares by the Resulting Company to the equity shareholders of the Demerged Company as on the Record Date, as provided in this Scheme.

4.9. The equity shares of the Resulting Company issued in terms of Clause 4.1 of this Scheme will be listed and/ or admitted to trading on BSE Limited where the shares of the Demerged Company are listed on the Effective Date. The Resulting Company shall apply to BSE Limited (where the shares of the Demerged Company are listed) and SEBI for listing and admission to trading of all the equity shares issued to the shareholders of the Demerged Company pursuant to this Scheme in terms of the SEBI Circular read with any other Applicable Laws.

4.10. The Resulting Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with the Applicable Laws or regulations for the Resulting Company to comply with the formalities and requirements of BSE Limited. The equity shares of the Resulting Company allotted pursuant to the Scheme shall remain frozen in the depositories system until listing and trading permission is given by BSE Limited as mentioned above. There shall be no change in the shareholding pattern or control in the Resulting Company between the Record Date in terms of the Scheme and the listing which may affect the status of approvals received from BSE Limited. There will be no change in the equity share capital of the Resulting Company from the allotment of equity shares made to the shareholders of the Demerged Company in accordance with Clause 4.1 above till the listing of the said equity shares of the Resulting Company on BSE Limited.

4.11. The Resulting Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of BSE Limited.

For SOFTSOL INDIA LIMITED	For COVANCE SOFTSOL LIMITED
M. Nagaraju	
Company Secretary	Director DIN: 00474589

5. ACCOUNTING TREATMENT

5.1. Accounting Treatment in the Financial Statements of the Demerged Company

(a) The transfer of the Demerged Undertaking shall be accounted for in the books of the Demerged Company in accordance with applicable accounting standards prescribed under Section 133 of the Act and generally accepted accounting principles in India.

(b) Upon the Scheme becoming effective:

(i) The respective carrying values, of the assets, liabilities and identified reserves of the Demerged Undertaking, shall be reduced from the books of account of the Demerged Company.

(ii) Pursuant to Part III of the Scheme, the investment of the Demerged Company in the Resulting Company as appearing in its books of accounts shall be written off.

(c) The difference of the above, shall be reduced from Other Equity in the books of the Demerged Company.

5.2. Accounting Treatment in the Financial Statements of the Resulting Company

(a) The transfer of the Demerged Undertaking shall be accounted for in the books of the Resulting Company using the pooling of interest method in accordance with Appendix C "Business Combinations of entities under common control" of the Indian Accounting Standard (Ind AS) 103-Business Combinations.

(b) Upon the Scheme becoming effective:

(i) The transferred assets, liabilities and identified reserves relating to the Demerged Undertaking would be recorded at their respective carrying amounts as appearing in Financial Statements of the Demerged Company.

(ii) The Resulting Company shall credit its share capital account with the aggregate face value of the equity shares issued to the shareholders of the Demerged Company.

(iii) The difference, if any, between the carrying amount of the net assets of the Demerged Undertaking acquired and the consideration issued to the shareholders of the Demerged Company shall be adjusted to Other Equity.

(iv) The financial statements of the Resulting Company shall be restated as per the requirements of Appendix C of Ind AS 103.

(v) The Resulting Company's capital reduction pursuant to Clause 7 of this Scheme will be transferred to the capital reserve.

(c) The reserves so recorded under Other Equity shall be available for distribution of dividend to the shareholders and shall be considered as free reserves from the Act perspective.

For SOFTSOL INDIA LIMITED

M. Nagaraju

Company Secretary

For COVANCE SOFTSOL LIMITED

Director
DIN: 00474589

6. TAX

Upon the Scheme becoming effective and with effect from the Appointed Date:

6.1. This Scheme complies with the conditions relating to "demerger" as defined under Section 2(19AA), Section 47 and other relevant sections and provisions of the IT Act.

6.2. It is clarified that all the taxes and duties payable by the Demerged Company, relating to the Demerged Undertaking from the Appointed Date, including all advance tax payments, tax deducted at source, tax liabilities or any refund and claims shall, for all purposes be treated as advance tax payments, tax deducted at source, tax liabilities or refunds and claims of the Resulting Company, notwithstanding that the certificates, challans or other documents for payments of such taxes are in the name of the Demerged Company.

6.3. Without prejudice to the generality of Clause 6.2 above, any input tax credits which are unutilized as on the date of filing of prescribed returns/form for transfer of credit to the Resulting Company under Central Goods and Services Tax Act read with Central Goods and Services Tax rules therein shall be apportioned in accordance with relevant regulation, circulars, guidance provided for the same.

6.4. In addition, all deduction otherwise admissible to the Demerged Company in relation to the Demerged Undertaking including payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source shall be eligible for deduction to the Resulting Company upon fulfilment of the applicable conditions under the Applicable Law.

6.5. Tax assessment proceedings/appeals of whatsoever nature by or against the Demerged Company relating to the Demerged Undertaking, if any, pending and/or arising at the Appointed Date, shall be continued and/or enforced until the Effective Date as desired by the Resulting Company. As and from the Effective Date, the tax proceedings/ appeals shall be continued and enforced by or against the Resulting Company relating to the Demerged Undertaking in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the transfer and vesting of the Demerged Undertaking into the Resulting Company or anything contained in the Scheme.

6.6. With effect from the Appointed Date, the Demerged Company and the Resulting Company are expressly permitted to prepare and/or revise, as the case may be, their Financial Statements and returns along with the prescribed forms, filings and annexure and related tax payment certificates under the Income Tax Act, 1961, Goods and Services Tax and other tax laws, if required, to give effect to provisions of the Scheme, and to claim refunds and advance tax credits in relation to the Demerged Undertaking as may be required consequent to the implementation of the Scheme, and all tax compliances under Applicable Laws by the Demerged Company in relation to the Demerged Undertaking shall be deemed to have been undertaken by the Resulting Company.

For SOFTSOL INDIA LIMITED

M. Nagireddy

Company Secretary

For COVANCE SOFTSOL LIMITED

Director
DIN: 00474589

PART V
GENERAL/RESIDUARY TERMS AND CONDITIONS

7. CANCELLATION OF EXISTING EQUITY SHARES OF THE RESULTING COMPANY HELD BY THE DEMERGED COMPANY

7.1. Upon the Scheme becoming effective, all equity shares of the Resulting Company held by the Demerged Company (directly and/ or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or payment made in cash or in kind whatsoever by the Resulting Company to the Demerged Company in lieu of such shares of the Resulting Company. For avoidance of doubt, it is clarified that the reduction in the share capital of the Resulting Company, pursuant to such cancellation shall be effected as an integral part of this Scheme and Section 66 of the Act shall not apply to the Resulting Company to effectuate such reduction of capital.

8. CHANGE OF NAME OF THE DEMERGED COMPANY

8.1. Upon this Scheme becoming effective if required, the name of the Demerged Company shall stand changed to "SOFTSOL CORPORATION LIMITED" or such other name which is available and approved by the CRC, Ministry of Corporate Affairs, by simply filing the requisite forms with the Appropriate Authority and no separate consent, approval, act, procedure, instrument, or deed shall be required to be obtained or followed under the Act.

8.2. Consequently, subject to Clause 8.1above, Clause I of the Memorandum of Association of the Demerged Company shall without any act, procedure, instrument or deed be and stand altered, modified and amended, to reflect the revised name of the Demerged Company, pursuant to Sections 13, 232 and other applicable provisions of the Act.

8.3. It is hereby clarified that, for the purposes of acts and events as mentioned in Clauses 8.1 and 8.2, the consent of the shareholders of the Demerged Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed.

9. DIVIDENDS

9.1. The Demerged Company and the Resulting Company shall be entitled to declare and make a distribution/ pay dividends, whether interim or final and/or issue bonus shares to their respective shareholders prior to the Effective Date, in accordance with Applicable Law. Any declaration of dividend or other distribution of capital or income by the Demerged Company and the Resulting Company shall be consistent with their respective dividend policies and past practices.

9.2. It is clarified that the aforesaid provisions in respect of the declaration of dividends (whether interim or final) are enabling provisions and shall not be deemed to confer any right on any shareholder of the Demerged Company and the Resulting Company, as the case may be, to demand or claim or be entitled to any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of the Demerged Company and the Resulting Company, as the case may be, and subject to approval, if required, of the shareholders of the relevant company.

For SOFTSOL INDIA LIMITED	For COVANCE SOFTSOL LIMITED
M. Nagaraju	Bhaskara Rao
Company Secretary	Director DIN: 00474589

10. APPLICATION TO NCLT

10.1. The Demerged Company and the Resulting Company shall, with all reasonable dispatch, make respective applications to the NCLT and or applicable authority, under Sections 230 to 232 of the Act, seeking order for dispensing with or for convening, holding and/or conducting of the meetings of the classes of their respective members and creditors (secured and unsecured) as per the requirements of the Act.

10.2. The Demerged Company and the Resulting Company, as the case may be, shall be entitled, pending the sanction of this Scheme, to apply to the appropriate authorities, as required, under any Applicable Law for such consents and approvals which may be required to own/ transfer the assets and/or liabilities of the Demerged Undertaking.

11. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

(a) Receipt of no-objection / observation letter from BSE Limited in relation to this Scheme under Regulation 37 of the SEBI LODR.

(b) The approval by the requisite majorities of the classes of persons, including shareholders, creditors of the Demerged Company and the Resulting Company as may be directed by the NCLT under Sections 230-232 of the Act;

(c) The sanctioning of this Scheme by the NCLT, whether with any modifications or amendments as NCLT may deem fit or otherwise;

(d) The filing of the certified copies of the orders of the NCLT with the Registrar of Companies, Hyderabad, by the Demerged Company and the Resulting Company, as the case may be; and

(e) Any other sanctions and orders as may be directed by the NCLT in respect of the Scheme.

12. MODIFICATION AND AMENDMENTS TO THE SCHEME

12.1. Each of the Demerged Company and the Resulting Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the NCLT and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. Each of the Demerged Company and the Resulting Company (acting through its respective Boards of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and io resolve any doubts, difficulties or questions, whether by reason of any order of the NCLT or of any directive or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

12.2. If any part or clause of this Scheme hereof is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Demerged Company and the Resulting Company that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become

For SOFTSOL INDIA LIMITED

M. Nagaraju

Company Secretary

For COVANCE SOFTSOL LIMITED

Director

DIN: 00474589

materially adverse to the Demerged Company and/or the Resulting Company, in which case the Demerged Company and the Resulting Company shall attempt to bring about a modification in the Scheme, as will best-preserve for the Demerged Company and the Resulting Company, the benefits and obligations of the Scheme, including but not limited to such part.

13. WITHDRAWAL OF THE SCHEME

The Board of Directors of the Resulting Company and the Demerged Company shall be at liberty to revoke, cancel, withdraw and declare this Scheme of no effect at any stage if (a) any of the conditions that may be imposed by the NCLT or other authorities which the Demerged Company and the Resulting Company may find unacceptable for any reason; or (b) they are of view that the coming into effect of the Scheme could have adverse implications on the Resulting Company and/or the Demerged Company.

14. EFFECT OF NON-RECEIPT OF APPROVALS

14.1. In the event that, (a) the Scheme is not sanctioned by the NCLT; (b) subject to Clause 14.2, any consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme are not obtained or complied with; (c) the Scheme is revoked, cancelled or withdrawn in accordance with Clause 13 above; or (d) for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void, and the Demerged Company shall bear the costs, charges and expenses in connection with the Scheme unless otherwise mutually agreed between the Demerged Company and Resulting Company.

14.2. The non-receipt of any sanctions or approvals for a particular asset or liability forming part of the Demerged Undertaking getting transferred pursuant to this Scheme, shall not affect the effectiveness of the respective section of the Scheme, if the Boards of Directors of the Demerged Company and/or the Resulting Company so decide. In the event of non-receipt of approval of any lender / creditor for the transfer of any liability; then at the option of the Boards of Directors of the Demerged Company, it may issue a security / recognize a liability in favour of the Resulting Company on the same terms. The transfer of such asset or liability shall become effective from the Appointed Date as and when the said requisite approvals are received or aforesaid liability being recognized/security being issued and the provisions of the Scheme shall apply appropriately to the said transfer/issue/recognition.

15. COSTS CHARGES AND EXPENSES

15.1. All costs, charges and expenses payable in relation to or in connection with this Scheme and incidental to the completion of the transfer and vesting of the Demerged Undertaking into the Resulting Company, in pursuance of this Scheme including stamp duty on the order(s) of the Tribunal, if any, to the extent applicable and payable shall be borne and paid by the Demerged Company.

16. COMPLIANCE WITH APPLICABLE LAWS

16.1. The Demerged Company and the Resulting Company undertake to comply with all the Applicable Laws (including all applicable compliances required by SEBI and BSE Limited), including making the requisite intimations and disclosures. to any statutory or regulatory authority and obtaining the requisite consent, approval or permission of the appropriate authorities or any other statutory or regulatory authority (including without limitation, and if required, the Central Government, the Reserve Bank of India, SEBI,

For SOFTSOL INDIA LIMITED

M. Nagireddy

Company Secretary

For COVANCE SOFTSOL LIMITED

Director

DIN: 00474589

BSE Limited), which by Applicable Law may be required for the implementation of this Scheme or which by Applicable Law may be required in relation to any matters connected with this Scheme.

16.2. Since the Demerged Company is a listed company, this Scheme is subject to the compliances of the applicable requirements under the SEBI LODR, as amended from time to time, SEBI Circular and all other statutory directives of SEBI, as applicable.

For SOFTSOL INDIA LIMITED

M. Nagaraju

Company Secretary

For COVANCE SOFTSOL LIMITED

Director

DIN: 00474589

SCHEDULE I

LIST OF SUBSIDIARIES OUTSIDE INDIA

S.No	Subsidiary	Jurisdiction	No. of shares/Percentage of Shareholding
1	SoftSol Resources Inc.,	California, USA.	100%

For SOFTSOL INDIA LIMITED

M. Nagarjun

Company Secretary

For COVANCE SOFTSOL LIMITED

Authorised Signatory

Director

DIN: 00474589

CA. Kavitha Padmini Sirigina, B.Com, FCA, DISA, Reg Valuer-SFA – IBBI

The Board of Directors and
The Audit Committee,
M/s. Softsol India Limited,
Plot No. 4, Infocity, Madhapur,
Hyderabad - 500032, Telangana, India.

The Board of Directors
M/s. Covance SoftSol Limited,
Plot No. 4, Infocity, Madhapur, Hyderabad,
Telangana - 500032, India.

Date: August 14, 2023

Sub: Recommendation of Equity Share Entitlement Ratio for the proposed demerger ("Transaction") of the software business undertaking from M/s. SoftSol India Limited (the "Demerged Company") and its transfer to and vesting into M/s. Covance SoftSol Limited (the "Resulting Company")

Dear Sirs,

We refer to the engagement letters dated August 04, 2023 by M/s. SoftSol India Limited (the "Demerged Company") and August 11, 2023 by M/s. Covance SoftSol Limited (the "Resulting Company") has requested Kavitha Padmini S ("Valuer") to recommend an equity share entitlement ratio in connection with the proposed demerger ("Transaction") of software business undertaking (including its investment in SoftSol Resources Inc.) (referred as "Demerged Undertaking") from the Demerged Company and its transfer to and vesting into the Resulting Company. The Demerged Company and the Resulting Company shall collectively be referred to as "Companies".

Scope and purpose of the Report

We understand that the Demerged Company proposes to demerge and transfer the Demerged Undertaking to the Resulting Company as specified in the proposed Scheme of Arrangement. This is proposed to be achieved by way of a Scheme of Arrangement under Sections 230 to 232 of the Companies Act 2013 and other applicable provisions of the Companies Act, 2013 (the "Scheme"). Under the proposed Scheme, as consideration for the transfer of Demerged Undertaking, the shareholders of the Demerged Company will be issued equity shares of the Resulting Company.

We have been requested by the Companies to submit a letter recommending an equity share entitlement ratio, as at date of this report, in connection with the Transaction. We understand that this Report on recommendation of Share Entitlement Ratio (the "Report") will be used by the Companies for the above-mentioned purpose only and, to the extent mandatorily required under applicable laws of India, may be produced before, or shared with judicial, regulatory or government authorities, in connection with the Transaction.

The scope of our services is to arrive at the equity share entitlement ratio for the aforesaid Transaction in accordance with generally accepted professional standards and the standards prescribed by the Institute of Chartered Accountants of India. This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter.

Demerged Undertaking

Demerged Undertaking means the undertaking of the Demerged Company pertaining to the Software Business and shall include (without Limitation) investment in SoftSol Resources Inc., which terms have more specifically been defined in the Scheme.

Sources of Information

In connection with preparing this Report. we have received the following information from the Companies:

- Information on business of the Demerged Company and profile provided by the Management;
- Shareholding pattern of the Demerged Company as on 30.06.2023 and the Resulting Company as on 12.08.2023;
- Financials of the Demerged Company for the last three financial years 2020-21, 2021-22, 2022-23 and last quarter ended 30.06.2023;
- Discussions with the management to augment our knowledge of the operations of the Companies.
- Draft Scheme of Arrangement.
- Details of current and proposed corporate structure.
- Other information, explanations and representations that were required and provided by the management.

Address : Plot No. 48, Flat No. 301, MICASA, Kavuri Hills, Madhapur, Hyderabad - 500033
Mobile: 9392485660, Tel: 040-29702638, Mail: kavitha406@gmail.com

SOFTSOL INDIA LIMITED
HYDERABAD

- Such other analysis, review and enquiries, as we considered necessary.

Scope, Limitations and Disclaimers

- This Report is subject to the scope of limitations detailed hereinafter. As such the Report is to be read in totality and not in parts.
- Our **recommendation** is based on the information furnished to us being complete and accurate in all material respects.
- We have no obligation to update this Report because of events or transactions occurring subsequent to the date of this Report.
- In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents. In no circumstances shall the liability of the Valuer, relating to the services provided in connection with the engagement set out in this Report shall exceed the amount paid to such valuer in respect of the fees charged by it for these services.
- This Report is meant for the specific purpose mentioned herein and should not be used for any purpose other than the purpose mentioned herein, the Report should not be copied or reproduced without obtaining prior written approval for any purpose other than the purpose for which it is prepared.

Background of the Companies

A. M/s. SoftSol India Limited

M/s. SoftSol India Limited (Demerged Company) is a company incorporated under the Companies Act, 1956 having its registered office at Plot No. 4, Infocity, Madhapur, Hyderabad - 500032, Telangana, India. The equity shares of the Demerged Company are listed on BSE Limited.

