Date: September 05, 2024

To,

National Stock Exchange of India Limited “Exchange Plaza”, C-1, Block – G Bandra – Kurla Complex Bandra (East), Mumbai – 400051 Symbol: SOFTTECH	BSE Limited Floor 25, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400001 Scrip Code: 543470

Dear Sir/ Madam,

Subject: Notice of Twenty Eighth Annual General Meeting (“AGM”) and Annual Report for the Financial Year 2023-24

Pursuant to Regulation 34(1) and 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended **("SEBI Listing Regulations")**, please find enclosed herewith the Annual Report of the Company for the financial year 2023-24 along with the Notice of Twenty Eighth Annual General Meeting (“AGM”) to be held on **Friday, September 27, 2024 at 1:00 P.M. (IST)** through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"). The same is also being sent through electronic mode to all those members whose e-mail addresses are registered with the Company / Depositories / Registrar & Share Transfer Agent.

The Annual Report including the Notice of AGM for the Financial Year 2023-24 is available and can be downloaded from the Company's website at link https://softtechglobal.com/wp-content/uploads/2024/09/Annual-Report-2023-24.pdf or www.softtech-engr.com.

Information of AGM and E-Voting at a glance:

Particulars	Details
Date and time of AGM	Friday, September 27, 2024 at 1:00 p.m. (I.S.T)
Web-link for participating at AGM through VC / OAVM	https://www.evoting.nsdl.com/
Cut Off Date for E-voting	Friday, September 20, 2024
Remote e-Voting Start Date and Time	Tuesday, September 24, 2024 at 09.00 a.m. (I.S.T)
Remote e-Voting End Date and Time	Thursday, September 26, 2024 at 5:00 p.m. (I.S.T)
Remote E-Voting website	https://www.evoting.nsdl.com/

You are requested to take the same on record.

Thanking You,

Yours faithfully

FOR SOFTTECH ENGINEERS LIMITED

SHALAKA SATISH KHANDELWAL

Digitally signed by SHALAKA SATISH KHANDELWAL
Date: 2024.09.05 15:48:07 +05'30'

SHALAKA KHANDELWAL
COMPANY SECRETARY

SoftTech®
Empowering Transformation

ANNUAL REPORT

2023-24

Empowering **New Visions**
Unleashing **Opportunities**
Enhancing **Visibility**

Across
the Pages

Corporate Overview

Statutory Reports

Financial Statements

For more investor-related information, please visit

https://softtechglobal.com/investors/

SCAN ME

Or, scan to download our previous year's Annual Report

Driving **Possibilities**
Unlocking **Potential**
Expanding **Presence**

Investor Information

Market Capitalisation as on 31st March, 2023

383.23 crores as on 31st March, 2024.

CIN

L30107PN1996PLC016718

BSE Code

543470

NSE Code

SOFTTECH

AGM Date

Friday, September 27, 2024

AGM Mode

Annual General Meeting will be held through video conferencing ('VC')/other audio-visual means ('OAVM')

Disclaimer : This document contains statements about expected future events and financials of SoftTech Engineers Limited, which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Corporate Information

BOARD OF DIRECTORS

Mr. Vijay Gupta
Chairman and Managing Director

Ms. Priti Gupta
Whole-time Director

Mr. Pratik Patel
Whole-time Director

Mr. Rahul Gupta
Independent Director
resigned w.e.f November 07, 2023

Mr. Sridhar Pillalamarri
Independent Director

Mr. Sundararajan Srinivasan
Independent Director

Dr. Rakesh Kumar Singh
Independent Director

Professor Yogesh M Desai
Independent Director
Appointed w.e.f February 12, 2024

Mr. Garth Brosnan
Nominee Director
resigned w.e.f May 24, 2024

Mr. Kamal Agrawal
CHIEF FINANCIAL OFFICER

Ms. Shalaka Khandelwal
COMPANY SECRETARY

STATUTORY AUDITORS

M/s. P G Bhagwat LLP,
Chartered Accountants

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited
Block No. 202, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001.

REGISTERED OFFICE

SoftTech Towers, S NO 1/1A/7 8 15 16 17 Plot No. B,C,D, 1-Baner, Opp. Royal Enfield Showroom, Baner Road, Pune: 411045.

CIN: L30107PN1996PLC016718

Website: www.softtech-engr.com
www.softtechglobal.com

Email Id: investors@softtech-engr.com

Team That Propels Our Potential

Our Board of Directors

Vijay Gupta

Founder, Chairman & Managing Director

Mr. Gupta is the Founder, Chairman, and Managing Director of the Company. He holds a degree of M. Tech from IIT Mumbai. He has prior experience of working with CAD/CAM divisions of Crompton Greaves and Godrej & Boyce. With over 30 years of experience in development of complex CAD/CAE/Project Management software, he has been the driving force behind the success of SoftTech Engineers Limited since its inception. Mr. Gupta strongly believes that IT must be leveraged extensively to bring in speed, efficiency, and transparency in processes for public and private sector organisations. His belief, enthusiasm and strategic and technical knowledge has successfully steered SoftTech through the years.

Priti Gupta

Whole-Time Director

Mrs. Gupta completed her B.Sc. in Physics, and MBA in Sales & Marketing from Welingkar Institute, University of Mumbai. With over 20 years of experience in business and management, she has been training, managing human resource & administrative operations in SoftTech for the last 15+ years. She has worked as visiting faculty for MBA students at South Gujarat University, Surat. Furthermore, she played an instrumental role in bringing ISO processes in SoftTech Engineers Limited.

Pratik Patel

Whole-Time Director

Mr. Patel holds a Bachelor's degree in Information Technology (BSc. IT) and MBA from Edinburgh Napier University, Edinburgh (UK). He has over 10 years of experience of handling various managerial assignments in the areas of operations for software development company and real estate business and constructions. Mr. Patel has been on the Board of the Company since 18th July, 2020.

Sundararajan Srinivasan

Independent Director

Mr. Singh has completed his Post Graduation in Physics from Pune University and Computer science and engineering from IIT Mumbai. During his career of more than three decades, he has expertise in Big Data Analytics, Parallel and Distributed Processing, Kubernetes, Video & Image Processing, Machine Vision, and Graphics. He has worked on various level of management and has significant contributions in the areas of innovations and technology. Further he has several awards and publications to his credit. He has been appointed on the Board of the Company as an Independent Director with effect from 12th August, 2022.

Dr. Rakesh Kumar Singh

Independent Director

Mr. Singh has completed his Post Graduation in Physics from Pune University and Computer science and engineering from IIT Mumbai. During his career of more than three decades, he has expertise in Big Data Analytics, Parallel and Distributed Processing, Kubernetes, Video & Image Processing, Machine Vision, and Graphics. He has worked on various level of management and has significant contributions in the areas of innovations and technology. Further he has several awards and publications to his credit. He has been appointed on the Board of the Company as an Independent Director with effect from 12th August, 2022.

Professor Yogesh M Desai

Independent Director

Professor Yogesh Desai is a Senior Professor working at Indian Institute of Technology Bombay. He has over forty-one years of teaching and research experience in the broad areas of Structural Engineering, Computational Mechanics, Composite Mechanics, Wind-induced Vibrations, Fatigue and Technical Software Development. He has received several accolades and honours for excellence in academics and research. He has supervised a large number of PhD students and published over two hundred research papers in reputed international journals and conferences. He has completed over two hundred consultancy projects and over six research and development projects in India and abroad. He has published three books and has one edited book as well as a patent to his credit. He has been a mentor to a company and has been serving on Academic Boards, Advisory Committees of various institutes and government bodies. He has held several key administrative positions at his institute.

(Appointed w.e.f February 12, 2024)

Sridhar Pillalamarri

Independent Director

Mr. Pillalamarri holds a degree of B. Tech, Electrical Engineering from IIT, Kharagpur and a M. Tech in Control & Instrumentation from IIT Mumbai. He has over 30 years of experience at various levels of management and 20 years of successful experience as a top-level executive in several companies. His expertise encompasses handling technical details in the areas of VLSI and ASIC Design, using the top-down design approach, embedded software, local area networking in particular ethernet. He is a personality with excellent interpersonal and cross-functional skills and the ability to work well with all levels of an organisation.

Garth Brosnan

Nominee Director

Garth Brosnan is a nominee director of the Company. He is currently the Finance BP for the International region of RIB Software, headquartered in Stuttgart, Germany. Concurrently, Garth fulfils directorship roles on several Boards. Prior to his current role Garth fulfilled the role of Chief Financial Officer of CCS. Garth holds a Bachelor of Commerce in Accounting Sciences as well as an Honour's Degree in Accounting. Additionally, Garth is a registered Chartered Accountant in South Africa. Garth has 20 years' experience in the Software, Construction and Manufacturing sectors.

(Resigned w.e.f May 24, 2024)

Rahul Gupta

Independent Director

Mr. Rahul Gupta is a technologist, venture capitalist, serial entrepreneur and an inspirational leader. He has over 30 years of varied experience. He started his journey as Head of Technology Investments for one of the first early-stage VC firms in the country. He believes that continuous innovation is the only way of surviving in this fast-changing competitive world. His expertise lies in strategy formulation, long and mid-range planning, culture and business process development, creating 'winning teams', facilitating and creating global sales organization and affecting successful business model disruptions. He serves on the Board of some listed companies and several technology start-ups. He is also involved with mentoring and coaching several start-ups and is associated with entrepreneurs and partners in technology, services, manufacturing, hospitality, e-commerce and sustainability spaces across the globe.

(Resigned w.e.f November 07, 2023)

A letter from our

Chairman and Managing Director

Rooted in a legacy of continuous achievements and strong partnerships, our journey exemplifies the fusion of innovation and sustainability. Through pioneering collaborations and advanced technologies, we are driving digital empowerment across the global AEC landscape. With deep gratitude, we celebrate milestones that underscore our unwavering commitment to excellence, laying the foundation for a future where every accomplishment opens new horizons.

As we turn the page on another remarkable year, I am profoundly moved by the incredible journey we have undertaken together. This year's achievements are not just milestones; they are a powerful narrative of how collaboration, innovation, and a shared vision can drive us to the forefront of the global Architecture, Engineering, and Construction (AEC) industry. Through our strategic alliances and technological advancements, we have not merely kept pace with the digital transformation of our sector—we have led it.

This year, SoftTech has achieved remarkable milestones, reflecting our commitment to excellence and our position as a pioneer in digital transformation within the AEC sector. We are proud to report a robust financial performance, achieving an annual turnover of Rs. 6,704.77 Lacs and a PAT of Rs. 579.82 Lacs. These figures are more than just numbers; they represent our relentless pursuit of innovation, strategic partnerships, and our ability to deliver value to our stakeholders.

Our global footprint has expanded significantly this year, marked by key collaborations that enhance our market reach and capabilities. We are delighted to announce the signing of a sales partnership with CGI, a testament to our growing reputation in the USA. Additionally, our partnership with CDCI, a leading government tech supplier in Malaysia, opens new avenues for public sector engagement.

In the United Kingdom, our successful proof of concept with three Burrows has established a promising market presence, while in the United States, we have activated a significant opportunity for our flagship product CivitPermit. Our geographic expansion continues with a promising partnership with BIMAGE for CivitInfra + ACC cloud in Malaysia, targeting a major construction house.

Innovation remains at the heart of our strategy. Our Civit platform continues to evolve, with CivitPermit and CivitPlan reaching maturity, CivitBuild progressing steadily, and CivitOperate taking shape to address the operational phase of projects.

As the AEC industry rapidly adopts Building Information Modeling (BIM), Geographic Information Systems (GIS), the Internet of Things (IoT), and AI-driven analytics, we are at the forefront, integrating these technologies to enhance project efficiency and collaboration. Our co-development of a smart water management system with Mitsubishi exemplifies our commitment to sustainable solutions.

Our efforts have garnered significant recognition this year. I am honored to share that SoftTech has been celebrated with several prestigious awards, including a lifetime achievement award at the Digicon event and the 15th CIDC Vishwakarma Award in the Partners in Progress category. These accolades are a testament to our unwavering dedication to fostering progress and building strong partnerships.

Our commitment to driving smart urban solutions was further validated by securing a top 3 ranking in the FICCI Smart Urban Innovations Awards. These accolades are a testament to our team's hard work, the trust placed in us by our clients, and the strong collaborations we have built within the industry.

As we look to the future, we are excited about the opportunities that lie ahead. Our focus remains on creating even greater value for our stakeholders and shaping the future of our industry. We are actively working with partners to build robust Gen AI/ML and data science capabilities within our organization, ensuring that we stay at the cutting edge of technological advancements.

Our recent rebranding effort, including the launch of our new global website, positions Civit as a unified platform encompassing our entire product suite. This initiative strengthens our market presence and reinforces our brand identity as a leader in the AECO industry.

In conclusion, the past year has been marked by substantial achievements in partnerships, technology development, and market expansion. Our dedication to innovation and customer-centric approach positions us for continued growth and success.

I extend my heartfelt thanks to each of you—our stakeholders, employees, clients, and partners—for your unwavering support and confidence in our pursuit of excellence. Together, we will continue to drive our ambitions forward and shape the future of the AEC industry.

Thank you for your continued trust in SoftTech Engineers Limited.

Warm regards,

Mr. Vijay Gupta

Chief Executive Officer

SoftTech Engineers Limited

CSR Activity

“Success in a business is not just measured in finances, but It is also measured by the ability of an organisation to envelop the needs of the society as well as the environment. Success in a business is the congruence of social, environmental and financial success through various initiatives, streamlining process and socio-economic development of the community.”In summation, SoftTech's indelible impact on the AEC industry continues to reverberate. With a legacy built on innovation and a focus on the future, SoftTech catalyzes positive change in an ever-evolving sector. As industry growth accelerates, technology trends evolve, and sustainability takes center stage, SoftTech remains a steadfast partner in the journey of shaping the AEC landscape for the better.

