SoftSol®

28th September 2019

The Manager
The Department of Corporate Services
The Bombay Stock Exchange Limited
25th Floor, P. J. Towers
Dalal Street, Mumbai-400 001

Dear Sirs,

Sub: 29th Annual Report for the year 2019

Ref: Code: 532344 - SOFTSOL INDIA LIMITED

Pursuant to Regulation 34(1) and other applicable of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find herewith filing 29th Annual Report of the Company for the year 2019 (for Audited Financial Statements as at 31/03/2019).

Please place the same on the website, trading screen and other places of public viewing.

Thanking you,

Yours faithfully,
For SoftSol India Limited

Bhaskara Rao Madala
Whole time Director

Encl. as above.

SoftSol India Limited

29th Annual Report 2018-19

SoftSol India Limited

Board of Directors	Mr. Srinivasa Rao Madala	Chairman
	Mr. Bhaskara Rao Madala	Whole time Director
	Dr. T. Hanuman Chowdary	Independent Director
	Mr. B.S. Srinivasan	Independent Director
	Mrs. Neelima Thota	Independent Director
	Mr. P. Venkatramaiah (Resigned effective 10th July 2018)	Independent Director
Chief Financial Officer	Mr. Srinivas Mandava	
Company Secretary	Mr. B. Laxman (ACS-20625)	
Statutory Auditors	M/s. Pavuluri & Co. Chartered Accountants, Hyderabad.	
Internal Auditors	M/s. Balarami & Nagarjuna, Chartered Accountants, Hyderabad.	
Bankers	Axis Bank Limited, Begumpet, Hyderabad. Axis Bank Limited, Madhapur, Hyderabad. Axis Bank Limited, Dwarakanagar, Visakhapatnam. State Bank of India, Madhapur, Hyderabad.	
Registered Office	Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081. Telephone: +91 (40) 42568500 Facsimile: + 91 (40) 42568600 E-mail: cs@softsol.com Website: www.softsolindia.com	
Registrars & Share Transfer Agent	M/s. Karvy Fintech Private Limited, Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 008, Telangana Phone: 040 - 67161519, Contact : Mr. Shastry M.V.N Emails: shastry.mvn@karvy.com, ramesh.desai@karvy.com	

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Notice of the 29th Annual General Meeting

Notice is hereby given that the Twenty Ninth Annual General Meeting of the members of SoftSol India Limited (CIN: L7220TG1990PLC011771) will be held on Monday, the 30th day of September, 2019 at 10.00 a.m., at the registered office of the Company situated at Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081, Telangana to transact the following business:

1. To receive and adopt the Audited Financial Statements of the Company (both standalone and consolidated basis) for the year ended March 31, 2019 and together with the Report of the Directors including Annexures and the Auditors thereon.

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

   "RESOLVED THAT, pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, appointment of M/s. PAVULURI & CO., Chartered Accountants, Hyderabad (FRN: 012194S) be and are hereby ratified to hold the office from the conclusion of this Annual General Meeting until the conclusion of the 30th Annual General Meeting of the Company to be held in the year 2020 and Board of Directors be and hereby authorised to fix the remuneration of Auditors."

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

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

   "RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 14th August 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and read with SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of DR. T. HANUMAN CHOWDARY(DIN: 00107006) as an Independent Director of the Company, Age - 88 years whose current period of office expires at the conclusion of this Annual General Meeting and who has submitted a declaration confirming that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and the Rules made there under and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company with effect from the conclusion of this Meeting up to the conclusion of the Company's 34th Annual General Meeting in the calendar year 2024."

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

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

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

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 14th August 2019 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and read with SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of SRI. B. S. SRINIVASAN (DIN: 00482513) as an Independent Director of the Company, Age - 75 years whose current period of office expires at the conclusion of this Annual General Meeting and who has submitted a declaration confirming that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and the Rules made there under and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company with effect from the conclusion of this Meeting up to the conclusion of the Company’s 34th Annual General Meeting in the calendar year 2024.”

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

5. To consider and if thought fit to pass with or without modifications(s), the following resolution an Ordinary resolution.

APPOINTMENT OF SMT. NAGA PADMA VALLI KILARI (DIN: 08466714) AS INDEPENDENT DIRECTOR FOR A FIRST TERM OF 5 YEARS.

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 14th August 2019 and pursuant to the provisions of Sections 161(1), 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and read with SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), SMT. NAGA PADMA VALLI KILARI (DIN: 08466714), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 14th August 2019 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires, as an Additional Director, at the Annual General Meeting, approval of the Company be and is hereby accorded to the appointment as an Independent Director of the Company, who has submitted a declaration confirming that he meets the criteria of Independence under Section 149(6) of the Companies Act, 2013 as amended from time to time, and who is eligible for appointment as Independent Director (Woman Director) under the provisions of the Companies Act, 2013 and the Rules made there under and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company with effect from the conclusion of this Meeting up to the conclusion of the Company’s 34th Annual General Meeting in the calendar year 2024.”

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

On behalf of the Board of Directors

Bhaskara Rao Madala (DIN: 00474589)
Whole time Director

Place: Hyderabad
Date: 14-08-2019

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

Notes:

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

2) Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

3) Brief resume of Directors /persons proposed to be appointed /reappointed as stipulated under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India is provided in the explanatory Statement to this Notice.

4) All documents referred to in the Notice are available for inspection at the Registered Office of the Company during office hours on all days except Saturdays, Sundays and public holidays up to the date of the Annual General Meeting.

5) The Attendance slip and proxy form and the instructions for e-voting are annexed hereto. The route map to the venue of the Annual General Meeting is attached and forms part of the Notice.

6) Members/ proxies/ authorized representatives should: Bring their duly filled in Attendance Slips, as enclosed, for easy identification of attendance at the Annual General Meeting and Bring their copies of the Annual Report to the Meeting.

7) The Register of Members and the Share Transfer Books of the company will be closed from 24 September 2019 to 30 September 2019 (both days inclusive) in connection with the AGM.

8) The Company is registered with National Securities Depository Ltd. (‘NSDL’), and Central Depository Services (India) Ltd. (‘CDSL’), for dematerialization of its Equity Shares which has been allotted the ISIN INE002B01016.

9) M/s. KARVY FINTECH PRIVATE LIMITED (As per the Order of Hon'ble NCLT, Hyderabad Bench, the operations of Karvy Computershare Private Limited has been transferred to KARVY FINTECH PRIVATE LIMITED), Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 008, Telangana is the Registrar and Share Transfer Agent (RTA) for the physical shares of the Company and also the depository interface of the Company with both NSDL and CDSL. Share Transfer documents and all correspondence relating thereto, should be addressed to the RTA.

10) Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.

11) SEBI has made it mandatory for every participant in the securities/capital market to furnish details of Income Tax Permanent Account Number (PAN). Accordingly, all members holding shares in physical form are requested to submit their details of PAN, along with a photocopy of the PAN Card, to the R&T agents of the Company. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, Members are hereby requested to update their PAN and Bank details with the Registrar and Share Transfer Agent.

12) SEBI has decided that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a Depository. This measure has come into effect from April 01, 2019. Notices have been issued to all Shareholders holding Shares in physical mode informing them that as per revised regulation 40 of the SEBI (LODR) Regulations, 2015, shares will no longer be transferred in physical mode. Shareholders are therefore requested to dematerialize their existing shares in physical form. In this regard SEBI has also clarified as follows:

a) The above decision does not prohibit the investor from holding the shares in physical form; investor has the option of holding shares in physical form even after April 01, 2019.
b) Any investor who is desirous of transferring shares (which are held in physical form) after April 01, 2019 can do so only after the shares are dematerialized.
c) The transfer deed(s) once lodged prior to deadline and returned due to deficiency in the document may be re-lodged for transfer even after the deadline of April 01, 2019.

13) The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively), has undertaken a "Green Initiative in Corporate Governance" and allowed companies to share documents with its members in the electronic mode. Regulation 36 of SEBI (LODR) Regulations, 2015 also permits companies to send soft copies of the Annual Report to all those shareholders who have registered their e-mail address for the said purpose. Members are requested to support this green initiative by registering/ updating their e-mail addresses for receiving electronic communications.

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

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

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

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

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

iii. After entering these details appropriately, click on "LOGIN".

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

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Name of the Company"

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

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email vbmraoassociates@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format " Corporate Name_Event No."

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

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

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

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

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

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

c) The remote e-voting period commences on 27th September 2019 (10.00 A.M. IST) and ends on 29th September 2019 (5.00 P.M .IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September 2019, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

d) The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. 23rd September 2019.

e) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., 23rd September 2019, he/she may obtain the User ID and Password in the manner as mentioned below :

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

Example for NSDL:
MYEPWD <SPACE> IN12345612345678
Example for CDSL:

MYEPWD <SPACE> 1402345612345678
Example for Physical:
MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.karvy.com, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
iii. Member may call Karvy's toll free number 1800-3454-001.
iv. Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.

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

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

Item Nos. 3 and 4:

In accordance with Section 149(10) and (11) of the Companies Act, 2013, an Independent Director shall hold office for a term up to five years on the Board of the Company, but shall be eligible for re-appointment of second term of five years on passing of a special resolution by the Company and disclosure of such re-appointment in the Boards' Report. Special Resolution of Shareholders is required if the proposed Independent Directors age exceeds 75 years. DR. T. HANUMAN CHOWDARY(DIN: 00107006) and SRI. B. S. SRINIVASAN (DIN: 00482513) were appointed Independent Directors at the Annual General Meeting held on September 30, 2014, in accordance with the provisions of the Companies Act, 2013, for a period of five years to hold office up to the conclusion of the 29th Annual General Meeting. Their term of office as Independent Directors will accordingly cease on the conclusion of the forthcoming Annual General Meeting.

Based on the skills, experience, knowledge and performance evaluation and recommendation of the Nomination and Remuneration Committee Meeting held on 14th August 2019, the Board has proposed the re-appointment of DR. T. HANUMAN CHOWDARY(DIN: 00107006) and SRI. B. S. SRINIVASAN (DIN: 00482513) as Independent Directors for a further term of five years from the conclusion of this 29th Annual General Meeting up to the conclusion of 34th Annual General Meeting to be held in the year 2024. Both the directors completed the age of 75 years. The Independent Directors shall not be liable to retire by rotation. The Company has received notices in writing pursuant to Section 160 of the Companies Act, 2013, from Members signifying their intention to propose the candidatures of DR. T. HANUMAN CHOWDARY(DIN: 00107006) and SRI. B. S. SRINIVASAN (DIN: 00482513) for the office of Independent Director, to be re-appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received the following documents from DR. T. HANUMAN CHOWDARY(DIN: 00107006) and SRI. B. S. SRINIVASAN (DIN: 00482513):

(i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

(ii) Intimation in DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under Section 164 (2) of the Companies Act, 2013, confirming their eligibility for such re-appointment.

(iii) Declaration to the effect that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

Copies of the draft letters for the re-appointment of DR. T. HANUMAN CHOWDARY(DIN: 00107006) and SRI. B. S. SRINIVASAN (DIN: 00482513) as Independent Directors, setting out the terms and conditions of appointment, would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day up to the date of the forthcoming Annual General Meeting.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail of the services of DR. T. HANUMAN CHOWDARY(DIN: 00107006) and SRI. B. S. SRINIVASAN (DIN: 00482513) as Independent Directors.

Accordingly, the Board recommends the Special Resolutions set forth in Item Nos. 3 and 4 relating to the reappointment of DR. T. HANUMAN CHOWDARY(DIN: 00107006) and SRI. B. S. SRINIVASAN (DIN: 00482513) as Independent Directors, for approval by the Members of the Company.

Brief resumes of DR. T. HANUMAN CHOWDARY(DIN: 00107006) and SRI. B. S. SRINIVASAN (DIN: 00482513), nature of their expertise in specific functional areas, names of companies in which they holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se, as stipulated in SEBI (LODR), Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India, has been provided in the Notice.

No Director, Key Managerial Personnel or their relatives, except DR. T. HANUMAN CHOWDARY(DIN: 00107006) and SRI. B. S. SRINIVASAN (DIN: 00482513) to whom the Resolutions relate, is in any way, concerned or interested, financially or otherwise, in the Resolutions.

Item No. 5:

Pursuant to the provisions of Section 161 of the Companies Act, 2013 and applicable rules made there under, the Board has appointed SMT. NAGA PADMA VALLI KILARI (DIN: 08466714) as an Additional Director with effect from 14th August, 2019 to fill the Vacancy caused due to the resignation of MRS. NEELIMA THOTA (DIN: 06938559), Independent Director on her completion of first 5 years term as Independent Director as on the date of this Annual General Meeting.

In terms of Section 161 of the Act, read with the relevant Rules, she holds office as an Additional Director up to the date of the ensuing Annual General Meeting and being eligible, offers herself for appointment as a Director. The Company has received a recommendation by the Nomination and Remuneration Committee at its meeting held on 14th August, 2019 and the Board at its meeting held on 14th August, 2019, has recommended the resolution for the appointment of SMT. NAGA PADMA VALLI KILARI (DIN: 08466714) as Independent Directors for a term of five years from the conclusion of this 29th Annual General Meeting up to the conclusion of 34th Annual General Meeting to be held in the year 2024. The Independent Directors shall not be liable to retire by rotation. The Company has received notices in writing pursuant to Section 160 of the Companies Act, 2013, from Members signifying their intention to propose the candidatures of SMT. NAGA PADMA VALLI KILARI (DIN: 08466714) for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received the following documents from SMT. NAGA PADMA VALLI KILARI (DIN: 08466714):

(i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

(ii) Intimation in DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under Section 164 (2) of the Companies Act, 2013, confirming their eligibility for such re-appointment.

(iii) Declaration to the effect that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

Copies of the draft letter for the appointment of SMT. NAGA PADMA VALLI KILARI (DIN: 08466714) as Independent Director, setting out the terms and conditions of appointment, would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day up to the date of the forthcoming Annual General Meeting.

The Board considers that her association would be of immense benefit to the Company and it is desirable to continue to avail of the services of SMT. NAGA PADMA VALLI KILARI (DIN: 08466714) as Independent Director.

Accordingly, the Board recommends the Resolutions set forth in Item No. 5 relating to the reappointments of SMT. NAGA PADMA VALLI KILARI (DIN: 08466714) as Independent Directors, for approval by the Members of the Company.

Brief resume of SMT. NAGA PADMA VALLI KILARI (DIN: 08466714), nature of their expertise in specific functional areas, names of companies in which they holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors inter-se, as stipulated in SEBI (LODR), Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India, has been provided in the Notice.

No Director, Key Managerial Personnel or their relatives, except SMT. NAGA PADMA VALLI KILARI (DIN: 08466714) to whom the Resolutions relate, is in any way, concerned or interested, financially or otherwise, in the Resolution.

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

Name of Director	**DR. T. HANUMAN CHOWDARY**	**SRI. B. S. SRINIVASAN**	**SMT. NAGA PADMA VALLI KILARI**
DIN	00107006	00482513	08466714
PAN	ABKPT7960M	ABRPB6564A	BPKPK2800J
Date of Birth	18-10-1931	07-05-1945	29-01-1984
Age	88 Years	75 Years	35 Years
Date of Original Appointment	02-07-1999	11-09-2001	Nill

Effective Date of Present Appointment Term of 5 Years	30-09-2019	30-09-2019	30-09-2019
Qualifications	B.E (Telcom)	B.Com. F.C.A	BE (IT)
Brief resume and nature of his/her expertise	(PADMASRI) Dr. T.H. Chowdary did B E (telcom). He worked as DDG in DOT and as the founding Chairman and Managing Director of VSNL. He was Governor, INTELSAT, (Washington) and Executive Director, INMARSAT, (London). He was Senior Expert of the International Telecommunications Union [ITU] in Guyana and Yemen and was engaged by the CIDA (Canada) for its projects in Canada and Nepal. He was Member of India's National Task Force for IT and SW Development. He was also IT Adviser to GOAP. He travelled 75 times to over 50 countries. He is a Distinguished Fellow of the IETE (India) and its past President. He is the founding Director of the Center for Telecom Management and Studies (CTMS). He is Chairman of Pragna Bharathi. He wrote several books on telecom, IT, culture, politics & Editor/Member, Board of Editors of several journals on telecom, IT and socio-political affairs & Editor of Journal of the CTMS. He is a Fellow of TCS and Director of a few of Telecom & I.T Companies	He is a practicing Chartered Accountant under the name and style of M/s. SRINIVASAN & Co. He renders professional services as statutory and internal auditor of, small medium and large scale companies, partnership firm, proprietary firms, NGOs and Educational institutions. He renders consultancy services on financial matters, Income tax, Service tax and Sales tax issues to various types of business of my clients. He is also associated with a number of Charitable Institutions, an adviser and as trustee.	Qualified Computer Science Graduate and she is an entrepreneur in Interior Decoration Business.
Details of Shares in the Company	NIL	NIL	NIL

Relationship with other directors / KMPs	NIL	NIL	NIL
Terms and conditions of appointment / Reappointment	Not liable to retire by rotation	Not liable to retire by rotation	Not liable to retire by rotation
No. of Meetings of Board Attended during FY	4	4	NA
Remuneration to be paid	Sitting fee	Sitting fee	Sitting fee
Directorships / Committee Memberships in Listed Entities	TERA SOFTWARE LTD	VELJAN DENISON LTD	NIL
List of other Bodies Corporate in which outside directorships held as on 31st March, 2019	SIFY TECHNOLOGIES LIMITED SIFY DATA AND MANAGED SERVICES LIMITED	FORMATRICS I .T. SOLUTIONS (INDIA) PRIVATE LIMITED	NIL
Chairman / Member of Committees of other Companies on which he is a Director (Committees include the Statutory Committees) as on 31st March, 2019	TERA SOFTWARE LTD SIFY TECHNOLOGIES LIMITED SIFY DATA AND MANAGED SERVICES LIMITED	VELJAN DENISON LTD	NIL

On behalf of the Board of Directors

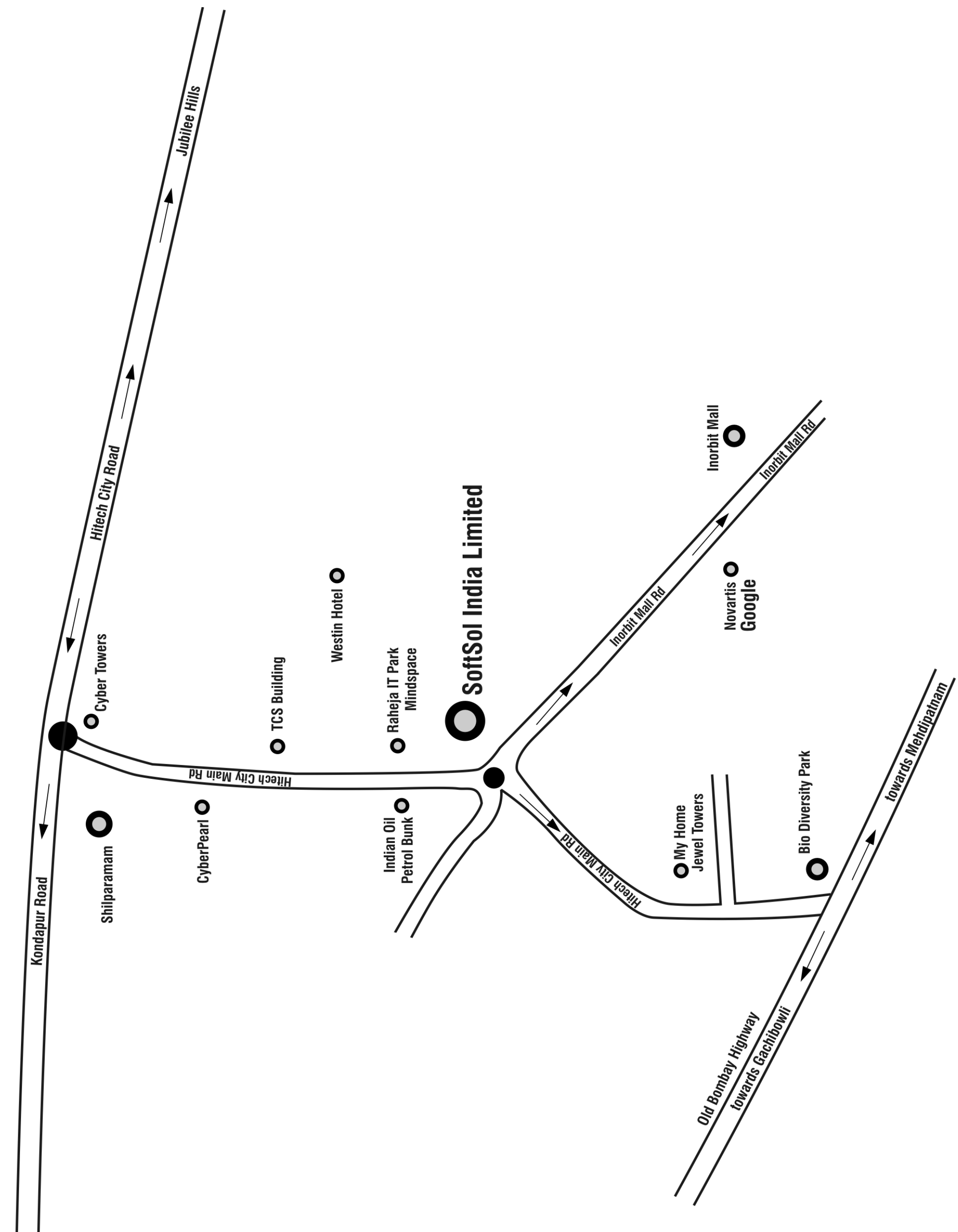
Bhaskara Rao Madala
Whole time Director
(DIN: 00474589)

Place: Hyderabad
Date: 14-08-2019

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

SoftSol India Limited

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



DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the 29th Directors' Report on the business and operations of your Company, for the year ended March 31, 2019.