The share capital structure of the Demerged Company as on the Report date is as follows:

Share Capital	**Amount (INR)**
Authorised Share Capital	
5,00,00,000 equity shares of Rs.10 each	50,00,00,000
Total	**50,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
1,47,63,689 equity shares of Rs.10 each (Fully Paid-up)	14,76,36,890
Total	**14,76,36,890**

B. M/s. Covance SoftSol Limited

M/s. Covance SoftSol Limited (Resulting Company) is a company incorporated under the provisions of the Companies Act, 2013 having its registered office at 202, Siri Arcade, Plot No.18, Raidurg Pan Maktha, Gachibowli, Hyderabad, Telangana - 500032. None of the securities of the Resulting Company are listed on any Stock Exchange.

The share capital structure of the Resulting Company as on the Report date is as follows:

Share Capital	Amount (INR)
Authorised Share Capital	
1,50,00,000 equity shares of Rs.10 each	15,00,00,000
Total	
Issued, Subscribed and Paid-up Share Capital	
10,000 equity shares of Rs.10 each (Fully Paid-up)	1,00,000
Total	**1,00,000**

Address : Plot No. 48, Flat No. 301, MICASA, Kavuri Hills, Madhapur, Hyderabad - 500033
Mobile: 9392485660, Tel: 040-29702638, Mail: kavitha406@gmail.com

SOFTSOL INDIA LIMITED HYDERABAD

Basis of Transaction
The Scheme contemplates the demerger of the Demerged Undertaking from the Demerged Company into the Resulting Company pursuant to the proposed Scheme.

The share entitlement ratio proposed in the Scheme is 1:1. If shares are allotted to all shareholders of the Demerged Company, then the shareholding pattern of the Demerged Company and the Resulting Company will be identical and every shareholder of the Demerged Company will hold same percentage of equity ownership in the Resulting Company as he owns in the Demerged Company (inter se). This mirror shareholding however, shall be subject to the adjustment wherein, as confirmed by the Companies, in order to comply with Section 232(3) of Companies Act, 2013. Accordingly, any entitlement ratio can be considered fair for the above demerger including the entitlement ratio proposed in this Report (subject to the adjustments mentioned above).

Basis of Equity Share Entitlement Ratio
Upon the proposed Scheme coming into effect and in consideration of the demerger of the Demerged Undertaking and subject to the provisions of the proposed Scheme, the Resulting Company shall issue and allot to the equity shareholders of the Demerged Company, whose name is recorded in the register of members and/ or records of the depository on the Record Date (as specified in the Scheme).

As set out above, the Resulting Company is wholly owned subsidiary of the Demerged Company, hence all the shareholders of the Demerged Company would also become shareholders of the Resulting Company and their shareholding would mirror in the Resulting Company.

We understand that:

> ***For every 1 (one) equity share of the Demerged Company of face value of INR 10 each held in the Demerged Company, every equity shareholder of the Demerged Company, shall without any application, act or deed, be entitled to receive 1 (one) equity share of face value INR 10 each of the Resulting Company, credited as fully paid up on the same terms and conditions of issue as prevalent in the Demerged Company.***

Based on the aforementioned and that upon demerger, the set of shareholders and holding proportion (inter se) being proposed for the Resulting Company is identical to that of the Demerged Company, the beneficial economic interest of the equity shareholders of the Demerged Company in the Resulting Company will remain same at the time of the Transaction.

We believe that the above share entitlement ratio is fair and reasonable considering that all eligible shareholders of the Demerged Company are and will, upon the demerger, be the ultimate economic beneficial owners of the Resulting Company and in the same ratio (inter se) as they hold shares in the Demerged Company, as on the Record Date.

Our Report and Share Entitlement Ratio is based on the envisaged equity share capital structure of Companies as mentioned earlier in this Report. Any material variation in the equity capital structures of the Companies apart from the above mentioned proposed Scheme may impact the share entitlement ratio.

Specific Consideration
The SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dt. June 20, 2023 requires the valuation report for a scheme of arrangement to provide certain requisite information in a specified format. The Transaction does not trigger the requirement for valuation under the above specified SEBI Master Circular, since there is no change in shareholding. However, we have given in Annexure-I the disclosure required under the specified format.

Kavitha Padmini Sirigina IBBI RV/06 /2021 13802 Registered Valuer - SFA

CA Kavitha Padmini Sirigina
CA Membership Number : 229966
Registered Valuer-IBBI
RV No. IBBI/RV/06/2021/13802

UDIN : 23229966BGXVUO2255
Place : Hyderabad

Address : Plot No. 48, Flat No. 301, MICASA, Kavuri Hills, Madhapur, Hyderabad - 500033
Mobile: 9392485660, Tel: 040-29702638, Mail: kavitha406@gmail.com

SOFTSOL INDIA LIMITED HYDERABAD

Annexure-I

Information required pursuant to SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dt. June 20, 2023

As mentioned in the Report, upon implementation of the Scheme, all the shareholders of the Demerged Company will become the shareholders of the Resulting Company resulting in a mirror image shareholding of the Demerged Company and the Resulting Company. Therefore, there is no change in shareholding as illustrated in Paragraph A(4) of Part-I of the SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023. Therefore, we have not carried out a valuation of these entities under the generally accepted principles of valuation.

Valuation Approach	SoftSol India Limited		Covance SoftSol Limited	
	Value per Share	Weight	Value per Share	Weight
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Relative Value per Share	NA	NA	NA	NA
Exchange Ratio (rounded off)	NA	NA	NA	NA

Address : Plot No. 48, Flat No. 301, MICASA, Kavuri Hills, Madhapur, Hyderabad - 500033
Mobile: 9392485660, Tel: 040-29702638, Mail: kavitha406@gmail.com

SOFTSOL INDIA LIMITED HYDERABAD

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To
The Board of Directors,
M/s. Softsol India Limited,
Plot No. 4, Infocity, Madhapur,
Hyderabad - 500032, Telangana.

And

The Board of Directors,
M/s. Covance SoftSol Limited,
Plot No. 4, Infocity, Madhapur,
Hyderabad - 500032, Telangana, India.

Dear Sirs,

Subject: Fairness Opinion on Report on recommendation of Share Entitlement Ratio for the proposed Scheme of Arrangement for demerger of software division of M/s. SoftSol India Limited into M/s. Covance SoftSol Limited

M/s. SoftSol India Limited (the "Demerged Company") and M/s. Covance SoftSol Limited (the "Resulting Company") have requested us to provide our opinion as to the fairness on the Share Entitlement Ratio recommendation through the Report issued by Kavitha Padmini Sirigina, Registered Valuer in connection with the transfer of the software business undertaking (including its investment in SoftSol Resources Inc.) (the "Demerged Undertaking") of the Demerged Company into the Resulting Company through the Scheme of Arrangement (the "Scheme").

This opinion is issued pursuant to the SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dt. June 20, 2023 (the "SEBI Circular"), issued by the Securities and Exchange Board of India and is being delivered at request of the Demerged Company and the Resulting Company in connection with its obligations under the SEBI Circular.

In arriving at our opinion, we reviewed:
a. Report on recommendation of Share Entitlement Ratio issued by the Registered Valuer;
b. Financials of the Demerged Company for the last three financial years 2020-21, 2021-22, 2022-23 and last quarter ended 30.06.2023;
c. Shareholding patterns of the Demerged Company and the Resulting Company; and
d. the draft of the Scheme of Arrangement

We have also held discussions with the management of Demerged Company concerning its businesses, operations and prospects.

Background
We understand that there is a proposal before the Boards of Directors of M/s. SoftSol India Limited and M/s. Covance SoftSol Limited to consider the Scheme of Arrangement between SoftSol India Limited (Demerged Company) and Covance SoftSol Limited (Resulting Company) and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules made thereunder. The Scheme inter-alia envisages the demerger of the software division (Demerged Undertaking) of the Demerged Company, and vesting of the same into the Resulting Company (the "Transaction").

The Scheme *inter alia* provides for the following:
(i) demerger, transfer and vesting of the Demerged Undertaking (as set out in the Scheme) from the Demerged Company into the Resulting Company on a going concern basis, and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company (as set out in the Scheme) pursuant to Sections 230 to 232 and other relevant provisions of the Act in the manner provided for in the Scheme and in compliance with Section 2(19AA) of Income Tax Act, 1961;
(ii) reduction and cancellation of the entire pre-scheme share capital of the Resulting Company; and
(iii) various other matters consequential or otherwise integrally connected therewith.

akasam consulting private limited Hyderabad

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CIN No. U74140TG2000PTC035024

Brief about the Companies

1. SoftSol India Limited

SoftSol India Limited (Demerged Company) is a company incorporated on 20.09.1990 under the Companies Act, 1956 having its registered office at Plot No. 4, Infocity, Madhapur, Hyderabad - 500032, Telangana, India.

Share Capital Structure:

Authorised Share Capital	Rs. 50,00,00,000 divided into 5,00,00,000 equity shares of Rs.10 each.
Issued, Subscribed and Paid-up Share Capital	Rs. 14,76,36,890 divided into 1,47,63,689 equity shares of Rs.10 each (Fully Paid-up).

The equity shares of the Demerged Company are listed on BSE Limited.

2. Covance SoftSol Limited

Covance SoftSol Limited (Resulting Company) is a newly incorporated company, incorporated on 11.08.2023 under the provisions of the Companies Act, 2013 having its registered office at Plot No. 4, Infocity, Madhapur, Hyderabad - 500032, Telangana, India.

Share Capital Structure:

Authorised Share Capital	Rs.15,00,00,000 divided into 1,50,00,000 equity shares of Rs.10 each.
Issued, Subscribed and Paid-up Share Capital	Rs.1,00,000 divided into 10,000 equity shares of Rs.10 each (Fully Paid-up).

None of the securities of the Resulting Company are listed on any Stock Exchange.

The Resulting Company is a wholly-owned subsidiary of the Demerged Company.

Share Entitlement Ratio

The assets and liabilities identified as pertaining to or in relation to the Demerged Undertaking would be transferred to the Resulting Company at values as appearing in the books of the Demerged Company as on the day immediately preceding the Appointed Date, pursuant to the Scheme of Arrangement between the Demerged Company and the Resulting Company.

As can be observed from the shareholding patterns of the Demerged Company and the Resulting Company, that the Resulting Company is a wholly-owned subsidiary of the Demerged Company. It is further understood that upon the Scheme being effective, the entire existing issued share capital of the Resulting Company (currently held by the Demerged Company) shall stand cancelled and new equity shares shall be issued and allotted to the shareholders of the Demerged Company holding shares therein on the Record Date (as defined in the Scheme). Therefore, only the shareholders of the Demerged Company shall hold shares of the Resulting Company. Thus, effectively the shareholding in the Resulting Company would be a mirror image of the shareholding of the Demerged Company.

As more fully described in the Scheme of Arrangement, the Share entitlement ratio is as follows:

> ***For every 1 (one) equity share of the Demerged Company of face value of INR 10 each held in the Demerged Company, every equity shareholder of the Demerged Company, shall without any application, act or deed, be entitled to receive 1 (one) equity share of face value INR 10 each of the Resulting Company, credited as fully paid up on the same terms and conditions of issue as prevalent in the Demerged Company.***

From the foregoing, it is evident that the question or aspect of adjusting the equities between two or more disparate groups of shareholders (which is ordinarily at the root of fixing such ratio of entitlement) is not relevant in this case due to mirroring of the shareholding in case of the Transferor Company and the Transferee Company.

Opinion

Based upon and subject to the foregoing, our experience, our work and other factors we deemed relevant, we are of the opinion that the Share Entitlement Ratio as recommended by the Registered Valuer in their Report is reasonable and fair.

Note: Our opinion is restricted to the fairness of the Share Entitlement Ratio, as recommended by the Registered Valuer and as specified in their Report, to the Shareholders of the Demerged Company and does not address any matters otherwise than as expressly stated herein.

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Hyderabad

This Transaction does not trigger the requirement for valuation under SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dt. June 20, 2023, since there is no change in shareholding. The disclosure required under the circular issued by SEBI is provided below:

Valuation Approach	SoftSol India Limited		Covance SoftSol Limited	
	Value per Share	Weight	Value per Share	Weight
Asset Approach	NA	NA	NA	NA
Income Approach	NA	NA	NA	NA
Market Approach	NA	NA	NA	NA
Relative Value per Share	NA	NA	NA	NA
Exchange Ratio (rounded off)	NA	NA	NA	NA

Hence, as stated above, no relative valuation of these companies is required to be undertaken. Accordingly, we have not carried out valuation of these companies under generally accepted valuation principle of valuation.

For **akasam consulting private limited**
SEBI Regd. CAT-I Merchant Banker (Reg. No. MB / INM000011658)

M.P. Naidu

akasam consulting private limited Hyderabad

[Name] M P Naidu
[Designation] Vice President & Compliance Officer

Place: Hyderabad
Date: 14.08.2023

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Report adopted by the Board of Directors of SoftSol India Limited at its meeting held on August 14, 2023 at 11.30 a.m. explaining the effect of the Scheme of Arrangement between SoftSol India Limited (Demerged Company) and Covance SoftSol Limited (Resulting Company) and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 on Equity Shareholders, Key Managerial Personnel, Promoters and Non-Promoter Shareholders

A. Background

1. The Board of Directors (the "Board") of SoftSol India Limited at its meeting held on August 14, 2023 approved the Scheme of Arrangement between SoftSol India Limited (the "Demerged Company") and Covance SoftSol Limited (the "Company" or the "Resulting Company") and their respective Shareholders and Creditors (the "Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Act").

2. Provisions of Section 232(2)(c) of the Act require the Board to adopt a report explaining the effect of the arrangement on each class of shareholders, promoters and non-promoter shareholders and key managerial personnel ("KMPs") of the Company laying out in particular the share exchange ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.

   This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

3. The following were placed before the Board for the purpose of preparation of this Report:
   a. Draft Scheme duly initialled by the Chairman of the Company for the purpose of identification;

   b. Undertaking approved by the Board and certified by M/s. Pavuluri & Co., Chartered Accountants, the Statutory Auditors stating the reasons for non-applicability of requirement of approval of majority of public shareholders as prescribed under Paragraph A(10)(b) of Part-I of the SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (the "SEBI Circular");

   c. Certificate issued by M/s. Pavuluri & Co., Chartered Accountants, the Statutory Auditors of the Company, as required under Section 232(3) of the Act and Paragraph A(5) of Part-I of the SEBI Circular, certifying that the accounting treatment in the Scheme is in accordance with the accounting standards and applicable law;

   d. Report of the Audit Committee recommending the Scheme to the Board in terms of the requirements of the SEBI Circular;

   e. Report of the Committee of Independent Directors recommending the Scheme to the Board in terms of the requirements of the SEBI Circular;

   f. Report on recommendation of Share Entitlement Ratio issued by Ms. Kavitha Padmini Sirigina, Independent Registered Valuer and Fairness Opinion issued by M/s. Akasam Consulting Private Limited, Independent SEBI Registered Merchant Banker; and

   g. All other relevant documents, undertakings, reports etc. as placed before the Board.

4. The Scheme, inter alia, provides for —
   (i) demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Resulting Company on a going concern basis, and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company pursuant to Sections 230 to 232 and other relevant provisions of the Act in the manner provided for in the Scheme and in compliance with Section 2(19AA) of IT Act (as defined in the Scheme) as elaborated in Part IV of the Scheme;
   (ii) reduction and cancellation of the entire pre-scheme share capital of the Resulting Company; and
   (iii) various other matters consequential or otherwise integrally connected therewith.

5. No special valuation difficulties were reported.

B. **Share Entitlement Ratio and issue of consideration pursuant to the Scheme**

1. Pursuant to the Scheme, the Resulting Company shall issue consideration to the shareholders of the Company as on Record Date (as defined in the Scheme) in the following manner:

"For every 1 (one) equity share of the Demerged Company of face value of Rs.10/- each held in the Demerged Company, every equity shareholder of the Demerged Company, shall without any application, act or deed, be entitled to receive 1 (one) equity share of face value Rs.10/- each of the Resulting Company, credited as fully paid up on the same terms and conditions of issue as prevalent in the Resulting Company".

C. **Effect of the Scheme on the Equity Shareholders, Key Managerial Personnel, Promoters and Non-Promoter Shareholders of the Company**

1. **Effect of the Scheme on the Equity Shareholders (Promoter and Non-Promoter) of the Company.**

a. In consideration for the demerger, transfer and vesting of the Demerged Undertaking from the Company into the Resulting Company on a going concern basis, the shareholders of the Company, as on the Record Date shall receive equity shares of the Resulting Company. As on the Record Date, both, the promoter and non-promoter shareholders of the Company will receive the equity shares of the Resulting Company.

b. Upon the Scheme becoming effective, all equity shares of the Resulting Company held by the Company (directly and/ or through nominees), shall stand reduced and cancelled without any further application, act or deed.

c. After the effectiveness of the Scheme and subject to receipt of regulatory approvals, the equity shares of the Resulting Company, shall be listed on BSE Limited.

d. There will be no change in the shareholding pattern of the Company.

e. There will be no adverse effect of the Scheme on the equity shareholders of the Demerged Company.

2. **Effect of the Scheme on the KMPs of the Company**

a. The KMPs forming part of the Demerged Undertaking shall become employees of the Resulting Company on effectiveness of the Scheme.

b. Pursuant to the Scheme, there shall be no impact on the existing KMPs of the Company not forming part of the Demerged Undertaking.

c. Except to the extent of the equity shares, if any, held by KMPs, in the Company, none of the KMPs have any particular interest in the Scheme.

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

Adoption of the Report by the Board

The Board of Directors of the Company has adopted this Report after noting and considering the information set forth in this Report. The Board or any person / committee duly authorised by the Board may make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

For and on behalf of the Board
SoftSol India Limited

Bhaskar Rao Madala
Whole-time Director
DIN: 00474589

Place: Hyderabad
Date: August 14, 2023

COVANCE SOFTSOL LIMITED

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

Report adopted by the Board of Directors of Covance SoftSol Limited at its meeting held on Monday, August 14, 2023 at 10.00 a.m. explaining the effect of the Scheme of Arrangement between SoftSol India Limited (Demerged Company) and Covance SoftSol Limited (Resulting Company) and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 on Equity Shareholders, Key Managerial Personnel, Promoters and Non-Promoter Shareholders

A. Background

1. The Board of Directors (the "Board") of Covance SoftSol Limited at its meeting held on August 14, 2023 approved the Scheme of Arrangement between SoftSol India Limited (the "Demerged Company") and Covance SoftSol Limited (the "Company" or the "Resulting Company") and their respective Shareholders and Creditors (the "Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Act").