Advancing innovation
Transforming the world

Incorporated in 1996, SoftTech Engineers Limited (‘The Company’ or ‘SoftTech’) has emerged as a leader in the realm of global digital solutions for the AEC (Architecture, Engineering, and Construction) sector. For over 25 years, the company has been a beacon of innovation within the AEC domain. This longevity has endowed SoftTechwith profound insights into the intricacies of the AEC sector, which it has harnessed to develop cutting-edge digital solutions that are poised to transform the infrastructure and construction industry.

At the heart of SoftTech's success lies its unwavering commitment to creating value for businesses operating within the AEC landscape. The company's expansive portfolio of innovative digital solutions encompasses every facet of the industry, from architecture and engineering to construction. This comprehensive approach sets SoftTech apart, positioning it as the sole entity providing technology solutions to all stakeholders within the construction ecosystem.

SoftTech's prowess in driving possibilities and change is vividly evident through its impressive success stories across the globe. The company leadership in the industry has paved the way for remarkable achievements, solidifying its status as a true pioneer. As part of its strategic growth vision, SoftTech has set its sights on international expansion. Over the next three years, the company plans to establish a strong presence in key markets such as the United States, the United Kingdom, MEA, and the APAC region, thereby propelling its influence on a global scale.

In tandem with its growth trajectory, SoftTech is resolutely aligned with the rapid shifts and advancements within the construction technology landscape. While the industry is teeming with players offering limited solutions, SoftTech envisions a dynamic coexistence of multiple extensive platforms. The company's astute mapping of the construction technology terrain anticipates a future where synergistic combinations of technologies will flourish, ushering in a new era of efficiency and collaboration.

The seismic impact of the pandemic has been felt across industries, including construction. The imperative to ensure worker safety and boost productivity has accelerated the adoption of digitization and technology integration. SoftTech's forward-thinking approach has enabled it to anticipate and adapt to this paradigm shift. By developing a suite of technologically advanced products and solutions such as AutoDCR®, PWIMS®, CivitBUILD®, BIMDCR®, RuleBUDDY®, and the CIVIT cloud platform, SoftTech empowers stakeholders with real-time data insights and substantial cost savings. These solutions facilitate heightened productivity, optimal resource allocation, cost-savings, and stringent project control measures, thereby cementing SoftTech's status as a transformative force within the AEC sector.

In conclusion, SoftTech Engineers Limited stands as a beacon of innovation and transformation within the construction industry. With a legacy spanning over two decades, the company's deep-rooted knowledge, unwavering commitment, and technologically advanced solutions underscore its role as a catalyst for driving possibilities, embracing change, and steering the industry toward a future of unparalleled growth and innovation.

Key Differentiator

We ensure that approvals are granted only after conducting a compliance check of all relevant building codes, eliminating the chance of omission. We have deep industry knowledge and insight, and our robust framework offers innovative solutions. Our strategic approach focuses on business efficiency and transformation.

Industries Served:

- Planning Authorities/Urban Local Bodies
- Public Works Department
- Real Estate and Construction Companies
- Consultants
- Architects
- Contractors

SoftTech Vision 2025:

Our vision is to be globally recognize as the leading innovators in AEC sector. To become the global leader in the CAD and Building Information Modelling (BIM) based plan review system. We aim to achieve this through our CIVIT Platform, which connects government, private enterprises, and consultants. Our goal is to expand globally and grow tenfold in the next three years.

Collaborating with the World's Best Technology Partners:

Our company collaborates with the world's best-in-class technology partners to develop new-age software for our customers. With these strategic tech partnerships, we strive to facilitate digital evolution in the AEC industry, optimize business operations, minimize risk, and accelerate development. These technology partnerships attest to our core expertise, rich industry experience, and commitment to pioneering digital transformation.

Driving Change for 28 Years:

We have been driving change for 28 years with our domain expertise and innovative solutions. As an Indian AEC leader, we craft competitiveness with tailored software for a sustainable edge. Our scalable, research-driven products ensure lasting quality across critical business aspects. We are creators of AutoDCR®, OPTICON®, BIMDCR®, RuleBuddy®, and PWIMS®, addressing complex industries.

Customer-Centric Excellence:

We serve 4500 clients, 700+ government organizations, and 100,000 users worldwide, with an understanding of diverse industry needs.

SoftTech®
Empowering Transformation

SoftTech Highlights

SoftTech Highlights

25+
Years

Of experience
digitizing AEC Industry

80% +
time saved

With AI – assisted
automation

1 building permit gets
approved every 5

40% +
savings

CapEx savings for
new building assets

100%

Paper – Free
process

20% reduction
Average cost savings

25% faster
Project completion

1000+
Permits get approved
per day

2 Billion +
Sq ft area managed
through Civit Suite

700+
Customers trust
Civit Suite

CivitSuite

Elevate every phase of construction projects with speed, accuracy, and insights

Powering smarter tomorrow

Unlock the future of planning, construction, and building operations with Civit Suite – the all-in-one, cloud-based solution driving smarter decisions and greater efficiency. Our AI-infused suite of applications is meticulously designed to revolutionize productivity, streamline processes, provide actionable insights, and deliver substantial cost savings.

Civit Suite is an innovative cloud-based platform being developed by SoftTech. It aims to connect all the processes involved in the construction lifecycle of a project, covering stages from planning and designing to approvals for building, operations, and maintenance. The platform will build on the success of products developed for specific lifecycle stages, serving as an interface between owners, consultants, construction enterprises, government entities, and other stakeholders. Its goal is to enable seamless communication of processes, data, and people.

- CivitPERMIT
- CivitPLAN
- CivitINFRA
- CivitBUILD
- CivitOPERATE

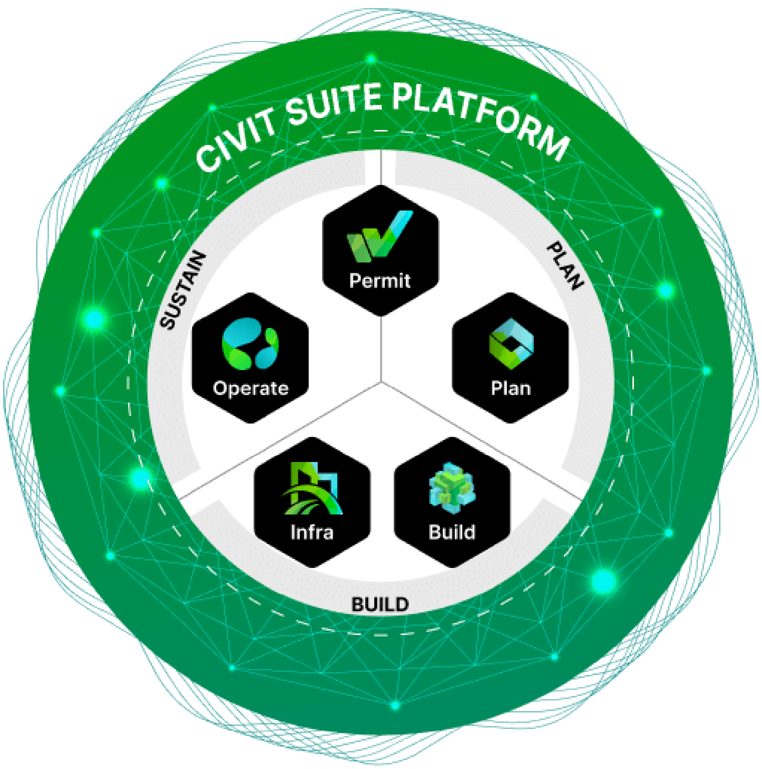
Our mutli-dimensional plan permit system serves

600+

Organisations

10,00,000+

Users



CivitCore

Offering an array of construction solutions catering to every stage of construction life-cycle

1. Civit as a platform

We at SoftTech Engineers Limited (SEL) believe that we have a very important role to play in digitally transforming the construction industry. The Civit platform is a culmination of decades of rich experience in the AEC domain and specifically, in developing and deploying digital technology and tools that are designed to be at the heart of the digital transformation journey of this domain.

Our journey spans over several decades and over 600+ clients spread across 5 countries and currently we over 100,000 active users. The current version of our platform has product offerings that address every stage of a construction project from concept to maintenance and enables stakeholders to overcome challenges faced at every stage of project life-cycle. Since its inception, the guiding principles for Civit have been

- A process driven solution that are tailored to the construction industry
- Be flexible, scalable and configurable solution

In addition, Civit has kept pace with the development and trends in the AEC industry as well as the technology industry and can now be accessed anywhere – web-based, cloud and mobility.

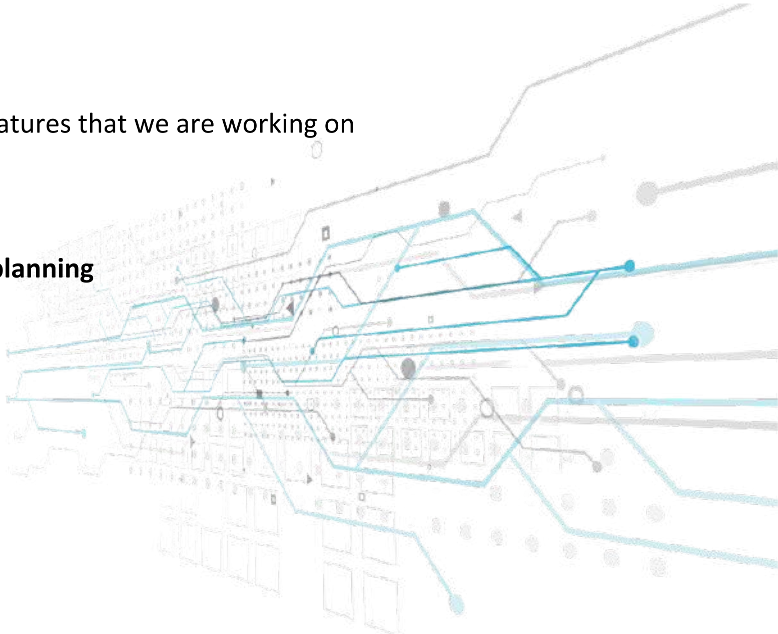
2. Our technology vision for Civit

On the technology side, we have robust pipeline of innovating platform that empowers respective products built on top of Civit Core and achieve excellence in technological endeavors. This will include components or modules share similar or identical functionality, responsibilities, or data across all products. Civit is getting built with the latest technology trends which are heavily centred around cloud computing and modern web development frameworks like React.js. Backend is getting evolved around .NET Core & Python technology which reflects significant strength in cloud computing and modern software development. Additionally, GenAI, AI & machine learning are increasingly being adopted and implemented providing intelligent features and automations.

Tech adoptions in in Civit Core –

Given below is a short list of AI related features that we are working on

- **Civit Bots (AssistBot) -**
- **Advanced Analytics**
- **Seamless GIS mapping for smarter planning**
- **IOT integrations**
- **Digital Twin**



CivitPERMIT

Achieve 80% faster building permitting and code compliance

Digitally manage building permits with ease using CivitPERMIT. Our cloud-based solution simplifies permit management processes, expediting approvals and ensuring compliance with regulatory requirements.

Key Features

- Automatic scrutiny of CAD Plans/BIM Models
- Automated code compliance validation by AI engine
- Seamless integration with city maps – GIS & BIM
- Configurable workflow with audit trail
- Deep analytics and insights for smarter planning
- Integration with legacy and modern ecosystem

Why Choose CivitPERMIT?

- Enables 100% paper-free building permit management
- Maximizes productivity while optimising the overall Cost
- Enforces building codes compliance, maintaining the uniformity

The impact delivered by CivitPERMIT

1 Permit every 5 minutes
Approved through CivitPERMIT

1 Million +
Building permits approved through CivitPERMIT

90 to 9 days
Average time reduced

100%
Paper-free permit management

80%
Time saved with AI-assisted automation

1 Billion +
Sq. ft. area approved

Roadmap

A. Completed

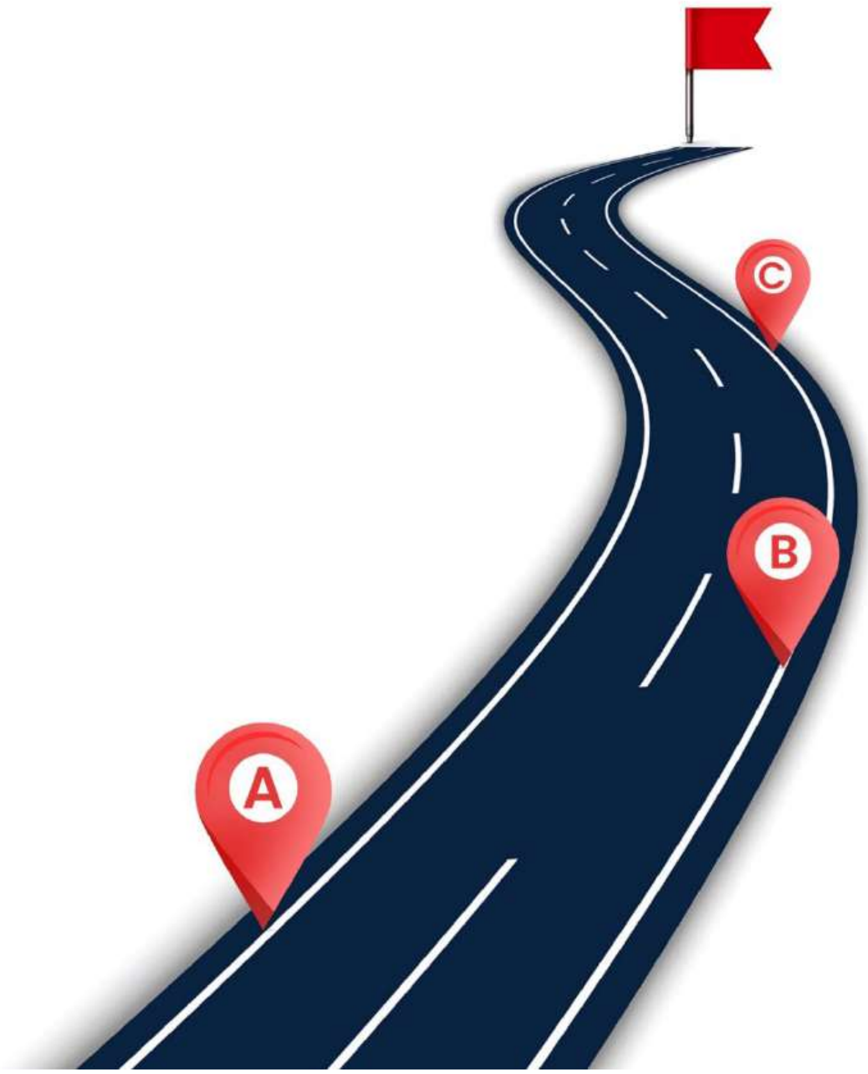
CivitPERMIT enables a fully online permit process, including submission, tracking, approval, and payment, with automated workflows, GIS integration, performance dashboards, and mobile inspection tools for applicants, reviewers, and inspectors.