Financial Highlights

(Amount in Rs. Lakhs)

	Stand Alone		Consolidated	
	31-03-2019	**31-03-2018**	**31-03-2019**	**31-03-2018**
Revenue from Operations	1836.87	415.93	4,680.77	3595.79
Other Income	496.23	1519.58	496.23	1530.88
Total Revenue	**2,333.10**	**1935.51**	**5,177.00**	**5124.67**
Profit before Interest, Depreciation & Tax (Before Exceptional Items)	**1,124.09**	**1051.70**	**1,027.53**	**1111.01**
Depreciation	228.18	258.33	231.97	261.77
Finance Costs	23.60	16.26	24.02	16.26
Profit before Tax (Before Exceptional Items)	872.31	777.11	771.50	832.98
Exceptional Items				
Current Tax	239.14	229.43	239.14	251.23
Deferred Tax	0	0	(30.75)	9.21
Profit after Tax	**633.17**	**547.68**	**563.11**	**572.62**
Dividend (Interim Dividend)				
General Reserve				
EPS (Basic & Diluted) (in Rs.)	**3.76**	**3.25**	**3.34**	**3.40**

Review of Operations

During the year under review, your Company recorded income of Rs. 1836.87 lakhs from Business activities in comparison with previous year's income of Rs. 1,447.94 lakhs. Your company achieved net profit of Rs. 633.17 Lakhs for the year in comparison with the previous year's net profit of Rs. 547.68 Lakhs.

Review of Operations of Wholly owned Subsidiary

SoftSol Resources Inc., (SRI) a wholly owned subsidiary of your Company, recorded total revenue of US$ 4.24 Million for the year 2019 in comparison with the previous year's revenue of US$ 5.02 Millions. SRI recoded net Loss of US$ 104,456 for the year 2019 in comparison with the previous year's net profit of US$ 38,415.

Outlook and Business:

The SoftSol India Limited is an IT services company that focuses on enabling businesses to achieve their strategic objectives. SoftSol's endeavor is to provide transformative experience to its customers through the Company's cutting-edge solutions in order to change the way organizations work. Digital Transformation has become a central component for businesses across all industries. It entails leveraging digital tools and technologies to make life easier, bringing increased convenience, enhanced efficiency, improved affordability, and better access to information, goods and services.

SoftSol is pursuing its long-term growth strategies to expand its market share across key geographies and solutions. The Company believes that focusing on the digital transformation needs of organisations within key industry verticals can help drive adoption of its platform. It explores to invest in direct and indirect sales channels, professional services, customer support and channel partners to expand its geographical footprint. To address the market opportunities arising from digitization, SoftSol seeks to continue to expand its product portfolio and is currently working on several new initiatives. It also constantly works on strengthening its management team to meet the growing business needs.

The tech industry is being reshaped in numerous ways. Disruption is evident in software and services delivery, business models, the vast amount of money being poured into startups of all stripes, the cloud, big data, entrepreneurialism, and constant innovation. Against that backdrop, companies can no longer rely on one-note value strategies. Analysts indicate which immediate path holds the most chance for short-term success, but over time, both improving margins and finding new revenue streams are critical for success. The Company is taking planned steps to diversify its revenue sources by changing its strategic growth plan to move to a hybrid outsourcing model with a focus on products and platforms in addition to services offerings. This strategy enables the Company to capitalize on the opportunities as the world transitions to digital commerce. This transition is prone to challenges as well opportunities which bring potential volatility with it. Fortunately, the Company with its 25+ years of experience has demonstrated success in navigating volatility and achieving managed transition to strengthen its long-term foundation. The Company is committed to use this opportunity to diversify its business and expand its reach to geographies beyond North America. The Company's approach to focus on strategic accounts, continue to differentiate its service offerings within its focus area, attracting & retaining top talent, focus towards enhancing operational efficiency and scale-up towards building a delivery capability & excellence has established the Company as a preferred partner for its clients within its focused verticals. The client's response towards its solution offering was encouraging. The Company shall continue to propel further in its area of strength through alliances, developing customer center of excellence and by readying its clients to be prepared for digital age. The Company believes that its efforts in becoming a reliable partner to its clients will make it a leader in digital solution provider in the years to come. The Company will enhance its cutting-edge proposition to address new customers, strengthening its emphasis on marketing to small and medium-sized firms. With these measures, the Company would continue to work towards creating significant value for all its stakeholders moving forward.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

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

DIVIDEND

In view of the financial performance of your Company during the year 2018-19, your Directors have not recommended any dividend for this financial year.

AMOUNTS TRANSFERRED TO RESERVES:

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

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2019 was 16822513 Equity Shares of Rs. 10 each. During the year under review, the Company has not issued any shares including shares with differential voting rights nor granted stock options nor sweat equity. There is no buyback of Shares conducted during the financial year.

As on March 31, 2019 other than Mr. Srinivasa Rao Madala - Director (1366099 Shares - 8.12%) and Mr. Bhaskara Rao Madala – Whole time Director (269766 Shares - 1.60%) none of the other Directors of the Company holds shares of the Company.

EXTRACT OF THE ANNUAL RETURN

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

DIRECTORS:

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

DR. T. HANUMAN CHOWDARY(DIN: 00107006) and SRI. B. S. SRINIVASAN (DIN: 00482513), are completing five years term as Independent Directors at the conclusion of the forthcoming Annual General Meeting of the Company. On the recommendations of the Nomination and Remuneration Committee, the Board at their meeting held on 14th August 2019 has proposed the reappointment of DR. T. HANUMAN CHOWDARY(DIN: 00107006) and SRI. B. S. SRINIVASAN (DIN: 00482513), as Independent Directors of the Company for the second term of 5 years commencing from the conclusion of the 29th Annual General Meeting to the conclusion of the 34th Annual General Meeting. Both the directors completed the age of 75 years and Special Resolutions are proposed for the approval of Shareholders.

Your approval for their re-appointment as Independent Directors has been sought in the Notice convening the Annual General Meeting.

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

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

Brief profiles of the Directors being reappointed have been provided in the Notice of the Annual General Meeting.

During the year under review Smt. Neelima Thota (DIN: 06938559) Director (Independent Director) will complete her term of 5 years Independent Directorship by the date of ensuing AGM and issued her resignation from the Directorship effective the date of ensuing AGM at which her term of five years will complete. Board considered and approved the resignation of Smt. Neelima Thota (DIN: 06938559) at the Board Meeting held on 14th August 2019 effective from 30th September 2019 the date of ensuing AGM. Smt. Neelima Thota (DIN: 06938559) also relieved from the memberships of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

With the intension to fill the vacancy created due to vacation of office of MRS. NEELIMA THOTA (DIN: 06938559) as Independent Woman Director, pursuant to the provisions of Section 161 of the Companies Act, 2013 and applicable rules made there under, the Board has appointed SMT. NAGA PADMA VALLI KILARI (DIN: 08466714) as an Additional Director (Woman Director). In terms of Section 161 of the Act, read with the relevant Rules, she holds office as an Additional Director up to the date of the ensuing Annual General Meeting and being eligible, offers herself for appointment as a Director. The Company has received a recommendation by the Nomination and Remuneration Committee at its meeting held on 14th August, 2019 and the Board at its meeting held on 14th August, 2019, has recommended the resolution for the appointment of SMT. NAGA PADMA VALLI KILARI (DIN: 08466714) as Independent Director for a term of five years from the conclusion of this 29th Annual General Meeting up to the conclusion of 34th Annual General Meeting to be held in the year 2024.

The approval for their appointment as Independent Director has been sought in the Notice convening the Annual General Meeting.

On considering the vacation of office of MRS. NEELIMA THOTA (DIN: 06938559) as Independent Woman Director the Board appointed SMT. NAGA PADMA VALLI KILARI (DIN: 08466714) Independent Woman Director as the member of the Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee with effect from 30th September 2019.

STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS

DR. T. HANUMAN CHOWDARY(DIN: 00107006), SRI. B. S. SRINIVASAN (DIN: 00482513) and SMT. NAGA PADMA VALLI KILARI (DIN: 08466714), Independent Directors, have filed the requisite declarations with the Company in accordance with Section 149(7) of the Companies Act, 2013 (the Act) to the effect that they qualify as Independent Directors within the meaning of Section 149(6) of the Act.

KEY MANAGERIAL PERSONNEL

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

NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE

During the year under review, Five Board Meetings were held on 30th May, 2018, 14th August, 2018, 29th September 2018, 14th November, 2018 and 13th February, 2019. On 14th August 2018 an exclusive meeting of Independent Directors was held.

During the year under review, the Audit Committee met on 30th May, 2018, 14th August, 2018, 29th September 2018, 14th November, 2018 and 13th February, 2019.

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

COMMITTEES OF THE BOARD

The details of the following committees of the Board along with their composition and meetings held during the financial year 2018-19 are given in the Report on Corporate Governance forming part of this Directors' Report.

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

AUDIT COMMITTEE

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

The composition of the Audit Committee is as follows:

DR. T. HANUMAN CHOWDARY	Independent Director & Chairman
SRI. B. S. SRINIVASAN	Independent Director & Member
SMT. NEELIMA THOTA	Independent Director & Member (up to 30/09/2019)
SMT. NAGA PADMA VALLI KILARI	Independent Director & Member (effective 30/09/2019)
SRI. BHASKARA RAO MADALA	Whole time Director & Member

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

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

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION AND NOMINATION AND REMUNERATION COMMITTEE

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

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

DR. T. HANUMAN CHOWDARY	Independent Director & Chairman
SRI. B. S. SRINIVASAN	Independent Director & Member
SMT. NEELIMA THOTA	Independent Director & Member (up to 30/09/2019)
SMT. NAGA PADMA VALLI KILARI	Independent Director & Member (effective 30/09/2019)

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND COMMITTEE

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

The composition of the Audit Committee is as follows:

DR. T. HANUMAN CHOWDARY	Independent Director & Chairman
SRI. B. S. SRINIVASAN	Independent Director & Member
SMT. NEELIMA THOTA	Independent Director & Member (up to 30/09/2019)
SMT. NAGA PADMA VALLI KILARI	Independent Director & Member (effective 30/09/2019)
SRI. BHASKARA RAO MADALA	Whole time Director & Member

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

During the year under review the Company did not spend any amount with respect to CSR activities. However the Company ensures to spend the amount on CSR activities from the present financial year. The disclosure as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rule, 2014 is attached as Annexure to the Report.

BORROWINGS:

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

CASH FLOW STATEMENT

In terms of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, the Annual Financial Statement contains the Cash Flow Statement for the financial year 2018-19, forming part of this Annual Report.

CORPORATE POLICIES

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

SECRETARIAL STANDARDS

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

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

CREDIT RATING

The Company was assigned with any Credit Rating.

DEMATERIALISATION OF SECURITIES

The shares of the Company are compulsorily traded in dematerialised form for all shareholders. 99.64 % of the total number of shares stand dematerialised as on 31st March, 2019. Letters have been sent to all shareholders holding shares in physical mode informing them that as per revised Regulation 40 of SEBI (LODR) Regulations 2015, shares will be transferred only in dematerialised mode effective from 1st April, 2019 and the shareholders have been requested to dematerialise their existing shares in physical form.

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

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

CORPORATE GOVERNANCE:

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

WTD AND CFO CERTIFICATION

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

LISTING AT STOCK EXCHANGE:

The Equity Shares of the Company continue to be listed on Bombay Stock Exchange Limited and the annual listing fees for the year 2019-20 have been paid to the Exchange.

STATUTORY AUDITORS:

M/s. PAVULURI & CO., Chartered Accountants, Hyderabad (FRN: 012194S), who were appointed Statutory Auditors of the Company in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, to hold office from the conclusion of the 28th Annual General Meeting up to the conclusion of the 33rd Annual General Meeting, continue as Statutory Auditors of the Company.

SECRETARIAL AUDITORS

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

INTERNAL AUDITOR

The company has engaged M/s Balarami & Nagarjuna, Chartered Accountants as Internal Auditors to conduct internal audit for the year 2019-20. The Internal Auditor will report to Board of Directors. The internal audit will help company to review the operational efficiency and assessing the internal controls. It also reviews the safeguarding of assets of the Company.

COST AUDITOR

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

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

There is no qualification, reservation or adverse remark or disclaimer made –
(i) by the auditor in his report; and
(ii) by the Company Secretary in practice in her secretarial audit report.

DEPOSITS

During the year the Company has not accepted any deposit under Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014. As on 31st March, 2019, there are no unclaimed deposits with the Company. Further the Company has not defaulted in repayment of deposits or payment of interest thereon.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. Conservation of energy:

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

a) The Company continues to work on reducing carbon footprint in all its areas of operations through initiatives like (a) green infrastructure, (b) green IT (data centers, laptops and servers etc, (c) operational energy efficiency.
b) The steps taken by the Company for utilising alternate sources of energy: NIL
c) The capital investment on energy conservation equipments: NIL

B. Technology absorption:

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

a) The Company continues to use the latest technologies for improving the productivity and quality of its services and products. The Company's operations do not require significant import of technology.
b) The efforts made towards technology absorption: A continuous interaction and exchange of information in the industry is being maintained with a view to absorbing, adapting and innovating new methods that may be possible.

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

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

PARTICULARS OF EMPLOYEES:

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

EMPLOYEES RELATIONS

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

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

STATEMENT ON DECLARATION GIVEN BY THE INDEPENDENT DIRECTORS

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

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Whole time Director has one to one discussion with all Directors to familiarize them with the Company's operations. Further the Company has put in place a system to familiarize the Independent Directors about the Company, its business and on-going events relating to the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

TRANSFER OF UNPAID/UNCLAIMED AMOUNTS TO IEPF

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

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

ACCOUNTING POLICIES AND PROCEDURES

The Company has adopted the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules 2015, for preparation and presentation of these Financial Statements.

The financial statements provide a true and fair view of the state of affairs of the Company and are compliant with the accounting standards notified in the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

a) in the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2019 and of the profit and loss of the company for that period;

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

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

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

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

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

MATERIAL SUBSIDIARIES

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

SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES

Your company has prepared the consolidated financial statements in accordance with the relevant accounting standards and the provisions of the Companies Act, 2013 (Act). Pursuant to the provisions of the Act, documents in respect of the subsidiary company M/s. SoftSol Resources Inc., USA viz., Directors' Report, Auditor's Report, Balance Sheet and Profit and Loss Account, are attached the Annual Report.

ALTERATION AND AMENDMENT OF OBJECTS CLAUSES OF MEMORANDUM OF ASSOCIATION

In view of better opportunities available to the Company in other areas of business i.e. Infrastructure, Housing, Construction and Development and also dealing in electronic and electric equipments, the Board of Directors at their meeting held on 14th August 2018 approved to amend Main Object Clause of Memorandum of Association with inclusion of New Clause. The proposed change of object clause was approved by the shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013 at the AGM held on Saturday, 29th September 2018.

CONSOLIDATED FINANCIAL STATEMENTS

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

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

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

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

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

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

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

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

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

The summary of complaints received and disposed off up to 31st March 2019 were as under:
Number of complaints received: Nil
Number of complaints disposed off: Nil

ACKNOWLEDGEMENTS:

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

On behalf of the Board of Directors

Bhaskara Rao Madala	**Dr. T. Hanuman Chowdary**
Whole time Director	**Director**

Place: Hyderabad
Date: 14-08-2019

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

REPORT ON CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2019. A report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

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

2. Board of Directors

Size and Composition of the Board:

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

Composition and Memberships of other Boards / Board Committees:

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

Name of the Director	Director Identification Number	Category	Designation	Board Meetings held	Board Meetings attended	Last AGM
Mr. Srinivasa Rao Madala	01180342	Promoter Director	Chairman	5	1	No
Mr. Bhaskara Rao Madala	00474589	Promoter Director	Whole time Director	5	5	Yes
Dr. T. Hanuman Chowdary	00107006	Independent Non-Executive Director	Director	5	5	Yes
Mr. B.S. Srinivasan	00482513	Independent Non-Executive Director	Director	5	4	Yes
Mr. P. Venkatramaiah	00030102	Independent Non-Executive Director	Director	5	1	Yes
Mrs. Neelima Thota	06938559	Independent Non-Executive Director	Director	5	4	Yes

Note: Mr. P. Venkatramaiah was resigned as Director effective 10/07/2018 due to his old age and health issues.

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

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

Relationship between Directors:

Out of 6 Directors 2 Directors are related Directors viz: Mr. Srinivasa Rao Madala, Non-Executive Chairman and Mr. Bhaskara Rao Madala, Whole time Director. None of the other Directors are related with each other.

Shareholding of the Directors in the Company as on 31 March 2019:

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

Information and Compliance:

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

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

Board Procedure:

The calendar of meetings of the Board of Directors is determined well in advance and Notices of the Meetings of the Board are issued by the Company Secretary on the advice and guidance of the Whole time Director. The agenda and notes thereon are finalised by the Whole time Director and circulated sufficiently in advance by the Company Secretary. During the financial year, Board of Directors of the Company met Five times on 30-05-2018, 14-08-2018, 29-09-2018, 14-11-2018 and 13-02-2019. On 14th August 2018 an exclusive meeting of Independent Directors was held in addition to the above said Five Meetings.

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

Familiarization Programme for Independent Directors:

Whenever any person joins the Board of the Company as an Independent Director, an induction programme is arranged for him / her wherein he / she is familiarized with the activities of the Company, their roles, rights and responsibilities in the Company, the code of conduct to be adhered, nature of the industry in which the Company operates, business model of the Company, meeting with the senior management team members, etc.

Declaration of Independent Directors:

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

Independent Directors Meeting:

In Compliance with the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors Meeting of the Company was held on 14th August 2018. Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board. Dr. T. Hanuman Chowdhary is the Chairman of Independent Directors Meeting.

Code of Conduct:

Code of Conduct laid down by the Board of Directors is applicable to all the Directors and Senior Management of the Company. The Code of Conduct is posted on the Company's website www.softsolindia.com. All the Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2019. A declaration to this effect, duly signed by the Whole time Director is annexed hereto.

Compliance with Code of Conduct

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

Bhaskar Rao Madala
Whole-time Director

Place: Hyderabad
Date: 14-08-2019

COMMITTEES OF THE BOARD

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

3. Audit Committee

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

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

Composition and Attendance:

Audit Committee consists of three independent Non-executive Directors and one Executive Director. Members are Dr. T.Hanuman Chowdary, Mr. B.S.Srinivasan, Mr. P. Venkatramaiah (resigned as Director effective 10/07/2018), Mrs. Neelima Thota (Appointed as member in the place of resigned Director effective 14/08/2018) and Mr. Bhaskar Rao Madala. Dr. T.Hanuman Chowdary is the Chairman of the Committee. The Company Secretary Mr. Baddam Laxman (ACS – 20625) acts as the Secretary to the Committee. Members of the Committee are well versed in finance, accounts, company law and general business practices.