2. Provisions of Section 232(2)(c) of the Act require the Board to adopt a report explaining the effect of the arrangement on each class of shareholders, promoters and non-promoter shareholders and key managerial personnel ("KMPs") of the Company laying out in particular the share exchange ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.

   This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

3. The following were placed before the Board for the purpose of preparation of this Report:

   a. Draft Scheme duly initialled by the Chairman of the Company for the purpose of identification;

   b. Certificate issued by M/s. Pavuluri & Co., Chartered Accountants, the Statutory Auditors of the Company, as required under Section 232(3) of the Act certifying that the accounting treatment in the Scheme is in accordance with the accounting standards and applicable law;

   c. Report on recommendation of Share Entitlement Ratio issued by Ms. Kavitha Padmini Sirigina, Independent Registered Valuer and Fairness Opinion issued by M/s. Akasam Consulting Private Limited, Independent SEBI Registered Merchant Banker;

   d. All other relevant documents, undertakings, reports etc. as placed before the Board.

   The Board noted that the requirement of obtaining Valuation Report from an Independent Registered Valuer in terms of Paragraph A(4)(a) read with Paragraph A(2)(b) of Part-I of the SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 is not applicable. The Company has obtained a Report on recommendation of Share Entitlement Ratio.

4. The Scheme, inter alia, provides for —
   (i) demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Resulting Company on a going concern basis, and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company pursuant to Sections 230 to 232 and other relevant provisions of the Act in the manner provided for in the Scheme and in compliance with Section 2(19AA) of IT Act (as defined in the Scheme) as elaborated in Part IV of the Scheme;
   (ii) reduction and cancellation of the entire pre-scheme share capital of the Resulting Company; and
   (iii) various other matters consequential or otherwise integrally connected therewith.

5. No special valuation difficulties were reported.

B. Share Entitlement Ratio and issue of consideration pursuant to the Scheme

1. Pursuant to the Scheme, the Company shall issue consideration to the shareholders of the Demerged Company as on Record Date (as defined in the Scheme) in the following manner:

   "For every 1 (one) equity share of the Demerged Company of face value of Rs.10/- each held in the Demerged Company, every equity shareholder of the Demerged Company, shall without any application, act or deed, be entitled to receive 1 (one) equity share of face value Rs.10/- each of the Resulting Company, credited as fully paid up on the same terms and conditions of issue as prevalent in the Resulting Company".

COVANCE SOFTSOL LIMITED
CIN: U62011TS2023PLC175979
Registered Office: Plot No.4, Info city, Madhapur, Jubilee Hills, Shaikpet,
Hyderabad-500033, Telangana, India
E-mail: bhaskara.madala@softsol.com

C. Effect of the Scheme on the Equity Shareholders, Key Managerial Personnel, Promoters and Non-Promoter Shareholders of the Company

1. Effect of the Scheme on the Equity Shareholders (Promoter and Non-Promoter) of the Company.

a. The Company shall issue consideration to the shareholders of the Demerged Company for the demerger and vesting of Demerged Undertaking into the Company as per the share entitlement ratio specified in the Scheme. As on the Record Date, both, the promoter and non-promoter shareholders of the Demerged Company will receive the equity shares of the Company.

b. The Company is currently the wholly-owned subsidiary of the Demerged Company. Upon the Scheme becoming effective, all equity shares of the Company held by the Demerged Company (directly and/ or through nominees), shall stand reduced and cancelled without any further application, act or deed.

c. After the effectiveness of the Scheme and subject to receipt of regulatory approvals, the equity shares of the Company, shall be listed on BSE Limited.

2. Effect of the Scheme on the KMPs of the Company

a. Pursuant to the Scheme, there shall be no impact on the existing KMPs of the Company.

b. The KMPs forming part of the Demerged Undertaking shall become employees of the Company upon effectiveness of the Scheme.

c. Except to the extent of the equity shares, if any, held by KMPs, in the Demerged Company, none of the KMPs have any particular interest in the Scheme.

In the opinion of the Board, the Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

Adoption of the Report by the Board
The Board of Directors of the Company has adopted this Report after noting and considering the information set forth in this Report. The Board or any person / committee duly authorised by the Board may make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

For and on behalf of the Board
Covance SoftSol Limited

Bhaskar Rao Madala
Director
DIN: 00474589

Place: Hyderabad
Date: August 14, 2023

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Report of the Audit Committee of SoftSol India Limited recommending the draft Scheme of Arrangement between SoftSol India Limited (the "Company" or the "Demerged Company") and Covance SoftSol Limited (the "Resulting Company") and their respective Shareholders and Creditors adopted at its Meeting held on August 14, 2023

The following members of the Audit Committee were present:

Mr. B.S.Srinivasan	Chairperson
Mr. K.Veeraghavulu	Member
Mrs. Naga Padmavalli Kilari	Member
Mr. Srinivasa Rao Madala	Member

A. **Background of the proposed Scheme:**

1. A draft Scheme of Arrangement under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act") including rules made thereunder, between M/s. SoftSol India Limited (the "Company" or the "Demerged Company") and M/s. Covance SoftSol Limited (Wholly-owned Subsidiary of the Company) (the "Resulting Company") and their respective Shareholders and Creditors (the "Scheme") has been placed before the Audit Committee, by the management for it to consider recommending the said draft Scheme to the Board of Directors, at the meeting held on August 14, 2023. Any words and expressions not defined in this report, shall have the meaning ascribed to them in the Scheme.

2. The Scheme *inter-alia* provides for the following:

   (i) demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Resulting Company on a going concern basis, and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company pursuant to Sections 230 to 232 and other relevant provisions of the Act in the manner provided for in the Scheme and in compliance with Section 2(19AA) of IT Act (as defined in the Scheme) as elaborated in Part IV of the Scheme;

   (ii) reduction and cancellation of the entire pre-scheme share capital of the Resulting Company; and

   (iii) various other matters consequential or otherwise integrally connected therewith.

3. The Equity Shares of the Company are listed on BSE Limited. Accordingly, the Company shall be filing the said draft Scheme along with necessary information / documents with BSE Limited.

4. The Scheme will be presented before the Hon'ble National Company Law Tribunal, Hyderabad Bench, in terms of the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, and will also be in compliance with various SEBI Regulations including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dt. June 20, 2023 (the "SEBI Circular") and various circulars issued by the SEBI and other applicable laws.

5. Provisions of Paragraph A(2)(c) of Part-I of the SEBI Circular requires the Audit Committee to adopt a report recommending the draft Scheme by considering the following:

   a. Draft Scheme duly initialled by the Chairman of the Committee for the purpose of identification;

   b. Certificate issued by M/s. Pavuluri & Co., Chartered Accountants, the Statutory Auditors of the Company, as required under Section 232(3) of the Act and Paragraph A(5) of Part-I of the SEBI Circular, certifying that the accounting treatment in the Scheme is in accordance with the accounting standards and applicable law;

   c. Draft undertaking to be given by the Company confirming that approval of majority of public shareholders as prescribed under Paragraph (A)(10)(b) of Part-I of the SEBI Circular is not applicable to the Scheme along with draft certificate of the Statutory Auditors of the Company, certifying the said undertaking;

SOFTSOL INDIA LIMITED * HYDERABAD *

SEI-CMMI LEVEL 3 Company

SoftSol India Limited
Registered Office : Plot No. 4, Software Units Layout, Madhapur,
Hyderabad - 500 081, Telangana, India. Tel : +91-40-42568500, Fax : +91-40-42568600,
CIN: L72200TG1990PLC011771 Email:salesinfo@softsol.com, Website: www.softsol.com

d. Report on recommendation of Share Entitlement Ratio issued by Ms. Kavitha Padmini Sirigina, Independent Registered Valuer and Fairness Opinion issued by M/s. Akasam Consulting Private Limited, Independent SEBI Registered Merchant Banker; and

e. All other relevant documents, undertakings, reports etc. as placed before the Committee.

This report of the Audit Committee is accordingly being made in pursuance to the requirements of Paragraph A(2)(c) of the SEBI Circular.

B. Salient feature of the Scheme are:

1. The Scheme of Arrangement is for demerger of the Software Business (the "Demerged Undertaking") of M/s. Softsol India Limited (Demerged Company), and vesting of the same into M/s. Covance SoftSol Limited (Resulting Company) on a going concern basis, in compliance with the provisions of Section 2(19AA) of the Income Tax Act, 1961 and as per the terms and conditions mentioned in the Scheme.

2. Appointed Date in the Scheme is April 01, 2023.

3. Effective Date in the Scheme is as specified in Clause 1.2.9 of the Scheme.

4. The Equity Shares to be issued by the Resulting Company in terms of the Scheme shall be issued in dematerialised form and shall be listed on BSE Limited in compliance with the SEBI Circular and other relevant provisions as may be applicable.

5. The Scheme is subject to necessary statutory/ regulatory approvals under applicable laws including approvals of respective shareholders and creditors, approval of BSE Limited, Securities and Exchange Board of India, the Hon'ble National Company Law Tribunal, Hyderabad Bench, and all other regulators / authorities as may be required.

6. The Resulting Company shall issue consideration to the shareholders of the Company as on Record Date (as defined in the Scheme) in the following manner:

   "For every 1 (one) equity share of the Demerged Company of face value of Rs.10/- each held in the Demerged Company, every equity shareholder of the Demerged Company, shall without any application, act or deed, be entitled to receive 1 (one) equity share of face value Rs.10/- each of the Resulting Company, credited as fully paid up on the same terms and conditions of issue as prevalent in the Resulting Company".

C. Comments by the Audit Committee on the Scheme

After consideration of the aforesaid documents and salient feature of the Scheme, as placed before the Committee and after due deliberation on certain matters with the management on the draft Scheme of Arrangement, the Committee hereby reports that:

1. Need for the Demerger:
   The business presently undertaken by the Company comprise of software business and infrastructure business, both of which have different requirements and are operated independent of each other as separate business divisions. The requirements of each business, including in terms of capital, operations, knowledge, nature of risk, competitive advantages and strategies, and regulatory compliances are very distinct when compared with the other. Each of these business divisions have a distinct attractiveness to divergent set of investors, strategic partners and other stakeholders. To unlock the potential value of each business vertical, it is proposed through this Scheme, to demerge the software business of the Company and vesting of the same into the Resulting Company. The demerger of software business, transfer and vesting into the Resulting Company is recommended to exploit growth potential of the software business. This Scheme will result in providing flexibility to the Company to develop the infrastructure business and thereby unlock the value.

SOFTSOL INDIA LIMITED * HYDERABAD *

2. <u>Rationale of the Scheme</u>:
The demerger, transfer and vesting of the Demerged Undertaking into the Resulting Company pursuant to this Scheme shall be in the interest of all concerned stakeholders including shareholders, customers, creditors, employees and general public, in the following ways:

(i) *At present, the Demerged Company has two distinct categories of assets and operations – (a) IT and software technology related business, and (b) Tangible assets and holdings including income generating real estate and investments. Both the businesses of the Company address different market segments with unique opportunities and dynamics in terms of business strategy, customer set, geographic focus, competition, capabilities set, talent needs and distinct capital requirements. The transfer of the Demerged Undertaking into the Resulting Company will enable each business to sharpen their focus and organize their activities and resources to improve their offerings to their respective customers. This would help to improve their competitiveness, operational efficiency, agility and strengthen their position in relevant markets resulting in more sustainable growth and competitive advantage.*

(ii) *The Demerger will enable dedicated management focus, resources and skill set allocation to each business, enhance business operations by streamlining operations more efficient management control and outlining independent growth strategies.*

(iii) *Further, as the two businesses have separate growth trajectories, risk profile and capital requirement, the segregation of the Demerged Undertaking and the Infrastructure Business will enable independent value discovery and lead to unlocking of economic value for each business and result in shareholder value maximization.*

The Scheme is in the interests of all stakeholders of the Demerged Company and the Resulting Company.

The Audit Committee was of view that the rationale of the Scheme justifies the proposed demerger.

3. <u>Synergies of business of the entities involved in the Scheme</u>:
The Committee noted that the Scheme does not involve merger of business of the Company but provides for demerger of the software division of the Company.

As detailed above regarding the need and rationale for the draft Scheme, the software business and infrastructure business have different market segments and growth. Accordingly, the proposed Scheme is being undertaken with a view to achieve dedicated management focus on their respective business segments, facilitate strategic opportunities, increase efficiencies and enhance ability to attract different types of investors.

4. <u>Impact of the Scheme on the Shareholders</u>:
Impact of the Scheme on the equity shareholders (promoter and non-promoter) of the Company are as follows:

a. In consideration for the demerger, transfer and vesting of the Demerged Undertaking from the Company into the Resulting Company on a going concern basis, the shareholders of the Company, as on the Record Date shall receive equity shares of the Resulting Company. As on the Record Date, both, the promoter and non-promoter shareholders of the Company will receive the equity shares of the Resulting Company.

b. Upon the Scheme becoming effective, all equity shares of the Resulting Company held by the Company (directly and/ or through nominees), shall stand reduced and cancelled without any further application, act or deed.

c. After the effectiveness of the Scheme and subject to receipt of regulatory approvals, the equity shares of the Resulting Company, shall be listed on BSE Limited.

d. There will be no change in the shareholding pattern of the Company.

e. There will be no adverse effect of the Scheme on the equity shareholders of the Demerged Company.

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5. Cost benefit analysis of the Scheme:
As specified in the Rationale of the Scheme, it is expected to lead to improved competitiveness, operational efficiency and agility for both the Demerged Company and the Resulting Company. This would strengthen competitive advantage in the long run and is expected to offset the cost due to implementation of the Scheme.

D. **Recommendation of the Audit Committee:**

The Audit Committee, after due deliberation and due consideration of all terms of the draft Scheme, certificates, confirmations and undertaking and other presentations, reports, documents and information made to/furnished before the Audit Committee in relation to the said Scheme and the specific points mentioned above, recommends the draft Scheme.

For and on behalf of the Audit Committee
SoftSol India Limited

B.S.Srinivasan
Chairman of the Committee
DIN: 00482513

Place: Hyderabad
Date: August 14, 2023

SOFTSOL INDIA LIMITED ★ HYDERABAD ★

SoftSol India Limited
Registered Office : Plot No. 4, Software Units Layout, Madhapur,
Hyderabad - 500 081, Telangana, India. Tel : +91-40-42568500, Fax : +91-40-42568600,
CIN: L72200TG1990PLC011771 Email:salesinfo@softsol.com, Website: www.softsol.com

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Report of the Committee of the Independent Directors of SoftSol India Limited recommending the draft Scheme of Arrangement between SoftSol India Limited (the "Company" or the "Demerged Company") and Covance SoftSol Limited (the "Resulting Company") and their respective Shareholders and Creditors adopted at its Meeting held on August 14, 2023

The following Independent Directors were present:

Mr. B.S.Srinivasan	Chairperson
Dr. T.Hanuman Chowdary	Member
Mr. K.Veeraghavulu	Member
Mrs. Naga Padmavalli Kilari	Member

A. **Background of the proposed Scheme:**

1. A draft Scheme of Arrangement under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act") including rules made thereunder, between M/s. SoftSol India Limited (the "Company" or the "Demerged Company") and M/s. Covance SoftSol Limited (Wholly-owned Subsidiary of the Company) (the "Resulting Company") and their respective Shareholders and Creditors (the "Scheme") has been placed before the Committee of Independent Directors, by the management for it to consider recommending the said draft Scheme to the Board of Directors, at the meeting held on August 14, 2023. Any words and expressions not defined in this report, shall have the meaning ascribed to them in the Scheme.

2. The Scheme *inter-alia* provides for the following:

   (i) demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Resulting Company on a going concern basis, and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company pursuant to Sections 230 to 232 and other relevant provisions of the Act in the manner provided for in the Scheme and in compliance with Section 2(19AA) of IT Act (as defined in the Scheme) as elaborated in Part IV of the Scheme;

   (ii) reduction and cancellation of the entire pre-scheme share capital of the Resulting Company; and

   (iii) various other matters consequential or otherwise integrally connected therewith.

3. The Equity Shares of the Company are listed on BSE Limited. Accordingly, the Company shall be filing the said draft Scheme along with necessary information / documents with BSE Limited.

4. The Scheme will be presented before the Hon'ble National Company Law Tribunal, Hyderabad Bench, in terms of the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, and will also be in compliance with various SEBI Regulations including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dt. June 20, 2023 (the "SEBI Circular") and various circulars issued by the SEBI and other applicable laws.

5. Provisions of Paragraph A(2)(i) of Part-I of the SEBI Circular requires the Committee of Independent Directors to adopt a report recommending the draft Scheme by considering the following:

   a. Draft Scheme duly initialled by the Chairman of the Committee for the purpose of identification;

   b. Certificate issued by M/s. Pavuluri & Co., Chartered Accountants, the Statutory Auditors of the Company, as required under Section 232(3) of the Act and Paragraph A(5) of Part-I of the SEBI Circular, certifying that the accounting treatment in the Scheme is in accordance with the accounting standards and applicable law;

   c. Draft undertaking to be given by the Company confirming that approval of majority of public shareholders as prescribed under Paragraph (A)(10)(b) of Part-I of the SEBI Circular is not applicable to the Scheme along with draft certificate of the Statutory Auditors of the Company, certifying the said undertaking;

SOFTSOL INDIA LIMITED * HYDERABAD *

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d. Report on recommendation of Share Entitlement Ratio issued by Ms. Kavitha Padmini Sirigina, Independent Registered Valuer and Fairness Opinion issued by M/s. Akasam Consulting Private Limited, Independent SEBI Registered Merchant Banker; and

e. All other relevant documents, undertakings, reports etc. as placed before the Committee.

This report of the Committee of the Independent Directors is accordingly being made in pursuance to the requirements of Paragraph A(2)(i) of the SEBI Circular.

B. Salient feature of the Scheme are:

1. The Scheme of Arrangement is for demerger of the software division (Demerged Undertaking) of M/s. SoftSol India Limited (Demerged Company), and vesting of the same into M/s.Covance SoftSol Limited (Resulting Company) on a going concern basis, in compliance with the provisions of Section 2(19AA) of the Income Tax Act, 1961 and as per the terms and conditions mentioned in the Scheme.

2. Appointed Date in the Scheme is April 01, 2023.

3. Effective Date in the Scheme is as specified in Clause 1.2.9 of the Scheme.

4. The Equity Shares to be issued by the Resulting Company in terms of the Scheme shall be issued in dematerialised form and shall be listed on BSE Limited in compliance with the SEBI Circular and other relevant provisions as may be applicable.