B. Planned for completion in December 2024

By December 2024, CivitPERMIT will offer a unified application for all trade permits, integrated departmental approvals, electronic PDF plan reviews, digital signatures, focused thumbnail previews, task scheduling, mobile app access, and intelligent BOT assistance.

C. Planned for completion in march 2025

By March 2025, CivitPERMIT will include permit application holds based on specific conditions, pre-application meeting scheduling, map-based safety alerts, and an integrated code enforcement module for tracking violations.



CivitBUILD

Streamline your construction management with all-in-one, AI-powered ERP software

Streamline construction projects from start to finish with CivitBUILD. With advanced technology, it optimizes pre-build, build, and post-build phases for efficient planning, resource allocation, and real-time insights, ensuring faster completion, increased profitability, and superior quality standards.

Key features

- End-to-end project and site planning with real-time budgeting
- Built-in materials library with automatic BOQ generation
- Real-time project tracking, alerts, and progress updates
- Plant, assets, and inventory management
- Sales, CRM, and finance management
- Accounting, billing, and payroll integration
- Comprehensive dashboards and reports

Why choose CivitBUILD?

- AI-powered smart recommendations
- Carefully crafted automations
- Drive effective decision making
- In-depth scenarios across multiple processes
- Maximize productivity and cost savings
- Built-in analytics for smarter planning
- Integrated rate analysis & activity-based costing

The impact delivered by CivitBUILD

100%

Digitization of end-to-end construction process

Up to 40%

Improvement in project delivery time

20%

Average cost reduction

25%

Faster projects completion

Roadmap

A. User Experience

Custom report enhancements, improving overall UI/UX flows, expanding mobile functionalities

B. AI/ML Based

Task suggestions, curated document development, workflow automation, suggestions on vendors or subcontractors

C. Integrations

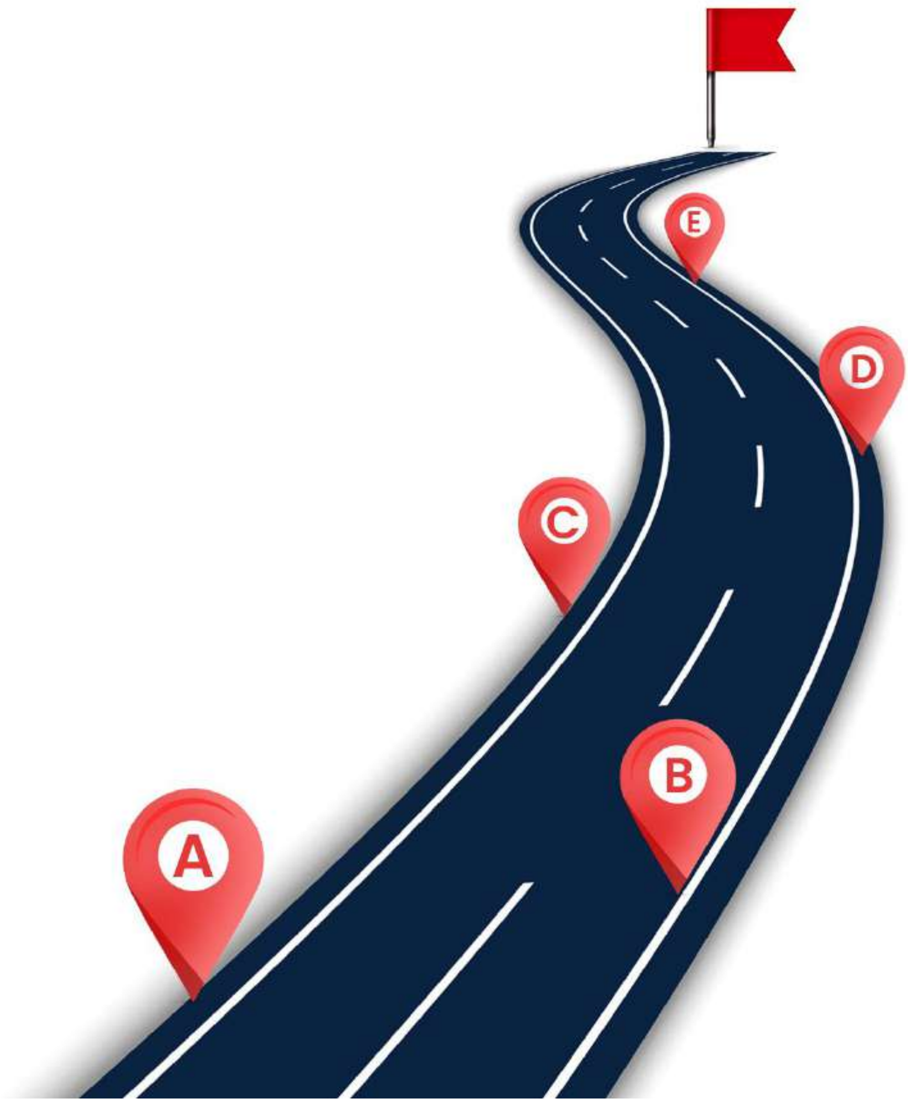
Primavera project scheduling, Auto desk construction cloud common data environment, messaging & weather applications

D. Safety & Quality

Job hazard analysis, safety & quality checklist, incident reporting; HSE forms

E. Others

Vendor portal enhancements; e-invoicing for KSA, SEA market localization



CivitPLAN

Industry's first AI-powered pre-submission building plan validation tool for compliance

Ensure swift approvals and compliance with CivitPLAN. This cloud-based tool swiftly validates building plans against regulations, eliminating delays in the approval process and enabling you to create approval-ready plans and move projects forward without unnecessary setbacks.

Key features

- Compliance-ready building plan validation
- Direct BIM plan reading and validation
- Built-in local and state building code library
- AI-powered engine to automate the whole process
- System generated compliance validation report with notifications for failed object

Why Choose CivitPLAN?

- Ensures that approvals are obtained after a compliance check of all relevant building codes to eliminate the chance of omission.
- Helps to avoid measurement errors through automatic area calculations.
- Assists in avoiding multiple submissions due to nagging errors.

The impact delivered by CivitPLAN

50%+

Reduction in effort for creating compliance-ready plans

100%

Code compliance-ready plan creation

Roadmap

A. Product Customization for New Geographies

- Tailor CivitPLAN to meet the specific regulatory and compliance requirements for the USA, UK, Germany, and Oman.

B. Introduction of AI/ML in CivitPLAN

- Use AI/ML for rules configurations.
- ML-Based Concession Approvals

C. Seamlessly incorporate AI/ML across the Civit platform

- Integration with ESRI Platform
- Integrate CivitPLAN with the ESRI platform to develop a GIS-based plan approval system for enhanced spatial analysis and visualization.

D. New Technology Platform

- CivitPlan on AutoDesk Platform Services.
- Establish common CAD/BIM services to connect CivitPLAN to CivitCore, enhancing interoperability

CivitINFRA

Deliver public infrastructure projects with ease, free from overruns and delays

Efficiently manage all public infrastructure projects from start to finish with CivitINFRA. This comprehensive application serves as the digital backbone, facilitating seamless coordination and execution of large-scale projects including road, bridges, water systems, utilities, and buildings.

Key features

- 3D-based concept planning and project execution monitoring
- Seamless digital workflow for inter-departmental and contractor collaboration
- AI-driven predictive intelligence for operational, financial, and project health insights
- Project-specific budgeting, cash-flow planning, and cost-impact analysis
- Built-in building materials library and smart procurement
- Centralized assets and inventory management
- Intuitive search, dashboard, and online collaboration
- Seamless integration with agency systems and third-party systems
- Template approach for all project types with mobile access

Why choose CivitINFRA?

- Eliminates silos and paper-based processes
- Manages government infrastructure schemes and budgets
- Boosts productivity with automation
- Speeds up project completion with automated workflows and integration
- Controls timelines with 360-degree insights
- Enhances collaboration with multi-platform integration

The impact delivered by CivitINFRA

100%
Paper-free and centralized management of all public projects

25%
Faster projects completion

Up to 30%
Increase in efficiency

20%
Average cost reduction

20,000+
Average cost reduction

Roadmap

A. BIM Based Digital Project Management System

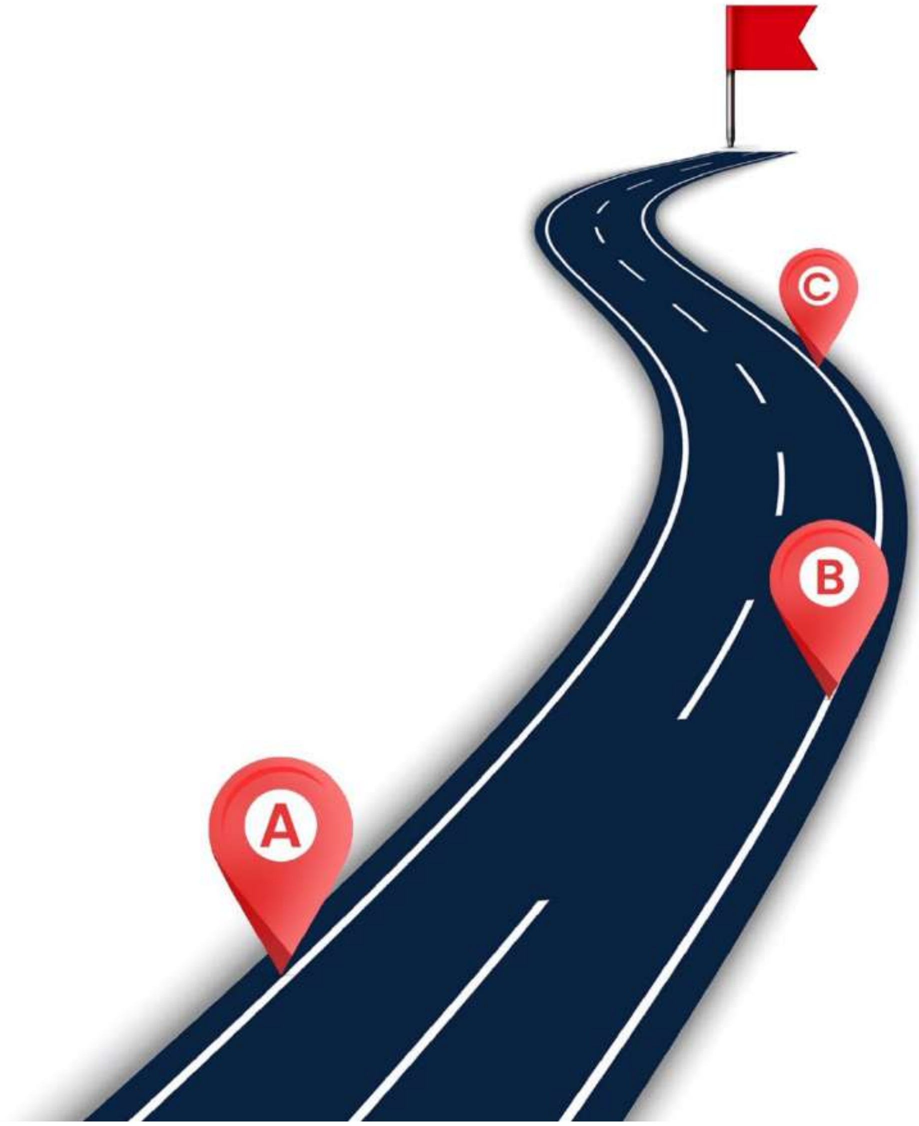
- Enhanced Design Visualization & Clash Detection
- Real-time Collaboration, CDE (Common Data Environment)
- 4D BIM (Time), 5D BIM (Cost)
- Quantity Take Off

B. Risk Management & Performance Analytics

- Risk Identification
- Quality Assurance
- Pls and Dashboards
- Real-Time Reporting
- One Stop State level Digital Project Management System

C. Facility management

- Lifecycle Management
- 6D BIM (Facility Management)



CivitOPERATE

Elevate Sustainability: Build and operate for highest energy efficiency and net zero goals

Elevate sustainability and efficiency with CivitOPERATE. Utilizing digital twin technology, BIM, and expert insights, it ensures meeting sustainability and energy efficiency goals in planning, building, and operations. CivitOPERATE provides actionable recommendations to reduce carbon footprint, save energy costs, and reduce environmental impact.

Key features

- BIM Consulting
- BIM + GIS
- Energy Modeling
- Life-cycle analysis
- AI/ML Modeling
- Predictive analysis
- Sustainability dashboards
- ESG Roadmap
- Green building & feasibility
- Net-zero & De-carbonization
- Energy consumption simulation
- Micro-grid analysis

Why choose CivitOPERATE?