During the financial year 2018-19 Audit Committee of the Board of Directors met Five times on 30-05-2018, 14-08-2018, 29-09-2018, 14-11-2018 and 13-02-2019.

Name of the Committee Member	DIN	Category	Designation in Committee	No. of Committee Meetings held	No. of Committee Meetings attended
Dr. T. Hanuman Chowdary	00107006	Independent Non-Executive Director	Chairman	5	5
Mr. B.S. Srinivasan	00482513	Independent Non-Executive Director	Member	5	4
Mr. Bhaskara Rao Madala	00474589	Promoter Director	Member	5	5
Mr. P. Venkatramaiah	00030102	Independent Non-Executive Director	Member	5	1
Mrs. Neelima Thota	06938559	Independent Non-Executive Director	Member	5	4

Note: Mr. P. Venkatramaiah was resigned as Director effective 10/07/2018 due to his old age and health issues. Mrs. Neelima Thota was appointed as member of Committee in the place of resigned Director effective 14/08/2018.

The Chairman of the Audit Committee was present at the 28th Annual General Meeting (AGM). Representatives of the statutory and internal auditors attended the meetings of the audit committee. The chief financial officer is present at the meetings of the committee.

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of three non-executive independent directors i.e. Dr. T. Hanuman Chowdary, Mr. B. S. Srinivasan, Mr. P. Venkatramaiah (resigned as Director effective 10/07/2018), Mrs. Neelima Thota (Appointed as member in the place of resigned Director effective 14/08/2018). Dr. T. Hanuman Chowdary is the Chairman of the Committee. The Committee met once on 14th August 2018 during the financial year and all members present at the meeting.

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

The role of Nomination and Remuneration Committee is –

- To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of every Director’s performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To devise a policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

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

Performance Evaluation Criteria for Independent Directors:

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

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

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

Remuneration Policy:

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

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

The details of remuneration and sitting fees paid or provided to each of the Directors during the year 2018-19 are as follows:

(In Rs.)

Name of the Director	Designation	Salary & Perks	Commission	Sitting Fees	Total
Mr. Srinivasa Rao Madala	Director	0	0	0	0
Mr. Bhaskara Rao Madala	Whole-time Director	18,10,080	0	0	18,10,080
Dr. T. Hanuman Chowdary	Director	0	0	40,000	40,000
Mr. B. S. Srinivasan	Director	0	0	50,000	50,000
Mr. P. Venkatramaiah	Director	0	0	10,000	10,000
Mrs. Neelima Thota	Director	0	0	40,000	40,000

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

Shareholding of the Directors in the Company as on 31 March 2019:

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

5. Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of three non-executive independent directors and one executive director. Mr. Bhaskar Rao Madala, Mr. B. S. Srinivasan, Mr. P. Venkatramaiah resigned as Director effective 10/07/2018), Mrs. Neelima Thota (Appointed as member in the place of resigned Director effective 14/08/2018) and Dr. T. Hanuman Chowdary (Chairman).

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

The role of the committee

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

Status of complaints of shareholders/investors is as under:

Complaints pending as on 1st April, 2018	NIL
Number of complaints received during year ended 31st March, 2019	NIL
Number of complaints attended to/resolved during the year	NIL
Complaints pending as on 31st March, 2019	NIL

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

Number of share transfers pending for approval as on 31st March, 2019	NIL

The Committee met once on 14th August 2018 during the financial year and all members present at the meeting.

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

6. Corporate Social Responsibility Committee

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

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

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

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

7. General Body Meetings

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

Year/Period	Day, Date and Time	Location
2015-2016	Friday, 30th September 2016 at 10.00 a.m.,	At the Registered office of the Company at Plot No.4, Software Units Layout, Madhapur, Hyderabad – 500 081.
2016-2017	Friday, 29th September 2017 at 10.00 a.m.,	At the Registered office of the Company at Plot No.4, Software Units Layout, Madhapur, Hyderabad – 500 081.
2017-2018	Saturday, 29th September 2018 at 10.00 a.m.,	At the Registered office of the Company at Plot No.4, Software Units Layout, Madhapur, Hyderabad – 500 081.

a) Whether any special resolutions passed in the previous AGMs: Yes.
In view of better opportunities available to the Company in other areas of business i.e. Infrastructure, Housing, Construction and Development and also dealing in electronic and electric equipments, the Board of Directors at their meeting held on 14th August 2018 approved to amend Main Object Clause of Memorandum of Association with inclusion of New Clause. The proposed change of object clause was approved by the shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013 at the AGM held on Saturday, 29th September 2018.

b) Extra Ordinary General Meeting (EGM)
No Extra Ordinary General Meeting (EGM) was held during the last financial year i.e 2018-2019.

c) Postal Ballot
No Special Resolution was passed through postal ballot during the last financial year i.e 2018-19. There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

8. Means of Communication

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

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

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

9. General Shareholders Information:

a) Company Registration Details:

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

b) Registered Office & address for Correspondence

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

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

Monday, the 30th day of September 2019 at 10.00 A.M. at the Registered Office of the Company.

d) Financial Calendar

The Company follows April-March as its financial year. The Key Financial Reporting dates for the Financial Year 2019-20 are:

Unaudited Results for the First Quarter ended June 30, 2019	On or before 14th August 2019
Unaudited Results for the Second Quarter ended September 30, 2019	On or before 14th November 2019
Unaudited Results for the Third Quarter ended December 31, 2019	On or before 14th February 2020
Audited Results for the Financial year ended 31st March 2020	On or before 30th May 2020

e) Book Closure

From September 24, 2019 to September 30, 2019 (both days inclusive)

f) Listing of Shares

The Company shares are listed on The Bombay Stock Exchange Limited and the Company has paid listing fees for the financial year 2019-20 to the Stock Exchange.

g) Stock Code/Symbol

The Bombay Stock Exchange Limited - 532344

h) Share Transfer Agent

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

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

Phone: 040 - 67161519, 9701013676 Emails: shastry.mvn@karvy.com, ramesh.desai@karvy.com.

i) Share Transfer System

Equity Shares lodged for transfer in physical mode are normally registered within 15 days from the date of receipt. The Share Transfer Agent is handling all the Share Transfers and related transactions. As on March 31, 2019, no share transfer or complaints were pending.

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

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

j) Reconciliation of Share Capital Audit

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

k) Dematerialization of shares and liquidity

The shares of the Company are compulsorily traded in dematerialised form for all shareholders. 99.64 % of the total number of shares stand dematerialised as on 31st March, 2019. Letters have been sent to all shareholders holding shares in physical mode informing them that as per revised Regulation 40 of SEBI (LODR) Regulations 2015, shares will be transferred only in dematerialised mode effective from 1st April, 2019 and the shareholders have been requested to dematerialize their existing shares in physical form.

Mode of Holding	Number of Shares	Percentage of holding
NSDL	16558467	98.43
CDSL	202066	1.20
Physical	61980	0.37
Total	16822513	100.00

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

International Securities Identification Number: INE002B01016.

l) Category wise Shareholding as at March 31, 2019.

Category	Number of Shareholders	No. of Shares held	Percentage of Shareholding (%)
Promoters (Both Indian & Foreign)	6	12183328	72.42
Mutual Funds and UTI	0	Nil	Nil
Banks, Financial Institutions, Insurance Companies	0	Nil	Nil
FIIs	0	Nil	Nil
Private Corporate Bodies	25	13086	0.08
Indian Public	1692	601143	3.57
Non-Resident Indians	6	4024556	23.92
Others	1	400	0.01
Total	**1730**	**16822513**	**100**

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

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

n) Market Price Data:

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

Month	BSE–High	BSE–Low	Volume (number of Shares)	Month	BSE–High	BSE–Low	Volume (number of Shares)
April 2018	37.25	32.10	700	October 2018	45.95	41.55	3006
May 2018	40.00	35.00	687	November 2018	43.60	39.30	8618
June 2018	48.70	37.90	1153	December 2018	41.25	37.35	4
July 2018	46.00	42.00	562	January 2019	41.25	34.05	2110
August 2018	44.10	33.90	6013	February 2019	37.45	30.10	1990
September 2018	41.00	30.70	4248	March 2019	33.15	29.85	535

o) Distribution of Shareholding as at March 31, 2019.

Number of Equity Shares held	Shareholders (Numbers)	Shareholders (Percentage)	Shares (Numbers)	Shares (Percentage)
1 – 5000	1502	86.82	2405510.00	1.43
5001 – 10000	141	8.15	1163190.00	0.69
10001 – 20000	43	2.49	651840.00	0.39
20001 – 30000	17	0.98	429670.00	0.26
30001 – 40000	3	0.17	104400.00	0.06
40001 – 50000	5	0.29	217370.00	0.13
50001 – 100000	5	0.29	315170.00	0.19
100001 & above	14	0.81	162937980.00	96.86
Total	**1730**	**100.00**	**16822513.00**	**100.00**

p) Address for Correspondence

For all kinds of Investor Correspondence:

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

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

Contact Persons: Mr. MVN Shastry, Mr. Ramesh Desai
Phone: 040 - 67161519, 9701013676 Emails: shastry.mvn@karvy.com, ramesh.desai@karvy.com.

Any query on Annual Report and Secretarial Department:

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

q) Details with respect to Demat Suspense Account/Unclaimed Share Certificate as per regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: Not Applicable.

r) Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, Conversion date and date and likely impact on the Equity: Not applicable

s) Information on Deviation from Accounting Standards, if any:

There has been no deviation from the Accounting Standards in preparation of annual accounts for the financial year 2018-19.

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

10. Disclosures:

a) Details of Related Party Transactions:

SoftSol India Limited (SIL) holds 100% shareholding of SoftSol Resources Inc., USA (SRI) and hence SRI is a wholly owned subsidiary of SIL. The transactions details of the Company with the SRI as of 31.03.2019 are:

Details	Party Name	31-03-2019 (in Rs.)	31-03-2018 (in Rs.)
	SoftSol Resources Inc.	1,53,76,722	84,82,823
Investment	SoftSol Resources Inc.	NIL	NIL

No Loans and Advances to Subsidiary Company have been made in the financial year 2018-19. But the Company has issued guarantees / securities to the Bank for the loans granted to the Subsidiary Company. There is no pecuniary relationship or transactions with non-executive director's vis-à-vis the Company, which has potential conflict with the interests of the Company at large.

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

c) There were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter relating to Capital Market during last three years.

d) During the year under review, the Vigil Mechanism and Whistle Blower Policy was adopted by the board of directors to provide a framework to promote responsible and secure reporting of undesirable activities. During the year there was no reporting of any undesirable activity by any person.

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

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

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

g) As per disclosures received from senior management personnel, they have not entered into any financial or commercial transactions which may have a potential conflict with interests of the Company at large.

h) Prohibition of Insider Trading:

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

i) Compliance Report:

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

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

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

j) Green Initiative:

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

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in Demat form can register their e-mail addresses with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the Company, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

k) Non-compliance of any requirement of corporate governance report of sub-paras mentioned above with reasons thereof shall be disclosed: There was no non-compliance of any of the provisions applicable to the Company.

l) The disclosures of the compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to clause (i) of sub-regulation (2) of regulation 46 shall be made in the section of corporate governance of the annual report: Complied wherever applicable.

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

n) Proceeds from Public Issues, Rights Issues, Preferential Issues etc.
The company has not made any capital issues during the financial year.

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

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

11. CEO/CFO Certification:

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

On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Dr. T. Hanuman Chowdary
Director

Place: Hyderabad
Date: 14-08-2019

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

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

On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Place: Hyderabad

CEO & CFO Certification

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

To
The Board of Directors of
SoftSol India Limited
Hyderabad.

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

a) We have reviewed the Financial Statements and the Cash Flow Statements for the financial year ended March 31, 2019 and based on our knowledge and belief, we state that:

   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of Company's code of conduct.

c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated, based on our most recent evaluation, wherever applicable, to the auditors and the Audit Committee

   i. Significant changes, if any, in the internal controls over financial reporting during the year;

   ii. Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and

   iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Bhaskar Rao Madala	Srinivas Mandava
Whole-time Director	Chief Financial Officer

Place: Hyderabad
Date: 14-08-2019

Annexure to Directors Report

Management's Discussion and Analysis

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

Overview

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

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

Industry structure and developments

Technology has rapidly evolved for the past decade and so is the demand for Information Technology services and products leading to the industrial revolution in the Indian market. IT helped represent India as a big player in the global market is one of the finest growing economies in the world providing the high-end business solution and opening new export verticals.

Today, with 75% of global technological skilled profession India has become a global hub for the digital sourcing market and IT solutions.

IT and Software Services

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

I. Software

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

Software Products:
Infrastructure Software serving to connect the people with systems to efficiently execute business processes, such as Business Intelligence (BI) Tools, Security software, Application Development, Database Management Systems, IT Operations, Operating-System Software, etc.
Enterprise Software designed to solve business problems, such as Consumer Relationship Management (CRM), Human Resource Management (HRM), Enterprise Resource Planning (ERP), Supply Chain Management, Content Management System, Project Management System, etc.

Software Engineering (SE):

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

Research and Development (R&D):

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

IT Services are oriented into two segments:

Project-Oriented Services:

Services catered towards clients requirement, onsite or offshore.

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

IT Outsourcing:

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

Training and Support:

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

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

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

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

The digitally skilled manpower is also increasing rapidly with wage level being lower than most countries resulting in the unmatched value proposition. The highly qualified pool of technical manpower, government's initiative, and digital technologies have shown a greater impact in the software market with a revenue of 5.8 billion US dollars in FY2018 Software and computing technology is transforming businesses in every industry around the world in a profound and fundamental way. The continued reduction in the unit cost of hardware, the explosion of network bandwidth, advanced software technologies and technology-enabled- services are fueling the rapid digitization of business processes and information. The digital revolution is cascading across industries, redefining customer expectations, enabling disruptive market offerings and automating core processes. Traditional business models are being disrupted with digital and software-based business models. This disruption is characterized by personalized user experiences, innovative products and services, extreme cost performance and a disintermediation of the supply chain. Incumbent companies, to win amid this disruption, need to reinvent their business from the core to activate strong efficiency and productivity levers, reimagine the end consumer experience and create impact at scale.

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

The fast pace of technology change and the need for technology professionals who are highly skilled in both traditional and digital technology areas are driving businesses to rely on third parties to realize their business transformation. The pace of technology disruption has reached a crescendo in 2018. Society, in general, and industry and government are spiritedly embracing digital technologies. Technologies such as artificial intelligence (AI), Internet of things (IoT), augmented reality, virtual reality, machine learning (ML), big data analytics, robotic process automation, and 3D Printing are increasingly becoming mainstream, cutting across industries.
For instance, block chain was originally thought to be an application in financial services and retail. It has now found its way into agriculture, healthcare, governance, logistics, etc. These technologies are providing numerous new opportunities for large enterprises as much as they are aiding the start-ups in developing new products and service lines, improving efficiency, productivity, and competence levels, giving thrust to the economic growth of the country while simultaneously bringing about social equality.

Changing economic and business conditions and rapid technological innovation are creating an increasingly competitive market environment that is driving corporations to transform their operations. Consumers of products and services are increasingly demanding accelerated delivery times and lower prices. Companies are focusing on their core competencies and are using outsourced technology service providers to adequately address these needs. The role of technology has evolved from supporting corporations to transforming them. There is an increasing need for highly skilled technology professionals in the markets in which we operate. At the same time, corporations are reluctant to expand their internal IT departments and increase costs. Corporations are increasingly turning to offshore service providers for higher quality, cost competitive technology solutions. As a result, offshore service providers have become critical to the operations of many enterprises and they continue to grow in recognition and sophistication. In view of this, the addressable market for offshore technology services has expanded.

Overview of Indian IT and Software Industry

Introduction

The global sourcing market in India continues to grow at a higher pace compared to the IT-BPM industry. India is the leading sourcing destination across the world, accounting for approximately 55 per cent market share of the US$ 185-190 billion global services sourcing business in 2017-18. Indian IT &ITeS companies have set up over 1,000 global delivery centers in about 80 countries across the World. India has become the digital capabilities hub of the world with around 75 per cent of global digital talent present in the country.
India's highly qualified talent pool of technical graduates is one of the largest in the world and the country has a low-cost advantage by being 5-6 times inexpensive than US.

The cloud market in India is expected to grow three fold to US$ 7.1 billion by 2022 with the help of Growing adoption of Big Data, analytics, artificial intelligence and Internet of Things (IoT), according to Cloud Next Wave of Growth in India report.

At US$ 137 billion in 2018-19. Export revenue from digital segment forms about 20 per cent of the industry's total export revenue. India's IT industry contributed around 7.7 per cent to the country's GDP and is expected to contribute 10 per cent of India's GDP by 2025.

India's IT-BPM sector is expected to expand to US$ 350 billion by 2025 and BPM is expected to account for US$ 50-55 billion out of the total revenue. Moreover, revenue from the digital segment is expected to form 38 per cent of the total industry revenue by 2025. IT industry employs nearly 3.97 million people in India of which 105,000 were added in FY18. The industry added around 105,000 jobs in FY18 and is expected to add over 250,000 new jobs in 2019. Hardware exports from India are expected to grow at 7-8 per cent in FY19.

The computer software and hardware sector in India attracted cumulative Foreign Direct Investment (FDI) inflows worth US$ 37.23 billion between April 2000 and March 2019 and ranks second in inflow of FDI, as per data released by the Department for Promotion of Industry and Internal Trade (DPIIT).

The Government of India has extended tax holidays to the IT sector for software technology parks of India (STPI) and Special Economic Zones (SEZs). Further, the country is providing procedural ease and single window clearance for setting up facilities.

Also, the government has identified Information Technology as one of the 12 champion service sectors for which an action plan is being developed. It is setting up a Rs 5,000 crore (US$ 745.82 million) fund for realising the potential of these champion service sectors.

- As per Electronics and Computer Software Export Promotion Council.

Market Size

India's IT &ITeS industry grew to US$ 181 billion in 2018-19. Exports from the industry increased to US$ 137 billion in FY19 while domestic revenues (including hardware) advanced to US$ 44 billion.

Spending on Information Technology in India is expected to grow over 9 per cent to reach US$ 87.1 billion in 2018.*

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

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

Investments/ Developments

Indian IT's core competencies and strengths have attracted significant investments from major countries. The computer software and hardware sector in India attracted cumulative Foreign Direct Investment (FDI) inflows worth US$ 37.23 billion between April 2000 and March 2019 and ranks second in inflow of FDI, as per data released by the Department for Promotion of Industry and Internal Trade (DPIIT).

Leading Indian IT firms like Infosys, Wipro, TCS and Tech Mahindra, are diversifying their offerings and showcasing leading ideas in blockchain, artificial intelligence to clients using innovation hubs, research and development centres, in order to create differentiated offerings.
Some of the major developments in the Indian IT and ITeS sector are as follows:

- Nasscom has launched an online platform which is aimed at up-skilling over 2 million technology professionals and skilling another 2 million potential employees and students.
- Revenue growth in the BFSI vertical stood at 6.80 per cent y-o-y between July-September 2018.
- As of March 2018, there were over 1,140 GICs operating out of India.
- PE investments in the sector stood at US$ 2,400 million in Q4 2018.
- Venture Capital (VC) investments in the IT &ITeS sector stood at US$ 53.0 million during Q4 2018.

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

- The government has identified Information Technology as one of 12 champion service sectors for which an action plan is being developed. Also, the government has set up a Rs 5,000 crore (US$ 745.82 million) fund for realising the potential of these champion service sectors.

- As a part of Union Budget 2018-19, NITI Aayog is going to set up a national level programme that will enable efforts in AI and will help in leveraging AI^ technology for development works in the country.
- In the Interim Budget 2019-20, the Government of India announced plans to launch a national programme on AI* and setting up of a National AI* portal.
- National Policy on Software Products-2019 was passed by the Union Cabinet to develop India as a software product nation.