5. The Scheme is subject to necessary statutory / regulatory approvals under applicable laws including approvals of respective shareholders and creditors, approval of BSE Limited, Securities and Exchange Board of India, the Hon'ble National Company Law Tribunal, Hyderabad Bench, and all other regulators / authorities as may be required.

6. The Resulting Company shall issue consideration to the shareholders of the Company as on Record Date (as defined in the Scheme) in the following manner:

   "For every 1 (one) equity share of the Demerged Company of face value of Rs.10/- each held in the Demerged Company, every equity shareholder of the Demerged Company, shall without any application, act or deed, be entitled to receive 1 (one) equity share of face value Rs.10/- each of the Resulting Company, credited as fully paid up on the same terms and conditions of issue as prevalent in the Resulting Company".

C. Need and rational of the Scheme

The Committee of Independent Directors noted the following rational and benefits of the Scheme.

The demerger, transfer and vesting of the Demerged Undertaking into the Resulting Company pursuant to this Scheme shall be in the interest of all concerned stakeholders including shareholders, customers, creditors, employees and general public, in the following ways:

(i) At present, the Demerged Company has two distinct categories of assets and operations – (a) IT and software technology related business, and (b) Tangible assets and holdings including income generating real estate and investments. Both the businesses of the Company address different market segments with unique opportunities and dynamics in terms of business strategy, customer set, geographic focus, competition, capabilities set, talent needs and distinct capital requirements. The transfer of the Demerged Undertaking into the Resulting Company will enable each business to sharpen their focus and organize their activities and resources to improve their offerings to their respective customers. This would help to improve their competitiveness, operational efficiency, agility and strengthen their position in relevant markets resulting in more sustainable growth and competitive advantage.

SOFTSOL INDIA LIMITED * HYDERABAD *

(ii) The Demerger will enable dedicated management focus, resources and skill set allocation to each business, enhance business operations by streamlining operations more efficient management control and outlining independent growth strategies.

(iii) Further, as the two businesses have separate growth trajectories, risk profile and capital requirement, the segregation of the Demerged Undertaking and the Infrastructure Business will enable independent value discovery and lead to unlocking of economic value for each business and result in shareholder value maximization.

The Scheme is in the interests of all stakeholders of the Demerged Company and the Resulting Company.

Based on the considering the rationale and benefits of the Scheme and in the interest of the Company, the Committee was of view that this Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders.

D. Scheme Not Detrimental to the Shareholders of the Demerged Company:

The Committee of Independent Directors discussed and deliberated upon the rationale and salient features of the Scheme.

In terms of the Scheme, the Resulting Company will issue equity shares to the shareholders of the Demerged Company as detailed in Clause 4 of the Scheme. The shares will be issued by the Resulting Company in the same proportion in which the shareholders hold the shares in the Demerged Company (subject to the receipt of regulatory approvals). The overall economic interest of the equity shareholders of the Demerged Company shall remain the same in both the Companies. As there is no proposed change in the shareholding pattern of the Company pursuant to the proposed Scheme, the Committee is of the informed opinion that the proposed Scheme is in the best interests of the Shareholders of the Company and not detrimental to the interest of the Shareholders, including the minority shareholders of the Company.

E. Recommendation of the Independent Directors Committee:

The Committee of Independent Directors, after due deliberation and due consideration of all terms of the draft Scheme, certificates, confirmations and undertaking and other presentations, reports, documents and information made to/furnished before the Committee in relation to the said Scheme and the specific points mentioned above, recommends the draft Scheme.

For and on behalf of the Independent Directors Committee
SoftSol India Limited

B.S.Srinivasan
Chairman of the Committee
DIN: 00482513

Place: Hyderabad
Date: August 14, 2023

SOFTSOL INDIA LIMITED HYDERABAD

BSE
The Power of Vibrance

DCS/AMAL/SC/R37/3036/2023-24 **January 16, 2024**

The Company Secretary,
SOFTSOL INDIA LTD.
Plot No. 4, Software Units Layout,
Madhapur, Hyderabad,
Telangana, 500081

Dear Sir,

Sub: Observation letter regarding the Scheme of Arrangement between SoftSol India Limited and Covance SoftSol Limited and its Shareholders and Creditors

We are in receipt of Scheme of Arrangement between between SoftSol India Limited and Covance SoftSol Limited and its Shareholders and Creditors filed by SoftSol India Limited as required under SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 94(2) of SEBI LODR Regulations 2015 along with SEBI/HO/DDHS/DDHS_Divl/P/CIR/2022/0000000103 dated July 29, 2022 (SEBI Circular) and Regulation 94A(2) SEBI (LODR) Regulations, 2015; SEBI vide its letter dated December 20, 2023 has inter alia given the following comment(s) on the draft scheme of Amalgamation & Arrangement along with the comments received from RBI;

Sebi comments in accordance with Regulation 37(1) of SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023

a. **"The Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."**

b. **"Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."**

c. **"The stock exchange shall ensure compliance with SEBI circulars issued from time to time."**

d. **"The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all liabilities of transferor company are transferred to the transferee company."**

e. **"Company is advise the company that the information pertaining to all the unlisted companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of the schedule VI of the ICDR Regulations 2018,in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."**

f. **"Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."**

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www.bseindia.com | Corporate Identity Number : L67120MH2005PLC155188

g. **"Company shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders."**

h. **"Company is advised to disclose:**

   (i) Details of (pre & post) Assets and Liabilities of SIL & CSL.
   (ii) Details of Assets and Liabilities of Demerged Undertaking.
   (iii) Total turnover of the Demerged Business for the latest financial year end.
   (iv) Rationale for arriving at the share entitlement ration 1:1.
   (v) Rationale of the scheme and its impact on the public shareholders.

   as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, so that public shareholders can make an informed decision in the matter."

i. **"Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only."**

j. **"Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."**

k. **"Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."**

l. **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company is obliged to bring the observations to the notice of Hon'ble NCLT."**

m. **"Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."**

n. **"It is to be noted that the petitions are filed by the company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

Pln light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the**

Listing Centre only and no physical filings would be accepted. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Manu Thomas
Additional General Manager

Jayanti Pradhan
Jayanti Pradhan
Assistant Manager

Independent Auditor's Report

TO THE MEMBERS OF
SOFTSOL INDIA LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements ofM/s.SOFTSOL INDIA LIMITED("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements 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 Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 on the standalone financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

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

	Auditor's Response PRINCIPAL AUDIT PROCEDURE PERFORMED We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows : • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures : – Read, analyzed and identified the distinct performance obligations in thesecontracts. – Compared these performance obligations with that identified and recorded by the Company. – Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. – Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. – Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

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

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

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

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

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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that :

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
    d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
    e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
    f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
    g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

ii. The Company didnot have any long-term contracts including derivative contracts for which there arefor material foreseeable losses.

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company did not propose any dividend during the year.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Place: Hyderabad
Date: 30.05.2023

(CA N RAJESH)
PARTNER
M.No: 223169
UDIN # 23223169BGVJSC5716

Annexure "A" to the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of M/s. Softsol India limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: Hyderabad
Date: 30.05.2023

(CA N RAJESH)
PARTNER
M.No: 223169
UDIN # 23223169BGVJSC5716

“Annexure B” to the Independent Auditors’ Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements ’section of our report to the Members of the company of even date)

To the best of our information and according to the explanations provided to us by the Company andthebooks ofaccount and recordsexaminedbyusinthe normalcourseofaudit, westatethat:

i. InrespectoftheCompany’sProperty,PlantandEquipmentandIntangibleAssets:

(a) (A) The Company has maintained proper records showing full particulars, includingquantitative details and situation of Property, Plant and Equipment and Capital Work In Progress.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of physical verification of Property, Plant and Equipmentand Capital Work In Progress so as to cover all the assets once every three years which, in ouropinion, is reasonable having regardtothesizeoftheCompanyandthenatureofitsassets.Pursuanttotheprogram,certainProperty,Plant and Equipment were due forverification during the year and were physically verified by the Management during theyear.Accordingtotheinformationandexplanationsgiventous,nomaterialdiscrepancieswere noticedon such verification.

(c) Based on our examination of the property tax receipts, registered sale deed / transfer deed / conveyance deedprovided to us, we report that, the title in respect of self-constructed buildings and titledeeds of all other immovable properties disclosed inthe financial statements included under Property, Plant and Equipment are held in thenameofthe Companyas atthe balancesheetdate.

(d) TheCompanyhasnotrevaluedanyofitsProperty,PlantandEquipment(includingright-of-useassets) andintangible assets duringtheyear

(e) No proceedings have been initiated during the year or are pending against the Companyas at March 31, 2023 for holding any benami property under the Benami Transactions(Prohibition)Act, 1988(asamended in2016) and rulesmade thereunder.

ii. (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of theOrderis notapplicable.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. TheCompanyhasmadeinvestmentsin,companies,firms,LimitedLiabilityPartnerships,andgrantedunsecured loanstoother parties,duringthe year, inrespectof which:

(a) The Company has granted loan to it’s wholly owned subsidiary company M/s Softsol Resources Inc of $ 12 million in the previous years and the balance is $ 8.8 million as on 31st March 2023.

(b) In our opinion, the investments made and the terms and conditions of the grant of loans,duringthe year are,prima facie,notprejudicialtotheCompany’sinterest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal andpayment of interest has been stipulated and the repayments of principal amounts andreceiptsof interest are generallybeenregular as perstipulation.

(d) In respect of loans granted by the Company, there is no overdue amount remaining out standing as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during theyear. Hence, reporting under clause3(iii) (f) is not applicable.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, asapplicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting underclause 3(v) of the Orderis notapplicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out bytheCompany.Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. Inrespect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable inrespect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, dutyof Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues inarrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Nature of the statute	**Nature of dues**	**Forum where Disputeis Pending**	**Period to which the Amount Relates**	**Amount in Rs**
Finance Act, 1994	**Service Tax**	CESTAT,Bangalore	2007-18 to 2011-12	6,18,962
The Income Tax Act, 1961	**Income Tax**	Commissioner of Income Tax (Appeals)	Assessment Year 2018-19	3,35,544

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43of 1961).

ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3 (ix) (a) of the Order is not applicable.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix) (c) of the Order is not applicable.

((d) On an over all examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by theCompany.

(e) On an overall examination of the financial statements of the Company, the Company hasnot taken any funds from any entity or person on account of or to meet the obligations ofitssubsidiaries.

(f) The Company has not raised any loans during the year and hence reporting on clause 3 (ix) (f) of the Orderis not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3 (x) (a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed inForm ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, duringthe yearand uptothe date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have beend is closed in the stand alone financial statements as required by the applicable accountingst standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and then a ture of its business

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi) (a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3 (xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to be lieve that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, how ever, state that this is not an assurance as to the future viability of the Company.We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, willget discharged by the Companyas and when they fall due.

xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than on going projects requiring at ransfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting underclause 3 (xx) (a) of the Order is not applicable for the year.

(b) In respect of on going projects, the Company has no unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year

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

Place: Hyderabad
Date: 30.05.2023

(CA N RAJESH)
PARTNER
M.No: F-223169
UDIN: 23223169BGVJSC5716

BALANCE SHEET AS AT 31 MARCH 2023

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

Particulars	Note	As at 31-03-2023	As at 31-03-2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	1,020.40	1,100.61
(b) Captial 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 Regn.No:012194S)

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

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

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2023

B. Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

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	For the year ended 31-03-2023	For the year ended 31-03-2022
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 benefits 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	23	327.43	224.23
Current tax		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			
a) Re-measurement loss on defined benefit plans		11.27	1.44
b) Gain/(Loss) on fair value changes on equity instruments		68.81	646.42
c) Gain on exchange fluctuation gain		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**
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 in our report of even date.

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

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

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

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2023

B. Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

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

	Year ended 31-03-2023	Year ended 31-03-2022
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	(344.22)	(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)	**1,087.78**	**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 + B + C)"	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	190.93

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

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

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

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

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2023

B. Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

Statement of Changes in Equity for the year ended 31-03-2023
(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**	**1,723.65**
Changes in equity share capital	14	-	-
As at 31 March 2022		**17,650,535**	**1,723.65**
Changes in equity share capital	14	(2,058,824)	(205.88)
As at 31 March 2023		**15,591,711**	**1,517.77**

B. Other Equity (Refer note 14)

	Reserves and Surplus				**Other reserves**			
	Capital redemption reserve	Securities premium reserve	General reserve	Retained earnings	Remeasurement of defined benefit obligations	Unrealised Foreign Exchange Gain	Fair value changes in equity instruments through OCI	**Total**
Balance as at 1 April 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 account of buyback of equity shares	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 Change in Equity referred to in our report of even date.

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 atPlot 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 May2023.

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.

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

- 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 stock 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 stock 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 ofearnings 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 taxis not received by the Company on its own account. It is a tax collected by the Company on behalf of the government. Accordingly, it is excluded from revenue.

Interest Income

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

Effective Interest Rate (EIR) method.

e. Leases

Company as a lessor

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

Transition to Ind AS 116

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

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

f. Property, plant and equipment (PPE)

Recognition and initial measurement

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

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

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

Subsequent measurement (depreciation and useful lives)

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

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

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

De-recognition

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

g. Investment property

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

h. Other Intangible assets

Recognition and initial measurement

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

Subsequent measurement (amortisation)

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

i. Impairment of non-financial assets

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

j. Financial instruments

Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Equity instruments measured at FVTPL and FVOCI

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

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

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

Cash and Cash Equivalents

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

Trade Receivables

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

De-recognition

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

Impairment of Financial Assets

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

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

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

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

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

Financial Liabilities

Initial recognition and measurement

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

Subsequent measurement

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

Security deposits

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

Trade and other payables

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

De-recognition

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

Offsetting of financial instruments

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

k. Investment in the nature of equity in subsidiary company

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

l. Income taxes

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

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

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

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

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

Defined contribution plan

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

Defined benefit plan

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

Other long-term employee benefits

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

Short-term employee benefits

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

n. Provisions, contingent liabilities and contingent assets

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

Contingent liability is disclosed for:

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

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

o. Earnings per share

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

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

p. Cash Flow statement

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

4. Estimates and assumptions

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

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

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

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

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

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

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

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

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

5. Property, plant and equipment

	Freehold land	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 1 April 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**

(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		
Up to 1 April 2021	356.75	**357.00**
Charge for the year	77.77	78.00
Up to 31 March 2022	**434.53**	**435.00**
Charge for the year	71.36	71.36
Up to 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		
Up to 1 April 2021	**0.24**	**0.24**
Charge for the year	-	-
Up to 31 March 2022	**0.24**	**0.24**
Charge for the year	-	-
Up to 31 March 2023	**0.24**	**0.24**
Net carrying amount		
As at 1 April 2021	0.04	0.04
As at 31 March 2022	0.04	0.04
As at 31 March 2023	**0.04**	**0.04**

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

8. Investments

	31 March 2023	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 , 1,01,115.04units of Fund II of ₹100 each and 3,00,000 units of fund 1X of ₹100 each (31 March 2022:12Blume Venture-5.88 units of Fund 1A of ₹10,000 each 1,13,742.69 units of Fund II of ₹100 each). Inventus III-India Fund 21,000 units of ₹ 1000 each (31st 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**
Total	**1,914.95**	**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

Unsecured, considered good	31 March 2023	31 March 2022
(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
Total	**7,317.36**	**9,212.95**

*Represents deposits held as margin money with banks.

(ii) Current		
Interest accrued on deposits	2.71	1.52
Total	**2.71**	**1.52**

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

10. Other assets

	31 March 2023	31 March 2022
(i) (Unsecured)		
- Considered good		
Capital advances	-	19.66
	-	**19.66**
(ii) Current (Unsecured)		
- Considered good		
Advance for expenses	3.39	5.89
Prepaid expenses	18.90	14.22
Blances with Government Authorities	77.61	52.92
Total	**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 Revenue	140.57	156.71
Total	**733.86**	**447.87**

Trade Receivables ageing schedule:

As at 31 March 2023

	Outstanding for following periods from due to of payment					
Particulars	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	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**

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

As at 31 March 2022

	Outstanding for following periods from due to of payment					
Particulars	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	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**
Total	**586.01**	**191.58**

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

13. Equity share capital

i. Authorised share capital

	31 March 2023		31 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

Equity shares of ₹10 each fully paid up	14,763,689	1,476.37	16,822,513	1,682.25
Equity shares of ₹10 each, ₹5 paid up	28,200	1.41	28,200	1.41
Forfeited shares (amount originally paid)	828,022	39.99	828,022	39.99
Total	**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

	31 March 2023		31 March 2022	
	Number	Amount	Number	Amount
Equity shares				
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

	31 March 2023		31 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

	31 March 2023		31 March 2022	
	Number of Shares	% holding	Number 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**

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

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

	31 March 2023		31 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
Total	**28,200**	**1.41**	**28,200**	**1.41**

14. Other equity

	31 March 2023	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	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)**
Total	**11,805.22**	**14,493.48**

Nature and purpose of reserves

Capital redemption reserve

Capital redemption reserve to the extent of ₹386.39 was created on buy back of equity shares. The Company uses Capital redemption reserve for transactions in accordance with the provisions of the Companies Act, 2013.

Securities premium reserve

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

General reserve

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

Fair value changes on equity instruments through OCI

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

Remeasurement of defined benefit obligations

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

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

15. Other Financial Liabilities

	31 March 2023	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
Total	**248.08**	**225.50**

16. Provisions

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

	31 March 2023	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)**

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

(v) Key actuarial assumptions

Discount rate	7.46%-7.50%	7.12%-7.35%
Salary escalation rate	5%-8%	5% - 8%

(vi) Expected future cash flows

	31 March 2023	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

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

As at 31 March 2023

	Outstanding for following periods from the due date of payment				
Particulars	**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

	Outstanding for following periods from the due date of payment				
Particulars	**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.

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 11.39 in March 2022 to 5.33 in March 2023 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	605.49	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 mutual funds and utilisation of proceeds for loan to subsidiary company, resulted in decrease in other income.

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%

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%: Not Applicable

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 0.74 in March'2022 to 1.05 in March 2023 mainly due to increase in volume of sales during the year.

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 0.18 in March 2022 to 0.19 in March 2023 mainly due to decrease in profit during the year.

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 Increased from 0.03 in March 2022 to 0.04 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

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

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

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2023

B. Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

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

18. Revenue from operations

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

19. Other income

	31 March 2023	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
Total	**736.77**	**254.72**

20. Employee benefits expense

	31 March 2023	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
Total	**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 (31 March 2022: ₹62.39) and towards employee state insurance fund aggregated to ₹1.44 (31 March 2022: ₹1.87).