- Design simulations with risk scenarios
- Detection of system clashes with design
- Energy consumption requirements forecasting
- Systems and equipment's energy efficiency analysis
- Energy efficiency-based material usage guidelines
- Project feasibility analysis with risk mitigation
- BIM modeling & CFD simulations
- Real-time monitoring through intuitive dashboards
- Progress and deviations tracking against designs
- Identification of system conflicts & resolution
- Cross-team communication & collaboration

The impact delivered by CivitOPERATE

40% +

Savings in CapEx for new buildings

Up to 70%

Savings in existing building operations

Roadmap

A. Asset Views

BIM based views and reports of the existing asset portfolio. Geographical map view for the asset portfolio. Federated BIM model ingestion and IoT sensor visualization.

B. Operational Priorities

Energy focused - Real time asset monitoring, analysis, predictive maintenance ensuring higher up time and long life of the equipment(s)

C. Emissions

Track Scope 1 and Scope 2 emissions of portfolio and lower the environmental impact

D. Simulations

System and sub-systems what-if scenario analysis with an impact on sustainability goals while balancing operational realities

E. Sustainability Goals

Energy focused – Guide for goal setting process with recommendations on energy optimization strategies

GIS Services

GIS services with actionable intelligence for planning, design, and operations

SoftTech provides a comprehensive suite of geospatial services, including base map creation, DGPS surveying, field surveying, drone and LiDAR surveys, enterprise GIS platform development, and customized web GIS and mobile applications.

Key features

- **Spatial Data Storage:** Manages geographic data (points, lines, polygons).
- **Attribute Data Integration:** Combines geographic and descriptive data for insights.
- **Data Accuracy and Precision:** Ensures data integrity.
- **Spatial Analysis:** Performs complex spatial operations.
- **Statistical Analysis:** Analyzes spatial data using statistical methods.
- **Modeling and Simulation:** Predicts spatial patterns and outcomes.
- **Interactive Mapping:** Creates dynamic, customizable maps.
- **Cartographic Representation:** Produces high-quality maps with varied symbology.
- **3D Visualization:** Interacts with geographic data in 3D space.
- **Data Sharing:** Facilitates collaboration among users.
- **Web Mapping:** Accesses maps and data via web browsers.
- **Data Interoperability:** Exchanges data between GIS systems.
- **GPS Integration:** Incorporates real-time GPS data.
- **Real-time Data Integration:** Visualizes and analyzes IoT-generated data.
- **GIS and BIM Integration:** Creates geospatial digital twins for better planning and management.
- **Remote Sensing Integration:** Analyzes satellite and aerial imagery.
- **Time Series Analysis:** Tracks changes in geographic data over time.

Integrating GIS with a building plan approval system (CivitPERMIT) offers significant advantages in streamlining the process and ensuring compliance.

Integrating GIS with a works management system (CivitINFRA) offers significant benefits for efficient project management, cost control, and asset management.

Why GIS Services?

GIS (Geographic Information System) is a powerful tool that allows to capture, store, analyse, and visualize geographic data. It's essentially a bridge between maps and data, enabling us to understand spatial relationships and patterns.

- **Spatial Analysis:** Analyzes spatial distribution.
- **Data Integration:** Combines various data types for comprehensive regional understanding.
- **Decision Making:** Supports informed decisions with visual and analytical tools.
- **Communication:** Conveys complex spatial info through maps, graphs, and charts.
- **Problem Solving:** Identifies issues, analyzes solutions, and monitors progress.
- **Building Plan Approval:** Enhances efficiency, accuracy, and transparency in urban development.
- **Works Management Integration:** Improves operations and efficiency with data-driven decisions.

BIM Services

Building Information Modeling (BIM) services unlocking the next-level construction efficiency

Building Information Modeling (BIM) is a digital representation of a physical structure, providing insights into its design, construction, and operation. It provides a comprehensive shared knowledge resource for all project stakeholders. SoftTech Engineers leverages BIM to deliver unparalleled value to clients.

Key features

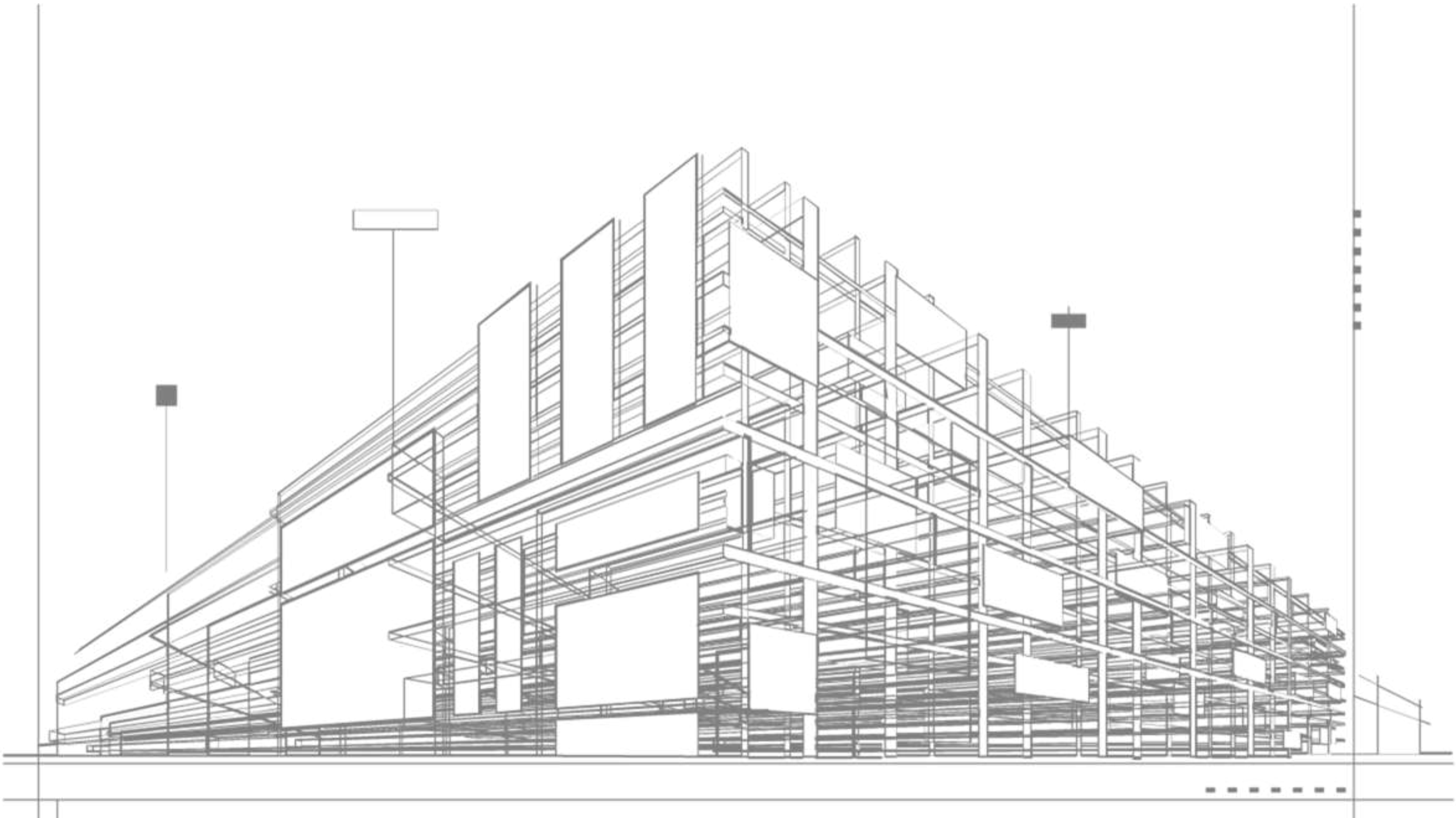
- **3D Visualization:** Detailed 3D models for project understanding.
- **Collaboration:** Seamless info sharing among project stakeholders.
- **Clash Detection:** Identifying design conflicts to avoid errors.
- **Cost Estimation:** Accurate cost estimation through quantity take-offs.
- **Schedule Optimization:** Efficient planning for better timelines.
- **Data Management:** Centralized storage of project info.
- **Sustainability Analysis:** Assessing environmental impact and energy efficiency.
- **Virtual Construction Planning:** Simulating processes for better execution.
- **Facility Management:** Efficient building maintenance support.
- **Construction Site Safety Management:** Simulating processes to enhance safety and reduce risks.
- **Industrialization of Construction:** Factory creation of components for easy, speedy site installation.

Why BIM services by SoftTech?

BIM offers a transformative approach to the AEC industry. By creating a digital model of actual building during design stage, construction stage or at operational stage (digital twin), BIM offers numerous advantages. SoftTech Engineers recognizes the transformative power of BIM and has embraced it as a core competency. This technology enhances

- Project efficiency
- Reduces errors
- Improves decision-making.

Building Information Modeling (BIM) provides significant benefits across various phases of construction projects, particularly in infrastructure. One of the foremost advantages is improved collaboration and communication among all stakeholders. By centralizing data in a coherent system of 3D models and structured information, BIM ensures that architects, engineers, contractors, and owners have access to the same updated data, reducing miscommunications and enhancing coordination. This leads to increased efficiency and cost savings, as potential issues can be identified and resolved before construction begins, thereby minimizing delays and costly rework. The detailed 3D models and visualizations offered by BIM help stakeholders better understand and make informed decisions about the project. Additionally, BIM enhances quality and safety by allowing for detailed simulations of construction processes, identifying risks, and developing safer work plans. It also supports the entire lifecycle of a building, providing valuable data for facility management and promoting sustainable practices. Furthermore, BIM simplifies regulatory compliance by ensuring designs meet standards and generating comprehensive documentation. The flexibility of BIM in adapting to changes and supporting innovative practices such as prefabrication further enhances its value. By mitigating risks and allowing for detailed contingency planning, BIM ultimately leads to more efficient, cost-effective, and safer infrastructure projects.



Unlocking **Opportunities** Expanding **Possibilities**

Building on the progress made in the previous year, India's digital advancement continues across various sectors, embracing ongoing digital transformations. Post-pandemic, digital integration for businesses and the public has become stronger. To maintain digital leadership, the government is increasing investments in digital infrastructure. Key stakeholders are expected to make strategic decisions in 2022-2023 that will drive hybrid operations, customer-centricity, personalized employee engagement, digital upskilling, and sustainable business practices.

With a vision to develop India into a USD 5 Trillion economy, the government has aggressive plans to develop its infrastructure. Initiatives like PM Gati Shakti - the National Master Plan, aim to provide the country with modern logistical infrastructure, while the Pradhan Mantri Awas Yojna is aimed at providing housing for all.

Global construction industry size is

~ $10 trillion

The AEC software spend is

1-2% vs. 3-5%

avg. across other industries.

The IT spend in **over 90%** of the construction companies in the United States.

An estimated **$50 billion** was invested in AEC tech between 2020 to 2022, 85% higher than the previous 3 years.

Overall global construction AEC tech market size is

$9-10 billion.

Expected to grow to

$13.9 trillion by 2037

with over 51% accounted from United States, China, and India.

70% of all construction work over next 15 years will be done in top 10 construction markets globally.

Multiple data sources indicate the overall IT spend for Architecture; Engineering, & Construction (AEC) companies is pegged at

0.25-3% of revenue.

~35-45% of this software spend corresponds to construction management software.

4 fastest growing markets will be Philippines, Vietnam, Malaysia, and Indonesia.

Global Expansion:
A Strategy for Sustained Growth

To expand SoftTech's global presence, we need a comprehensive approach involving targeted market analysis, product adaptation, strategic partnerships, localized branding, continuous research and innovation, and top-notch customer support. Expanding globally is crucial for our sustained growth in today's interconnected world.

Here's a plan to achieve this:

1. Market Expertise and Prioritization:

We'll conduct thorough market research to identify regions with a growing construction industry and a demand for software solutions. We'll prioritize markets based on factors such as market size, competition, and regulations.

2. Localized Product Customization:

We'll tailor our software to meet the specific needs and preferences of each target market. This might involve language localization, adapting to regional construction practices, and incorporating features that address unique challenges in different regions.

3. Strategic Partnerships:

We'll forge partnerships with local construction firms, technology resellers, and industry associations in target markets to facilitate our market entry, gain insights, and enhance our credibility within the local industry.

4. Digital Twins Offerings (BIM & IoT):

We'll position SoftTech as a digital AEC leader by offering advanced Digital Twin Services and integrating BIM and IoT capabilities. This will help optimize the business value and sustainability goals of our clients.

5. Localized Branding and Identity:

We'll create a strong localized brand identity that resonates with the cultural nuances and preferences of each target market to establish a connection with local customers, fostering trust and recognition.

6. Continuous Research and Innovation:

We'll invest in constant research and development to stay ahead of industry trends and technological advancements while regularly updating our software with cutting-edge features.

7. Client Support and Training:

We'll offer exceptional client support that spans time zones and languages, along with comprehensive training resources to ensure that clients can effectively use our software to streamline their construction processes.