Road Ahead

India is the topmost offshoring destination for IT companies across the world. Having proven its capabilities in delivering both on-shore and off-shore services to global clients, emerging technologies now offer an entire new gamut of opportunities for top IT firms in India. Export revenue of the industry is expected to grow 7-9 per cent year-on-year to US$ 135-137 billion in FY19. The industry is expected to grow to US$ 350 billion by 2025 and BPM is expected to account for US$ 50-55 billion out of the total revenue.

B. Opportunities and threats of Global IT services and Products

Threats to Indian IT and Software Industry

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

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

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

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

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

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

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

Your Company has a Risk Assessment and minimization process, which is monitored on a periodic basis. Various risks that are closely monitored are Business risks i.e. Client concentration risk, geographical risk, competition risk and financial risk mainly in the area of foreign currency fluctuations.
We have a well-defined business contingency plan and disaster recovery plan to address these unforeseen events and minimize the impact on services delivered from our development center
With solid management practices driven by a stable leadership team, a well-diversified service portfolio aligned to market needs, a wide geographic presence, increased levels of productivity through efficiency frameworks and a proven track record through its Innovation, the Company is confident of increased success in the years to come.

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

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

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

D. Risks and Concerns:

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

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

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

E. Internal Control Systems and their adequacies

The Company has professional and an adequate internal control system and procedure commensurate with the size of organization and nature of business. This provides adequate safeguards and effective monitoring of the transactions. All areas of the Company's operations are covered by such internal control systems.
The company strictly adheres to the internal control systems proven to be effective over the years. The internal audit team carries out extensive audit on all operations at regular intervals. The company implements the policies and procedures so as to safeguard the assets and interests of the company.

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

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

F. Financial Performance of the company

Your company had recorded consolidated revenues of Rs 51.77 crores and achieved net profit of Rs. 5.25 crores in the current year. We expect to achieve significant growth in revenue and net income in the coming year.We continue to be debt-free and maintain enough cash to meet our strategic and operational requirements. We understand that liquidity in the Balance Sheet has to balance between earning adequate returns and the need to cover financial and business requirements. We believe that our working capital is sufficient to meet our current requirements. Liquidity enables us to be agile and ready for meeting unforeseen strategic and business needs.Our principal sources of liquidity are cash and cash equivalents, current investments and the cash flow that we generate from our operations.

G. Human Resources

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

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

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

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

Annexure to Directors Report
CERTIFICATE OF COMPLIANCE FROM AUDITORS AS STIPULATED UNDER SEBI (LODR) REGULATIONS, 2015

The members of
SoftSol India Limited

1. We have examined the compliance of conditions of Corporate Governance by SOFTSOL INDIA LIMITED (the Company), for the year ended 31st March, 2019, as prescribed in Regulations 17 to 27, 46 (2) (b) to (i) and para C and D of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).
2. We state that the compliance of conditions of Corporate Governance is the responsibility of the management and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned LODR.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Place: Hyderabad
Date: 14-08-2019

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE
(Pursuant to clause 10 of Part C of Schedule V of LODR)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015; (LODR) in respect of SOFTSOL INDIA LIMITED, I hereby certify that :

On the basis of the written representation/declaration received from the Directors and taken on record by the Board of Directors, as on 31st March, 2019, none of the directors on the board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI / Ministry of Corporate Affairs or any such Statutory Authority.

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

Place: Hyderabad
Date: 14-08-2019

Form AOC-1

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

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

Part “A”: Subsidiaries

1	S. No.	01
2	Name of the Subsidiary	SOFTSOL RESOURCES INC, USA
3	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	31-03-2019
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	USD
5	Share capital	13120 Ordinary Shares of USD 100 each
6	Reserves & surplus	
7	Total assets	USD 31,18,878
8	Total Liabilities	USD 31,18,878
9	Investments	0
10	Turnover	USD 42,40,203
11	Profit before taxation	USD (150,303)
12	Provision for taxation	USD (45,847)
13	Profit after taxation	USD (1,04,456)
14	Proposed Dividend	0
15	% of shareholding	100%

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

On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Dr. T. Hanuman Chowdary
Director

Place: Hyderabad
Date: 14-08-2019

Form No. AOC-2

Pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8 (2)
of the Companies (Accounts) Rules, 2014

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

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

   There were no contracts or arrangements or transactions entered into by the Company with Related Parties during the year ended 31st March, 2019, which were not at arm's length basis.

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

   All transactions with Related Parties are at arm's length. There were no material contracts or arrangement or transactions at arm's length basis for the year ended 31st March, 2019.

Name of the Related Party	Nature of the Relationship	Nature of Contracts / arrangements / transactions	Duration of the Contracts / arrangement/ transactions	Date of approval by the Board	Salient terms of the contracts or arrangements or transaction including the value, if any	Amount paid as advances, if any	Amount involved in the Transactions in INR
SOFTSOL RESOURCES INC, USA	WHOLLY OWNED SUBSIDIARY	Technical Consultancy	Continuous	14/08/2018	Transaction at arm's length basis	NIL	1,53,76,722

On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Dr. T. Hanuman Chowdary
Director

Place: Hyderabad
Date: 14-08-2019

SECRETARIAL AUDIT REPORT

Form No. MR-3

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

FOR THE FINANCIAL YEAR ENDED 31-03-2019

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

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

Based on my verification of the SoftSol India Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31-03-2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31-03-2019 according to the provisions of:

1) The Companies Act, 2013 (the Act) and the rules made there under;
2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under
5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (not applicable during the audit period);
d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable during the audit period);
e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable during the audit period);
f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable during the audit period); and
h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable during the audit period);
i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India.

b) The Listing Agreements entered into by the Company with BSE Limited (SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

For VBM Rao & Associates
Company Secretaries

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

Place: Hyderabad
Date: 14-08-2019

Annexure to Directors Report
Details Regarding CSR Policy & CSR Initiatives

Sr No.	Particulars	Details about CSR
1.	Brief outline of the Corporate Social Responsibility (CSR) Policy.	The Company's Corporate Social Responsibility (CSR) vision is to make concerted efforts towards sanitation and making available safe drinking water, employment enhancing vocation skills, empowering women and rural development projects etc.
2.	The Composition of the CSR Committee.	The Members of the CSR committee are: Dr. T. Hanuman Chowdary Independent Director Mr. B. S. Srinivasan Independent Director Mr. Bhaskara Rao Madala Whole time Director
3.	Average net profit of the Company for last three financial years.	INR 4,13,49,450
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	INR 8,26,989
5.	Details of CSR spent during the financial year:	
A.	Total amount to be spent for the financial year.	INR 8,26,989
B.	Amount unspent, if any.	INR 8,26,989
C.	Manner in which the amount spent during the financial year is detailed below.	Refer Table in ANNEXURE-A
6.	In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.	During the financial year the Company is in the process of identifying specific areas, location and implementation of the Project for making contribution under CSR. Company will comply with CSR provisions in the Financial year 2019-20 by carrying out activities as per the scope given in the Act and Rules.
7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.	We hereby confirm that implementation and monitoring of the CSR Policy are in compliance with the CSR objectives and CSR Policy of the Company.

ANNEXURE-A
(For the FY 2018-19)

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

On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Dr. T. Hanuman Chowdary
Director

Place: Hyderabad
Date: 14-08-2019

EXTRACT OF ANNUAL RETURN FORM NO. MGT-9

As on the financial year ended on 31/03/2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

A	CIN	L72200TG1990PLC011771
B	Registration Date	20th September 1990
C	Name of the Company	SOFTSOL INDIA LIMITED
D	Category/Sub-Category of the Company	COMMERCIAL & INDUSTRIAL (C & I)
E	Address of the Registered office and contact details	Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081, Telangana Compliance Officer : Mr. Baddam Laxman, Company Secretary, Tel: +91 (40) 42568500 Facsimile: +91 (40) 42568600 Email: cs@softsol.com, Website: www.softsolindia.com
F	Whether listed company Yes/No	Yes, Listed with BSE Limited
G	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. KARVY FINTECH PRIVATE LIMITED, (As per the Order of Hon'ble NCLT, Hyderabad Bench, the operations of Karvy Computershare Private Limited has been transferred to KARVY FINTECH PRIVATE LIMITED), Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 008, Telangana Contact: Mr. MVN Shastry, Mr. Ramesh Desai Phone: 040 - 67161519, 9701013676 Emails: shastry.mvn@karvy.com,ramesh.desai@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

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

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding:

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% of Change during the year
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks/FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt (s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non- Institutions									
(a) Bodies Corp									
i. Indian	14132	0	14132	0.08	13086	0	13086	0.08	+0.01
ii. Overseas									
(b) individuals									
i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	488854	65926	554780	3.31	493500	61926	555426	3.30	-0.1
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	45717	0	45717	0.27	45717	0	45717	0.27	0
(C) Others (Specify)									
NRI's	4024502	54	4024556	23.92	4024502	54	4024556	23.92	
Foreign Bodies	0	0	0	0	0	0	0	0	
OCB	0	0	0	0	0	0	0	0	
Clearing Members	0	0	0	0	0	0	0	0	
Trusts	400	0	400	0.00	400	0	400	0.00	0
Sub-Total (B)(2)	4570105	69080	4639185	27.58	4577205	61980	4639185	27.58	
Total Public Shareholding = (B) (1) + (B) (2)	4570105	69080	4639185	27.58	4577205	61980	4639185	27.58	
C. Shares held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	16753433	69080	16822513	100	16760533	61980	16822513	100	0

(ii) Shareholding of Promoters:

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

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

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

		Share holding at the beginning of the year		Increase/decrease in shareholding			Cumulative Shareholding during the year	
S.No	**For Each of the Top 10 Shareholders**	**No. of shares**	**% of total shares of the company**	**Date**	**No. of Shares**	**Reason**	**No. of shares**	**% of total shares of the company**
1	The AAM Trust	1923200	11.43	17-08-2018	1923200	Sale	0	0
2	The SSM Trust	1946762	11.57	17-08-2018	1946762	Sale	0	0
3.	TALLURI SAMATHA	0	0	17-08-2018	3324525	Purchase	3324525	19.76
3	B. Prameela	95369	0.57	17-08-2018	545437	Purchase	640806	3.81
4	N. C. Murthy	58121	0.35	0	0	0	58121	0.35
5	Ramesh P Mehta	25000	0.15	0	0	0	25000	0.15
6	Dasari. V. Rao	20717	0.12	0	0	0	20717	0.12
7	Dr K Vasundhara	20000	0.12	0	0	0	20000	0.12
8	Vatsala Gandhi	10770	0.06	0	0	0	10770	0.06
9	V. Satyanarayana	10531	0.06	0	0	0	10531	0.06
10	Mamta Sancheti	0	0	Nil	7849	Purchase	7849	0.05
11	S. Arun kumar	6752	0.04	0	0	0	6752	0.04

(v) Shareholding of Directors and Key Managerial Personnel:

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

V. INDEBTEDNESS: NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

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

B. Remuneration to other Directors:

S. No	Particulars of Remuneration	Name of Directors: Dr. T. H. Chowdhary	Mr. B. S. Srinivasan	Mr. P. Venkatramaiah	Mrs. Neelima Thota	Total Amount
	3. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify					
Total (1)						
	4. Other Non-Executive Directors	0	0	0	0	0
	• Fee for attending board / committee meetings	40,000	50,000	10,000	40,000	1,40,000
	• Commission • Others, please specify					
Total (2)						
Total (B) = (1)+(2)		40,000	50,000	10,000	40,000	1,40,000
Total Managerial Remuneration						
Overall Ceiling as per the Act						

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

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

On behalf of the Board of Directors

Bhaskar Rao Madala
Whole time Director

Dr. T. Hanuman Chowdary
Director

Place: Hyderabad
Date: 14-08-2019

Independent Auditor's Report

TO THE MEMBERS OF
SOFTSOL INDIA LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of M/s. SOFTSOL INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, 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, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We have audited the accompanying standalone financial statements of M/s. SOFTSOL INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, 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, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

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.	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of INDAS115 “Revenue from contracts with customers”(new revenue accounting standard) 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** We assessed the Company’s process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows : • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems’ access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures : – Read, analyzed and identified the distinct performance obligations in these contracts. – Compared these performance obligations with that identified and recorded by the Company. – Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. – Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. – Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date
2	**Amendment in Objects Clause** With the Change in the Objects Clause of the Company the Lease Rental Income which was shown under Other Income has now Changed to the Revenue from Operations. Refer Note No.20 to the Standalone Financial Statements.
	Auditor’s Response PRINCIPAL AUDIT PROCEDURE We have verified the relevant documents and records pertaining to the case.

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

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

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

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

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

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 did not have any long-term contracts including derivative contracts for which there are for material foreseeable losses.

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

2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Place: Hyderabad
Date: 30/05/2019

(CA PA RAMAIAH)
PARTNER
M.No: F-203300

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, 2019 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, 2019, 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: 30/05/2019

(CA PA RAMAIAH)
PARTNER
M.No: F-203300

"Annexure B" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2019:

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

   (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

   (c) The title deeds of immovable properties are held in the name of the company.

2. The company has not acquired/handled/dealt in/held any inventory. Hence clause (ii) of paragraph 3 of the order is not applicable to the company for the year under report.

3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii) (a) to (C) of the Order are not applicable.

4. In our opinion and according to the information and explanations given to us, the company has not given any loans, guarantees and provided any security during the year under audit. In respect of investments made, the company has complied with the provisions of section 186 of companies Act, 2013.

5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6. According to the information and explanations furnished to us, the central government has not prescribed maintenance of cost records U/s.148(1)(d) of the Companies Act,2013 to this company.

7. (a) According to the information and explanations given to us and the records of the company examined by us, the company is regular in depositing undisputed statutory dues including Provident fund, Employee State Insurance, Income tax, sales tax, customs duty, goods and service tax and any other statutory dues as applicable with appropriate authorities. There were no arrears of outstanding statutory dues as on last day of the financial year concerned for a period of more than six months from the date on when they become payable.

   (b) According to the information and explanation given to us, there are no material dues of Income Tax, Goods and service Tax, Duty of customs, which have not been deposited on account of any dispute.

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

Sl. No	Name of statute	Nature of dues	Period to which the amount relates	Total amount of disputed dues (Rs.)	Forum where dispute is pending	Amount deposited (Rs.)
i)	Finance Act, 1994 (Service tax Provisions)	Service tax	2007-08 to 2011-12	6,18,962/-	CESTAT, Bangalore	2,23,544/-

8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing to financial institution, bank and Government. The company has not issued debentures.

9. According to the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, paragraph 3 (ix) of the Order are not applicable.

10. According to the information and explanations given by the management to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of audit.

11. According to the information and explanations to us and based on our examination of the records of the company, the company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12. In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.

13. According to the information and explanations to us and based on our examination of the records of the company transactions with the related parties are in compliance with section 177 and 188 of Companies Act,2013 where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. According to the information and explanations to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order are not applicable.

15. According to the information and explanations to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order are not applicable.

16. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, paragraph 3 (xvi) of the Order are not applicable.

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

Place: Hyderabad
Date: 30/05/2019

(CA PA RAMAIAH)
PARTNER
M.No: F-203300

BALANCE SHEET AS AT 31 MARCH 2019

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

Particulars	Note	As at 31-03-2019	As at 31-03-2018
ASSETS			
Non-current assets			
(a) Property, plant and equipment	6	1,385.14	1,494.22
(b) Investment property	7	1,250.34	1,322.38
(c) Other intangible assets	8	0.11	-
(d) Financial assets			
(i) Investments	9(i)	1,760.93	1,760.93
(ii) Other financial assets	10(i)	83.22	95.78
(e) Non-current tax assets (net)		-	47.01
(f) Other non-current assets	11(i)	-	1.38
Total non-current assets		**4,479.73**	**4,721.70**
Current assets			
(a) Financial Assets			
(i) Investments	9(ii)	8,854.81	7,675.93
(ii) Trade receivables	12	475.31	372.00
(iii) Cash and cash equivalents	13(i)	37.99	167.42
(iv) Bank balances other than (iii) above	13(ii)	14.45	13.21
(v) Other financial assets	10(ii)	5.93	5.33
(b) Other current assets	11(ii)	21.83	12.40
Total current assets		**9,410.32**	**8,246.29**
Total assets		**13,890.05**	**12,967.99**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	1,723.65	1,723.65
(b) Other equity	15	11,547.09	10,773.11
Total equity		**13,270.74**	**12,496.76**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	16(i)	346.92	327.49
(b) Provisions	17(i)	27.07	38.23
(c) Other non-current liabilities	18	-	3.17
Total non-current liabilities		**373.99**	**368.89**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	19	21.39	17.29
(ii) Other financial liabilities	16 (ii)	136.13	74.43
(b) Provisions	17(ii)	87.80	10.62
Total current liabilities		**245.32**	**102.34**
Total equity and liabilities		**13,890.05**	**12,967.99**

Significant accounting policies are in the notes 1 to 5
The accompanying notes referred to above form an integral part of the financial statements.
This is the Balance sheet referred to in our report of even date.

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

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

CA P.A. RAMAIAH
Partner
ICAI M.No.F-203300

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2019

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2019

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

Particulars	Note No	For the year ended 31-03-2019	For the year ended 31-03-2018
Income			
Revenue from operations	20	1,836.87	1,447.94
Other income	21	496.23	487.57
Total income		**2,333.10**	**1,935.51**
Expenses			
Employee benefits expense	22	827.46	577.81
Finance costs	23	23.60	16.26
Depreciation and amortisation expense	6, 7 & 8	228.18	258.33
Other expenses	24	381.56	306.00
Total expenses		**1,460.79**	**1,158.40**
Profit before tax		**872.31**	**777.11**
Tax expense	25		
Current tax		239.14	229.43
Profit for the year		**633.17**	**547.68**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
a) Re-measurement loss on defined benefit plans		(1.24)	(0.86)
b) Gain on fair value changes on equity instruments		180.69	60.48
Less: Income tax relating to items that will not be reclassified to profit and loss		(38.68)	-
Total Other Comprehensive Income for the year		**140.77**	**59.62**
Total Comprehensive Income for the year		**773.94**	**607.30**
Earnings per equity share [EPES] (in absolute ₹ terms)	26		
Par value per share		10	10
Basic EPES		3.76	3.25
Diluted EPES		3.76	3.25

Significant accounting policies are in the notes 1 to 5
The accompanying notes referred to above form an integral part of the financial statements.
This is the Balance sheet referred to in our report of even date.

for **PAVULURI & CO**	For and on behalf of Board of Directors of SoftSol India Limited	
Chartered Accountants (Firm Regn.No:012194S)		
CA P.A. RAMAIAH Partner ICAI M.No.F-203300	Bhaskara Rao Madala Wholetime Director (DIN : 00474589)	Dr. T. Hanuman Chowdary Director (DIN:00107006)
Place: Hyderabad Date: 30.05.2019	B. Laxman Company Secretary	Srinivas Mandava Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

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

	Year ended 31-03-2019	Year ended 31-03-2018
Cash flow from operating activities		
Profit before tax	**872.30**	**777.11**
Adjustments:	-	-
Depreciation and amortisation expense	228.18	258.33
Interest income on fixed deposit	(5.79)	(5.40)
Interest income on others	-	(15.85)
Interest on income tax refunds	-	(5.62)
Finance cost	23.60	16.26
Excess provision written back	(1.32)	(1.93)
Provision/(reversal) for employee benefits	43.02	7.11
Rent receivable written off	-	13.95
Gain on redemption of mutual funds	(23.23)	-
Unrealised gain on mark to market marking of mutual funds	(439.76)	(457.96)
Operating cash flows before working capital changes	**696.99**	**586.00**
(Increase)/decrease in trade receivables	(180.64)	(25.40)
Increase/(decrease) in trade payables	5.43	(9.61)
(Increase)/decrease in other current assets	(9.43)	11.97
Increase in other current financial assets	-	(30.38)
Increase in non-current financial assets	12.55	(5.60)
Decrease in other non-current financial liabilities	(4.17)	(4.40)
Increase in other non-current liabilities	-	4.93
Increase/(decrease) in other current financial liabilities	100.38	20.65
Cash generated from operating activities	**621.11**	**548.16**
Income-taxes paid/(refund received), net	(170.35)	(115.15)
Net cash generated from operating activities (A)	**450.76**	**433.01**
Cash flows from investing activities		
Purchase of property, plant and equipment	(48.94)	(82.99)
Investment in mutual funds and venture capital funds	(620.00)	(288.20)
Proceeds from sale of mutual funds	84.80	-
Movement in other bank balances	(1.24)	(12.55)
Interest income received	5.19	8.31
Net cash used in investing activities (B)	**(580.19)**	**(375.43)**
Cash flows from financing activities		
Other borrowing costs paid	-	-
Net cash used in financing activities (C)	-	-
Net (decrease)/ increase in cash and cash equivalents during the year	(129.43)	57.58
Cash and cash equivalents at the beginning of the year	167.42	109.84
Cash and cash equivalents at the end of the year	**37.99**	**167.42**
Cash and cash equivalents includes		
Balances with banks in current accounts	37.83	167.39
Cash on hand	0.16	0.03
	37.99	**167.42**

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 P.A. RAMAIAH
Partner
ICAI M.No.F-203300

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2019

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

Statement of Changes in Equity for the year ended 31-03-2019

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

A. Equity Share Capital

	Notes	Number of shares	Amount
As at 1 April 2017		**17,650,535**	**1,723.65**
Changes in equity share capital	14	-	-
As at 31 March 2018		**17,650,535**	**1,723.65**
Changes in equity share capital	14	-	-
As at 31 March 2019		**17,650,535**	**1,723.65**

B. Other Equity (Refer note 15)

	Reserves and Surplus				**Other reserves**		
	Capital redemption reserve	Securities premium reserve	General reserve	Retained earnings	Remeasurement of defined benefit obligations	Fair value changes in equity instruments through OCI	**Total**
Balance as at 1 April 2017	**180.51**	**6,701.14**	**696.90**	**10,310.74**	**(20.46)**	**(7,703.02)**	**10,165.81**
					-		
Profit for the year	-	-	-	547.68	-	-	547.70
Other comprehensive income ("OCI")	-	-	-	-	(0.86)	60.48	59.62
Income Tax relating to items of OCI	-	-	-	-	-	-	-
Balance as at 31 March 2018	**180.51**	**6,701.14**	**696.90**	**10,858.41**	**(21.32)**	**(7,642.53)**	**10,773.13**
Profit for the year	-	-	-	633.16	-	-	633.20
Other comprehensive income	-	-	-	-	(1.24)	180.69	179.44
Income Tax adjustments	-	-	-	-	0.27	(38.95)	(38.68)
Balance as at 31 March 2019	**180.51**	**6,701.14**	**696.90**	**11,491.57**	**(22.29)**	**(7,500.79)**	**11,547.09**

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

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

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

CA P.A. RAMAIAH
Partner
ICAI M.No.F-203300

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2019

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

1. General information

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

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

These financial statements for the year ended 31 March 2019 were authorized and approved for issue by the Board of Directors on 30 May 2019.