21. Finance Costs

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

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

22. Other expenses

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

(i) Details of payments to auditors :	**31 March 2023**	**31 March 2022**
As auditor:		
- Statutory & Audit fee	7.00	7.00
-Certificate fee	-	1.00

23. Income tax

	31 March 2023	31 March 2022
Tax expense comprises of:		
Current income tax	-	224.23
Total	**-**	**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	-	-
On account of one-fifth of Ind AS transition gain adjusted to the book profit (Y3)		
Income tax expense	**436.34**	**226.64**

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

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

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	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.

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

	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.

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

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 March 2023	31 March 2022
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 Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet obligations, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

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

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

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

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	31March 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.

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

	31 March 2023	**31 March 2022**
Subsidiary company	7,275.09	9,109.24

*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	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 Regn.No:012194S)

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

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

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2023

B. Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

Independent Auditor’s Report

TO THE MEMBERS OF
SOFTSOL INDIA LIMITED

Report on the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements ofM/s.SOFTSOL INDIA LIMITED(‘the Holding Company’) and its subsidiary company (the Holding Company and its subsidiary company together referred as ‘the Group’), which comprise the Consolidated Balance Sheet as at March 31, 2023, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the Consolidated Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2023, the Consolidated profit, Consolidated total comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.no	Key Audit matter
1.	1. Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of INDAS115 “Revenue from contracts with customers. 2. The application of the revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

Auditor's Response
Principal Audit Procedure Performed

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

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

- Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.

- Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.

- Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.

- Selected a sample of continuing and new contracts and performed the following procedures :

– Read, analyzed and identified the distinct performance obligations in thesecontracts.

– Compared these performance obligations with that identified and recorded by the Company.

– Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.

– Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.

– Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.

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

Auditor's Response

Principal Audit Procedure

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

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

- Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.
- Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.
- Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.
- Selected a sample of continuing and new contracts and performed the following procedures :

– Read, analyzed and identified the distinct performance obligations in thesecontracts.

– Compared these performance obligations with that identified and recorded by the Company.

– Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.

– Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts.

– Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, 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 also responsible for overseeing the financial reporting process of the Group.

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

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

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

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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are independent auditors.

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

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

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

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

Other Matter

We have relied upon the unaudited financial statements of Softsol Resources Inc., a wholly owned subsidiary, whose un audited financial statements reflect total assets of Rs.11,739.11lakhs as at 31st March, 2023, total revenues of Rs.5,106.85 lakhs for the year ended on that date. The above financial information are before giving effect to any consolidated adjustments. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-section (3) of section 143 of the Act, insofar as it relates the aforesaid subsidiary is based solely on the reports of the other auditors.

The above subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in that country and which have not been audited under generally accepted auditing standards applicable in that country. The Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our Opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the company and audited by us. Our Opinion on the consolidated financial statements, and our report on Other Legal and Regulatory requirements below,is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report to the extent applicable,that :

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

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

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group Companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies the operating effectiveness of such controls, refer to our separate

Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those Companies, for reasons stated therein.

g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements.

   ii. The Company didnot have any long-term contracts including derivative contracts for which there arefor material foreseeable losses

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

   iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The company did not propose any dividend during the year.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of theCompanies (Auditor'sReport) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms ofSection 143(11) of the Act, to be included in the Auditor's report, according to the informationand explanations given to us, and based on the CARO reports issued by us for the Company andits only subsidiary included in the consolidated financial statements of the Company, to whichreporting under CARO is not applicable, we report that there are no qualifications or adverse remarksin these CARO reports.

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

Place: Hyderabad
Date: 30.05.2023

(CA N RAJESH)
PARTNER
M.No: F-223169
UDIN #23223169BGVJSD6289

ANNEXURE ‘A’ TO THE INDEPENDENT AUDITORS’ REPORT

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

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

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of M/s. Softsol India limited (“the Holding Company”) and such companies incorporated in India under the Act which are its subsidiary companies as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: Hyderabad
Date: 30.05.2023

(CA N RAJESH)
PARTNER
M.No: F-223169
UDIN#23223169BGVJSD6289

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2023

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

Particulars	Note	As at 31-03-2023	As at 31-03-2022
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) Investment Property	6	2,116.35	1,404.54
(d) Other intangible assets	7	50.65	11.11
(e) Financial assets			
(i) Other financial assets	09(i)&10(i)	1,363.45	1,919.73
(f) 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	09(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	1,723.65
(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) Other financial liabilities	15(i)	833.46	721.70
(b) Provisions	16(i)	573.18	193.49
(c) Deferred Tax liabilities (net)		256.55	-
Total non-current liabilities		**1,663.18**	**915.19**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	17	397.66	662.67
(ii) 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 Regn.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
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2023

B. Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

CONSOLIDATED 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	Year ended 31-03-2022
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 Benefits 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**
Profit 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 Entilement/(Utilization)			(36.11)
Deferred tax		(52.33)	-
Profit for the year		**7.98**	**1,672.39**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
a) Remeasurement loss on defined benefit plans		11.27	1.44
b) Gain on fair value changes on equity instruments		(527.14)	646.42
c) Gain on exchange fluctuation gain		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 operation		(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**
Earnings per equity share [EPES] (in absolute ₹ terms)	24		
Par value per equity share		10	10
Basic EPES		0.05	9.93
Diluted EPES		0.05	9.93

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

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

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

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

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2023

B. Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

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

	Year ended 31-03-2023	Year ended 31-03-2022
Cash flow from operating activities		
Profit before tax	270.66	1,961.05
Adjustments:		
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 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**	**1,486.96**
(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 in other current financial assets	556.29	330.38
Increase/(decrease) in other non curent financial liabilities	111.76	297.51
Decrease in lease liabilities	-	(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 cash and 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	1,332.80	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 Consolidated Cash Flow Statement referred to in our report of even date.

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

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

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

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2023

B. Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

Consolidated Statement of Changes in Equity for the year ended 31-03-2023

(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		**17,678,735**	**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				
	Capital redemption reserve	**Securities premium reserve**	**General reserve**	**Retained earnings**	**Remeasurement of defined benefit obligations**	**Unrealised Foreign Exchange**	**Fair value changes in equity instruments through OCI**	**Exchange difference in translating the financial statements of a foreign operation**	**Total**
Balance as at 1 April 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	-	-	-	-	1,672.39
Other comprehensive income ("OCI")	-	-	-	-	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**

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 2023The 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 Groupis engaged in information and technology services and Infrastructural facilities including leasing of properties or spaces.

Theseconsolidated 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
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of the entity used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on 31 March. When the end of the reporting period of the Parent Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Parent Company to enable the Parent Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent Company with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in subsidiary and the parent's portion of equity of subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

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

			Proportion of ownership interest as at	
Name of the entity	**Relationship**	**Country of incorporation**	**31 March 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.

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

All other assets are classified as non-current.

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

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

All other liabilities are classified as non-current.

c. Foreign currency

Functional and presentation currency

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

Transactions and balances

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

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

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

d. Revenue recognition

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

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

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

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

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

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

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

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

Invoicing in excess of earnings is classified as unearned revenue.

Performance obligations and remaining performance obligations

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

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

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

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

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

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

e. Leases

Company as a lessor

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

Transition to Ind AS 116
Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.
The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its lease. The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application. The Company does not have any significant impact on account of sub-lease on the application of this standard

f. Property, plant and equipment (PPE)

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

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

Subsequent measurement (depreciation and useful lives)
Depreciation on property, plant and equipment is provided on the written down value method, computed on the basis of useful lives as estimated by the management which coincides with the useful lives mentioned in Schedule II to the Companies Act, 2013 except for Plant and equipment which are depreciated over a useful life of 10 years

as compared to useful life of 15 years mentioned in Schedule II of the Companies Act. Freehold land is not depreciated.

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

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

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

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

h. Other Intangible assets

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

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

i. Impairment of non-financial assets

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

j. Financial instruments

Financial instruments

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

Financial assets

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

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

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

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

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

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

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

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

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

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

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

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

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

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

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

Financial Liabilities

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

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

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

Trade and other payables

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

De-recognition

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

Offsetting of financial instruments

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

k. Investment in the nature of equity in subsidiary company

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

l. Income taxes

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

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

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

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

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

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

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

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

n. Provisions, contingent liabilities and contingent assets

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

Contingent liability is disclosed for:

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

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

o. Earnings per share

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

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

p. Cash Flow statement

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

4. Estimates and assumptions

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

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

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

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

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

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

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

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

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

5. Property, plant and equipment

	Freehold land	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	-	-	-	-	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 dis-posal/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
Adjustment for dis-posal/ retirement	-						-
Balance as at 31 March 2023	**2.79**	**334.75**	**397.43**	**234.23**	**92.78**	**55.38**	**1,117.37**
Net book value as at 1 April 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**

(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	783.17
As at 31 March 2023	**2,622.23**	**2,622.23**
Accumulated depreciation		
Up to 1 April 2021	**356.75**	**356.75**
Charge for the year	77.77	77.77
Up to 31 March 2022	**434.53**	**434.53**
Charge for the year	71.36	71.36
Up to 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		
Up to 1 April 2021	6.46	6.46
Charge for the year	32.58	32.58
Up to 31 March 2022	**39.05**	**39.05**
Charge for the year	1.58	1.58
Up to 31 March 2023	**40.63**	**40.63**
Net carrying amount		
As at 1 April 2021	7.48	7.48
As at 31 March 2022	11.11	11.11
As at 31 March 2023	**50.64**	**50.64**

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

8. Investments

	31 March 2023	31 March 2022
(i) Current		
Investment carried at fair value through profit or loss ('FVTPL')		
Investment in mutual funds, quoted	8,140.92	12,768.66
	8,140.92	**12,768.66**
Investment carried at FVOCI		
Investment in units, unquoted		
"Blume ventures Fund" and Inventus fund	1,587.33	1,503.30
" Blume Venture-5.88 units of Fund 1A of ₹10,000 each , 1,01,115.04units of Fund II of ₹100 each and 3,00,000 units of fund 1X of ₹100 each (31 March 2022:12Blume Venture-5.88 units of Fund 1A of ₹10,000 each 1,13,742.69 units of Fund II of ₹100 each). Inventus III-India Fund 21,000 units of ₹ 1000 each (31 March 2022: 18.00 units).		
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 2022:325)	-	-
Other investments	356.24	328.94
	2,015.16	**1,903.83**
Total	**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

	31 March 2023	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
Total	**94.37**	**782.07**
(ii) Current		
Interest accrued on deposits	2.71	1.52
Other Loans & Receivables	-	-
Total	**2.71**	**1.52**

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

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
Total	**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
Total	175.60	**104.63**

11. Trade receivables

	31 March 2023	31 March 2022
(i) (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
Total	**1,540.34**	**1,028.94**

Trade Receivables ageing schedule:

As at 31 March 2023

Particulars	Outstanding for following periods from due to 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**

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

As at 31 March 2022

Particulars	Outstanding for following periods from due to 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**
Total	**1,511.38**	**1,333.55**

13. Equity share capital

i. Authorised share capital

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

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

ii. Issued, subscribed and paid up

	31 March 2023		31 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
Equity 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
Total	**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

	31 March 2023		31 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

	31 March 2023		31 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%

Promoters holding details

	31 March 2023		31 March 2022	
	Number of Shares	**% holding**	**Number of Shares**	**% holding**
Durga VLK Madala	9,557,408	64.74	9,557,408	56.81
Srinivasa Rao Madala	30,015	0.20	1,366,099	8.12
Raja Rao Boyapati	25,300	0.17	25,300	0.15
Bhaskara Rao Madala	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.

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

vii. Calls unpaid on equity shares

	31 March 2023		31 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
Total	**28,200**	**1.41**	**28,200**	**1.41**

14. Other equity

	31 March 2023	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 operation	1,005.67	548.64
	1,193.27	**1,274.38**
Total	**13,211.02**	**16,892.21**

Nature and purpose of reserves

Capital redemption reserve

Capital redemption reserve to the extent of ₹ 386.39 was created on buy back of equity shares. The Company uses Capital redemption reserve for transactions in accordance with the provisions of the Companies Act, 2013.

Securities premium reserve

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

General reserve

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

Fair value changes on equity instruments through OCI

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

Remeasurement of defined benefit obligations

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

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

15. Other Financial Liabilities

	31 March 2023	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
Revolving Line of Credit/short term Borrowings	850.52	1,304.40
Others	150.13	183.78
	1,186.98	**1,685.81**

16. Provisions

	31 March 2023	31 March 2022
(i) Non-current		
Gratuity	57.92	21.54
Compensated absences	5.98	6.20
Income Tax	509.28	165.75
Total	**327.64**	**212.29**
(ii) Current		
Gratuity	11.27	40.57
Compensated absences	2.44	13.58
Buyback tax	313.93	-
Income Tax	-	158.13
Total	**54.15**	**39.20**

(a) Gratuity

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

(i) Change in projected benefit obligation

	31 March 2023	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

	31 March 2023	31 March 2022
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**

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

(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%

(vi) Expected future cash flows

	31st March 2023	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

	31 March 2023	31 March 2022
Dues to micro and small enterprises	-	-
Others	397.66	662.67
Total	**397.66**	**662.67**

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

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, 31st 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.

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 decrease current liabilities.

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

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	14,728.79	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	14,728.79	18,615.86
Ratio	**0.00**	**0.09**
% Change from previous year	**-99.42%**	**0.00%**

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%**	

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**	**3.99**
% 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 during the year.

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

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%**	0.00%

This ratio has decreased from 0.23 in March'2022 to 0.00 in March 2023 due to decrease in profit during the year.

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 decrease EBIT during the year.

As per 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

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

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2023

B. Laxman
Company Secretary

Koteswara Rao Y
Chief Financial Officer

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

18. Revenue from operations

	31 March 2023	31 March 2022
Sale of services		
Software services	7,095.86	6482.66
Rental income	1,163.50	943.73
Total	**8,259.37**	**7,426.39**

19. Other income

	31 March 2023	31 March 2022
Interest income	214.98	3.92
Gain 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
Total	**(211.08)**	**777.67**

20. Employee benefits expense

	31 March 2023	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
Total	**4,391.50**	**3,966.12**

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

21. Finance Costs

	31 March 2023	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**

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

22. Other expenses

	31 March 2023	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
Total	**3,037.00**	**2,656.62**

(i) Details of payments to auditors :

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

23. Income tax

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

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

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

	31 March 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 tax rate used for reconciliation above is the minimum alternate tax rate of 27.82% at which the Parent company is liable to pay tax on taxable income under the Indian Tax Law.

24. Earnings per share (EPS)

	31 March 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	1,68,36,613
Earnings per equity share (in absolute ₹ terms) :		
Basic and Diluted	0.05	9.93
Nominal Value per share equity share	10.00	10.00

25. Fair value measurements

(i) Fair value hierarchy

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

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

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

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

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

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

	31 March 2023	31 March 2022
Fair value hierarchy (Level 1)		
Financial assets		
Investment in mutual funds	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	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	-	-	1,332.90
Other bank balances	-	-	-	-	-	0.65
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 Group's principal financial liabilities comprises of trade and other payables. The Group's principal financial assets include trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations. The Group also holds FVTOCI and FVTPL investments.

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

A. Credit risk

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

Trade and other receivables

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

Financial assets that are neither past due nor impaired

None of the Group's cash equivalents, including fixed deposits, were either past due or impaired as at 31 March 2023.

Financial assets that are past due but not impaired

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

	31 March 2023	31 March 2022
Neither past due nor impaired	-	-
Past due not impaired:		
less than 180 days	1,517.36	1,024.56
181-365 days	-	-
Greater than 365 days	22.97	4.38
	1,540.33	**1,028.94**

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

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

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

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

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

Maturities of financial liabilities

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

31 March 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 Group is exposed to market risk primarily related to foreign exchange rate risk. Thus, the Group's exposure to market risk is a function of revenue generating and operating activities in foreign currencies.

Foreign exchange risk

"The Group's foreign exchange risk a rises from its foreign currency revenues (primarily in US$). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency. A significant portion of the Group's revenues are in US$. As a result, if the value of the Indian rupee appreciates relative to US$, the Group's revenues measured in Indian rupees may decrease.

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

The following table details non derivative financial instruments which are denominated in US $.

	31 March 2023	31March 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.

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	-	-
Loan given	7,275.00	9,109.24
Transactions with KMPs	**-**	**-**
Short-term employee benefits*	49.49	39.70

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

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

(c) Balances receivable

	As at	
	31 March 2023	**31 March 2022**
Subsidiary Company	7,275.09	9,109.24

29. Segmenting Report

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

Particulars	Consolidated		
	IT/ITES	**INFRA**	**TOTAL**
Revenue from 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)	475.54	270.66

30. Contingent liabilities and commitments

	As at	
	31 March 2023	**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 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 re grouped

for **PAVULURI & CO**	For and on behalf of Board of Directors of SoftSol India Limited	
Chartered Accountants		
Firm Reg. No: 012194S		
CA N RAJESH	Bhaskara Rao Madala	Dr. T. Hanuman Chowdary
Partner	Wholetime Director	Director
M.No. 223169	(DIN : 00474589)	(DIN:00107006)
UDIN : 23223169BGVJSD6289		
Place: Hyderabad	B. Laxman	Koteswara Rao Y
Date: 30.05.2023	Company Secretary	Chief Financial Officer

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 ★ HYDERABAD ★

SOFTSOL INDIA LIMITED ★ HYDERABAD ★

SOFTSOL INDIA LIMITED

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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

SOFTSOL INDIA LIMITED * HYDERABAD *

For Softsol India Limited

Koteswara Rao Y
Chief Financial Officer

PAVULURI & Co.
CHARTERED ACCOUNTANTS
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Sucasa, Phase - I, Kavuri Hills,
Hyderabad - 500 033.
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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.