Our Financial Performance

₹ 812.3M

FY 24 Revenue +20% YoY

₹ ~287 Cr+

Order Book + Pipeline (India)

₹ 69.7M

FY 24 Revenue +20% YoY

24%

Revenue CAGR
between FY 21 and FY 24

490

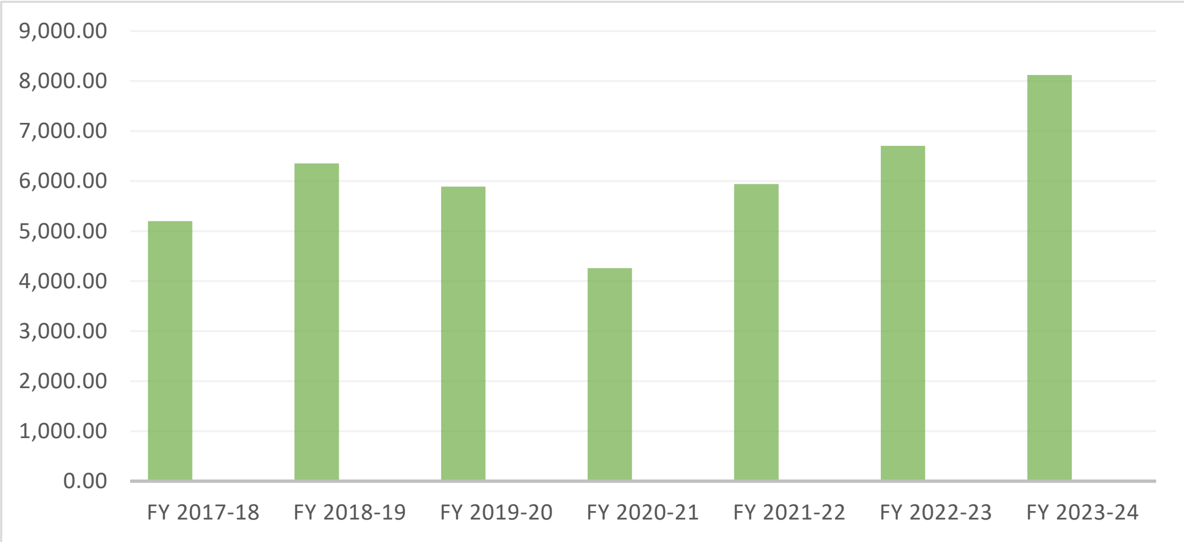
Employees

₹ 4,487M*

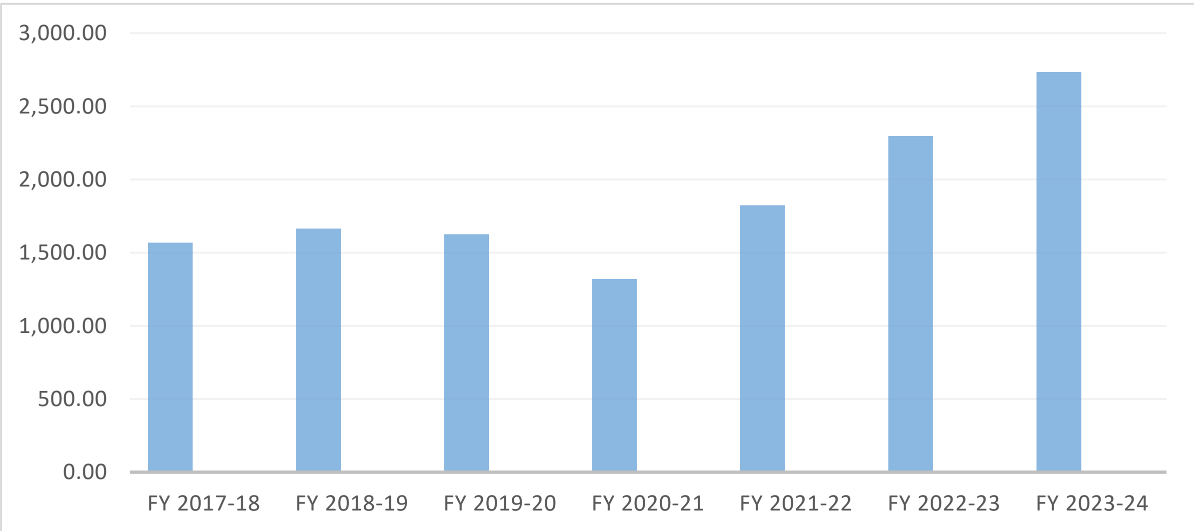
Market Capitalisation

SoftTech - 1 Year Stock Performance

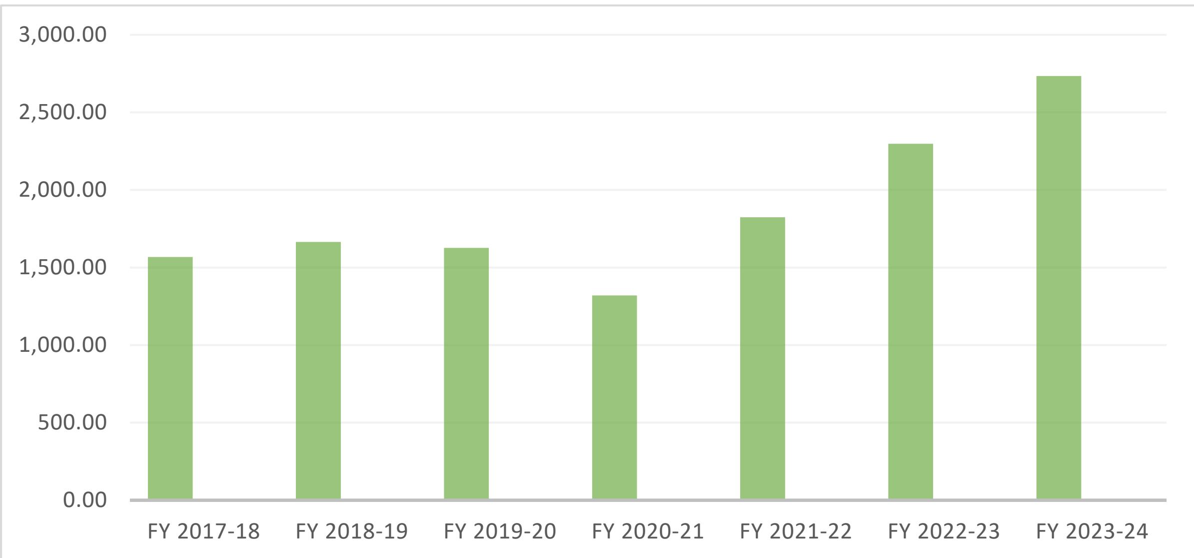
Total Revenue



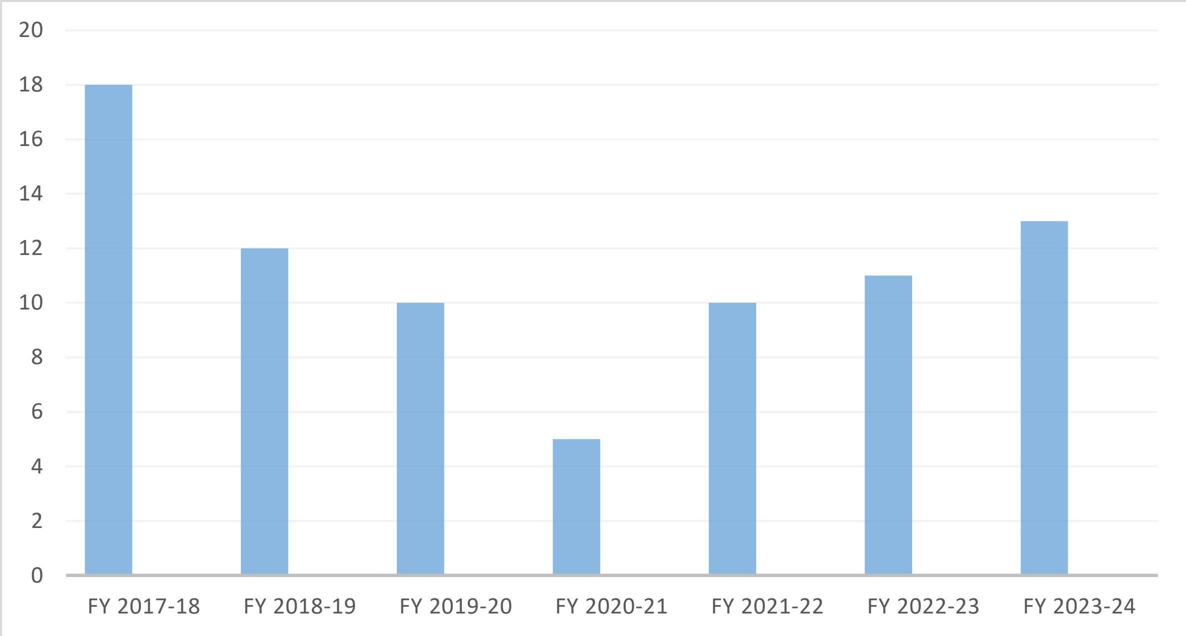
EBITDA



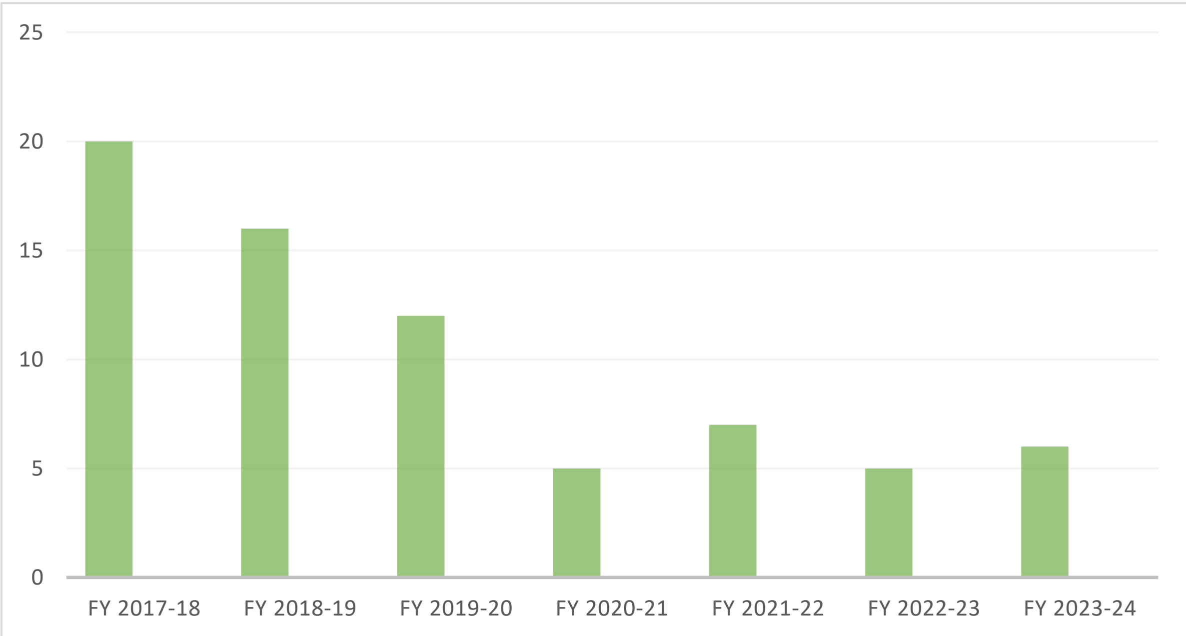
PAT



ROCE (%)


20
18
16
14
12
10
8
6
4
2
0
FY 2017-18
FY 2018-19
FY 2019-20
FY 2020-21
FY 2021-22
FY 2022-23
FY 2023-24

ROE (%)


25
20
15
10
5
0
FY 2017-18
FY 2018-19
FY 2019-20
FY 2020-21
FY 2021-22
FY 2022-23
FY 2023-24

Awards and Recognitions

➢ 2007	✓ World Leadership Award
➢ 2010	✓ The Manthan Award, South Asia ✓ Good Governance Award for National Technology Leadership
➢ 2011	✓ AutoDCR® receives Best Practices Symposium and Citation ceremony 2010 Award for Hubli Dharwad Municipal Corporation ✓ Identified as best practice for building plan approval by JNNURM
➢ 2012	✓ e-Maharashtra Award for Best Urban ICT Initiative
➢ 2013	✓ MCCIA Innovation & Entrepreneurship Awar ✓ AutoDCR® wins the National e-Governance award ✓ Smart City National Award ✓ Skoch Order of Merit Certificate. ✓ Adjudged as India's Most Innovative Top 50 Emerging IT Product Companies
➢ 2015	✓ Rated by CARE Ratings as SE-1A (High Growth and Moderate Financial Potential) 2015
➢ 2016	✓ AIMA Award for Creativity and Innovation in Micro, small and Medium Enterprises 2016
➢ 2017	✓ Amravati Municipal Corporation Gets SKOCH Award
➢ 2018	✓ SoftTech received India's 'Small Giants Award'
➢ 2021	✓ Economic Times Inspiring Leaders Award to Mr. Vijay Gupta (Founder & CEO at SoftTech ✓ Economic Times Inspiring Leaders Award to Mr. Vijay Gupta (Founder & CEO at SoftTech
➢ 2022	✓ SoftTech receives the "Software Brand of the Year 2022" award and Mr. Vijay Gupta (Founder & CEO at SoftTech) has been recognized as "Business Icon of the Year", by Outlook India ✓ SoftTech wins FICCI Smart Urban Innovations Awards ✓ Mr. Vijay Gupta felicitated with a recognition trophy by Mr. Devusinh Chauhan (Minister of State for Communications of India)
➢ 2023	✓ NAREDCO Vidarbha Foundation award for AutoDCR® - AI-driven construction approval technology ✓ NICMAR Technology Award for leading technological advancements in the AEC sector.
➢ 2024	✓ SoftTech won the CIDC Vishwakarma Award for innovation in the AEC industry. ✓ Top 3 in FICCI Smart Urban Innovation Award

Awards

Our Partners

Microsoft Gold Certified Partner

SAP Partner

Autodesk

CGI Partner

Mitsubishi Electrical Partner

RIB Software Partner

ESRI Partner

IIT Mumbai Partner

AutoCAD OEM Partner

Microsoft Gold Application Development Partner

CDCI Partner

NOTICE OF 28TH ANNUAL GENERAL MEETING

NOTICE is hereby given that Twenty Eight Annual General Meeting (AGM) of the Members of SoftTech Engineers Limited will be held on **Friday, Sepetmeber 27, 2024** at 1:00 P.M. through video conferencing ('VC') / other audio visual means ('OAVM') to transact the following business:

A. Ordinary Business:

1. To receive, consider and adopt

a. the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon; and

b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024, and the report of Auditors thereon.