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. Recent accounting pronouncements

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

a. Ind AS – 116 Leases

On March 30, 2019, the Ministry of Corporate Affairs notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Ind AS 116 – Leases and related amendments to other Ind ASs. Ind AS 116 replaces Ind AS 17 'Leases' and related interpretation and guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor.

Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 substantially carries forward the lessor accounting requirements as per Ind AS 17. Hence there will be no significant impact on the recognition of Lease revenue.

b. Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective for annual periods beginning on or after April 1, 2019.

c. Amendment to Ind AS 12 'Income Taxes':

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1, 2019.

d. Amendment to Ind AS 19, 'Employee Benefits':

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 'Employee Benefits' in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment will come into force for accounting periods beginning on or after April 1, 2019.

The Company is evaluating the effect of the above on its financial statements

4. Summary of significant accounting policies

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

a. Operating Cycle

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

b. Current versus non-current classification

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

An **asset** is classified as current when it is:

• Expected to be realised or intended to be sold or consumed in normal operating cycle
• Held primarily for the purpose of trading
• Expected to be realised within twelve months after the reporting period, or
• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

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

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

All other liabilities are classified as non-current.

c. **Foreign currency**

Functional and presentation currency

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

Transactions and balances

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

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

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

d. Revenue recognition

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

Effective April 1, 2018, the Company adopted Ind AS 115, Revenue from Contracts with Customers.

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

Revenues in excess of invoicing are classified as contract assets (which 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. 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.

f. Investment property

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

g. Other Intangible assets

Recognition and initial measurement

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

Subsequent measurement (amortisation)

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

h. Impairment of non-financial assets

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

i. Financial instruments

Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

- Equity instruments at fair value through other comprehensive income (FVOCI)

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

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

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

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

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

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

Cash and Cash Equivalents

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

Trade Receivables

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

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

Impairment of Financial Assets

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

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

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

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

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

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

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

Financial Liabilities

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

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

Security deposits

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

Trade and other payables

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

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

Offsetting of financial instruments

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

j. Investment in the nature of equity in subsidiary company

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

k. Income taxes

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

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

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

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

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

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

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

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

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

m. Provisions, contingent liabilities and contingent assets

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

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

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

n. Earnings per share

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

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

o. Cash Flow statement

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

5. Estimates and assumptions

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

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

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

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

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

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

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

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

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

6. Property, plant and equipment

	Freehold land	Leasehold land**	Buildings	Plant and Equipment (including Computers)	Furniture and Fixtures	Vehicles	Office equipment	Total
Gross carrying amount								
At 1 April 2017	139.18	50.92	1,040.70	402.00	173.97	4.49	3.83	1,815.10
Additions	-	-	-	23.07	53.08	-	1.55	77.70
Disposals/retirement	-	-	-	-	-	-	-	-
Balance as at 31 March 2018	**139.18**	**50.92**	**1,040.70**	**425.07**	**227.05**	**4.49**	**5.38**	**1,892.80**
Additions	-	-	-	6.68	3.36	36.72	0.20	46.97
Disposals/retirement	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	**139.18**	**50.92**	**1,040.70**	**431.75**	**230.41**	**41.21**	**5.59**	**1,939.77**
Accumulated depreciation								
Up to 1 April 2017	-	0.56	63.60	90.46	58.74	2.75	0.30	216.41
Charge for the year	-	0.56	51.03	79.98	48.43	1.26	0.90	182.16
Adjustments for disposals/retirement	-	-	-	-	-	-	-	-
Balance as at 31 March 2018	**-**	**1.12**	**114.63**	**170.44**	**107.17**	**4.01**	**1.00**	**398.57**
Charge for the year	-	0.56	48.28	62.09	40.80	3.54	0.79	156.06
Adjustments for disposals/retirement	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	**-**	**1.68**	**162.91**	**232.53**	**147.97**	**7.55**	**1.79**	**554.63**
Net book value as at 1 April 2017	139.18	50.36	977.10	311.54	115.24	1.74	3.53	1,598.69
Net book value as at 31 March 2018	139.18	49.80	926.07	254.63	119.88	0.48	4.38	1,494.23
Net book value as at 31 March 2019	**139.18**	**49.24**	**877.79**	**199.22**	**82.44**	**34.00**	**3.80**	**1,385.14**

Notes:

(i) At the time of first time of adoption of Ind AS, the Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount at the date of transition to Ind AS i.e. 01-04-2016.

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

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

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

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

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

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

7. Investment property

	Buildings	Total
Gross carrying amount		
As at 1 April 2017	**1,468.05**	**1,468.05**
Additions	-	-
As at 31 March 2018	**1,468.05**	**1,468.05**
Additions	-	-
As at 31 March 2019	**1,468.05**	**1,468.05**
Accumulated depreciation		
Up to 1 April 2017	**69.53**	**69.53**
Charge for the year	76.14	76.14
Up to 31 March 2018	**145.67**	**145.67**
Charge for the year	72.04	72.04
Up to 31 March 2018	**217.71**	**217.71**
Net carrying amount		
As at 1 April 2017	1,398.52	1,398.52
As at 31 March 2017	1,322.38	1,322.38
As at 31 March 2018	**1,250.34**	**1,250.34**

Notes:

(i) (i) The Company has elected to measure all its investment property and other intangible assets at the previous GAAP carrying amount at the date of transition to Ind AS i.e. 01-04-2016.

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

8. Other intangible assets

	Computer Software	Total
Gross carrying amount		
As at 1 April 2017	**0.11**	**0.11**
Additions	**-**	**-**
As at 31 March 2018	**0.11**	**0.11**
Additions	**0.17**	**0.17**
As at 31 March 2018	**0.28**	**0.28**
Accumulated amortization		
Up to 1 April 2017	**0.08**	**0.08**
Charge for the year	0.03	0.03
Up to 31 March 2018	**0.11**	**0.11**
Charge for the year	0.07	0.07
Up to 31 March 2019	**0.18**	**0.18**
Net carrying amount		
As at 1 April 2017	0.04	0.04
As at 31 March 2018	(0.00)	(0.00)
As at 31 March 2019	**0.11**	**0.11**

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

9. Investments

	31 March 2019	31 March 2018
(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 2018:13,120) 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	8,279.97	7,281.78
	8,279.97	**7,281.78**
Investment carried at FVOCI		
Investment in units, unquoted		
"Blume ventures Fund 1,376.94 units of Fund 1A of `10,000 each and 133,919.67 units of Fund II of `100 each (31 March 2018:1,446 units of Fund 1A and 82,427 units of Fund II) "	574.84	394.15
	574.84	**394.15**
Total	**8,854.81**	**7,675.93**
Aggregate amount of quoted investments and market value thereof	8,279.97	7,281.78
Aggregate amount of unquoted investments	2,335.76	2,155.08

10. Other financial assets

	31 March 2019	31 March 2018
(i) Non-current		
Security deposits	68.00	68.00
Bank deposits (due to mature after 12 months from the reporting date)*	15.22	27.78
Total	**83.22**	**95.78**

*Represents deposits held as margin money with banks.

	31 March 2019	31 March 2018
(ii) Current		
Interest accrued on deposits	5.93	5.33
Total	**5.93**	**5.33**

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

11. Other assets

	31 March 2019	31 March 2018
(i) Non-current		
(Unsecured)		
- Considered good		
Capital advances	-	1.38
Total	**-**	**1.38**
(ii) Current		
(Unsecured)		
- Considered good		
Advance for expenses	4.01	2.43
Prepaid expenses	8.56	9.97
Advance for capital goods	9.00	-
Blances with Government Authorities	0.26	-
Total	**21.83**	**12.40**

12. Trade receivables

	31 March 2019	31 March 2018
(i) Non-current		
(Unsecured)		
- Considered good	**475.31**	**372.00**
- Considered doubtful	-	-
	475.31	**372.00**
Less: Allowance for doubtful debts	-	-
Total	**475.31**	**372.00**

13. Cash and Bank Balances

	31 March 2019	31 March 2018
(i) Cash and cash equivalents		
Balances with banks in current accounts	37.83	167.39
Cash on hand	0.16	0.03
	37.99	**167.42**
(ii) Bank balances other than above		
- Unpaid dividend account	0.65	0.65
- in deposit accounts (with original maturity of more than 3 months but less than 12 months)*	13.80	12.56
	14.45	**13.21**
Total	**52.44**	**180.63**

*Represents deposits held as margin money with banks.

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

14. Equity share capital

i. Authorised share capital

	31 March 2019		31 March 2018	
	Number	Amount	Number	Amount
Equity shares of ₹10 each	500,000,000	50,000.00	500,000,000	50,000.00

ii. Issued, subscribed and paid up

	31 March 2019		31 March 2018	
	Number	Amount	Number	Amount
Equity shares of ₹10 each fully paid up	16,822,513	1,682.25	16,822,513	1,682.25
Equity shares of ₹10 each, ₹5 paid up	28,200	1.41	28,200	1.41
Forfeited shares (amount originally paid)	799,822	39.99	799,822	39.99
Total	**17,650,535**	**1,723.65**	**17,650,535**	**1,723.65**

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

	31 March 2019		31 March 2018	
	Number	Amount	Number	Amount
Equity shares				
Balance at beginning and end of the year	17,650,535	1,723.65	17,650,535	1,723.65

iv. Rights, preferences and restrictions attached to equity shares

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

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

	31 March 2019		31 March 2018	
	Number	% holding	Number	% holding
Durga VLK Madala	9,557,408	56.81%	9,557,408	56.81%
Sambasiva Rao Madala	918,400	5.46%	918,400	5.46%
Srinivasa Rao Madala	1,366,099	8.12%	1,366,099	8.12%
Talluri Samatha	3,324,525	19.76	-	0.00%
Radhakrishna Ghanta (Trustee of AAM trust)	-	0.00%	1,946,762	11.57%
Radhakrishna Ghanta (Trustee of SSM trust)	-	0.00%	1,923,200	11.43%

vi. During the five previous financial years ended 31 March 2019, no shares have been bought back, issued for consideration other than cash and no bonus shares have been issued.

vii. Calls unpaid on equity shares

	31 March 2019		31 March 2018	
	Number	Amount	Number	Amount
- By Directors and Officers	-	-	-	-
- By others at ₹5 per equity share	28,200	1.41	28,200	1.41
Total	**28,200**	**1.41**	**28,200**	**1.41**

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

15. Other equity

	31 March 2019	31 March 2018
Reserve and surplus		
Capital redemption reserve	180.51	180.51
Securities premium reserve	6,701.14	6,701.14
General reserve	696.90	696.90
Retained earnings	11,491.57	10,858.42
	19,070.12	**18,436.97**
Other reserves		
Remeasurement of defined benefit obligations	(22.29)	(21.32)
Fair value changes on equity instruments through OCI	(7,500.79)	(7,642.54)
	(7,523.08)	**(7,663.86)**
Total	**11,547.04**	**10,773.11**

Nature and purpose of reserves

Capital redemption reserve

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

Securities premium reserve

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

General reserve

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

Fair value changes on equity instruments through OCI

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

Remeasurement of defined benefit obligations

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

16. Other Financial Liabilities

	31 March 2019	31 March 2018
(i) Non-current		
Security deposits	346.92	327.49
	346.92	**327.49**
(ii) Current		
Accrued expenses	56.68	42.99
Unclaimed dividend	0.65	0.65
Others	78.80	30.79
Total	**136.13**	**74.43**

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

17. Provisions

	31 March 2019	31 March 2018
(i) Non-current		
Gratuity	21.59	30.74
Compensated absences	5.49	7.49
Total	**27.07**	**38.22**
(ii) Current		
Gratuity	21.31	8.10
Compensated absences	6.04	2.52
Income Tax	21.78	-
Income Tax on OCI	38.67	-
Total	**87.80**	**10.62**

(a) Gratuity

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

	31 March 2019	31 March 2018
(i) Change in projected benefit obligation		
Projected benefit obligation at the beginning of the year	38.84	30.91
Service cost	7.60	8.02
Interest cost	2.82	2.16
Actuarial loss/(gain)	(2.66)	0.86
Benefits paid	(3.69)	(3.12)
Projected benefit obligation at the end of the year	**42.91**	**38.84**
(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	42.91	38.84
Funded status of the plans	-	-
Net liability recognised in the balance sheet	**42.91**	**38.84**
(iii) Expense recognized in the statement of profit and loss		
Interest cost	2.82	2.16
Service cost	7.60	8.02
Expected returns on plan assets	-	-
Net gratuity costs/(benefits)	**10.42**	**10.18**
(iv) Key actuarial assumptions		
Discount rate	7.55% - 7.7%	7.55%-7.7%
Salary escalation rate	5% - 8%	5% - 8%

(v) Expected future cash flows

	31 March 2019
The defined benefit obligation shall mature after year ended 31 March 2019 as follows:	
Within 1 year	21.31
2- 3 years	5.55
3 years and above	25.74

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

18. Other liabilities

	31 March 2019	31 March 2018
Non-current		
Capital creditors	-	3.17
	-	**3.17**

19. Trade payables

	31 March 2019	31 March 2018
Dues to micro and small enterprises	-	-
Others	21.39	17.29
	21.39	**17.29**

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

20. Revenue from operations

	31 March 2019	31 March 2018
Sale of services		
Software services	752.47	415.93
Rental income**	1,084.40	1,032.01
Total	**1,836.87**	**1,447.94**

** Rental income has been regroup to Operating income from other income as per change in objects clause of Memorandam of Association.

21. Other income

	31 March 2019	31 March 2018
Interest income from fixed deposits	5.79	5.40
Interest income on others	-	15.85
Interest on income tax refunds	-	5.62
Excess Provisions written back	1.32	1.93
Gain on redemption of mutual funds	23.23	-
Unrealised gain on mark to market marking of mutual funds	439.76	457.96
Foreign exchange gain	1.61	-
Other non-operating income	24.51	0.81
Total	**496.23**	**487.58**

22. Employee benefits expense

	31 March 2019	31 March 2018
Salaries and wages	772.71	544.27
Contribution to provident and other funds (refer note a below)	40.59	24.25
Staff welfare expenses	14.17	9.29
Total	**827.46**	**577.81**

(a) The amount recognized as an expense towards contribution to provident fund for the year aggregated to ₹39.22 (31 March 2018: ₹23.76) and towards employee state insurance fund aggregated to ₹2.60 (31 March 2018: ₹1.35).

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

23. Finance costs

	31 March 2019	31 March 2018
Interest expense for financial liabilities carried at amortised cost	23.60	16.26
Total	**23.60**	**16.26**

24. Other expenses

	31 March 2019	31 March 2018
Power and fuel	61.90	39.73
Repairs and maintenance:	-	-
- Buildings	63.76	28.73
- Plant and equipment	71.39	68.37
- Others	10.59	7.16
Insurance	14.26	11.66
Rates and taxes, excluding taxes on income	31.79	32.71
Communication	8.05	8.77
Travelling and conveyance	21.67	14.49
Legal and professional fees	35.47	25.33
Director's sitting fees	1.30	2.06
Fees and subscriptions	5.14	3.95
Staff training and recruitment charges	-	0.49
Advertisement charges	0.68	0.56
Rent receivable written off	-	13.95
Foreign exchange fluctuation loss	-	0.30
STPI charges	0.65	-
Payments to the auditor (refer note (i))	5.00	2.84
Printing & Stationery	4.00	2.31
Security Service charges	25.66	20.93
House keeping charges	-	13.99
Office maintenance	-	2.04
Water charges	2.64	2.52
Miscellaneous expenses	15.63	3.11
commission	1.98	-
	381.56	**306.00**

(i) Details of payments to auditors :

	31 March 2019	31 March 2018
As auditor:		
- Audit fee	5.00	2.29
In other capacities:		
- Taxation matters	-	0.55

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

25. Income tax

	31 March 2019	31 March 2018
Tax expense comprises of:		
Current income tax	239.14	229.43
Total	**239.14**	**229.43**

The major components of income tax expense and the reconciliation of expected tax expense based on the effective tax rate of the Company at 21.55% 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 2019	31 March 2018
Profit before tax	872.30	777.11
Other comprehensive income	179.44	59.62
	1,051.74	**836.73**
Tax at the Indian tax rate (21.55%)*	226.64	178.56
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 (Y2)	51.17	50.87
Income tax expense	**277.81**	**229.43**

*The tax rate used for reconciliation above is the minimum alternate tax rate of 21.5488% at which the Company is liable to pay tax on taxable income under the Indian Tax Law.

26. Earnings per share (EPS)

	31 March 2019	31 March 2018
Profit attributable to equity shareholders	633.16	547.68
Weighted average number of equity shares outstanding during the year	16,836,613	16,836,613
Earnings per equity share (in absolute ₹ terms) :		
Basic and Diluted	3.76	3.25
Nominal Value per share equity share	10.00	10.00

Summary of significant accounting policies and other explantory information

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

27. Fair value measurements

(i) Fair value hierarchy

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

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

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

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

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

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

	31 March 2019	31 March 2018
Fair value hierarchy (Level 1)		
Financial assets		
Investment in mutual funds	8.280	7,282
Fair value hierarchy level (Level 3)		
Financial assets		
Investment in equity shares of subsidiary	1,761	1,761
Investment in equity units of venture capital fund	575	394

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 2019			31 March 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	8,279.97	2,335.77	-	7,281.78	2,155.08	-
Trade receivables	-	-	475.31	-	-	372.00
Cash and cash equivalents	-	-	37.99	-	-	167.42
Other bank balances	-	-	14 .45	-	-	13 .21
Other financial assets	-	-	89.15	-	-	101.11
Total financial assets	**8,279.97**	**2,335.77**	**616.90**	**7,281.78**	**2,155.08**	**653.74**

	31 March 2019			31 March 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
Trade payables	-	-	21.39	-	-	17.29
Other financial liabilities	-	-	483.05	-	-	401.92
Total financial liabilities	**-**	**-**	**504.44**	**-**	**-**	**419.21**

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

28. Financial instruments risk management

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

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

A. Credit risk

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

Trade and other receivables

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

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including fixed deposits, were either past due or impaired as at 31 March 2019.