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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

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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

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

CA N RAJESH
Partner
M. No: 223169

Place : Hyderabad
Date :14/08/2023

UDIN # 23223169BGVJTJ3049

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AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR HALF YEAR ENDED 30 SEPTEMBER 2023

(Amount in lakhs of ₹, unless otherwise stated)

Sl. No.	Particulars	Standalone						Consolidated					
		Quarter ended			Half Year Ended		Year ended	Quarter ended			Half Year Ended		Year ended
		30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited)	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)	31.03.2023 (Audited)	30.09.2023 (Unaudited)	30.06.2023 (Unaudited)	30.09.2022 (Unaudited)	30.09.2023 (Unaudited)	30.09.2022 (Unaudited)	31.03.2023 (Audited)
1	**Revenue**												
	(a) Revenue from operations	575.28	654.03	849.38	1,229.31	1,672.95	3,152.52	1,764.44	1,900.13	2,145.61	3,664.57	4,458.79	8,259.37
	(b) Other income	143.27	139.67	118.62	282.94	152.07	736.77	356.72	76.23	(390.12)	432.95	(2,388.83)	(211.08)
	Total income	**718.55**	**793.70**	**968.00**	**1,512.25**	**1,825.02**	**3,889.29**	**2,121.16**	**1,976.36**	**1,755.49**	**4,097.52**	**2,069.96**	**8,048.29**
2	**Expenses**												
	(a) Work In progress	-	-	-	-	-	-	-	-	-	-	-	-
	(b) Employee benefits expense	293.68	358.72	527.73	652.40	1,020.05	1,926.48	959.63	946.06	1,166.24	1,905.69	2,340.45	4,391.50
	(c) Finance costs	8.17	8.93	8.83	17.10	17.65	35.31	8.66	9.34	0.51	18.00	35.09	167.25
	(d) Depreciation and amortisation expense	53.66	43.10	38.35	96.76	76.18	156.68	53.66	43.10	38.36	96.76	76.18	181.88
	(e) Other expenses	126.49	114.42	106.23	240.91	197.01	586.20	722.17	669.07	779.79	1,391.24	1,523.48	3,037.00
	Total expenses	**482.00**	**525.17**	**681.14**	**1,007.17**	**1,310.89**	**2,704.67**	**1,744.12**	**1,667.57**	**1,984.90**	**3,411.69**	**3,975.20**	**7,777.63**
3	**Profit/(Loss) before Exceptional Itmms and Tax**	**236.55**	**268.53**	**286.86**	**505.08**	**514.13**	**1,184.62**	**377.04**	**308.79**	**(229.41)**	**685.83**	**(1,905.24)**	**270.66**
4	Exceptional Items	-	-	-	-	-	-	-	-	-	-	-	-
5	**Profit before tax (1-2)**	**236.55**	**268.53**	**286.86**	**505.08**	**514.13**	**1,184.62**	**377.04**	**308.79**	**(229.41)**	**685.83**	**(1,905.24)**	**270.66**
6	Tax expense												
	(a) Current tax	60.87	67.13	66.44	128.00	128.53	327.43	61.07	67.13	73.37	128.20	137.14	315.01
	(b) Earlier Year taxes	-	-	-	-	-	-	-	-	-	-	-	-
	(c) MAT Credit entitlement	-	-	-	-	-	-	-	-	-	-	-	-
	(d) Deferred tax expense	23.42	-	-	23.42	-	251.72	23.42	-	-	23.42	-	(52.33)
7	**Profit for the period/ year (3-4)**	**152.26**	**201.40**	**220.42**	**353.66**	**385.60**	**605.47**	**292.55**	**241.66**	**(302.78)**	**534.21**	**(2,042.38)**	**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
	(ii) Net gain on fair valuation of investments in equity instruments	(166.38)	-	70.55	(166.38)	70.55	68.81	(795.09)	547.40	70.55	(247.69)	70.55	(527.14)
	(iii) Gain on Exchange Fluctuation	89.34	(15.32)	313.18	74.02	677.00	760.19	89.34	(15.32)	313.18	74.02	677.00	760.19
	Income tax on above items	22.63	4.26	(106.76)	26.89	(207.97)	(233.76)	22.63	4.26	(106.76)	26.89	(207.97)	(233.76)
	(b) Items that will be reclassified to profit or loss	-	-	-	-	-		-	-	-	-	-	
	(i) Exchange differences in translating the financial statements of a foreign operation	-	-	-	-	-		34.86	-	50.63	34.86	153.51	(91.67)
	Total comprehensive income	**97.85**	**190.34**	**497.39**	**288.19**	**925.18**	**1,211.98**	**(355.71)**	**778.00**	**24.82**	**422.29**	**(1,349.29)**	**(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	1,723.65	1,517.77	1,517.77	1,517.77	1,723.65	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	1.03	1.36	1.31	2.40	2.29	4.10	1.98	1.64	(1.80)	3.62	(12.13)	0.05
	(b) Diluted	1.03	1.36	1.31	2.40	2.29	4.10	1.98	1.64	(1.80)	3.62	(12.13)	0.05

See accompanying notes to the financial results

SOFTSOL INDIA LIMITED ★ HYDERABAD ★

SOFTSOL INDIA LIMITED

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AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR HALF YEAR ENDED 30 SEPTEMBER 2023

Business Segments

Half Year Ended September 30 2023

(Amount in lakhs of ₹, unless otherwise stated)

Particulars	Standalone			Consolidated		
	IT/ITES	INFRA	Total	IT/ITES	INFRA	Total
Revenue from Operaions	562.04	667.27	**1,229.31**	2,997.30	667.27	**3,664.57**
Identifiable Operating Expenses	527.73	111.02	**652.40**	2,661.59	111.02	**2,772.61**
Allocated Expenses	57.00	67.67	**124.67**	57.00	67.67	**124.67**
Segmental Operating Income	(22.69)	488.58	**465.89**	278.71	488.58	**767.29**
Unallocable expenses	-	-	226.65	-	-	**496.39**
Other Income	129.36	153.58	**282.94**	279.36	153.58	**432.94**
Finance Costs	-	17.10	**17.10**	0.90	17.10	**18.00**
Reduction in the fair value of disposal group held for sale				-		
Profit before tax	106.67	625.06	**505.08**	557.17	625.06	685.84

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 November 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 Half year ended 30 September 2023 of Softsol Resources, Inc., and Covance Softsol Ltd Wholly owned Subsidiaries of the Company.

4 Figures of the previous period have been regrouped wherever considered necessary to conform to current period classification.

5 The Statutory Auditors have carried out Limited Review of the above Unaudited Financial Results for the Half year ended 30/09/2023 and their report was placed before the Board

Place: Hyderabad
Date: 14.11.2023

For Softsol India Limited

Bhaskara Rao Madala
Whole-time Director

For Softsol India Limited

Koteswara Rao Y
Chief Financial Officer

SOFT SOL INDIA LIMITED ★ HYDERABAD ★

Softsol India Limited

Statement of Assets and Liabilities as at 30th September 2023

(All amounts in Lakhs Rupees except as otherwise stated)

Particulars	Standalone		Consolidated	
	As at 30.09.2023	As at 31.03.2023	As at 30.09.2023	As at 31.03.2023
I ASSETS				
(1) Non-current assets				
Property, plant and equipment	1,124.45	1,020.39	1,141.12	1,033.56
Capital Work In Progress	13.76	1.44	13.77	1.44
Right of use Assets	-	-	-	-
Investment property	2,071.66	2,116.35	2,071.67	2,116.35
Other Intangible assets	-	0.04	53.05	50.65
Financial assets				
(i) Investments	1,761.93	1,760.93	-	-
(ii) Others	7,460.00	7,371.36	1,433.29	1,363.45
Non Current tax assets (net)	-	-	-	-
Deferred tax assets (Net)	-	-	356.35	352.71
Other non-current assets	-	-	-	-
Total Non-Current Assets	**12,431.80**	**12,270.52**	**5,069.25**	**4,918.16**
(2) Current assets				
Financial assets				
(i) Investments	2,097.03	1,914.95	10,772.24	10,156.08
(ii) Trade receivables	565.07	733.86	1,473.75	1,540.33
(iii) Cash and cash equivalents	278.27	586.01	414.82	1,511.38
(iv) Bank balances other than (iii) above	-	-	-	-
(v) Others	3.76	2.71	3.77	2.71
Other current assets	176.72	99.90	231.40	175.60
Total Current Assets	3,120.85	3,337.43	12,895.98	13,386.10
Total Assets	**15,552.65**	**15,607.95**	**17,965.23**	**18,304.26**
II EQUITY AND LIABILITIES				
(1) **Equity**				
Equity share capital	1,517.77	1,517.77	1,519.18	1,517.77
Other Equity	12,093.41	11,805.23	13,633.32	13,211.03
Equity Attributable to the Owners of the Company	13,611.18	13,323.00	15,152.50	14,728.80
Non-controlling interest	-	-	-	-
Total Equity	13,611.18	13,323.00	15,152.50	14,728.80
(2) LIABILITIES				
(a) Non-current liabilities				
Financial liabilities				
(i) Other financial liabilities	777.88	833.45	777.88	833.45
Provisions	627.34	573.18	627.34	573.18
Deferred Tax Liabilities	275.14	251.72	286.43	256.55
Total Non-Current Liabilities	1,680.36	1,658.35	1,691.65	1,663.18
(b) Current liabilities				
Financial liabilities				
(i) Lease Liabilities			-	-
(ii) Trade Payables	6.87	50.88	332.90	397.66
(iii) Other financial liabilities	240.53	248.08	774.47	1,186.98
Provisions	13.71	327.64	13.71	327.64
Current tax liabilities (net)	-	-	-	-
Total Current Liabilities	261.11	626.60	1,121.08	1,912.28
Total Equity and Liabilities	**15,552.65**	**15,607.95**	**17,965.23**	**18,304.26**

For Softsol India Limited

Bhaskara Rao Madala
Whole-time Director

For Softsol India Limite

Koteswara Rao Y
Chief Financial Officer

Date: 14.11.2023
Place: Hyderabad

SOFT SOL INDIA LIMITED ★ HYDERABAD ★

Softsol India Limited
Cash Flow Statement for the year half ended 30 Sept 2023
(All amounts in ₹ lakhs, except share data and where otherwise stated)

	For the year ended	
	30 Sept 2023	31 March 2023
Cash flow from operating activities		
Profit before tax	**505.08**	**1,184.63**
Adjustments:	-	-
Depreciation and amortisation expense	96.76	156.68
Realised exchange fluctuation gain from reserve	-	(292.19)
Interest income on fixed deposit	(222.65)	(366.54)
Finance cost - Ind AS	(0.68)	(6.53)
Provision/(reversal) for employee benefits	-	7.00
Gain on redemption of mutual funds	-	-
Unrealised gain on mark to market marking of mutual funds	(43.18)	(37.77)
Operating cash flows before working capital changes	**335.33**	**645.27**
(Increase)/decrease in trade receivables	168.79	(286.00)
Increase/(decrease) in trade payables	(44.01)	15.58
(Increase)/decrease in other current assets	(76.82)	(26.87)
(Increase)/decrease in other current financial assets	(1.05)	(1.19)
Increase in non-current financial assets	(14.62)	2,601.78
Decrease in other non-current financial liabilities	(54.89)	118.25
Increase/(decrease) in other current financial liabilities	(7.55)	22.58
Cash generated from operating activities	**305.18**	**3,089.38**
Income-taxes paid/(refund received), net	(46.95)	(282.10)
Net cash generated from operating activities (A)	**258.24**	**2,807.29**
		-
Cash flows from investing activities		-
Purchase of property, plant and equipment	(168.42)	(344.22)
Net Proceeds from (Investment in) mutual funds and venture capital funds	(306.28)	1,064.81
Movement in other bank balances	-	0.65
Interest income received	222.65	366.54
Net cash used in investing activities (B)	**(252.06)**	**1,087.79**
	-	-
Cash flows from financing activities	-	-
Buyback and taxes paid	(313.93)	(3,500.00)
Net cash used in financing activities (C)	**(313.93)**	**(3,500.00)**
	-	-
Net (decrease)/ increase in cash and cash equivalents during the year (A + I	**(307.74)**	**395.08**
Cash and cash equivalents at the beginning of the year	586.01	190.93
Cash and cash equivalents at the end of the year	**278.27**	**586.01**
		-
Cash and cash equivalents includes		-
Balances with banks in current accounts	277.74	585.58
Cash on hand	0.53	0.43
	278.27	**586.01**

SOFTSOL INDIA LIMITED ★ HYDERABAD ★

Softsol India Limited

Consolidated Cash Flow Statement for the year half ended 30 September 2023

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

	For the year ended	
	30 June 2023	**31 March 2023**
Cash flow from operating activities		
Profit before tax	**685.84**	**270.65**
Adjustments:	-	-
Depreciation and amortisation expense	96.76	181.88
Interest income on fixed deposit and others	(44.83)	(214.98)
Finance cost - Ind AS	-	(6.53)
Provision/(reversal) for employee benefits	-	7.00
Gain/(loss) on redemption of mutual funds	(327.82)	796.29
Unrealised gain on mark to market marking of mutual funds	(43.18)	(37.77)
Operating cash flows before working capital changes	**366.76**	**996.54**
(Increase)/decrease in trade receivables	66.58	(511.40)
Increase/(decrease) in trade payables	(64.76)	(265.01)
(Increase)/decrease in other current assets	(55.81)	(70.97)
Decrease/(Increase) in other current financial assets	(1.06)	(1.19)
(Increase)/Decrease in non-current financial assets	(69.84)	556.28
Increase/(Decrease) in other non-current financial liabilities	(55.57)	111.75
Decrease in Lease liabilities	-	-
Increase/(decrease) in other current financial liabilities	(126.05)	(44.95)
Cash generated from operating activities	**60.26**	**771.05**
Income-taxes paid	(47.16)	(368.26)
Net cash generated from operating activities (A)	**13.11**	**402.79**
	-	-
Cash flows from investing activities	-	-
Purchase of property, plant and equipment	(174.38)	(385.32)
Net Investment in mutual funds and venture capital funds	(492.85)	3,230.74
	-	-
Movement in other bank balances	-	0.65
Interest income received	44.83	214.98
Net cash used in investing activities (B)	**(622.39)**	**3,061.06**
	-	-
Cash flows from financing activities	-	-
Proceeds from short term Borrowings	(286.47)	(453.89)
Buyback of shares	(313.93)	(3,500.00)
Net cash used in financing activities (C)	**(600.39)**	**(3,953.89)**
	-	-
Net (decrease)/ increase in cash and cash equivalents during the year	**(1,209.68)**	**(490.04)**
Effect of Exchange rate changes on cash and cash equivalents	108.89	668.52
Cash and cash equivalents at the beginning of the year	1,511.38	1,332.90
Cash and cash equivalents at the end of the year	**410.58**	**1,511.38**
	-	-
Cash and cash equivalents includes	-	-
Balances with banks in current accounts	414.29	1,510.95
Cash on hand	0.53	0.43

SOFT SOL 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
Email : mail@pavuluriandco.com

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 and half year ended September 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
FRN : 012194S

N. Rajesh

CA.N.Rajesh
Partner
M.No : 223169

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

Place : Hyderabad
Date :14/11/2023

UDIN # 23223169BGVJYZ9361

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CHARTERED ACCOUNTANTS
Plot No.48, Flat No.301,
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Ph : 040-2970 2638 / 2639
Email : mail@pavuluriandco.com

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIMCONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OFSOFTSOL 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 and half year ended September 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 laiddown in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed underSection 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 basedon 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 informationconsists 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 inscope 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 expressan 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.

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 termsof 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
FRN : 012194S

N. Rajesh

CA.N.Rajesh
Partner
M.No : 223169
UDIN # 23223169BGVJZA8902

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

Date : 14/11/2023
Place : Hyderabad

SOFTSOL INDIA LIMITED

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

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UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2023

(Amount in lakhs of ₹, unless otherwise stated)

Sl. No.	Particulars	Standalone						Consolidated					
		Quarter ended			Nine Month Ended		Year ended	Quarter ended			Nine Month Ended		Year ended
		31.12.2023 (Unaudited)	30.09.2023 (Unaudited)	31.12.2022 (Unaudited)	31.12.2023 (Unaudited)	31.12.2022 (Unaudited)	31.03.2023 (Audited)	31.12.2023 (Unaudited)	30.09.2023 (Unaudited)	31.12.2022 (Unaudited)	31.12.2023 (Unaudited)	31.12.2022 (Unaudited)	31.03.2023 (Audited)
1	Revenue												
	(a) Revenue from operations	558.74	575.28	748.04	1,788.05	2,420.99	3,152.52	1,699.65	1,764.44	1,923.58	5,364.22	6,382.37	8,259.37
	(b) Other income	418.47	143.27	149.24	701.41	301.31	736.77	368.05	356.72	605.96	801.00	(1,782.87)	(211.08)
	Total income	977.21	718.55	897.28	2,489.46	2,722.30	3,889.29	2,067.70	2,121.16	2,529.54	6,165.22	4,599.50	8,048.29
2	Expenses												
	(a) Work In progress	-	-	-	-	-	-	-	-	-	-	-	-
	(b) Employee benefits expense	297.35	293.68	484.66	949.75	1,504.71	1,926.48	984.47	959.63	1,000.39	2,890.16	3,340.84	4,391.50
	(c) Finance costs	8.18	8.17	8.83	25.28	26.48	35.31	8.20	8.66	(7.79)	26.20	27.30	167.25
	(d) Depreciation and amortisation expense	54.45	53.66	39.06	151.21	115.24	156.68	54.45	53.66	39.05	151.21	115.23	181.88
	(e) Other expenses	92.41	126.49	128.29	333.32	325.30	586.20	626.58	722.17	744.65	2,017.82	2,268.13	3,037.00
	Total expenses	452.39	482.00	660.84	1,459.56	1,971.73	2,704.67	1,673.70	1,744.12	1,776.30	5,085.39	5,751.50	7,777.63
3	Profit/(Loss) before Exceptional Itmms and Tax	524.82	236.55	236.44	1,029.90	750.57	1,184.62	394.00	377.04	753.24	1,079.83	(1,152.00)	270.66
4	Exceptional Items	-	-	-		-	-	-	-	-	-	-	-
5	Profit before tax (1-2)	524.82	236.55	236.44	1,029.90	750.57	1,184.62	394.00	377.04	753.24	1,079.83	(1,152.00)	270.66
6	Tax expense												
	(a) Current tax	107.24	60.87	59.11	235.24	187.64	327.43	107.04	61.07	67.94	235.24	205.08	315.01
	(b) Earlier Year taxes	-	-	-	-	-	-	-	-	-	-	-	-
	(c) MAT Credit entitlement	-	-	-	-	-	-	-	-	-	-	-	-
	(d) Deferred tax expense	(8.14)	23.42	-	15.28		251.72	(8.14)	23.42	-	15.28	-	(52.33)
7	Profit for the period/ year (3-4)	425.72	152.26	177.33	779.38	562.93	605.47	295.10	292.55	685.30	829.31	(1,357.08)	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
	(ii) Net gain on fair valuation of investments in equity instruments	150.76	(166.38)	7.62	(15.62)	78.17	68.81	1,003.84	(795.09)	7.62	756.15	78.17	(527.14)
	(iii) Gain on Exchange Fluctuation	5.10	89.34	148.08	79.12	825.08	760.19	5.10	89.34	148.08	79.12	825.08	760.19
	Income tax on above items	(45.38)	22.63	(43.31)	(18.49)	(251.28)	(233.76)	(45.38)	22.63	(43.32)	(18.49)	(251.29)	(233.76)
	(b) Items that will be reclassified to profit or loss	-	-		-			-	-	-	-		
	(i) Exchange differences in translating the financial statements of a foreign operation	-	-	-	-			(40.02)	34.86	56.05	(5.16)	209.56	(91.67)
	Total comprehensive income	536.20	97.85	289.72	824.39	1,214.90	1,211.98	1,218.64	(355.71)	853.73	1,640.93	(495.56)	(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	1,723.65	1,517.77	1,517.77	1,517.77	1,723.65	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	3.63	1.03	1.05	5.58	3.34	4.10	8.25	(2.41)	5.78	11.11	(3.36)	0.05
	(b) Diluted	3.63	1.03	1.05	5.58	3.34	4.10	8.25	(2.41)	5.78	11.11	(3.36)	0.05