2. To reappoint Ms. Priti Gupta (DIN: 01735673), who retires by rotation and, being eligible, offers herself for re-appointment.

B. Special Business:

3. To reappoint Mr. Vijay Gupta (DIN: 01653314) as the Managing Director of the Company.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company and subject to such approval(s), permission(s) and sanction(s) of appropriate and/or concerned authorities, the consent and approval of the members be and is hereby accorded to re-appoint, Mr. Vijay Gupta (DIN: 01653314) as a Managing Director of the Company, not liable to retire by rotation, for a further period of 5 (five) years from the expiry of his present term of office, that is, with effect from February 24, 2025 upto February 23, 2030 and remuneration payable to him on the terms and conditions as stated below;

Salary and Allowance:

The approval of the Members is being sought for remuneration payable to Mr. Vijay Gupta to the grade of Rs. 800,000 to Rs. 1,000,000 per month which shall include such components and structure including basic pay, allowances and components as may be decided in accordance with the policies of the Company during his tenure as Managing Director on the Board of the Company. Further, he is also entitled to the salary of $150K per annum while he is in the USA and 50% of the same when he is not in USA from SoftTech Government Solutions INC, step down subsidiary of SoftTech Engineers Limited, as Chief Strategic Officer.

The allowances and perquisites shall be evaluated, wherever applicable, as per the provisions of the Income Tax Act, 1961 or any rules there under or any statuary modifications(s).

The Managing Director will be entitled for Provident Fund and Gratuity as per the provisions of respective act and as per the rules of the Company. Further, Managing Director may participate in other schemes that the company may bring from time to time. The Managing Director will be entitled for Bonus up to 20% of the Total Yearly compensation based on financial performance of the year and subjected to approval by the board. The

Managing Director shall be entitled to privilege annual leave on full salary for a period of 21 days. Provided further that leave not availed of may be encashed, in accordance with the policies of the Company.

Other Perquisites:

1. **Medical Expenses**:Group Personal Accident and Group Medical Insurance as per the Provisions of the Company. The actual hospital and medical expenses which have been incurred by the Managing Director for himself, his wife, dependent parents and his minor children, provided that such expenses during the financial years shall not exceed INR 5 lacs per annum.

2. **Chauffeur Facility**:The provision of one Chauffeur driven car, which shall be fuelled and maintained by the Company.

3. **Leave Travel Concession:** Leave Travel Concession/Assistance as per the rules of the Company.

4. **Club Fees:** Membership fees with technical, professional bodies, social club membership fees in accordance with the policies of the Company.

5. **Insurance**: Key man insurance, professional liability insurance etc. for the full term of your appointment in accordance with the policies of the Company.

   He will be entitled to other perks from time to time, as per his stature in the Company and approval by the Board of the Company

RESOLVED FURTHER THAT consent of the Company be and is hereby accorded for the payment of Managerial Remuneration from the Company and the remuneration from SoftTech Government Solutions INC. to Mr. Vijay Gupta, Chief Strategic Officer, designated as Chairman & Managing Director of the Company not exceeding 20% of the net profits of the Company, as may be permitted under the applicable law, from time to time, with liberty to the Board (which term shall include any Committee constituted or to be constituted by the Board) to alter and vary the terms and conditions of said appointment in such manner as may be agreed to between the Board of Directors and Mr. Vijay Gupta and as may be permissible under the applicable laws, without further reference to the Members of the Company.

RESOLVED FURTHER THAT notwithstanding anything herein, where in any financial year during the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary and perquisites specified above subject to requisite approval, if any, as may be required under the Companies Act, 2013 and rules made thereunder.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

4. To reappoint Ms. Priti Gupta (DIN: 01735673) as Whole-time Director of the Company.
To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company and subject to such approval(s), permission(s) and sanction(s) of appropriate and/or concerned authorities, the consent and approval of the members be and is hereby accorded to re-appoint Ms. Priti Gupta (DIN: 01735673) as a Whole Time Director of the Company, liable to retire by rotation, for a further period of 5 (five) years from the expiry of her present term of office, that is, with effect from February 24, 2025 upto February 23, 2030 and remuneration payable to her on the terms and conditions as stated below;

Salary & Allowances:

The approval of the Members is being sought for remuneration payable to Ms. Priti Gupta, which has been decided as Rs. 15,00,000/- per annum which shall include such components and structure including basic pay, allowances and components as may be decided in accordance with the policies of the Company during her tenure as Whole-time Director on the Board of the Company. The annual increments will be decided by the Board based on the recommendations of the Human Resources, the Nomination and Remuneration Committee ("NRC").

The Basic Salary is INR.37,500/-per month. In addition to the Basic Salary payable, Ms. Priti Gupta shall also be entitled to the following allowances and perquisites. The allowances and perquisites shall be evaluated, wherever applicable, as per the provisions of the Income Tax Act, 1961 or any rules there under or any statuary modifications(s).

Monthly gross Allowances and perquisites include

HRA	**15,000**
Transport / Conveyance Allowance	**1,600**
Academic	**1,000**
Dress & Attire	**5,000**
Telep & BB	**1,000**
Medical	**1,250**
Spec Allow	**52,237**
Bonus	**10,413**
PT	**200**

RESOLVED FURTHER THAT notwithstanding anything herein, where in any financial year during the tenure of the Whole-time Director, the Company has no profits or its profits are inadequate, the Company will pay her remuneration by way of salary and perquisites specified above subject to requisite approval, if any, as may be required under the Companies Act, 2013 and rules made thereunder.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

5. To reappoint Mr. Pratik Patel (DIN: 08798734) as Whole-time Director of the Company.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198, 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company and subject to such approval(s), permission(s) and sanction(s) of appropriate and/or concerned authorities, the consent and approval of the members be and is hereby accorded to re-appoint Mr. Pratik Patel (DIN: 08798734) as a Whole Time Director of the Company, liable to retire by rotation for a further period of 5 (five) years from the expiry of his present term of office, that is, with effect from July 18, 2025 upto July 17, 2030 and remuneration payable to him on the terms and conditions as stated below;

Salary & Allowances:

The approval of the Members is being sought for remuneration payable to Mr. Pratik Patel, which has been decided as Rs. 15,00,000/- per annum which shall include such components and structure including basic pay, allowances and components as may be decided in accordance with the policies of the Company during his tenure as Whole-time Director on the Board of the Company. The annual increments will be decided by the Board based on the recommendations of the Human Resources, the Nomination and Remuneration Committee ("NRC").. The Basic Salary is INR.37,500/-per month. In addition to the Basic Salary payable, Mr. Pratik Patel (DIN: 08798734) shall also be entitled to the following allowances and perquisites. The allowances and perquisites shall be evaluated, wherever applicable, as per the provisions of the Income Tax Act, 1961 or any rules there under or any statuary modifications(s).

Monthly gross Allowances and perquisites include

HRA	**15,000**
Transport / Conveyance Allowance	**1,600**
Academic	**5,000**
Dress & Attire	**15,000**
Telep & BB	**1,000**
Medical	**1,250**
Spec Allow	**34,112**
Bonus	**10,038**
PF	**4,500**
PT	**200**
EPF	**4,500**

Other perks from time to time, as per the policy of the Company. In addition to the fixed compensation the employee will be eligible for Sales commission on the sales brought in through his efforts directly in the potected territory of business. Sales commission will be decided on case-to-case basis.

RESOLVED FURTHER THAT notwithstanding anything herein, where in any financial year during the tenure of the Whole-time Director, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary and perquisites specified above subject to requisite approval, if any, as may be required under the Companies Act, 2013 and rules made thereunder.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By Order of the Board of Directors
For SoftTech Engineers Limited

Place: Pune
Date: August 14, 2024

Shalaka Khandelwal
Company Secretary

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts for the proposed resolutions and disclosures as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ("SS-2") forms part of this Notice.

2. Pursuant to the General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular No. 20/2020 dated May 5, 2020 and subsequent Circulars issued in this regard, the latest being No. 9/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs (hereinafter referred as "MCA Circulars") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 read with Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11th July, 2023 (hereinafter referred as "SEBI Circular"), the 28th Annual General Meeting ("AGM") of the Company will be conducted through VC/OAVM without the physical presence of the Members. Accordingly, the facility for appointment of proxies will not be available for the AGM and hence the proxy form, attendance slip and route map are not annexed to this notice. The registered office of the Company shall be deemed to be the venue for the AGM.

3. Corporate/Institutional Members (i.e., other than Individuals, HUF, NRI etc.) are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

4. The Company has engaged the services of National Depository Services Limited, as the authorized agency for conducting the AGM and providing remote e-Voting and e-Voting facility during the AGM. The instructions for participation are given in the subsequent notes.

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first-come-first-served-basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.softtech-engr.com or https://softtechglobal.com/. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

8. The following documents will be available for inspection by the Members electronically during the 28th AGM. Members seeking to inspect such documents can send an email to investors@softtech-engr.com

a) Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013.
b) All such documents referred to in this Notice and the Explanatory Statement.

- **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Tuesday, September 24, 2024 at 09.00 a.m. (I.S.T) and ends on Thursday, September 26, 2024 at 5:00 p.m. (I.S.T). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, September 20, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 20, 2024.

- **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/

	either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. 
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The

	system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

<u>**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.</u>

- **<u>Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.</u>**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

<u>How to Log-in to NSDL e-Voting website?</u>

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs@svdandassociates.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in

➢ **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice**:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@softtech-engr.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@softtech-engr.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

➢ **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

- **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Members will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at investors@softtech-engr.com.). The same will be replied by the company suitably.

6. Shareholders holding shares as on the cutoff date i.e. Friday, September 20, 2024, who would like to express their views / ask questions during the AGM, will have to register themselves as a "Speaker" and send their request mentioning their Name, Demat account number / folio number, email ID, mobile number at investors@softtech-engr.com between Friday, September 20, 2024 (9.00 a.m.) to Sunday, September 22, 2024 (6.00 p.m.). Those members who have registered themselves as a Speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM

9. Mr. Sridhar Mudaliar failing him Mr. Devesh Tudekar, Partners of M/s. DTSM & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.

10. The Scrutinizer shall immediately after the conclusion of AGM, unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall submit within two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or the person authorized by him in writing who shall countersign the same. The Chairman or the person authorized by him, shall declare the result of the voting forthwith.

11. The results of voting along with the Scrutinizer's Report shall be placed on the Company's website www.softtech-engr.com or https://softtechglobal.com/ and on the website of NSDL immediately after the

declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

12. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The form can be downloaded from the Company’s website at (Company's website).
    Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the Company at registered office, in case the shares are held in physical form.

13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.

14. A Member, who wish to receive information regarding financial statements or matters to be placed at the AGM, shall send a request by providing full name, DP ID and Client ID / Folio Number and contact number from the registered e-mail ID to investors@softtech-engr.com at least 7 days in advance so as to enable the management to keep the information ready.

15. Mandatory furnishing of PAN, KYC details and Nomination by holders of physical securities As per Master circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 issued by SEBI dated May 07, 2024, holders of physical securities are required to update details related to PAN, Choice of Nomination, Contact details (Postal Address with PIN and Mobile Number), Bank A/c details and Specimen signature for their corresponding folio numbers to avail the following;
    a. to lodge grievance or avail any service request from the RTA.
    b. for any payment including dividend, interest or redemption payment only through electronic mode with effect from 01 April 2024.

16. Address of share transfer agents whom Members may contact in case of any change of address or queries relating to their shares is 202 A Wing, Second Floor, Akshay Comlex, Off Dhole Patil Road, Near Ganesh Mandir, Pune 411001.

17. Members holding more than one share in the same name or joint names in the same order but under different ledger folios are requested to apply for consolidation of such folios into a single folio and accordingly send a request letter duly signed by the shareholder and the relevant share certificates alongwith the self-attested copy of Permanent Account Number (PAN) card and Aadhar card to the Company, to enable us to consolidate all such multiple folios into one single folio.

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

As required under Section 102 of the Companies Act, 2013 (“the Act”), the following Explanatory Statement sets out material facts relating to the Special Business as set out at Item Nos. 3 of the Notice.

ITEM NO. 3: To reappoint Mr. Vijay Gupta (DIN: 01653314) as the Managing Director of the Company:

The Board of Directors of the Company, pursuant to the recommendation of Nomination and Remuneration Committee has recommended re-appointment of Mr. Vijay Gupta as Managing Director in their meeting held on August 14, 2024.

In terms of Sections 196, 197, 198, 203 and Schedule V of the Act and other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under as amended, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 appointment of the Managing Director and for the payment of remuneration is required to be approved by the members of the Company.

Brief Profile of Mr. Vijay Gupta:

Mr. Vijay Gupta, aged 62 years, is the sole Promoter, Chairman and the Managing Director of our Company. He is an Indian national and first Director of our Company. He holds a Master’s degree in Technology from the Indian Institute of Technology, Mumbai (IIT, Bombay). He is a first generation entrepreneur and has an experience of over 30 years in development of complex BIM/CAD/CAE/Project Management enterprise software in Architecture-Engineering-Construction domain. He has been associated with the Company since incorporation ie. 17th June, 1996 and was reappointed as the Managing Director of our Company with effect from February 24, 2020 for a period of 5 years. He has been the architect and driving force behind building path breaking innovative software products of our Company and has contributed immensely towards the overall growth and success of our Company. These made in India technology products has been contributing significantly in accelerating the Indian Government’s vision of improving Ease of Doing Business in India in construction permits and are strong tools for approvals and monitoring of buildings and infrastructures in smart cities.

Shareholding in the Company: Mr. Vijay Gupta is holding 24,31,234 shares as on date of the notice.