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 2019	31 March 2018
Neither past due nor impaired	-	-
Past due not impaired:		
less than 180 days	457.37	307.12
181-365 days	-	64.88
Greater than 365 days	17.94	-
	475.31	**372.00**

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

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

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

Liquidity risk

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

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

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

Maturities of financial liabilities

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

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

31 March 2018	**Up to 1 year**	**From 1 to 3 years**	**More than 3 years**	**Total**
Non-derivatives				
Trade payable	17.29	-	-	17.29
Other financial liabilities	74.42	327.49	-	401.91
Total	**91.71**	**327.49**	**-**	**419.20**

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

C. Market risk

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

Foreign exchange risk

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

	31 March 2019	31March 2018
Trade receivables	93.76	85.04

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

	Impact on profit	
	31 March 2019	31 March 2018
USD sensitivity*		
₹ / USD - Increase by 2%	1.88	1.70
₹ / USD - Decrease by 2%	(1.88)	(1.70)

* Holding all other variables constant.

29. Capital risk management

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

30. Related party disclosures

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

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

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

(b) Transactions with related parties

	For the year ended	
	31 March 2019	**31 March 2018**
Transactions with subsidiary company		
Services rendered	153.77	84.83
Transactions with KMPs		
Short-term employee benefits*	33.29	32.40

(c) Balances receivable

	31 March 2019	**31 March 2018**
Subsidiary company	93.76	85.04

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

31. Segment reporting

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

32. Contingent liabilities and commitments

	As at	
	31 March 2019	**31 March 2018**
(a) Commitments		
Capital commitments for investments in venture funds	-	-
(b) Contingent liabilities		
Guarantees excluding financial guarantees		
Bank guarantee	15.22	27.78

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

34. Where ever required figures have been re grouped.

This is the summary of significant accounting policies and other explanatory information 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 P.A. RAMAIAH
Partner
ICAI M.No.F-203300

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2019

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

SoftSol Resources Inc., USA

Board of Directors

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

Registered Office

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

Auditors

The Chugh Firm, LLP
California, USA.

Board of Director's Report 2019

Dear Members
Your Directors take pleasure in presenting their report for the financial year 2019

The Financial Highlights :

(USD in 000's)

Particulars	2019	2018
Total Revenue	4,240	5,024
Other Income	-	18
Total Operating Expense	4,390	4,956
Provision for Taxation	(46)	48
Net Profit	(104)	38

Appreciation:

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

Srinivasa Rao Madala
President and CEO
May 21, 2019

INDEPENDENT AUDITOR'S COMPILATION REPORT

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

We have audited the accompanying financial statements of Softsol Resources, Inc. (the
'Company'), which comprise the statement of financial positionasofMarch 31, 2019, and the statements of profit and loss, changes inequity and cash flows for the year then ended, and notes comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditors' responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above give a true and fair view of the financial positionof Softsol Rebsources, Inc. as at March 31, 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Chugh CPAs,LLP
Cerritos,CA
May 21, 2019

BALANCE SHEET AS OF MARCH 31, 2019

	As of 31.03.2019 in USD	As of 31.03.2019 in ₹	As of 31.12.2018 in USD
		1USD = 69.12	
ASSETS			
Non-Current Assets			
Property and Equipment	16,134	1,115,182	15,062
Intangible assets	15,000	1,036,800	17,000
Deferred Tax Assets	75,330	5,206,810	28,150
Loans and Receivables	7,547	521,649	15,000
Trade and Other Rceivables	1,782,937	123,236,605	1,355,275
Total Non -Current Assets	**1,896,948**	**131,117,046**	**1,430,487**
Current Assets			
Trade and Other Rceivables	778,172	53,787,249	667,626
Shortterm receivables	56,803	3,926,223	54,050
Cash and Cash Equivalents	337,717	23,342,999	999,230
Prepaid and Other aseets	49,238	3,403,331	71,751
Total Current assets	**1,221,930**	**84,459,802**	**1,792,657**
Total Assets	**3,118,878**	**215,576,847**	**3,223,144**
LIABILITIES			
Current Liabilities			
Trade and other payables	223,262	15,431,869	227,573
Employee benefit obligation	11,333	783,337	9,774
Provisions & Other Liabilities	172,372	11,914,353	168,963
Total Current Liabilities	**406,967**	**28,129,559**	**406,310**
Deferred Tax liabilities	2,841	196,370	3,308
Total Current Liabilities	**409,808**	**28,325,929**	**409,618**
EQUITY			
Share capital	1,312,000	90,685,440	1,312,000
Retained Earnings	1,397,070	96,565,478	1,501,526
Total Stockholders Equity	**2,709,070**	**187,250,918**	**2,813,526**
Total Liabilities and Stockholders Equity	**3,118,878**	**215,576,847**	**3,223,144**

STATEMENT OF INCOME FOR THE YEAR ENDED MARCH 31, 2019

	As of 31.03.2019 in USD	As of 31.03.2019 in ₹	As of 31.12.2018 in USD
		1USD = 67.07	
Revenue	4,240,203	284,390,415	5,024,162
Cost of providing services	(3,861,419)	(258,985,372)	(4,434,648)
Gross profit	378,784	25,405,043	589,514
Other income	-	-	18,000
Selling and Distribution Expenses	(153,204)	(10,275,392)	(143,149)
Administrative Expenses	(375,256)	(25,168,420)	(377,278)
Operating profit	(149,676)	(10,038,769)	87,087
Finanance income	-	-	27
Finanace cost	(628)	(42,120)	(439)
Finanace cost net	(628)	(42,120)	(412)
Profit before income tax	(150,304)	(10,080,889)	86,675
Income tax expenses	(45,847)	(3,074,958)	47,620
Profit from consulting operation	(104,457)	(7,005,931)	39,055
Profit/(Loss) from disposa; of non-current assets	-	-	(640)
Profit	(104,457)	(7,005,931)	38,415
Other comprehensive income	-	-	-
Total Comprehensive income	**(104,457)**	**(7,005,931)**	**38,415**

Statement of changes in equity
For the year ended March 31,2019

	Share Capital in USD	Retained Earnings in USD	Total in USD	Total in ₹
Balances at March 31,2017	1,312,000	1,457,372	2,769,372	185,741,780
Profit for the period	-	38,415	38,415	2,576,494
Balances at March 31,2018	1,312,000	1,495,787	2,807,787	188,318,274
Prior period adjustment	-	5,739	5,739	384,915
	1,312,000	1,501,526	2,813,526	188,703,189
Profit for the period	-	(104,457)	(104,457)	(7,005,931)
Balances at March 31,2019	**1,312,000**	**1,397,069**	**2,709,069**	**181,697,258**

Property and Equipment
Property and equipment consisted of the following:

	2,019				2018			
Owned assets	Cost **31.03.2019** in USD	Accumulated **Depreciation** in USD	Carrying **Value** in USD	Carrying **Value** in ₹	Cost **31.03.2018** in USD	Accumulated **Depreciation** in USD	Carrying **Value** in USD	Carrying **Value** in ₹
Furniture & Fixtures	-	-	-	-	29,369	(29,369)	-	-
Office Equipment	85,482	(69,348)	16,134	1,115,182	80,748	(65,686)	15,062	979,632
Softsol .com Domain Name	30,000	(15,000)	15,000	1,036,800	30,000	(13,000)	17,000	1,105,680
Total Other Current Liabilities	**115,482**	**(84,348)**	**31,134**	**2,151,982**	**140,117**	**(108,055)**	**32,062**	**2,085,312**

Expenses Classifcation

Cost of providing services:

	As of 31.03.2019 in USD	As of 31.03.2019 in ₹	As of 31.03.2018 in USD
Consulting outsourced	607,105	40,718,532	961,462
Insurance-Medical & dental	101,978	6,839,664	98,600
Legal & Immigration-Consultansts	39,795	2,669,051	25,954
Rebate Charges	14,674	984,185	10,823
Salaries &Wages Consultants	2,885,611	193,537,930	3,091,157
Trainning	176	11,804	325
Taxes-Payroll-Consultants	208,347	13,973,833	228,146
Travel-Consultants	3,733	250,372	18,181
Total	**3,861,419**	**258,985,372**	**4,434,648**

Selling and distribution expenses:

	As of 31.03.2019 in USD	As of 31.03.2019 in ₹	As of 31.03.2018 in USD
Business development	374	25,084	-
Commission	999	67,003	-
Insurance-Medical & dental	2,378	159,492	2,630
Recruiting	19,711	1,322,017	18,294
Recruiting outsourced	37,067	2,486,084	35,805
Salaries & Wages	72,981	4,894,836	73,169
Taxes-Payroll	7,694	516,037	11,144
Travel	12,000	804,840	2,107
Total	**153,204**	**10,275,392**	**143,149**

Expenses Classifcation

Administrative Expenses

	As of 31.03.2019 in USD	As of 31.03.2019 in ₹	As of 31.03.2018 in USD
Auto Expenses	9,036	606,045	10,165
Depreciation & amortization	5,662	379,750	5,287
Dues & Subscriptions	8,126	545,011	6,693
Freight & Postage	1,157	77,600	2,956
Insurance	42,567	2,854,969	48,126
Meals & entertainment	4,047	271,432	7,674
Office Expenses	410	27,499	356
Officers salaris & wages	86,659	5,812,219	69,923
Outside services	32,599	2,186,415	39,082
Payroll taxes	9,781	656,012	17,054
Professional Fees	30,249	2,028,800	21,616
Relocation	4,079	273,579	-
Rent	29,509	1,979,169	33,559
Repairs & Maintenance	3,087	207,045	-
Salaries & Wages	50,044	3,356,451	59,834
Supplies	7,520	504,366	5,926
Taxes , Permits & Licenses	14,594	978,820	7,322
Telephone	19,315	1,295,457	17,224
Travel	12,375	829,991	11,213
Utilities	4,167	279,481	7,618
Miscellanious	273	18,310	5,651
Total	**375,256**	**25,168,420**	**377,279**

Statement of Cash Flow for the Year ended March 31, 2019

	Year Ended 31.03.2019 in USD	Year Ended 31.03.2019 in ₹	Year Ended 31.03.2018 in USD
Cash Flows from Operating Activities			
Net Income	**(104,456)**	**(6,793,818)**	**38,415**
Adjustments to reconcile Net Income to Net Cash provided by Opertaions :			
Depreciation	5,662	368,256	5,287
Loss on sale of property	-	-	640
Deferred Taxes	(47,647)	(3,098,961)	14,197
Trade and Other Receivables	(538,208)	(35,005,048)	(359,817)
Shorterm receievables	(2,753)	(179,055)	(5,500)
Prepaid and Other assets	22,513	1,464,246	2,336
Trade and Other payables	(4,311)	(280,387)	(222,834)
Employee benefit obligation	1,559	101,397	9,774
Provision and employee benefits	3,409	221,721	58,678
Security deposits	7,453	483,998	-
Net Cash Provided by (used in) Operating Activities	**(656,779)**	**(42,717,651)**	**(458,824)**
Cashflow from investing activitiesFinancing activities			
Acquisition of property	(4,734)	(307,899)	(16,137)
Net cash used in investing activities	(4,734)	(307,899)	(16,137)
Cashflow from Financing activities			
Repayment of Borrowings	-	-	
Net Increase in Cash and Cash Equivalents	**(661,513)**	**(43,025,551)**	**(474,961)**
Cash and cash equivalents at the Beginning of the Year	999,230	64,989,919	1,474,191
Cash and cash equivalents at the end of the Year	**337,717**	**21,964,368**	**999,230**

Notes to Financial Statements (March 31st, 2019)

Note 1 – Reporting entity

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

Note 2 – Summary of significant accounting policies

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

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

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

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

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

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

Intangible assets

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

Loans and receivables

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

Cash and cash equivalents

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

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

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

Deferred revenue

Advance payments received for services to be provided under contract agreements are deferred until the requisite service is provided and accepted, at which time revenue is considered earned and recognized. There was no deferred revenue as of March 31, 2018.

Income taxes

Taxation on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date.

The charge for deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit. Deferred tax is calculated at the tax rate that is expected to apply to the period when the asset is realized or the liability is settled.

Employee benefits

The Company operates defined contribution plan which is available to all eligible employees. The plan is funded by employee and employer contribution. The plan is governed by the Department of Labor's Rules and regulation. There was no matching contribution from the employer for the year ended March 31, 2019.

The Company has a voluntary flexible spending plan wherein a certain amount of money opted by the employee at the beginning of the plan year to be deducted from employee's payroll every month. The contributed amount will be used to reimburse the employees for their eligible medical expenses and childcare expenses. As of March 31, 2019, and 2018 the accumulated contributions were $33,704 and $ 23,986 respectively. This account is included in the provision and other liabilities account.

The advances given to employees are for expenses which employees are required to present documentation and any amount not substantiated is refunded to the Company. As of March 31, 2019, and 2018 the employee advances were $56,804 and $54,050, respectively, classified as short term receivable in financial statements.

The Company provides paid vacation leave to certain employees of the Company. Vacation leave credits are expensed within the year and are not carried forward the following year, therefore, no accrual is recognized in the financial statements.

Provisions and other liabilities

Provisions are recognized when the Company has a present legal or constructive obligation, as a result of past events for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made for the obligation. Where the effect of discounting to present value is material, provisions are adjusted to reflect the time value of money. This includes the Company's obligations.

Financial instruments

Financial instruments recognized on the balance sheet include trade and other receivables, cash and cash equivalents, and trade and other payables. Financial instruments are initially recognized at fair value, which includes transaction costs, except for those items carried at fair value through profit or loss, when the Company is party to a contractual arrangement.

Trade and other receivables

Trade and other receivables are recognized at amortized cost, less provisions for impairments. Where the effect of discounting is immaterial, short duration receivables with no stated interest rate are measured at original invoice amount less provision for impairment. Impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of sale. The provision for impairment was $80,271 as of March 31, 2019, and $84,591 for March 31, 2018. During the year total of $4,320 was written of.

Significant financial difficulties of the debtor, or delinquency in payments, are considered indicators that the trade receivable is impaired. The impairment is expensed in the income statement.

Cash and cash equivalents

Cash and cash equivalents are measured at cost which is equivalent to fair value.

Trade and other payables

Trade and other payables are recognized at amortized cost. Where the effect of discounting is immaterial, trade payables with no stated interest rate are measured at original invoice amount.

Use of estimates

Preparing financial statements in conformity with IFRS requires estimates and assumptions that affect reported amounts and related disclosures. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognized prospectively.

Property and equipment

The useful lives and residual values of items of property and equipment are assessed annually in order for depreciation to be provided. The actual lives and residual values of assets may vary depending on several factors.

Consideration has to be given to whether components of an asset have different useful lives to the rest of the asset, whether such a component forms a significant part of the asset's original cost, and whether subsequent expenditure on assets is to be treated as maintenance or to be capitalized.

Trade and other receivables

Impairment of trade and other receivables requires the consideration of the impairment indicators, namely significant financial difficulties of the debtor, or delinquency in payments.

Note 3 – Reclassifications

Certain reclassifications have been made in the financial statements of prior period to conform to the classification used in the current period. These changes have no impact on previously reported net income or equity of the Company.

Note 4 – Property and equipment

Property and equipment consisted of the following:

	2019			2018		
Owned assets	**Cost**	**Accumulated depreciation**	**Carrying value**	**Cost**	**Accumulated depreciation**	**Carrying value**
Furniture & fixtures	-	-	-	$29,369	$(29,369)	-
Office equipment	85,482	(69,348)	16,134	80,748	(65,686)	15,062
Softsol.com Domain Name	30,000	(15,000)	15,000	30,000	(13,000)	17,000
Total	**$115.482**	**$(84,348)**	**$31,134**	**$140,117**	**$ (108,055)**	**$ 32,062**

Note 5 – Related party transactions

The Company is wholly owned by Softsol India Limited (also known as SIL India), an Indian based company.

Softsol Technologies, Inc. (known as STI), a Nevada Corporation, was previously owned by Mrs. Durga Madala, spouse of Mr. Srinivasa Rao Madala. In August 2017, STI's ownership was transferred to Mr. Madala.

The Company has entered into professional services agreement with Softsol Technologies, Inc. and Softsol India Limited. The Company shares and charges Softsol Technologies, Inc. certain common selling and administrative expenses.

All transactions and balances with related parties are as follows:

Softsol Technologies, Inc.	**2019**	**2018**
Services received from	$266,417	$209,350
Trade receivable	199,318	11,122
Receivable-nontrade	1,782,937	1,344,153

Softsol India Limited	**2019**	**2018**
Services rendered to	$135,240	$131,441
Trade payable	135,240	131,441

Related party trade receivable and receivable-nontrade are included in the trade and other receivables account. Related party trade payable is included in the trade and other payables account.
All transactions and balances with related parties are as follows:

Note 6 – Provisions and Other Liabilities

	2019	2018
Accrued salaries and wages	$107,894	$112,812
Credit card liabilities	10,178	3,201
Flexible spending payable	33,704	23,976
Income tax payable	750	977
Other accrued liabilities	19,846	27,997
Total	**$172,372**	**$168,963**

Note 7 – Share capital

	2019	2018
Authorized common stocks of $100 Par value	100,000,000	100,000,000
Issued - 13,120 Common stock of $100 par value	$1,312,000	$1,312,000

Note 8 – Concentration of risks

Cash
Cash is maintained with major financial institutions in the United States. Deposits with one bank exceed the amount of the $250,000 Federal Deposit Insurance Corporation insurance provided on such deposits. The Company has not experienced any losses in such accounts and believes it is not subject to any significant credit risk as all its deposits are maintained in high quality financial institutions.

Trade receivable and sales
The Company performs ongoing credit evaluations of its customers and when required recognize provisions for impairments. The Company generally does not require collateral to secure its accounts receivable.

The Company's sale to its three major customers, totaled approximately $1.8 million that accounts for approximately 46% of the Company's total revenue for the year. Accounts receivable from these three customers as of March 31, 2019 was $284,515 which is approximately 35% of total accounts receivable.

For the year ended March 31, 2018, approximately $2.6 million representing 52% of the Company's total revenue was accounted to its four major customers. Accounts receivable from these customers was $421,591 as of March 31, 2018 which is approximately 59% of total accounts receivable.

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

Trade and other receivables, cash and cash equivalents and trade and other payables are of short -term maturity and non-interest bearing.

Liquidity risk
Responsibility for liquidity risk management rests with the owners. The Company manages liquidity risk by maintaining adequate banking facilities and continuously monitoring forecast and actual cash flows.

Fair value of financial instruments
All financial instruments are carried at fair value or amounts that approximate fair value.

The carrying amounts for cash and cash equivalents, trade and other receivables and trade and other payables approximate fair value due to the short-term nature of these instruments.

Note 9 – Expense classification

Cost of providing services:

	2019	2018
Consulting outsourced	$ 607,105	$ 961,462
Insurance-Medical & dental	101,978	98,600
Legal & Immigration-Consultansts	39,795	25,954
Rebate Charges	14,674	10,823
Salaries &Wages Consultants	2,885,611	3,091,157
Trainning	176	325
Taxes-Payroll-Consultants	208,347	228,146
Travel-Consultants	3,733	18,181
Total	**$ 3,861,419**	**$ 4,434,648**

Selling expenses:

	2019	2018
Insurance-Medical & dental	2,378	2,630
Recruiting	19,711	18,294
Recruiting outsourced	37,067	35,805
Salaries & Wages	72,981	73,169
Taxes-Payroll	7,694	11,144
Travel	12,000	2,107
Others	1,373	-
Total	**$ 153,203**	**$ 143,149**

Administrative expenses :

	2019	2018
Auto expense	$9,036	$10,165
Depreciation & amortization	5,662	5,287
Dues & subscriptions	8,126	6,693
Freight & postage	1,157	2,956
Insurance	42,567	48,126
Meals & entertainment	4,047	7,674
Office expense		356
Officer's salaries & wages	86,659	69,923
Outside services	32,599	39,082
Payroll taxes	9,781	17,054
Professional fees	30,249	21,616
Rent	29,509	33,559
Salaries & wages	50,044	59,834
Supplies	7,520	5,926
Taxes, permits & licenses	14,594	7,222
Telephone	19,315	17,224
Travel	12,375	11,213
Utilities	4,167	7,618
Miscellaneous	7,849	6,106
Total	**$375.257**	**$377,278**

Note 10 – Lease commitments

In September 2018, the Company had amended its lease agreement for its new office location at 42808 Christy Street, Fremont, CA. The new lease commenced on November 16, 2018 and will mature on November 30, 2021. The initial base was $7,114 per month. In addition to the base rent, the Company is responsible for the payment of monthly common area maintenance and operating expenses.