See accompanying notes to the financial results

For SOFTSOL INDIA LIMITED

Bhaskara Rao

BHASKARA RAO MADALA

Whole Time Director

For SOFTSOL INDIA LIMITED

Koteswara Rao Yerragopi

Chief Financial Officer

SOFTSOL INDIA LIMITED

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

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SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED ALONG WITH UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2023

(Amount in lakhs of ₹, unless otherwise stated)

Sl. No.	Particulars	Standalone						Consolidated					
		Quarter ended			Nine Month Ended		Year ended	Quarter ended			Nine Month Ended		Year ended
		31.12.2023 (Unaudited)	30.09.2023 (Unaudited)	31.12.2022 (Unaudited)	31.12.2023 (Unaudited)	31.12.2022 (Unaudited)	31.03.2023 (Audited)	31.12.2023 (Unaudited)	30.09.2023 (Unaudited)	31.12.2022 (Unaudited)	31.12.2023 (Unaudited)	31.12.2022 (Unaudited)	31.03.2023 (Audited)
	Segment wise Revenue and Results												
1	**Segment Revenue**												
	IT/ITES	216.61	235.62	490.02	778.65	1,595.70	1,989.02	1,357.52	1,424.78	1,665.56	4,354.82	5,557.08	7,095.86
	INFRA	324.13	339.66	258.02	1,009.40	825.29	1,163.50	342.13	339.66	258.02	1,009.40	825.29	1,163.50
	Unallocated												
	Total	540.74	575.28	748.04	1,788.05	2,420.99	3,152.52	1,699.65	1,764.44	1,923.58	5,364.22	6,382.37	8,259.36
	Less: Inter-segment revenues	-			-			-					
	Net Sales/ Income from operations	540.74	575.28	748.04	1,788.05	2,420.99	3,152.52	1,699.65	1,764.44	1,923.58	5,364.22	6,382.37	8,259.36
2	**Segement Results**												
	IT/ITES	(33.43)	(45.32)	88.22	(56.12)	389.52	223.82	(2.23)	(347.95)	154.21	276.48	673.39	136.47
	INFRA	238.53	275.84	46.87	727.12	201.45	798.67	238.54	275.84	24.34	727.12	100.01	798.67
	Unallocated	-	-	-	-	-	-	-	-	-	-	-	-
	Total	205.10	230.52	135.09	671.00	590.97	1,022.49	236.31	(72.11)	178.55	1,003.60	773.40	935.14
	Less: (i) Finance Cost	8.18	8.16	8.83	25.28	26.48	35.31	8.18	8.66	(7.79)	25.28	27.30	167.24
	(ii) Other Unallocable Expenditure net off un allocable income	327.90	14.20	110.18	384.19	186.08	197.44	165.87	389.56	(415.75)	101.52	(1,898.10)	(497.24)
	Total Profit Before Tax	**524.82**	**236.56**	**236.44**	**1,029.91**	**750.57**	**1,184.62**	**394.00**	**308.79**	**(229.41)**	**1,079.84**	**(1,152.00)**	**270.66**
3	**Segment Assets**												
	IT/ITES	2,034.62	2,201.34	2,400.39	2,034.62	2,400.39	2,204.11	1,483.29	1,706.45	1,796.18	1,483.29	1,796.18	2,899.44
	INFRA	3,596.18	3,790.52	4,520.20	3,596.18	4,520.20	3,633.08	3,596.18	3,790.52	4,520.20	3,596.18	4,520.20	3,633.08
	Unallocated	10,439.46	9,560.78	12,005.62	10,439.46	12,005.62	9,874.60	14,273.27	12,468.26	14,341.88	14,273.27	14,341.88	11,875.58
	Total	**16,070.26**	**15,552.64**	**18,926.21**	**16,070.26**	**18,926.21**	**15,711.79**	**19,352.74**	**17,965.23**	**20,658.26**	**19,352.74**	**20,658.26**	**18,408.10**
4	**Segment Liabilities**												
	IT/ITES	115.74	167.41	152.26	115.74	152.26	153.52	334.52	410.52	477.90	334.52	477.90	475.28
	INFRA	922.19	928.62	869.03	922.19	869.03	269.07	922.19	928.62	869.03	922.19	869.03	269.07
	Unallocated	884.95	845.44	489.43	884.95	489.43	1,638.35	1,680.91	1,473.59	1,213.51	1,680.91	1,213.51	2,607.10
	Total	**1,922.88**	**1,941.47**	**1,510.72**	**1,922.88**	**1,510.72**	**2,060.94**	**2,937.62**	**2,812.73**	**2,560.44**	**2,937.62**	**2,560.44**	**3,351.45**
5	**Capital Employed**												
	IT/ITES	1,918.88	2,033.94	2,248.13	1,918.88	2,248.13	2,050.59	1,148.77	1,295.00	1,318.27	1,148.77	1,318.27	2,424.16
	INFRA	2,673.98	2,861.90	3,651.16	2,673.98	3,651.16	3,364.01	2,673.98	2,861.00	3,651.16	2,673.98	3,651.16	3,364.01
	Unallocated	9,554.52	8,715.34	11,516.20	9,554.52	11,516.20	8,236.25	12,592.36	10,994.67	13,128.37	12,592.36	13,128.37	9,268.48
	Total	**14,147.38**	**13,611.18**	**17,415.49**	**14,147.38**	**17,415.49**	**13,650.85**	**16,415.11**	**15,150.67**	**18,097.80**	**16,415.11**	**18,097.80**	**15,056.65**

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 13 February 2024.
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 Nine Months ended 31 December 2023 of Softsol Resources, Inc., and Covance Softsol Ltd Wholly owned Subsidiaries of the Company.
4. Figures of the previous period have been regrouped wherever considered necessary to conform to current period classification.
5. The Board of Directors of the Company at their Meeting held on August 14, 2023 approved Scheme of Arrangement between Softsol India Limited ("the Demerged Company") and Covance Softsol Limited ("the Resulting Company") and their respective Shareholders and Creditors under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 involving demerger of Information Technology Division from the Demerged Company into the Resulting Company. The Appointed date set out in the Scheme is 1st April, 2023 or such other date as the Hon'ble National Company Law Tribunal ("NCLT") or any other competent authority may approve. The Company received the Observation Letter for the Scheme from BSE Limited on January 16, 2024 and the application for calling meetings of Shareholders & dispensing the meetings of creditors was filed before NCLT.
6. The Statutory Auditors have carried out Limited Review of the above Unaudited Financial Results for the Nine Months ended 31/12/2023 and their report was placed before the Board

Place: Hyderabad
Date: 13.02.2024

For Softsol India Limited

Bhaskara Rao Madala
Whole-time Director

For Softsol India Limited

Koteswara Rao Y
Chief Financial Officer

PAVULURI & Co.
CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIMCONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OFSOFTSOL 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 and nine months ended December 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.

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 laiddown in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed underSection 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 basedon 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 informationconsists 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 inscope 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 expressan 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.

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 termsof 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
FRN : 012194S

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

N. Rajesh

CA.N.Rajesh
Partner
M.No : 223169
UDIN # 24223169BKATAP9355

Date : 13/02/2024
Place : Hyderabad

Branches : Flat No : 301, Block C, Green City Towers, Green City Township, Near Apparel Export Park, **Visakhapatnam** - 530049.
D.No.54-20/7-1B, Plot No.10, Road No.2, Kanakadurga Gazzetted Officers colony, Gurunank Nagar, **Vijayawada**-520007. Ph: 0866-2545418

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

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 and nine months ended December 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.

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
FRN : 012194S

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

N. Rajesh

CA.N.Rajesh
Partner
M.No : 223169

Place : Hyderabad
Date : 13/02/2024

UDIN # 24223169BKATAO9512

COVANCE SOFTSOL LIMITED

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

T: +91 (40) 42568500, E:bhaskara.madala@softsol.com, URL: www.covance.ai, CIN: U62011TS2023PLC175979

UNAUDITED FINANCIAL RESULTS FOR QUARTER ENDED 31 DECEMBER 2023

(Amount in lakhs of ₹, unless otherwise stated)

Sl. No.	Particulars	Quarter ended 31.12.2023 (Unaudited)	Quarter ended 30.09.2023 (Unaudited)
1	**Revenue**		
	(a) Revenue from operations	-	-
	(b) Other income	-	-
	Total income	-	-
2	**Expenses**		
	(a) Work In progress	-	-
	(b) Employee benefits expense	-	-
	(c) Finance costs	-	-
	(d) Depreciation and amortisation expense	-	-
	(e) Other expenses	-	15.35
	Total expenses	**-**	**15.35**
3	**Profit/(Loss) before Exceptional Items and Tax (1 - 2)**	**-**	**(15.35)**
4	Exceptional Items	-	-
5	**Profit before tax (3 - 4)**	**-**	**(15.35)**
6	Tax expense		
	(a) Current tax	-	-
	(b) Earlier Year taxes	-	-
	(c) MAT Credit entitlement	-	-
	(d) Deferred tax expense	-	-
7	**Profit for the period/ year (5 - 6)**	**-**	**(15.35)**
8	**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	-	-
	(ii) Net gain on fair valuation of investments in equity instruments	-	-
	(iii) Gain on Exchange Fluctuation	-	-
	Income tax on above items	-	-
	(b) Items that will be reclassified to profit or loss		
	(i) Exchange differences in translating the financial statements of a foreign operation	-	-
	Total comprehensive income	**-**	**(15.35)**
9	Paid-up equity share capital (Face value of ₹10 per share)	1.00	1.00
10	Other equity		
11	Earnings per share (of ₹10 each) (In absolute ₹ terms)		
	(a) Basic	-	(15.35)
	(b) Diluted	-	(15.35)

NOTES:

1. The unaudited financial results were reviewed and approved by the Board of Directors of the Company at their meeting held on 13 February 2024.
2. The Board of Directors of the Company at their Meeting held on August 14, 2023 approved Scheme of Arrangement between Softsol India Limited ("the Demerged Company") and Covance Softsol Limited ("the Resulting Company") and their respective Shareholders and Creditors under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 involving demerger of Information Technology Division from the Demerged Company into the Resulting Company. The Appointed date set out in the Scheme is 1st April, 2023 or such other date as the Hon'ble National Company Law Tribunal ("NCLT") or any other competent authority may approve.the application for dispensing meetings of Shareholders creditors was filed before NCLT.

For Covance Softsol Limited

Bhaskara Rao Madala
Director

Place: Hyderabad
Date: 13.02.2024

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Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Demerged Company, its promoters, and directors

1. **Details of ongoing adjudication & recovery proceedings against the Demerged Company**

   a) **Income Tax**
   The details of statutory dues with respect of Income tax given bellow

   Status as on 31.03.2023 and 30.09.2023

Nature of Statue	Nature of Dues	Forum Where Disputes pending	Period to which the Amount relates	Amount In INR
The Income Tax Act 1961	Income Tax	Commissioner of Income Tax (Appeals)	Assessment Year 2018-19	3,35,544

   b) **Customs, excise duty, service tax and GST**

Nature of Statue	Nature of Dues	Forum Where Disputes pending	Period to which the Amount relates	Amount In INR
Finance Act,1994	Service Tax	CESTAT, Bangalore	FY from 2007-08 to 2011-12	618,962

2. **Details of Prosecutions Initiated and Other enforcement actions against the Demerged Company**
   There are no persecutions initiated and no other enforcement actions taken against the Demerged Company

3. **Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the promoters of the Demerged Company.**
   There are no ongoing adjudication / recovery proceedings / prosecution initiated / any enforcement action against the Promoters of the Demerged Company

4. **Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Directors of the Demerged Company.**
   There are no ongoing adjudication / recovery proceedings / prosecution initiated / any enforcement action against the Directors of the Demerged Company

For **Softsol India Limited**
Bhaskar Rao Madala
Bhaskar Rao Madala
Whole Time Director
DIN: 00474589
09/02/2024

SEI-CMMI LEVEL 3 Company

SoftSol India Limited
Registered Office : Plot No. 4, Software Units Layout, Madhapur,
Hyderabad - 500 081, Telangana, India. Tel : +91-40-42568500, Fax : +91-40-42568600,
Email:salesinfo@softsol.com, Website: www.softsol.com
CIN: L72200TG1990PLC011771

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September 28, 2023

To,
BSE Limited,
Department of Corporate Services,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

Script Code: 532344

Dear Sir / Ma'am,

Subject: Report on Complaints in terms of Part - I(A)(6) of the SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 June 20, 2023 ("SEBI Circular")

Reference: Application No. 184064 filed under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the proposed Scheme of Arrangement between M/s. SoftSol India Limited ("Company" or "Demerged Company") and M/s. Covance SoftSol Limited ("Resulting Company") and their respective Shareholders and Creditors ("Scheme")

This is in reference to the draft Scheme filed by the Company on September 01, 2023 and subsequent hosting of the said Scheme, along with other relevant documents, by BSE Limited on its website on September 06, 2023.

As per Part - I(A)(6) of the SEBI Circular, the Company is *inter-alia* required to submit a "Report on Complaints" containing the details of complaints received by the Company on the draft Scheme from various sources, within 7 days of expiry of 21 days from the date of uploading of the draft Scheme and related documents on the website of BSE Limited.

The Company has not received any complaints from its shareholders/creditors or any stakeholders with respect to the proposed Scheme till the closing of business hours of September 27, 2023 either directly or through BSE Limited or through the Securities and Exchange Board of India.

We attach herewith a "Report on Complaints" as **Annexure-I** to this letter. This Report on Complaints is also being uploaded on the website of the Company, i.e., www.softsolindia.com, as per requirement of the SEBI Circular.

We request you to take the above on record and treat the same as compliance under the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular.

Thanking you,

Yours faithfully,
For **SoftSol India Limited**

M. Nagaraju

SOFTSOL INDIA LIMITED HYDERABAD

Nagaraju Musinam
Company Secretary
M. No. 48209

Encl: As above

Annexure-I

Report on Complaints

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
Not Applicable			

For **SoftSol India Limited**

M. Nagaraju

Nagaraju Musinam
Company Secretary
M. No. 48209

SOFTSOL INDIA LIMITED * HYDERABAD *

Hyderabad, September 28, 2023

Disclosure Document
Information pertaining to Covance SoftSol Limited

This disclosure document contains salient features in respect of the demerger of Software Division of SoftSol India Limited into Covance SoftSol Limited on a going concern basis pursuant to a Scheme of Arrangement ("Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") and the rules made thereunder. This disclosure document has been prepared in connection with the Scheme to comply with the requirements of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with the SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dt. June 20, 2023 as amended from time to time, issued by Securities and Exchange Board of India ("SEBI Circular") and is in accordance with the disclosure required to be made in the Abridged Prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, to the extent applicable. You are also encouraged to read the greater details available in the Scheme.
THIS DISCLOSURE DOCUMENT CONTAINS 6 (SIX) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.
This Disclosure Document is also available on the website of BSE Limited ("BSE") i.e. www.bseindia.com and SoftSol India Limited i.e. www.softsolindia.com. Nothing in this Disclosure Document constitutes an offer or an invitation by or on behalf of either the Covance SoftSol Limited or SoftSol India Limited to subscribe for or purchase any of the securities of the Company.

(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)

COVANCE SOFTSOL LIMITED
Corporate Identification Number: U62011TS2023PLC175979;
Date of Incorporation: August 11, 2023
Registered Office: Plot No. 4, Info City, Madhapur, Hyderabad, Telangana – 500032, India
Corporate Office: Same as Registered Office
Contact Person: Bhaskar Rao Madala, Director
Tel. No.: +919959021287; Fax No.: +919959021287
E-mail: cs@covance.ai | Website: www.covance.ai

NAME OF PROMOTERS OF COVANCE SOFTSOL LIMITED
As on the date of this Disclosure Document, Covance SoftSol Limited is a wholly owned subsidiary of SoftSol India Limited and SoftSol India Limited is the Promoter of Covance SoftSol Limited.

ISSUE DETAILS
As the proposed issue of equity shares by the Resulting Company is only to the shareholders of the Demerged Company in pursuance to the Scheme, details of initial public offering, price band, minimum bid lot size indicative timetable are not applicable.

DETAILS OF THE SCHEME
The Board of Directors of Covance SoftSol Limited at their meeting held on August 14, 2023 approved a draft Scheme of Arrangement under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, including rules made thereunder, relevant provisions of the Income Tax Act, 1961 and any other applicable

SOFTSOL INDIA LIMITED
HYDERABAD

laws, rules, circulars and regulations (including in each case any amendment(s), statutory modification(s) or re-enactment(s) for the time being in force) SoftSol India Limited ("SIL" or "Demerged Company") and Covance SoftSol Limited ("Company" or "CSL" or "Resulting Company") and their respective Shareholders and Creditors for demerger of the software division ("Demerged Undertaking") of the Demerged Company, and vesting of the same into the Resulting Company.

The Scheme *inter alia* provides for the following:

(i) demerger, transfer and vesting of the Demerged Undertaking (as set out in the Scheme) from the Demerged Company into the Resulting Company on a going concern basis, and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company (as set out in the Scheme) pursuant to Sections 230 to 232 and other relevant provisions of the Act in the manner provided for in the Scheme and in compliance with Section 2(19AA) of Income Tax Act, 1961;

(ii) reduction and cancellation of the entire pre-scheme share capital of the Resulting Company; and

(iii) various other matters consequential or otherwise integrally connected therewith.