Directorships of Boards in following Companies as on March 31, 2024:
SoftTech Engineers Limited
SoftTech Engineers Inc.
SoftTech Finland Oy.
Covisible Solutions (India) Private Limited
SoftTech Care Foundation
AmpliNxt Private Limited
Qi Square Pte. Ltd.
SoftTech Digital Pte. Ltd.
SoftTech Digital Solutions Ltd, UK

Membership of Committees as on March 31, 2024:
CSR Committee
Audit Committee- Chairman
Stakeholders Relationship Committee

Relationship with other Directors / Key Managerial Personnel: Ms. Priti Gupta, Whole-time Director is spouse of Mr. Vijay Gupta

Number of Meetings of the Board attended during the year: Mr. Vijay Gupta has attended all Four (4) Board Meeting during FY 2023-24.

Other terms of Appointment:
The terms and conditions of the appointment of the Managing Director may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Managing Director subject to such approvals as may be required. The employment of the Managing Director may be terminated by either party by giving six months' notice to the other party.

1. INFORMATION IN ACCORDANCE WITH SCHEDULE V OF COMPANIES ACT, 2013

I. General Information:

1	**Nature of Industry**	The Company is engaged in software development and providing software support and maintenance services to the clients.
2	**Date or expected date of commencement of commercial production**	The Company is already in commercial production.
3	**In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus**	Not Applicable as the Company is an existing Company.
4	**Financial performance based on given indicators**	As per Financial Statements
5	**Foreign investments or collaborators, if any**	The Company has invested in the equity and has given loan in the form of debentures to its subsidiaries outside India; details of which form part of Financial Statements.

II. INFORMATION ABOUT THE MANAGING DIRECTOR:

1	**Background details**	Mr. Vijay Gupta, aged 62 years, is the sole Promoter, Chairman and the Managing Director of our Company. He is an Indian national and first Director of our Company. He holds a Master’s

		degree in Technology from the Indian Institute of Technology, Mumbai (IIT, Bombay). He is a first generation entrepreneur and has an experience of over 30 years in development of complex BIM/CAD/CAE/Project Management enterprise software in Architecture-Engineering-Construction domain. He has been associated with the Company since incorporation ie. 17th June, 1996 and was reappointed as the Managing Director of our Company with effect from 24th February, 2020 for a period of 5 years
2	**Past remuneration**	Remuneration paid for FY 2023-24: INR 81,00,012/- per annum including benefits, perquisites from SoftTech Engineers Limited and INR 76,16,460/- per annum from the step down subsidiary i.e. SoftTech Government Solutions Inc. in the capacity of Chief Strategic Officer.
3	**Tenure of Appointment**	The appointment of the Managing Director is for a period of five years with effect from February 24, 2025 upto February 23, 2030.
4	**Recognition or awards**	**Awarded by Lifetime Excellence Award at Digicon powered by AutoDesk Construction Cloud.** **Awarded by NAREDCO Vidarbha Foundation for AutoDCR®** The launch ceremony of AutoDCR® Software on July 30, 2023, at Radisson Blu in Nagpur, Maharashtra, was a landmark event in collaboration with NAREDCO Vidarbha Foundation. Mr. Vijay Gupta was honored with a prestigious award during the ceremony, which brought together distinguished dignitaries, industry leaders, government officials, and AEC stakeholders. AutoDCR®, with its cutting-edge AI, ML, and Deep Learning technology, is set to revolutionize the construction approval process across the Vidarbha region, paving the way for

		a more efficient and sustainable future in Maharashtra. **Vishwakarma Awards 2024** SoftTech has been honored with the prestigious 15th CIDC Vishwakarma Awards 2024 in the Partners in Progress category. This recognition underscores the dedication of the team, the trust of clients, and the synergy with partners. Acknowledged for innovative technological advancements in the AEC industry, this award reflects SoftTech's continuous commitment to driving progress and delivering impactful solutions in the sector. **Award by NICMAR for Technology Transformation in AEC Industry** At NICMAR University's esteemed ICCRIP Conference on August 11th and 12th, 2023, Mr. Vijay Gupta was presented with a distinguished accolade for his leadership in driving technological transformation in the AEC sector. SoftTech’s cutting-edge innovations, including AI, ML, Deep Learning, and more, were highlighted as key factors in reshaping the industry, showcasing the company’s commitment to resolving challenges and empowering the construction industry through advanced technologies. **Top 3 in FICCI Smart Urban Innovation Award** SoftTech Engineers Limited secured a top 3 ranking in the FICCI Smart Urban Innovations Awards in the Disruptive Solutions category, recognizing its contributions to enhancing Maharashtra Industrial Development Corporation’s (MIDC) Ease of Doing Business (EoDB) rankings. By implementing CivitINFRA, SoftTech automated engineering functions, streamlined administrative and technical processes, and enabled

		real-time decision-making, bringing unprecedented accountability, transparency, and efficiency to MIDC's operations.
5	**Job Profile and his suitability**	Mr. Vijay Gupta is the Chairman and Managing Director of the Company. He plays a key role in the progress of the Company. Taking into account Mr. Vijay Gupta's qualifications, his extensive experience and the responsibilities shouldered by him, his association with the Company is in the best interest of the Company.
6	**Remuneration proposed**	Details as mentioned in proposed resolution above in item no. 3.
7	**Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)**	Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Vijay Gupta, the remuneration packages paid to him is comparatively less as compared to the similar counterparts in other similar sized companies.
8	**Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any**	None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Vijay Gupta and Ms. Priti Gupta are, concerned or interested, financially or otherwise, in the Resolution set out.

III. OTHER INFORMATION

1	**Reasons of loss or inadequate profits**	During the FY 2023-24 the Company has earned profit which is adequate to make the payment of managerial remuneration.
2	**Steps taken or proposed to be taken for improvement**	
3	**Expected increase in productivity and profits in measurable terms**	

The Board of Directors recommends the resolution set forth in Item No. 3 of the accompanying Notice for the approval of the Members of the Company as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested in the above proposed resolution set forth in Item No. 3, except himself and Ms. Priti Gupta, wife of Mr. Vijay Gupta.

ITEM NO. 4: To reappoint Ms. Priti Gupta (DIN: 01735673) as Whole-time Director of the Company.

Pursuant to the recommendations of Nomination and Remuneration Committee of the Board, the Board of Directors of the Company in their meeting held on August 14, 2024 re-appointed Ms. Priti Gupta as a Whole-time Director of the Company, subject to approval of shareholders.

In terms of Sections 196, 197, 198, 203 and Schedule V of the Act and other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under as amended, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 appointment of the Ms. Priti Gupta as Whole-time Director of the Company and for the payment of remuneration is required to be approved by the members of the Company.

Brief Profile of Ms. Priti Gupta:
Ms. Priti Gupta, aged 59 years with a B.Sc. in Physics and an MBA in Sales & Marketing from Welingkar Institute, University of Mumbai, is instrumental in bringing ISO processes to SoftTech Engineers Limited. With over two decades of experience in business processes and management, she oversees training, HR & Admin operations, contributing significantly to the company's growth and efficiency. She was first appointed on the Board of SoftTech w.e.f. March 04, 2008.

Shareholding in the Company: Ms. Priti Gupta is holding 64,700 shares as on date of the notice.

Directorships of Boards in following Companies as on March 31, 2024:
SoftTech Engineers Limited
SoftTech Care Foundation
SotTech Finland Oy.
Covisible Solutions (India) Private Limited

Membership of Committees as on March 31, 2024: CSR Committee

Relationship with other Directors / Key Managerial Personnel: Mr. Vijay Gupta , Managing Director is spouse of Ms. Priti Gupta

Number of Meetings of the Board attended during the year: She has attended all Four (4) Board Meeting during FY 2023-24.
Other terms of appointment:
The period of office of Ms. Priti Gupta shall be liable to determination by retirement of directors by rotation.

1. INFORMATION IN ACCORDANCE WITH SCHEDULE V OF COMPANIES ACT, 2013

I. GENERAL INFORMATION:

1	**Nature of Industry**	The Company is engaged in software development and providing software support and maintenance services to the clients.
2	**Date or expected date of commencement of commercial production**	The Company is already in commercial production.

3	**In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus**	Not Applicable as the Company is an existing Company.
4	**Financial performance based on given indicators**	As per Financial Statements
5	**Foreign investments or collaborators, if any**	The Company has invested in the equity and has given loan in the form of debentures to its subsidiaries outside India; details of which form part of Financial Statements.

II. <u>INFORMATION OF WHOLE TIME DIRECTOR</u>

1	**Background details**	Ms. Priti Gupta, with a B.Sc. in Physics and an MBA in Sales & Marketing from Welingkar Institute, University of Mumbai, is instrumental in bringing ISO processes to SoftTech Engineers Limited. With over two decades of experience in business processes and management, she oversees training, HR & Admin operations, contributing significantly to the company's growth and efficiency.
2	**Past remuneration**	Rs. 15,00,000/- per annum including benefits, perquisites.
3	**Tenure of Appointment**	The appointment of the Whole time Director is for a period of five years with effect from February 24, 2025 upto February 23, 2030.
4	**Recognition or awards**	Not Applicable
5	**Job Profile and her suitability**	Ms. Priti Gupta oversees training, HR & Admin operations, contributing significantly to the company's growth and efficiency.
6	**Remuneration proposed**	Rs. 15,00,000/-
7	**Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)**	The proposed remuneration is in line with the trends in the industry and is befitting Ms. Priti Gupta's educational background, experience and competence.

8	**Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any**	None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Vijay Gupta and Ms. Priti Gupta are, concerned or interested, financially or otherwise, in the Resolution set out.

III. OTHER INFORMATION

1	Reasons of loss or inadequate profits	During the FY 2023-24 the Company has earned profit which is adequate to make the payment of managerial remuneration.
2	Steps taken or proposed to be taken for improvement	
3	Expected increase in productivity and profits in measurable terms	

The Board of Directors recommends the resolution set forth in Item No. 4 of the accompanying Notice for the approval of the Members of the Company as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested in the above proposed resolution set forth in Item No. 4, except herself and Mr. Vijay Gupta, husband of Ms. Priti Gupta.

ITEM NO. 5: To reappoint Mr. Pratik Patel (DIN: 08798734) as Whole-time Director of the Company.

Pursuant to the recommendations of Nomination and Remuneration Committee of the Board, the Board of Directors of the Company in their meeting held on August 14, 2024 re-appointed Mr. Pratik Patel as a Whole-time Director of the Company, subject to approval of shareholders.

In terms of Sections 196, 197, 198, 203 and Schedule V of the Act and other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under as amended, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 appointment of the Mr. Pratik Patel as Whole-time Director of the Company and for the payment of remuneration is required to be approved by the members of the Company.

Brief Profile of Mr. Pratik Patel:
Mr. Pratik Patel, aged 37 years holding degrees in BSc. IT and MBA from Edinburgh Napier University, Edinburgh (UK), brings over 10 years of experience in operations for software development and real estate businesses. Since joining the board in 2020, he has played a key role in steering the company towards various strategic objectives. He was first appointed on Board of the Company w.e.f. July 18, 2020.

Shareholding in the Company: Ms. Priti Gupta is holding 6,71,104 shares as on date of the notice.

He holds Directorship in following Companies as on March 31, 2024:
SoftTech Engineers Limited
Membership of Committees as on March 31, 2024: Nil

Relationship with other Directors / Key Managerial Personnel: NA

Number of Meetings of the Board attended during the year: He has attended all Four (4) Board Meeting during FY 2023-24.

Other terms of appointment:

The period of office of Mr. Pratik Patel (DIN: 08798734) shall be liable to determination by retirement of directors by rotation.

1. INFORMATION IN ACCORDANCE WITH SCHEDULE V OF COMPANIES ACT, 2013

I. GENERAL INFORMATION:

1	**Nature of Industry**	The Company is engaged in software development and providing software support and maintenance services to the clients.
2	**Date or expected date of commencement of commercial production**	The Company is already in commercial production.

3	**In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus**	Not Applicable as the Company is an existing Company.
4	**Financial performance based on given indicators**	As per Financial Statements
5	**Foreign investments or collaborators, if any**	The Company has invested in the equity and has given loan in the form of debentures to its subsidiaries outside India; details of which form part of Financial Statements.

II. INFORMATION ABOUT WHOLE TIME DIRECTOR

1	**Background details**	Mr. Pratik Patel, holding degrees in BSc. IT and MBA from Edinburgh Napier University, Edinburgh (UK), brings over 10 years of experience in operations for software development and real estate businesses. Since joining the board in 2020, he has played a key role in incorporating the Company in UK, the whole owned subsidiary of SoftTech Engineers Limited..
2	**Past remuneration**	Rs. 15,00,000/- per annum including benefits, perquisites.
3	**Tenure of Appointment**	The appointment of the Whole time Director is for a period of five years with effect from 18th July, 2025 upto 17th July, 2030.
4	**Recognition or awards**	Not Applicable
5	**Job Profile and his suitability**	Helps in managing operations for software development and real estate businesses
6	**Remuneration proposed**	Rs. 15,00,000/-
7	**Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)**	The proposed remuneration is in line with the trends in the industry and is befitting Mr. Pratik Patel's educational background, experience and competence.
8	**Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any**	Mr. Pratik Patel doesn't have any Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel.

III. OTHER INFORMATION

1	Reasons of loss or inadequate profits	During the FY 2023-24 the Company has earned profit which is adequate to make the payment of managerial remuneration.
2	Steps taken or proposed to be taken for improvement	
3	Expected increase in productivity and profits in measurable terms	

The Board of Directors recommends the Resolution at Item No. 5 of the accompanying Notice for the approval of the Members of the Company as a Special Resolution.