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

The Company did not record the effect of deferred rent since the amount is not material.

The future minimum lease payments under this operating lease are as follows:

For year ending March 31,	Amount
2020	$ 85,368
2021	87,924
2022	60,376
Total	**$ 233,668**

Note 11 - Income taxes

The components of income tax expense (benefit) for the year ended March 31, 2019 and 2018 are as follows:

2019				
	Prior year	**Current**	**Deferred**	**Total**
State	$ -	1,800	(13,340)	(11,540)
Federal	-	-	(34,307	(34,307)
Total	**$ -**	**$ 1,800**	**$ (47,647)**	**$ (45,847)**

2018				
	Prior year	**Current**	**Deferred**	**Total**
State	$ 2,462	$ 7,966	$ 140	$ 5,644
Federal	7,496	20,423	14,057	41,976
Total	**$5,034**	**$28,389**	**$14,197**	**$47,620**

The components of deferred tax assets at March 31, 2019 and 2018, are as follows:

	2019	**2018**
Deferred tax assets		
Bad debt	$ 24,081	$ 25,377
Net operating loss carryover	46,438	-
State income tax – current	378	981
State income tax - deferred	4,433	1,633
Depreciation - State	-	159
	75,330	28,150
Less: Allowance	-	-
Net deferred tax asset	75,330	28,150
Deferred tax liabilities		
Depreciation - Federal	74	3,308
Depreciation - State	2,767	-
	$ 2,841	$ 3,308

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

Note 12 - Prior period adjestment

The beginning retained earnings was adjusted to correct the income tax provision previously recorded in prior year including the re-measurement of deferred tax assets and liabilities. The net effect of this adjestment resulted in the increase of retained earnings of $5,739 and net decrease for the same amount of related prepaid income tax included in the prepaids and other assets account, income tax payable, deferred tax assets and deferred tax liabilities.

Independent Auditor's Report

TO THE MEMBERS OF
SOFTSOL INDIA LIMITED

Report on the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of M/s. SOFTSOL INDIA LIMITED ('the Holding Company') and its subsidiary company (the Holding Company and its subsidiary company together referred as 'the Group'),, which comprise the Consolidated Balance Sheet as at March 31, 2019, 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, 2019, 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.	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of INDAS115 "Revenue from contracts with customers"(new revenue accounting standard) 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** We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows : • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures : – Read, analyzed and identified the distinct performance obligations in these contracts. – Compared these performance obligations with that identified and recorded by the Company. – Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. – Sample of revenues disaggregated by type and service offerings was tested with the performance obligations specified in the underlying contracts. – Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

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

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of requirements of the Act that give a true and fair view of the Consolidated financial position, Consolidated financial performance, Consolidated total comprehensive income, Consolidated changes in equity and Consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India including The Indian Accounting Standard specified under sec.133 of the act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

- 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 did not audit the financial statements of Softsol Resources Inc., subsidiary, whose financial statements reflect total assets of Rs.14284.31lakhs as at 31st March, 2019, total revenues of Rs.5177.00 lakhs for the year ended on that date. The above financial information are before giving effect to any consolidated adjustments. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-section (3) of section 143 of the Act, insofar as it relates the aforesaid subsidiary is based solely on the reports of the other auditors.

The above subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in that country and which have been audited by other auditors under generally accepted auditing standards applicable in that country. The Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management .Our Opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the company and audited by us. Our Opinion on the consolidated financial statements, and our report on Other Legal and Regulatory requirements below,is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

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

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

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

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 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, 2019 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 did not have any long-term contracts including derivative contracts for which there are for material foreseeable losses

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

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

Place: Hyderabad
Date: 30/05/2019

(CA PA RAMAIAH)
PARTNER
M.No: F-203300

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended March 31, 2019, 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, 2019, 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: 30/05/2019

(CA PA RAMAIAH)
PARTNER
M.No: F-203300

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2019

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

Particulars	Note	As at 31-03-2019	As at 31-03-2018
ASSETS			
Non-current assets			
(a) Property, plant and equipment	6	1,395.72	1,504.01
(b) Investment property	7	1,250.33	1,322.38
(c) Other intangible assets	8	10.47	11.06
(d) Financial assets			
(i) Trade Receivables	12	1,232.37	881.47
(ii) Other financial assets	10	88.44	105.53
(e) Non-current tax assets (net)		-	47.01
(f) Deferred tax assets	13	52.07	24.16
(g) Other non-current assets	11	-	1.38
Total non-current assets		**4,029.40**	**3,897.00**
Current assets			
(a) Financial Assets			
(i) Investments	9	8,854.81	7,675.93
(ii) Trade receivables	12	1013.19	721.40
(iii) Cash and cash equivalents	14(i)	271.41	817.32
(iv) Other bank balances	14(ii)	14.45	13.21
(v) Other financial assets	10	5.93	5.33
(b) Other current assets	11	95.12	80.17
Total current assets		**10,254.91**	**9,313.36**
Total assets		**14,284.31**	**13,210.36**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	1,723.65	1,723.65
(b) Other equity	16	11,658.06	10,834.94
Total equity attributable to equity shareholders of the Company		**13,381.74**	**12,558.59**
(c) Non-controlling interests		-	-
Total equity		**13,381.74**	**12,558.59**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	18	346.92	327.49
(b) Provisions	19	27.07	38.23
(c) Other non-current liabilities	20	-	3.17
Total non-current liabilities		**374.00**	**368.89**
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	21	175.71	80.47
(ii) Other financial liabilities	18	263.11	189.88
(b) Provisions	19	87.79	10.62
(c) Current tax liabilities (net)		1.96	1.91
Total current liabilities		**528.57**	**282.88**
Total equity and liabilities		**14,284.31**	**13,210.36**

Significant accounting policies are in note 1 to 5

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

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

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

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

CA P.A. RAMAIAH
Partner
ICAI M.No.F-203300

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2019

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2019

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

Particulars	Note No	Year ended 31-03-2019	Year ended 31-03-2018
Revenue from operations	22	4,680.77	4,637.49
Other income	23	496.23	487.19
Total income		**5,177.00**	**5,124.68**
Expenses			
Employee benefits expense	24	3,057.65	2,791.39
Finance costs	25	24.02	16.26
Depreciation and amortisation expense	6, 7 & 8	231.97	261.77
Other expenses	26	1,091.86	1,222.27
Total expenses		**4,405.50**	**4,291.69**
Profit before tax		**771.50**	**832.99**
Tax expense	27		
Current tax		239.14	251.15
Deferred tax		(30.75)	9.21
Profit for the year		**563.11**	**572.63**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
a) Remeasurement loss on defined benefit plans		(1.24)	(0.86)
b) Gain on fair value changes on equity instruments		180.69	60.48
Less: Income tax relating to items that will not be reclassified to profit and loss		38.68	-
Items that will be reclassified to profit or loss			
Exchange difference in translating the financial statements of a foreign operation		119.23	5.58
Total other comprehensive income for the year		**259.99**	**65.20**
Total comprehensive income for the year		**823.10**	**637.83**
Profit for the year attributable to			
Owners of the company		563.11	572.63
Non-controlling interest		-	-
Total other comprehensive income attributable to			
Owners of the company		823.10	637.83
Non-controlling interest		-	-
Earnings per equity share [EPES] (in absolute ₹ terms)	28		
Par value per equity share		10.00	10.00
Basic EPES		3.34	3.40
Diluted EPES		3.34	3.40

The accompanying notes from an integral part of the financial statements.
This is the Consolidated Statement of Profit and Loss 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 P.A. RAMAIAH
Partner
ICAI M.No.F-203300

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2019

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

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

	Year ended 31-03-2019	Year ended 31-03-2018
Cash flow from operating activities		
Profit before tax	771.50	832.99
Adjustments:		
Depreciation and amortisation expense	231.97	261.77
Interest income on fixed deposit	(5.79)	(5.40)
Interest income on others	-	(15.85)
Interest on income tax refunds	-	(5.62)
Gain on redemption of mutual funds	(23.23)	-
Finance cost	24.02	16.26
Excess provision written back	(1.32)	(1.93)
Provision/(reversal) for employee benefits	23.00	5.38
Rent receivable written off	-	13.95
Unrealised gain on mark to market marking of mutual funds	(439.76)	(457.96)
Operating cash flows before working capital changes	**534.38**	**643.59**
(Increase)/decrease in trade receivables	(874.66)	(297.33)
Increase/(decrease) in trade payables	95.24	(119.07)
Increase / (decrease) in other current & non current assets	(13.57)	(20.94)
(Increase)/decrease in other current financial assets	(0.61)	1.10
Increase in non-current financial assets	(6.93)	(5.62)
Increase/ (Decrease) in other non-current financial liabilities	19.43	27.71
Decrease in other non-current liabilities	(1.85)	(27.18)
Increase in other current financial liabilities	(1.33)	83.69
Cash generated from operating activities	**(249.90)**	**285.96**
Income-taxes paid, net	(65.53)	(155.12)
Net cash generated from operating activities (A)	**(315.43)**	**130.84**
Cash flows from investing activities		
Purchase of property, plant and equipment	180.93	(93.12)
Investment in mutual funds and venture capital funds	(620.00)	(287.45)
Proceeds from sale of mutual funds	84.80	-
Movement in other bank balances	(1.24)	(12.55)
Interest income received	5.79	8.31
Net cash used in investing activities (B)	**(349.71)**	**(384.81)**
Cash flows from financing activities		
Repayment of short term borrowings	-	-
Other borrowing costs paid	-	-
Net cash used in financing activities	-	-
" Net (decrease)/ increase in cash and cash equivalents during the year	**(665.14)**	**(253.97)**
Effect of exchange rate changes on cash and cash equivalents	119.23	5.58
Cash and cash equivalents at the beginning of the year	817.32	1,065.71
Cash and cash equivalents at the end of the year (Note 1)	**271.41**	**817.32**

Softsol India Limited
Cash Flow Statement for the year ended 31 March 2018
(All amounts in ₹ lakhs, except share data and where otherwise stated)

	As at	
	31 March 2019	**31 March 2018**
Note 1:		
Cash and cash equivalents includes		
Cash on hand	271.26	817.29
Balances with banks in current accounts	0.15	0.03
	271.41	**817.32**

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 P.A. RAMAIAH
Partner
ICAI M.No.F-203300

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2019

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

Consolidated Statement of Changes in Equity for the year ended 31-03-2019

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

A. Equity Share Capital

	Notes	Number of shares	Amount
As at 1 April 2017		**17,650,535.00**	**1,723.65**
Changes in equity share capital	15.00	-	-
As at 31 March 2018		**17,650,535.00**	**1,723.65**
Changes in equity share capital	15.00	-	-
As at 31 March 2019		**17,650,535.00**	**1,723.65**

B. Other Equity (Refer note 16)

	Reserves and Surplus				Other reserves			
	Capital redemption reserve	**Securities premium reserve**	**General reserve**	**Retained earnings**	**Remeasurement of defined benefit obligations**	**Fair value changes in equity instruments through OCI**	**Exchange difference in translating the financial statements of a foreign operation**	**Total**
Balance as at 1 April 2017	180.51	6,701.14	696.90	2,610.26	(20.46)	70.09	(40.47)	10,197.97
Profit for the year	-	-	-	572.62	-	-	-	572.62
Other comprehensive income (“OCI”)	-	-	-	(0.85)	(0.86)	60.48	5.58	64.35
Balance as at 31 March 2018	**180.51**	**6,701.14**	**696.90**	**3,182.03**	**(21.32)**	**130.57**	**(34.89)**	**10,834.94**
Profit for the year	-	-	-	563.11	-	-	-	563.11
OCI and Other adjustments	-	-		-	(1.24)	180.69	119.23	298.70
Income Tax Adjustments	-	-	-	-	0.27	(38.95)	-	(38.68)
Balance as at 31 March 2019	**180.51**	**6,701.14**	**696.90**	**3,745.14**	**(22.29)**	**272.31**	**84.34**	**11,658.08**

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

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

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

CA P.A. RAMAIAH
Partner
ICAI M.No.F-203300

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

Place: Hyderabad
Date: 30.05.2019

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

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 2019. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on a recognised stock exchange in India. The registered office of the Company is at Plot No. 4, Software Units Layout, Madhapur, Hyderabad – 500081.

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

These consolidated financial statements for the year ended 31 March 2019 were authorized and approved for issue by the Board of Directors on 30 May 2019.

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 2018**	**31 March 2017**	**1 April 2016**
Softsol Resources Inc.	Subsidiary	USA	100%	100%	100%

3. Recent accounting pronouncements

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

a. Ind AS – 116 Leases

On March 30, 2019, the Ministry of Corporate Affairs notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Ind AS 116 – Leases and related amendments to other Ind ASs. Ind AS 116 replaces Ind AS 17 'Leases' and related interpretation and guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor.

Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. Ind AS 116 substantially carries forward the lessor accounting requirements as per Ind AS 17. Hence there will be no significant impact on the recognition of Lease revenue.

b. Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective for annual periods beginning on or after April 1, 2019.

c. Amendment to Ind AS 12 'Income Taxes':

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1, 2019.

d. Amendment to Ind AS 19, 'Employee Benefits':

On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 'Employee Benefits' in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment will come into force for accounting periods beginning on or after April 1, 2019.

The Company is evaluating the effect of the above on its financial statements

4. Summary of significant accounting policies

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

a. Operating Cycle

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

b. Current versus non-current classification

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

An **asset** is classified as current when it is:

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

All other assets are classified as non-current.

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

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

All other liabilities are classified as non-current.

c. Foreign currency

Functional and presentation currency

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

Transactions and balances

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

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

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

d. Revenue recognition

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

Effective April 1, 2018, the Company adopted Ind AS 115, Revenue from Contracts with Customers,
Revenue is recognized upon transfer of control of promised services to the customer, recovery of the consideration is probable, the associated costs and possible return of services can be estimated reliably, there is no continuing management involvement with the services, and the amount of revenue can be measured reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the agreement.

Revenues in excess of invoicing are classified as contract assets (which 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. 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.

f. Investment property

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

When the use of a property changes from owner occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

g. Other Intangible assets

Recognition and initial measurement

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

Subsequent measurement (amortisation)

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

h. Impairment of non-financial assets

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

i. Financial instruments

Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

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

Equity instruments measured at FVTPL and FVOCI

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

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

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

Cash and Cash Equivalents

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

Trade Receivables

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

De-recognition

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

Impairment of Financial Assets

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

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

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

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

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

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

Financial Liabilities

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

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

Security deposits

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

Trade and other payables

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

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

Offsetting of financial instruments

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

j. Investment in the nature of equity in subsidiary company

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

k. Income taxes

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

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

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

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

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

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

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

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

Short-term employee benefits

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

m. Provisions, contingent liabilities and contingent assets

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

Contingent liability is disclosed for:

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

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

n. Earnings per share

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

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

o. Cash Flow statement

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

5. Estimates and assumptions

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

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

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

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

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

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

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

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

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

6. Property, plant and equipment

	Freehold land	Leasehold land**	Buildings	Plant and Equipment (including Computers)	Furniture and Fixtures	Vehicles	Office equipment	Total
Gross carrying amount								
At 1 April 2017	139.18	50.92	1,040.70	402.00	173.97	4.49	7.46	1,818.70
Additions	-	-	-	23.07	53.08	-	11.62	87.77
Translation difference	-	-	-	-	-	-	0.01	0.01
Balance as at 31 March 2018	**139.18**	**50.92**	**1,040.70**	**425.07**	**227.05**	**4.49**	**19.09**	**1,906.48**
Additions	-	-	-	6.68	3.36	36.73	3.48	50.25
Translation difference	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	**139.18**	**50.92**	**1,040.70**	**431.75**	**230.41**	**41.22**	**22.57**	**1,956.73**
Accumulated depreciation								
Up to 1 April 2017	-	0.56	63.60	90.46	58.74	2.75	2.08	218.19
Charge for the year	-	0.56	51.03	79.98	48.43	1.26	3.04	184.30
Translation difference	-	-	-	-	-	-	-	-
Balance as at 31 March 2018	**-**	**1.12**	**114.63**	**170.44**	**107.17**	**4.01**	**5.12**	**402.49**
Charge for the year	-	0.56	48.28	62.09	40.80	3.54	3.24	158.52
Translation difference	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	**-**	**1.68**	**162.91**	**232.53**	**147.97**	**7.55**	**8.36**	**561.01**
Net book value as at 1 April 2017	139.18	50.36	977.10	311.54	115.23	1.74	5.38	1,600.51
Net book value as at 31 March 2018	139.18	49.80	926.07	254.63	119.88	0.48	13.97	1,503.99
Net book value as at 31 March 2019	**139.18**	**49.24**	**877.79**	**199.22**	**82.44**	**33.67**	**14.21**	**1,395.72**

Notes:
(i) The Group has elected to measure all its property, plant and equipment at the previous GAAP carrying amount at the date of transition to Ind AS. Refer Note 37.

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

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

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

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

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

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

7. Investment property

	Buildings	Total
Gross carrying amount		
As at 1 April 2017	**1,468.05**	**1,468.05**
Additions	-	-
As at 31 March 2018	**1,468.05**	**1,468.05**
Additions	-	-
As at 31 March 2019	**1,468.05**	**1,468.05**
Accumulated depreciation		
Up to 1 April 2017	**69.53**	**69.53**
Charge for the year	76.14	76.14
Up to 31 March 2018	**145.67**	**145.67**
Charge for the year	72.04	72.04
Up to 31 March 2019	**217.71**	**217.71**
Net carrying amount		
As at 1 April 2017	1,398.52	1,398.52
As at 31 March 2018	1,322.38	1,322.38
As at 31 March 2019	**1,250.34**	**1,250.33**

Notes:

(i) The Company has elected to measure all its investment property and other intangible assets at the previous GAAP carrying amount at the date of transition to Ind AS. Refer Note 37.

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

8. Other intangible assets

	Computer Software	Total
Gross carrying amount		
As at 1 April 2017	**13.72**	**13.72**
Translation difference	0.05	0.05
As at 31 March 2018	**13.77**	**13.77**
Additons	0.17	0.17
As at 31 March 2019	**13.94**	**13.94**
Accumulated amortization		
Up to 1 April 2017	1.38	1.38
Charge for the year	1.33	1.33
Up to 31 March 2018	**2.71**	**2.71**
Charge for the year	1.41	1.41
Translation difference	-	-
Up to 31 March 2019	**4.12**	**4.12**
Net carrying amount		
As at 1 April 2017	12.34	12.34
As at 31 March 2018	11.06	11.06
As at 31 March 2019	**9.82**	**10.47**

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

9. Investments

	31 March 2019	31 March 2018
Current		
Investment carried at fair value through profit or loss ('FVTPL')		
Investment in mutual funds, quoted	8,279.97	7,281.78
Total	**8,279.97**	**7,281.78**
Investments carried at fair value through OCI ('FVOCI')		
Investment in equity units, unquoted		
"Blume ventures Fund	574.84	394.15
1,376.94 units of Fund 1A of ₹10,000 each and 133,919.67 units of Fund II of ₹100 each (31 March 2018:1,446 units of Fund 1A and 82,427 units of Fund II)		
	574.84	**394.15**
Total	**8,854.81**	**7,675.93**
Aggregate amount of quoted investments and market value thereof	8,279.97	7,281.78
Aggregate amount of unquoted investments	574.84	394.15

10. Other financial assets

	31 March 2019	31 March 2018
Unsecured, considered good		
(i) Non-current		
Security deposits	73.22	77.75
Bank deposits (due to mature after 12 months from the reporting date)*	15.22	27.78
Total	**88.44**	**105.53**

*Represents deposits held as margin money with banks.