Rational of the Scheme:

The demerger, transfer and vesting of the Demerged Undertaking into the Resulting Company pursuant to this Scheme shall be in the interest of all concerned stakeholders including shareholders, customers, creditors, employees and general public, in the following ways:

(i) At present, the Demerged Company has two distinct categories of assets and operations – (a) IT and software technology related business, and (b) Tangible assets and holdings including income generating real estate and investments. Both the businesses of the Company address different market segments with unique opportunities and dynamics in terms of business strategy, customer set, geographic focus, competition, capabilities set, talent needs and distinct capital requirements. The transfer of the Demerged Undertaking into the Resulting Company will enable each business to sharpen their focus and organize their activities and resources to improve their offerings to their respective customers. This would help to improve their competitiveness, operational efficiency, agility and strengthen their position in relevant markets resulting in more sustainable growth and competitive advantage.

(ii) The Demerger will enable dedicated management focus, resources and skill set allocation to each business, enhance business operations by streamlining operations more efficient management control and outlining independent growth strategies.

(iii) Further, as the two businesses have separate growth trajectories, risk profile and capital requirement, the segregation of the Demerged Undertaking and the Infrastructure Business will enable independent value discovery and lead to unlocking of economic value for each business and result in shareholder value maximization.

The Scheme is in the interests of all stakeholders of the Demerged Company and the Resulting Company.

Consideration under the Scheme:

The consideration for the demerger of the Demerged Undertaking shall be the issue of equity shares by the Resulting Company to the equity shareholders of the Demerged Company in the following manner:

> *"For every 1 (one) equity share of the Demerged Company of face value of INR 10 each held in the Demerged Company, every equity shareholder of the Demerged Company, shall without any application, act or deed, be entitled to receive 1 (one) equity share of face value INR 10 each of the Resulting Company, credited as fully paid up on the same terms and conditions of issue as prevalent in the Demerged Company".*

LISTING OF EQUITY SHARES

The Resulting Company shall apply for listing of its Equity Shares on BSE Limited in terms of and in compliance of SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and other relevant provisions as applicable.

SOFTSOL INDIA LIMITED ★ HYDERABAD ★

PROCEDURE

The procedure with respect to the public issue/offer will not be applicable as the proposed issue of equity shares by the Resulting Company is only to the shareholders of the Demerged Company. Hence, the process and procedure with respect to General Information Document and Bid are not applicable.

ELIGIBILITY OF THE ISSUE

Since the equity shares be allotted pursuant to the Scheme, eligibility conditions under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 are not applicable.
Pursuant to the Scheme, persons who are shareholders of the Demerged Company as on the Record Date (as specified in the Scheme) shall be eligible to receive equity shares of the Resulting Company.

INDICATE TIMETABLE

This Disclosure Document in the format specified for abridged prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, contains information pertaining to the Resulting Company involved in the Scheme. This information is provided pursuant to the Scheme, and is not an offer of shares to the public. The Scheme requires approvals from various regulatory authorities and hence the indicative timetable cannot be framed.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking any decision in relation to the scheme. For taking any decision, investors must rely on their own examination of the company and the scheme including the risk involved. Specific attention of the investors is invited to the section titled "Risk Factors" on page 5 of this Disclosure Document.

PRICE INFORMATION OF BRLM's

Not Applicable

MERCHANT BANKER

Akasam Consulting Private Limited (SEBI Reg. No.MBiINM00001 1658)
Registered Office: Akasam'10-1-17/1/1, Level 3 & 4,Masab Tank, Hyderabad - 500 004
Tel: +91-40-66444955 || Mob: +91-9949695940
E-Mail ID: info@akasamconsulting.com || Website: www.akasamconsulting.com

STATUTORY AUDITOR

M/s. Pavuluri & Co.,Chartered Accountants,
Plot No-48, Flat No-301, 3rd Floor, Micasa, Phase-I,Kavuri Hills, Hyderabad – 500033, Telangana, India
Phone: 040-2970 2638/2639/2640 || E-Mail ID: mail@pavuluriandco.com

PROMOTER OF COVANCE SOFTSOL LIMITED

SoftSol India Limited (SIL) is a public limited company incorporated under the Companies Act, 1956 on September 20, 1990. The registered office of SIL is situated at Plot No.4, Infocity, Madhapur, Hyderabad-500032, Telangana, India. The shares of SIL are, at present, listed on BSE Limited. SIL is engaged in the business of information andtechnology services and infrastructural facilities including leasing of properties or spaces. As on the date of this Disclosure Document, SIL holds 100% shareholding in the Company.

BUSINESS MODEL / BUSINESS OVERVIEW AND STRATEGY

Covance SoftSol Limited (CSL) was incorporated under the Companies Act, 2013 on August 11, 2023. The registered office of CSL is situated at Plot No.4, Infocity, Madhapur, Hyderabad-500032, Telangana, India. As on the date of this Disclosure Document, CSL is a wholly-owned subsidiary of SIL. The shares of CSL are not listed on any of the stock exchanges. CSL was incorporated with the main objects of providing information and technology services. As CSL was incorporated on August 11, 2023, CSL has not conducted any business operations as on the date of this Disclosure Document.

SOFTSOL INDIA LIMITED ★ HYDERABAD ★

BOARD OF DIRECTORS

Sr. No.	Name	Designation (Independent / Whole-time / Executive / Nominee)	Experience including current / past position held in other firms
1	Mr. Bhaskar Rao Madala	Executive Director	He is a science graduate. He has rich experience in dealing with the matters related to accounts, finance, secretarial, legal, infrastructure development and human resources. He has been holding the position of Whole-time Director in a listed Company and having expertise in maintenance of departments of an organisation. Other Directorships: Present: Softsol India Limited Softsol Global Technologies Private Limited Past: Tierra Infra Private Limited
2	Mr. Subbiah Srinivasan Battina	Independent Director	He is Commerce Graduate and a Fellow Member of Institute of Chartered Accountants of India and presently he is a practicing Chartered Accountant. He has rich experience and expertise in accounts, financial matters, Income Tax, GST and other taxation laws. He is also associated with a number of Charitable Institutions, an adviser and as trustee. Other Directorships: Present: Veljan Denison Limited Softsol India Limited Formatrics I.T. Solutions (India) Private Limited Past: Nil
3	Mrs. Naga Padma Valli Kilari	Independent Director	She is a Qualified Computer Science Graduate, holding Bachelor of Engineering (IT) and also an entrepreneur in Interior Decoration Business. She has vast experience and expertise in industry specific technical matters. Other Directorships: Present: Softsol India Limited Past: Nil

OBJECTS OF THE ISSUE

The Board of Directors of CSL approved the Scheme of Arrangement under Sections 230-232 of the Companies Act, 2013, for the demerger of the software division (the "Demerged Undertaking") of SIL, transfer and vesting of the same into CSL. In consideration, CSL will issue and allot shares of the CSL to the shareholders of SIL as on Record Date in the manner that for every one equity share of SIL of face value of Rs.10/- each held in SIL, every equity shareholder of SIL, shall without any application, act or deed, be entitled to receive one equity share of face value Rs.10/- each of CSL, credited as fully paid up on the same terms and conditions of issue as prevalent in CSL.

Rational of the Scheme:

(i) At present, the Demerged Company has two distinct categories of assets and operations – (a) IT and software technology related business, and (b) Tangible assets and holdings including income generating real estate and investments. Both the businesses of the Company address different market segments with unique opportunities and dynamics in terms of business strategy, customer set, geographic focus, competition, capabilities set, talent needs and distinct capital requirements. The transfer of the Demerged Undertaking into the Resulting Company will enable each business to sharpen their focus and organize their activities and resources to improve their offerings to their respective customers. This would help to improve their competitiveness, operational efficiency, agility and strengthen their position in relevant markets resulting in more sustainable growth and competitive advantage.

SOFTSOL INDIA LIMITED ★ HYDERABAD ★

(ii) The Demerger will enable dedicated management focus, resources and skill set allocation to each business, enhance business operations by streamlining operations more efficient management control and outlining independent growth strategies.

(iii) Further, as the two businesses have separate growth trajectories, risk profile and capital requirement, the segregation of the Demerged Undertaking and the Infrastructure Business will enable independent value discovery and lead to unlocking of economic value for each business and result in shareholder value maximization.

The Scheme is in the interests of all stakeholders of the Demerged Company and the Resulting Company.

Details of means of finance: Not Applicable

Details of reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issue/rights issue, if any, of the Company in the preceding 10 years: Not Applicable

Name of monitoring agency, if any: Not Applicable

Terms of issuance of convertible security, if any: Not Applicable

Shareholding Pattern:

Sr. No.	Particulars	Pre-Scheme Number of Shares	% of holding Pre- Scheme
1.	Promoter & Promoter Group	10,000	100%
2.	Public	0	0%
	Total	10,000	100%

SIL, the Promoter holds entire shareholding along with its 6 Nominee shareholders holding one equity share each.

Number / amount of equity shares proposed to be sold by selling shareholders, if any: Not Applicable

RESTATED AUDITED FINANCIALS

CSL is a newly incorporated company, incorporated on August 11, 2023 and the financials of CSL are not available. In view of this, the requirement of information under this heading is not applicable.

INTERNAL RISK FACTORS

a. CSL has been recently incorporated with the objectives of providing information and technology services. As of the date, CSL does not carry any business activity. Once operational, CSL may be exposed to below risks:
   i. Any failure, inadequacy and security breach in our computer systems and servers may adversely affect the business.
   ii. Any disruption in our sources of funding could adversely affect our liquidity and financial condition.
   iii. We depend on the services of our management team and employees, our inability to recruit and retain which may adversely affect the business.

b. The completion of implementation of the Scheme is subject to receipt of various approvals, including approval from shareholders and creditors of CSL and SIL, regulatory authorities and the National Company Law Tribunal. In the event that these approvals are not received, SIL may not be able to transfer of the Demerged Undertaking to CSL, which will result in its inability to complete the Scheme and which will adversely affect business of CSL.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the Company and amount involved:
Nil

B. Brief details of top 5 material outstanding litigations against the Company and amount involved:
Not Applicable

C. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the promoters in last 5 financial years including outstanding action, if any:
None

SOFTSOL INDIA LIMITED HYDERABAD

D. Brief details of outstanding criminal proceedings against Promoters:
None

ANY OTHER IMPORTANT INFORMATION
The Scheme was approved by the Board of Directors of CSL and SIL at their respective meetings held on 14.08.2023. The same is subject to the statutory ad regulatory approvals including BSE Limited, Shareholders, National Company Law Tribunal and other relevant authorities as required. The Scheme should be referred to for detailed information.

DECLARATION
We hereby declare that all the relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Scheme is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this Disclosure Document are true and correct.

For **Covance SoftSol Limited**

COVANCE SOFTSOL LIMITED
Hyderabad

Bhaskar Rao Madala
Director
DIN: 00474589

Date: 14.08.2023
Place: Hyderabad

SOFTSOL INDIA LIMITED
HYDERABAD

akasam®

To
The Board of Directors,
M/s. Softsol India Limited,
Plot No. 4, Infocity, Madhapur,
Hyderabad - 500032, Telangana.

And

The Board of Directors,
M/s. Covance SoftSol Limited,
Plot No. 4, Infocity, Madhapur,
Hyderabad - 500032, Telangana, India.

Dear Sir / Madam,

Subject: Certificate on accuracy and adequacy of disclosure of information of Covance SoftSol Limited pertaining in the format specified for abridged prospectus

We, M/s. **akasam consulting private limited**, Category-I SEBI Registered Merchant Banker (Registration No.**MB/INM000011658**) have been appointed by M/s. Softsol India Limited ("Demerged Company") having its registered office at Plot No. 4, Infocity, Madhapur, Hyderabad - 500032, Telangana, India, for the purpose of certifying the adequacy and accuracy of disclosure of information ("Disclosure Document") provided in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, in connection with the proposed 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.

Brief about Covance SoftSol Limited
Covance SoftSol Limited (Resulting Company) is a newly incorporated company, incorporated on 11.08.2023 under the provisions of the Companies Act, 2013 having its registered office at Plot No. 4, Infocity, Madhapur, Hyderabad - 500032, Telangana, India.

Share Capital Structure:

Authorised Share Capital	Rs.15,00,00,000 divided into 1,50,00,000 equity shares of Rs.10 each.
Issued, Subscribed and Paid-up Share Capital	Rs.1,00,000 divided into 10,000 equity shares of Rs.10 each (Fully Paid-up).

None of the securities of the Resulting Company are listed on any Stock Exchange. The Resulting Company is a wholly-owned subsidiary of the Demerged Company.

Scope and Purpose of the *Certificate*:
SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Circular") inter alia prescribed that the listed entity ('SoftSol India Limited' for the purpose of this certificate) shall include the applicable information pertaining to the unlisted entity involved in the Scheme ('Covance SoftSol Limited' for the purpose of this certificate), in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. SEBI Circular further prescribes that the accuracy and adequacy of such disclosures shall be certified by a SEB Registered Merchant Banker after following the due diligence process. This certificate is being issued in compliance of above-mentioned requirement under the SEBI Circular.

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CIN No. U74140TG2000PTC035024

SOFTSOL INDIA LIMITED HYDERABAD

This certificate is restricted to meet the above-mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

Certification:
We state and confirm as follows:

We have examined all the relevant documents which are material in connection with the preparation of the Disclosure Document. And on the basis of our examination and the discussions with the Board of Directors and other employees of the Resulting Company, and independent verification of the Scheme and other relevant documents of the Demerged Company, we certify that:

- the disclosures made in the Disclosure Document are accurate and adequate to enable the investors to make a well-informed decision as to the proposed Scheme and such disclosures are in accordance with the requirements of Part-I(3)(a) of the SEBI Circular read with Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Note: We express no opinion whatsoever and make no recommendations at all as to whether shareholders / investors to buy, sell or hold any stake in the Demerged Company or the Resulting Company. And accordingly take no responsibility.

For **akasam consulting private limited**
SEBI Regd. CAT-I Merchant Banker (Reg. No. MB / INM000011658)

akasam consulting private limited Hyderabad

M. P. Naidu

[Name] M P Naidu
[Designation] Vice President & Compliance Officer

Place: Hyderabad
Date: 14.08.2023

SOFTSOL INDIA LIMITED HYDERABAD

(Amounts in Rs. Lakhs)

FY 2022-23

Particulars	Softsol India Limited		Covance Softsol Limited	
	Balances Pre-Demerger	Balances Post-Demerger	Balances Pre-Demerger	Balances Post-Demerger
ASSETS:				
Non-Current Assets				
(a) Property,Plant and Equipment	1,020.40	1,014.39	-	6.01
(b) Capital Work In Progress	1.44	1.44	-	-
(c) Investment Property	2,116.35	2,116.35	-	-
(d) Other intangible assets	0.04	-0.00	-	0.04
(e) Financial assets				
(i) Investments	1,760.93	-	-	1,760.93
(ii) Other financial assets				
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	-0.00	-	7,276.62
Inter Divisional Balance		7,276.62		
(f) Non-current tax assets (net)	-		-	
Total non-current assets-A	**12,270.52**	**10,503.54**	**0.00**	**9,043.60**
Current assets				
(a) Financial Assets				
(i) Investments	1,914.95	71.59	-	1,843.36
(ii) Trade receivables	733.86	315.15	-	418.71
(iii) Cash and cash equivalents	586.01	184.81	1.00	401.20
(iv) Bank balances other than (iii) above	0.00	-	-	-
(v) Other financial assets	2.71	2.71	-	-
(b) Other current assets				
Advance for expenses	3.39	3.39	-	-
Prepaid expenses	18.9	7.39	-	11.51
Balance with Revenue Authorities	77.61	77.61	-	
Total current assets-B	**3,337.43**	**662.65**	**1.00**	**2,674.78**
TOTAL ASSETS -(A+B)	**15,607.95**	**11,166.19**	**1.00**	**11,718.38**
EQUITY AND LIABILITIES:				
Equity				
(a) Equity share capital	1,517.77	1,517.77	1.00	1,476.37
(b) Other equity	11,805.22	7,708.90	-	2,619.95
Total equity -A	**13,322.99**	**9,226.67**	**1.00**	**4,096.32**
Inter Division balance (Asset)/ Liability- B	**0.00**			7,276.62
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Other financial liabilities				
Security deposits	663.58	663.58	-	-
Accrued Rent	169.86	169.86	-	-
(b) Provisions				
Gratuity	57.92	-	-	57.92
Compensated absences	5.98	-	-	5.98
Income tax	509.28	313.81	-	195.47
(c) Deferreed Tax Liabilities (net)	251.72	251.72		

SOFTSOL INDIA LIMITED HYDERABAD

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

CA. N. Rajesh
Partner
M.No.223169

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

06/11/2023

Total non-current liabilities-C	**1,658.34**	**1,398.97**	**0.00**	**259.37**
Current Liabilities				
(a) Financial Liabilities				
(i) Trade payables	50.88	44.29	-	6.59
(ii) Other Financial Liabilities		-	-	
Accrued expenses	49.99	27.66	-	22.33
Capital creditors	14.56	14.56	-	
Others	183.53	140.08	-	43.45
(b) Provisions				
Gratuity	11.29	0.02	-	11.27
Compensated absences	2.44	-	-	2.44
Buyback Income tax	313.93	313.93	-	
Total current Liabilities-D	**626.62**	**540.55**	**0**	**86.07**
TOTAL LIABILITIES(B+C+D)	**2,284.96**	**1,939.52**	**0.00**	**7,622.06**
Net Worth	**13,322.99**	**9,226.67**	**1.00**	**4,096.32**

Revenue	**3,152.52**	**1,163.50**	**-**	**1,989.02**

The Details of assets, Liability, Revenue and net worth of the companies involves in the sacheme both pre and post scheme of arrangement as follows

SIL

(Rs. In Lakhs)

Particulars	Pre demerger	Post demetger
Total Assets	15,607.95	11,166.19
Total Liabilities	2,284.96	1,939.52
Net worth	13,322.99	9,226.67
Revenue (Turonver)	3,152.52	1,163.50

CSL

(Rs. In Lakhs)

Particulars	Pre demerger	Post demetger
Total Assets	1.00	11,718.38
Total Liabilities	0.00	7,622.06
Net worth	1.00	4,096.32
Revenue (Turonver)	-	1,989.02

The Details of assets, liabilities, revenue and networth of the demerged undertaking, post demeger duly certified by company secretary As follows.

(Rs. In Lakhs)

Particulars	
Total Assets	11,718.38
Total Liabilities	7,622.06
Net worth	4,096.32
Revenue (Turonver)	1,989.02

SOFTSOL INDIA LIMITED
HYDERABAD

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

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

CA. N. Rajesh
Partner
M.No.223169

06/11/2023