	31 March 2019	31 March 2018
(ii) Current		
Interest accrued on deposits	5.93	5.33
Total	**5.93**	**5.33**

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

11. Other assets

	31 March 2019	31 March 2018
(i) Non-current		
Unsecured, considered good		
Capital advances	-	1.38
Total	**-**	**1.38**
(ii) Current		
Unsecured, considered good		
Advance for expenses	4.00	2.43
Prepaid expenses	42.59	42.59
Others	48.52	35.15
Total	**95.12**	**80.17**

12. Trade receivables

	31 March 2019	31 March 2018
(i) Non-current		
(Unsecured)		
- Considered good	1,232.37	881.47
- Considered doubtful	-	-
	1,232.37	**881.47**
Less: Allowance for doubtful debts	-	-
Total	**1,232.37**	**881.47**
(ii) Current		
(Unsecured)		
- Considered good	1013.19	721.40
- Considered doubtful	-	-
	1013.19	**721.40**
Less: Allowance for doubtful debts	-	-
Total	**1013.19**	**721.40**

13. Deferred tax assets

	31 March 2019	31 March 2018
Deferred tax assets arising on account of:		
Provision for doubtful debts	52.07	11.55
Depreciation	-	4.87
Others	-	7.73
Total	**52.07**	**24.16**

14. Cash and Bank Balances

	31 March 2019	31 March 2018
(i) Cash and cash equivalents		
Balances with banks in current accounts	271.26	817.29
Cash on hand	0.15	0.03
	271.41	**817.32**
(ii) Bank balances other than above		
- Unpaid dividend account	0.65	0.65
- in deposit accounts (with original maturity of more than 3 months but less than 12 months)*	13.80	12.56
	14.45	**13.21**
Total	**285.86**	**830.52**

*Represents deposits held as margin money with banks.

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

15. Equity share capital

i. Authorised share capital

	31 March 2019		31 March 2018	
	Number	**Amount**	**Number**	**Amount**
Equity shares of ₹10 each	500,000,000	1	500,000,000	0.50

ii. Issued, subscribed and paid up

	31 March 2019		31 March 2018	
	Number	**Amount**	**Number**	**Amount**
Equity shares of ₹10 each fully paid up	16,822,513	1,682	16,822,513	1,682.25
Equity shares of ₹10 each, ₹ 5 paid up	28,200	1	28,200	1.41
Forfeited shares (amount originally paid)	799,822	40	799,822	39.99
Total	**17,650,535**	**1,724**	**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 2019		31 March 2018	
	Number	**Amount**	**Number**	**Amount**
Equity shares				
Balance at beginning and end of the year	17,650,535	1,724	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 2019		31 March 2018	
	Number	**% holding**	**Number**	**% holding**
Durga VLK Madala	9,557,408	56.81%	9,557,408	56.81%
Sambasiva Rao Madala	918,400	5.46%	918,400	5.46%
Srinivasa Rao Madala	1,366,099	8.12%	1,366,099	8.12%
Talluri Samatha	3,324,525	20.00%	-	-
Radhakrishna Ghanta (Trustee of AAM trust)	-	0%	1,946,762	11.5%
Radhakrishna Ghanta (Trustee of SSM trust)	-	0%	1,923,200	11.43%

vi. During the five previous financial years ended 31 March 2019, no shares have been bought back, issued for consideration other than cash and no bonus shares have been issued.

vii. Calls unpaid on equity shares

	31 March 2019		31 March 2018	
	Number	**Amount**	**Number**	**Amount**
- By Directors and Officers	-	-	-	-
- By others at ₹5 per equity share	28,200	1.41	28,200	1.41
Total	**28,200**	**1.41**	**28,200**	**1.41**

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

16. Other equity

	31 March 2019	31 March 2018
Reserve and surplus		
Capital redemption reserve	180.51	180.51
Securities premium reserve	6,701.14	6,701.14
General reserve	696.90	696.90
Retained earnings	3,745.14	3,182.03
	11,323.69	**10,760.58**
Other reserves		
Remeasurement of defined benefit obligations	(22.29)	(21.32)
Fair value changes on equity instruments through OCI	272.31	130.57
Exchange difference in translating the financial statements of a foreign operation	-	(34.89)
	250.02	**74.36**
Total	**11,573.71**	**10,834.94**

Nature and purpose of reserves

Capital redemption reserve

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

Securities premium reserve

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

General reserve

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

Fair value changes on equity instruments through OCI

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

Remeasurement of defined benefit obligations

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

17. Other Financial Liabilities

	31 March 2019	31 March 2018
(i) Non-current		
Deposits	346.92	327.49
	346.92	**327.49**
(ii) Current		
Expenses payable	183.66	139.55
Unclaimed dividend	0.65	0.65
Others	78.80	49.68
	263.11	**189.88**

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

18. Provisions

	31 March 2019	31 March 2018
(i) Non-current		
Gratuity	21.59	30.74
Compensated absences	5.49	7.49
Total	**27.07**	**38.23**
(ii) Current		
Gratuity	21.31	8.10
Compensated absences	6.04	2.52
Provision for Income Tax	60.44	-
Total	**87.79**	**10.62**

(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 2019	31 March 2018
Projected benefit obligation at the beginning of the year	38.84	30.91
Service cost	3.13	8.02
Interest cost	2.82	2.16
Actuarial loss	1.81	0.86
Benefits paid	(3.69)	(3.12)
Projected benefit obligation at the end of the year	**42.91**	**38.84**

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

	31 March 2019	31 March 2018
Present value of projected benefit obligation at the end of the year	42.91	38.84
Funded status of the plans	-	-
Net liability recognised in the balance sheet	**42.91**	**38.84**

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

Interest cost	2.82	2.16
Service cost	3.13	8.02
Net gratuity costs/(benefits)	**5.95**	**10.18**

(iv) Expense recognized in OCI

Recognized net actuarial loss	1.81	0.86
	1.81	**0.86**

(v) Key actuarial assumptions

Discount rate	7.35% - 7.6%	7.55% - 7.7%
Salary escalation rate	5% - 8%	5% - 8%

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

(vi) Sensitivity analysis

Reasonably possible changes as at 31 March 2018 to one of the relevant actuarial assumptions, holding other assumptions constant, can affect the defined benefit obligation by the amounts shown below.

	31 March 2018	
	Increase	**Decrease**
Discount rate (1% movement)	39.95	(37.82)
Future salary growth (1% movement)	39.98	(37.80)

(vii) Expected future cash flows

	31 March 2019
The defined benefit obligation shall mature after year ended 31 March 2018 as follows:	
Within 1 year	21.45
2- 3 years	-
3 years and above	21.45

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, salary escalation rate and the average life expectancy. The calculation of the net defined benefit liability is sensitive to these assumptions. However, the impact of these changes is not ascertained to be material by the management.

19. Other non-current liabilities

	31 March 2019	31 March 2018
Capital	-	3.17
Total	**-**	**3.17**

20. Trade Payables

	31 March 2019	31 March 2018
Dues to micro and small enterprises	-	-
Others	175.71	80.47
Total	**175.71**	**80.47**

(a) There are no micro and small enterprises, as defined under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues as at the reporting date (31 March 2017: Nil, 1 April 2016: Nil). The micro and small enterprises have been identified by management on the basis of information available with the Company and have been relied upon by the auditors.

21. Revenue from operations

	31 March 2019	31 March 2018
Sale of services		
Software services	3,596.38	3,593.79
Rental income	1,084.40	1,043.70
Total	**4,680.77**	**4,637.49**

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

22. Other income

	31 March 2019	31 March 2018
Interest income from fixed deposits	5.79	5.40
Interest income from others	-	15.85
Interest on income tax refunds	-	5.62
Excess Provision written back	1.32	1.93
Gain on redemption of mutual funds	23.23	-
Unrealised gain on mark to market marking of mutual funds	439.76	457.96
Foreign exchange gain	1.61	-
Other non-operating income	24.51	0.42
Total	**496.23**	**487.19**

23. Employee benefits expense

	31 March 2019	31 March 2018
Salaries and wages	3,000.18	2,757.85
Contribution to provident and other funds (refer note a below)	40.59	24.25
Staff welfare expenses	16.88	9.29
Total	**3,057.65**	**2,791.39**

(a) The amount recognized as an expense towards contribution to provident fund for the year aggregated to ₹39.22 (31 March 2018: ₹23.76) and towards employee state insurance fund aggregated to ₹2.60 (31 March 2018: ₹1.35).

24. Finance costs

	31 March 2019	31 March 2018
Interest expense for financial liabilities carried at amortised cost	24.02	16.26
	24.02	16.26

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

25. Other expenses

	31 March 2019	31 March 2018
Power and fuel	61.90	39.73
Rent	19.79	21.79
Repairs and maintenance	-	-
- Buildings	65.83	28.73
- Plant and equipment	71.39	68.37
- Others	10.59	7.16
Consulting Outsource	407.19	624.37
Insurance	112.80	108.66
Rates and taxes, excluding taxes on income	41.58	37.47
Communication	21.00	19.95
Travelling and conveyance	46.58	34.95
Legal and professional fees	82.44	56.23
Director's sitting fees	1.30	2.06
Fees and subscriptions	11.24	8.29
Recruiting and outside services	59.95	60.51
Rebate Charges	9.84	7.03
Rent receivable written off	-	13.95
Foreign exchange fluctuations loss	-	0.30
Payments to the auditor (refer note (i))	5.00	2.84
Printing & Stationery	4.00	2.31
Security service charges	25.66	20.93
House keeping charges	-	13.99
Office maintenance	0.27	5.89
Water charges	2.79	7.47
Miscellaneous expenses	28.06	29.29
Commission	2.65	-
Total	**1,091.86**	**1,222.27**

(i) Details of payments to auditors :

	31 March 2019	31 March 2018
As auditor:		
- Audit fee	5.00	2.29
In other capacities:		
- Taxation matters	-	0.55

26. Income tax

	31 March 2019	31 March 2018
Tax expense comprises of:		
Current tax	-	251.23
Deferred tax	-	9.13
Total	**-**	**260.36**

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

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

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

	31 March 2019	31 March 2018
Profit before tax	771.50	837.09
Other comprehensive income	259.99	65.20
	1,031.49	**902.29**
Tax at the Indian tax rate (21.34%)*	220.12	192.55
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	50.87	50.87
On account of difference between Indian and foreign tax rates	17.81	17.81
Income tax expense	**288.80**	**261.23**

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

27. Earnings per share (EPS)

	31 March 2019	31 March 2018
Profit attributable to equity shareholders	563.11	572.63
Weighted average number of equity shares outstanding during the year	16,836,613.00	16,836,613.00
Earnings per equity share (in absolute ₹ terms) :		
Basic and Diluted	3.34	3.40
Nominal Value per share equity share	10.00	10.00

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

28. 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 2019	31 March 2018
Fair value hierarchy (Level 1)		
Financial assets		
Investment in mutual funds	8.279.97	7,281.78
Fair value hierarchy level (Level 3)		
Financial assets		
Investment in equity units of venture capital fund	574.84	394.15

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

(iii) Valuation technique used to determine fair value

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

(iv) Financial instruments by category

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

	31 March 2019			31 March 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	8,279.97	574.84	-	7,281.78	394.15	-
Trade receivables	-	-	2,245.56	-	-	1,602.87
Cash and cash equivalents	-	-	271.41	-	-	817.32
Other bank balances	-	-	14.45	-	-	13.21
Other financial assets	-	-	94.37	-	-	110.86
Total financial assets	**8,279.97**	**574.84**	**2,625.79**	**7,281.78**	**394.15**	**2,544.26**

	31 March 2019			31 March 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	-	-	175.71	-	-	80.47
Other financial liabilities	-	-	610.03	-	-	517.37
Total financial liabilities	-	-	**785.74**	-	-	**597.84**

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

30. Financial instruments risk management

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

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

A. Credit risk

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

Trade and other receivables

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

Financial assets that are neither past due nor impaired

None of the Group's cash equivalents, including fixed deposits, were either past due or impaired as at 31 March 2018.

Financial assets that are past due but not impaired

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

	31 March 2019	31 March 2018
Neither past due nor impaired	-	-
Past due not impaired:		
less than 180 days	936.00	482.00
181-365 days	1232.00	946.00
Greater than 365 days	18.00	-
	2187.00	**1,428.00**

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 2019 and 31 March 2018.

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

B. Liquidity risk

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

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

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

Maturities of financial liabilities

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

31 March 2019	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Non-derivatives				
Trade and other payables	176	-	-	176
Other financial liabilities	263	347	-	610
Total	**439**	**347**	**-**	**786**

31 March 2017	Up to 1 year	From 1 to 3 years	More than 3 years	Total
Non-derivatives				
Trade payable	80	-	-	80
Other financial liabilities	190	327	-	517
Total	**270**	**327**	**-**	**598**

C. Market risk

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

Foreign exchange risk

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

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

	31 March 2019	31March 2018
Assets		
Trade receivables	2,245.56	1,602.87
Cash and cash equivalents	271.41	817.32
Other financial assets	108.82	124.07
	2,625.79	**2,544.26**
Liabilities		
Trade Payables	175.71	80.47
Other financial liabilities	610.03	517.37
	785.74	**597.84**

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

	Impact on profit	
	31 March 2019	**31 March 2018**
USD sensitivity*		
₹/USD - Increase by 2%	36.80	38.93
₹/USD - Decrease by 2%	(36.80)	(38.93)

* Holding all other variables constant.

31. Related party disclosures

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

Names of related parties	Nature of relationship
Madala Srinivasa Rao, Chairman	Key Managerial Personnel (KMP)
Madala Bhaskar Rao, Whole Time Director	
Mandava Srinivasa, Chief Financial Officer	
B.Laxman, Company Secretary	

(b) Transactions with related parties

	For the year ended	
	31 March 2019	**31 March 2018**
Transactions with KMPs		
Managerial remuneration*	33.29	32.40

(c) Balances receivable

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

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

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

32. Contingent liabilities and commitments

	As at	
	31 March 2019	**31 March 2018**
(a) Commitments		
Capital commitments for investments in venture funds	-	-
(b) Contingent liabilities		
Guarantees excluding financial guarantees		
Bank guarantee	27.77	27.77

33. Deferred tax assets have been recognized only to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income of the company.

34. Segment reporting

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

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

For the year ended and as at						
Particulars	**31 March 2019**			**31 March 2018**		
	" Segment revenue "	**" Segment assets "**	**Capital expenditure**	**" Segment revenue "**	**" Segment assets "**	**Capital expenditure**
India	1683.10	12,128.54	46.97	1363.11	11,118.80	77.70
United States of America	2,997.67	2,155.77	3.28	3,274.38	2,091.56	10.07
Total	**4,680.77**	**14,284.31**	**50.25**	**4,637.49**	**13,210.36**	**87.77**

Non-current operating assets
More than 99% of the Group's non current operating assets as at 31 March 2019, 31 March 2018 are located in India. Non current operating assets for this purpose consists of property, plant and equipment, investment property and intangible assets.

Major customer
The Group has three major customers who contributed more than 10% of the Group's total revenue during the current and previous year. The revenue from such major customers during the year is $ 1.8 millon (31 March 2018: $ 2.6 millon).

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

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

	For the year ended and as at 31 March 2019				For the year ended and as at 31 March 2018			
Name of the entity	**Net assets**		**Share in profit or loss**		**Net assets**		**Share in profit or loss**	
	As a % of consolidated net assets	**Amount**	**As a % of consolidated profit or loss**	**Amount**	**As a % of consolidated net assets**	**Amount**	**As a % of consolidated profit or loss**	**Amount**
Parent company								
Sofsol India Limited	97%	13,890.00	100%	563.00	98%	12,968.00	96%	548.00
Foreign subsidiary								
Sotfsol Resources Inc.	15%	2,155.77	0%	-	16%	2,091.56	4%	25.00
Non-controlling interest	-	-	0%	-	0%	-	0%	-
Total	**112%**	**16,045.77**	**100%**	**563.00**	**114%**	**15,059.56**	**100%**	**573.00**
Consolidation adjustments	-12%	(1,761.46)	0%	-	-14%	(1,849.20)	0%	-
Net amount	**100%**	**14,284.31**	**100%**	**563.00**	**100%**	**13,210.36**	**100%**	**573.00**

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

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

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

CA P.A. RAMAIAH
Partner
ICAI M.No.F-203300

Place: Hyderabad
Date: 30.05.2019

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

Bhaskara Rao Madala
Wholetime Director
(DIN : 00474589)

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

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

SOFTSOL INDIA LIMITED

(CIN: L7220TG1990PLC011771)

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

Share Transfer Agent: M/s. Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot No 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032
CIN : U72400TG2017PTC117649

ATTENDANCE SLIP

29th Annual General Meeting

I hereby state that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company held on Monday, 30th day of September, 2019 at 10.00 a.m. at the Registered Office of the Company at Plot No. 4, Software Units Layout, Infocity, Madhapur, Hyderabad – 500 081, Telangana, India, or/any adjournment thereof.

Name of the attending Shareholder:……………………………………………………………………………………
(in block letters)

Name of the Proxy:…………………………………………………………………………………………………...
(to be filled in if proxy attends)

Signature of Shareholder:……………………………………………………………………………………………

Signature of Proxy:……………………………………………………………………………………………………

Registered Folio Number: or DP / Client ID No. ……………………………………………………………………
…………………………

Number of Shares held: ………………………………………………………………………………………………

Note:

1. Shareholders/proxy holders are requested to bring the Attendance Slips with them duly completed when they come to the meeting and hand them over at the entrance, affixing their signature on them.

2. Members are informed that no duplicate attendance slips will be issued at the venue of the meeting.

SOFTSOL INDIA LIMITED

(CIN: L7220TG1990PLC011771)

Regd. Off.: Plot No. 4, Software Units Layout, Madhapur, Hyderabad – 500 081.
Telephone: +91 (40) 42568500, Facsimile: + 91 (40) 42568600
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CIN : U72400TG2017PTC117649

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Shareholder(s):………………………………………………………………………………................................…
Address of the Shareholder(s):…………………………………………………………………………..........................…
E-mail Id:…………………………………………………………………………………………………..............................…..
Folio No. / DP id & Client id: ………………………………………………………………………..
I /We being the member(s) of ………....................................…… Shares of SoftSol India Limited, hereby appoint:

1. Name:………………………………………………………………………………………………...........................…
   Address:……………………………………………………………………………………………..............................……..
   E-mail Id:…………………………………………………………………………………………….............................…
   Signature:………………………………………………………….. or failing him:

2. Name:………………………………………………………………………………………………...........................…
   Address:……………………………………………………………………………………………..............................……..
   E-mail Id:…………………………………………………………………………………………….............................…
   Signature:………………………………………………………….. or failing him:

3. Name:………………………………………………………………………………………………...........................…
   Address:……………………………………………………………………………………………..............................……..
   E-mail Id:…………………………………………………………………………………………….............................…
   Signature:…………………………………………………………..

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the company at Monday, the 30th day of September, 2019 at 10.00 a.m. at the Registered Office of the Company at Plot No. 4, Software Units Layout, Infocity, Madhapur, Hyderabad – 500 081, Telangana, India, or/ any adjournment thereof in respect of such resolutions as are indicated below:

1. To receive and adopt the audited financial statements of the Company (both standalone and consolidated) for the financial year ended on 31 March 2019 and together with the reports of the board of directors and auditors thereon.
2. To ratify appointment of M/s. Pavuluri & Co. Chartered Accountants (FRN: 012194S) as Statutory Auditors.
3. Reappointment of Dr. T. Hanuman Chowdary as Independent Director for 5 years.
4. Reappointment of Sri B.S. Srinivasan as Independent Director for 5 years.
5. Appointment of Smt. Naga Padma Valli Kilari as Independent Director for 5 years.

Signed this……………………......................................day of September 2019 (Affix Revenue Stamp)

Signature of Shareholder……………................……………..Signature of Proxy holder(s)………….................…..

Note: The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.