Mr. Pratik Patel is interested in the Resolution mentioned at Item No. 5 of the Notice with regard to his respective appointment. Other than him no other Directors, Key Managerial Personnel's or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

By Order of the Board of Directors
For SoftTech Engineers Limited

Place: Pune
Date: August 14, 2024

Shalaka Khandelwal
Company Secretary

BOARD'S REPORT

Dear Members,

Your directors have the pleasure in presenting the 28th Annual Report on the business and operations of your Company together with the Standalone and Consolidated Audited Financial Statement and the Auditors' Report of your Company for the Financial year ended March 31, 2024.

1. FINANCIAL SUMMARY AND HIGHLIGHTS:

The Company's financial performance for the year under review is given hereunder:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Revenue from Operations (Net)	7861.35	6534.09	7877.59	6540.48
Other Income	262.08	170.68	229.22	142.97
Total Revenue	8123.43	6704.77	8106.81	6683.45
Depreciation and Amortization	1343.36	1045.58	1344.42	1046.20
Total Expenses (including Depreciation and Amortization)	7187.46	5843.92	7542.44	6040.90
Profit/ (Loss) Before Tax	935.97	860.85	564.37	642.55
Tax Expenses:				
1. Current Tax	328.44	269.72	328.44	269.72
2. Deferred Tax	(104.35)	(11.80)	(111.26)	(11.80)
Net Profit/ (Loss) After Tax	697.14	579.82	332.45	361.52
Earning per share				
Basic	6.17	5.53	3.17	3.81
Diluted	6.17	5.48	3.17	3.78

During the year under review, the Company has achieved a gross turnover of ₹ 8,123.43 lakhs in comparison to previous year's turnover which was ₹ 6,704.77 lakhs. It represented an increase of 17.46 % over the previous year. The Profit after tax stood at ₹679.14 lakhs as against ₹579.82 lakhs in previous year. Key aspects of financial performance of your Company for the Current Financial year 2023-24 along with the Previous Financial year 2022-23 are tabulated in the Financial Results above.

2. KEY DEVELOPMENTS OF THE COMPANY:

- The Company has incorporated a Wholly Owned Subsidiary Company named "SoftTech Engineers Digital Limited." in UK on 14th November, 2023 with the object of International Market Penetration of SoftTech's products established in India.
- SoftTech Engineers Limited and CDCi sign an agreement to offer software products and services under CIVIT Platform to Malaysian AEC industry.
- The Company Announces allotment of 20,00,000 (Twenty Lakhs) Equity Shares pursuant to exercise of fully convertible warrants ("Warrants/ Convertible Warrants") allotted on preferential basis and Allotment of 6,63,120 (Six Lakhs Sixty Three Thousand One Hundred Twenty) Equity Shares pursuant to exercise of Unsecured Compulsorily Convertible Debentures ("CCDs") allotted on preferential basis.

3. DIVIDEND:

Considering the situation and in order to conserve the resources, the Board of Directors do not recommend dividend for the Financial Year 2023-24.

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since no unclaimed dividend amount is pending with the Company for seven consecutive years or more, no amount is required to be transferred to the Investor Education and Protection Fund.

5. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013:

No amount was transferred to the reserves during the Financial Year ended on March 31, 2024.

6. LISTING OF SECURITIES ON STOCK EXCHANGES:

The shares of the Company are listed on main board of the National Stock Exchange of India Limited and BSE Limited. Further, the Company is registered with both NSDL & CDSL.

7. MANAGEMENT DISCUSSIONS & ANALYSIS REPORT:

In accordance with the provisions of the Companies Act, 2013 and SEBI regulations, the Management Discussion and Analysis report is given as '**Annexure A**' to this report.

8. ANNUAL RETURN:

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at https://softtech-engr.com/wp-content/uploads/Form-MGT-7_2022-23-1.pdf Or https://softtechglobal.com/investors/

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

I. Changes in Composition of the Board of Directors:

Appointment:

a. Mr. Yogeshkumar Mangubhai Desai (DIN: 10501676) is appointed as an Additional Non-Executive Independent Director of the Company w.e.f. February 12, 2024 subject to approval of shareholders through postal ballot. Brief profile and other information of Mr. Yogeshkumar Mangubhai Desai (DIN: 10501676) proposing appointment as an Non-Executive Independent Director forms part of the notice of postal ballot. His appointment was approved by the shareholders on May 6, 2024

Cessations:

b. Mr. Rahul Gupta (DIN: 00024732) resigned from the position of Non-Executive Independent Director of the Company w.e.f. November 7, 2023. The Board of Directors of the Company deeply appreciates his valuable contribution and support during his term as Non-Executive Independent Director of the Company.

c. Mr. Garth Brosnan (DIN: 09836995) resigned as the Non-Executive Nominee Director of the Company representing RIB ITWO Software Private w.e.f. May 24, 2024 due to the fact that the Loan payable to RIB Group has been fully repaid and there is no longer any need to fulfil the role of representative director.

Re-appointment of Directors:

d. As per the provisions of Section 152(6) of the Companies Act, 2013 and other applicable provisions thereunder, Ms. Priti Gupta (DIN: 01735673), Whole-time Director of the Company, whose office is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. Based on the recommendation of the Nomination and Remuneration Committee, the Board recommends her re-appointment to the shareholders in the ensuing Annual General Meeting.

II. Appointment / Resignation of Key Managerial Personnel:

a) Ms. Akancha Bhadani resigned as the Compliance Officer of the Company w.e.f. May 25, 2023.

b) Ms. Shalaka Khandelwal is appointed as a Company Secretary & Compliance Officer of the Company w.e.f. May 25, 2023.

III. Declaration from Independent Directors and statement on compliance of code of conduct:

Your Company has received necessary declarations from all its Independent Directors stating that they meet the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Further, in terms of Regulation 25(8) of the SEBI Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstances or situations, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

Independent Director have complied with Code of Independent Directors prescribed in Schedule IV of Companies Act, 2013. All the Independent Directors of the Company have enrolled themselves in the data bank with the 'Indian Institute of Corporate Affairs', New Delhi, India.

In the opinion of the Board the Independent Directors possess necessary expertise and experience (including the proficiency) and they are of high integrity and repute. During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees for attending meetings of the Board of Director. The details of sitting fees paid are mentioned in the Corporate Governance Report.

All the Directors and Senior Management Personnel have also complied with the code of conduct of the Company as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

IV. ANNUAL PERFORMANCE EVALUATION OF BOARD OF DIRECTORS:

The annual evaluation framework for assessing the performance of Directors comprises of the following key areas:

a) Attendance for the meetings, participation and independence during the meetings.
b) Interaction with Management.
c) Role and accountability of the Board.
d) Knowledge and proficiency
e) Strategic perspectives or inputs.

The evaluation of the performance of the Board, its Committees, Chairman & Directors and suggestion emanating out of the performance evaluation exercise were reviewed by the Independent Directors at their separate meeting held on August 10, 2023 and Nomination & Remuneration Committee & Board of Directors at their respective meetings held on August 10, 2023 for the Financial year 2023-24. The Board evaluation outcome showcasing the strengths of the Board and areas of improvement in the processes and related issues for enhancing Board effectiveness were discussed by the Nomination & Remuneration Committee & Board. Overall, the Board expressed its satisfaction on the performance evaluation process as well as performance of all Directors, Committees and Board as a whole.

The evaluation indicates that the Board of Directors has an optimal mix of skills/expertise to function effectively. The mapping of board skills/expertise vis-à-vis individual Directors is outlined in the Report on Corporate Governance Report which is attached as **Annexure E** to this Report.

A member of the Nomination and Remuneration Committee and the Board does not participate in the discussion of his / her evaluation.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the board has carried out the performance evaluation of the Board, the Committees of the Board and individual directors.

V. The Composition of Board of Directors & Key Managerial Person as at March 31, 2024 consists of following:

Sr. No.	Name	Designation
1.	Mr. Vijay Gupta	Managing Director and Chief Executive Officer
2.	Ms. Priti Gupta	Whole-time Director
3.	Mr. Pratik Patel	Whole-time Director
4.	Mr. Rahul Gupta	Independent Director (Resigned on 07.11.2023)
5.	Mr. Sridhar Pillalamarri	Independent Director
6.	Mr. Sundararajan Srinivasan	Independent Director
7.	Dr. Rakesh Kumar Singh	Independent Director
8.	Mr. Yogeshkumar Mangubhai Desai	Additional Independent Director (Appointed on 12.02.2024)
9.	Mr. Garth Brosnan	Nominee Director (Resigned on 24.05.2024)
10.	Mr. Kamal Agrawal	Chief Financial Officer
11.	Ms. Shalaka Khandelwal	Company Secretary & Compliance Officer

10. BOARD MEETINGS:

The Board meets at regular intervals to discuss and decide on Company's / business policy and strategy apart from other businesses. The notice of Board meeting is given well in advance to all the Directors. The Agenda of the Board / Committee meetings is set by the Company Secretary in consultation with the Chairman and Managing Director and Chief Financial Officer of the Company. The Agenda for the Board and Committee meetings covers items set out in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 to the extent it is relevant and applicable. The Agenda for the Board and Committee meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the Financial Year under review, the Board of Directors of the Company has met Four (4) times on May 25, 2023, August 10, 2023, November 7, 2023 and February 12, 2024. The maximum interval between any two meetings was well within the maximum allowed gap of 120 days. Details of these Board meetings are provided in the Corporate Governance Report which is **Annexure E** to this Report.

11. COMMITTEES OF THE BOARD:

In terms of the requirements of the SEBI Listing Regulations, the Board has constituted Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee.

Details of all the Committees along with their scope, compositions and meetings held during the year are outlined in the Corporate Governance which forms part of this Annual Report as **Annexure E** and is also available on the website of the Company

https://softtech-engr.com/wp-content/uploads/Composition-of-various-committees-of-board-of-directors-1.pdf

or

https://softtechglobal.com/wp-content/uploads/2024/08/Composition-of-various-committees-of-board-of-directors_updated-07.11.2023.pdf

The recommendations made by the Committees to the Board of Directors were accepted by the Board, after due deliberation.

12. PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES:

All transactions entered with related parties during the F.Y. 2023-24 were on arm's length basis and were in the ordinary course of business. There were no material related party transactions (RPTs) undertaken by the Company during the Financial Year that require Shareholders' approval under Regulation 23(4) of SEBI LODR or Section 188 of the Act. There have been no materially significant related party transactions with the Company's Promoters, Directors and others as defined in section 2(76) of the Companies Act, 2013. The approval of the Audit Committee was sought for all RPTs. Certain transactions which were repetitive in nature were approved through omnibus route. All the transactions were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI LODR, as applicable. Form AOC-2 is enclosed herewith as **'Annexure B'** to the Boards' Report.

The disclosures as per Indian Accounting Standards for the related party transactions are given in the Financial Statement of the Company.

13. CHANGES IN SHARE CAPITAL:

Preferential /Private Placement Basis

During the financial year under review, the Company has made allotment of 20,00,000 (Twenty Lakhs) Fully Convertible Warrants ("Warrants/ Convertible Warrants") of the Company issued at a Subscription Price of Rs. 31.25/- per warrant (25% of the Issue Price), entitling the Warrant holder to exercise an option to subscribe to 20,00,000 (Twenty Lakhs) Equity Shares of the Company having a face value of Rs. 10/- each at an exercise price of Rs. 93.75/- (75% of Issue Price), Issue price being Rs. 125/- (face value Rs. 10/- and a premium of Rs. 115/-) per equity share on preferential basis.

Further, the warrant holder had deposited the subscription amount equivalent to 25% of the Warrant Issue Price i.e. Rs. 6,25,00,000/- (Rupees Sixty Two Crores and Five lakhs only) and upon receipt of remaining issue amount aggregating to Rs. 18,75,00,000/- (Rupees Eighteen Crore Seventy-Five Lakhs only) at the rate of Rs. 93.75 (Rupees Ninety Three and Seventy Five Paise Only) per warrant (being 75%

of the issue price per warrant as “Warrant Exercise Price”) and on receipt of duly signed application form from M/s Florintree Technologies LLP, warrant holder, as per the terms of issue of Warrants, the Board of Directors of the Company, has on October 27, 2023, considered and approved the allotment of 20,00,000 (Twenty Lakhs) Equity Shares of Rs. 10/- each, upon conversion/ exchange of/for equal number of Warrants. The new equity shares so allotted, shall rank pari passu with the existing equity shares of the Company.

Further, the Company has made allotment of 6,63,120 (Six Lakhs Sixty Three Thousand One Hundred and Twenty) Unsecured Compulsorily Convertible Debentures (“CCDs”), of the Company (“CCDs”) issued at a Subscription Price of Rs. 125/- per Debenture (100% of the Issue Price), being convertible into 6,63,120 (Six Lakhs Sixty Three Thousand One Hundred and Twenty) Equity Shares at a conversion price of Rs 125/- (face value Rs. 10/- and a premium of Rs. 115/-) per equity share on preferential basis.

Further, the Compulsorily Convertible Debentures holder had deposited subscription amount equivalent to 100% of the issue price i.e. Rs. 8,28,90,000/- (Rupees Eight Crores Twenty-Eight Lakhs and Ninety Thousand only). Upon receipt of duly signed application form from M/s East India Udyog Limited, CCDs holder, as per the terms of issue of Compulsorily Convertible Debentures, the Board of Directors of the Company, has on October 27, 2023, considered and approved the allotment of 6,63,120 (Six Lakhs Sixty Three Thousand One Hundred Twenty) Equity Shares of Rs. 10/- each, upon conversion for equal number of CCDs. The new equity shares so allotted, shall rank pari passu with the existing equity shares of the Company.

Further, the Company has neither allotted any Employee Stock Option Scheme, sweat equity nor it has bought back any shares or securities.

14. EMPLOYEE STOCK OPTION SCHEME:

The Company has the ‘SoftTech Employees Stock Option Plan 2017 (SOFTTECH ESOP 2017)’ being implemented in accordance with the SEBI regulations in this regard. The Company has obtained certificate of auditors of the Company pursuant to Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 in this regards. The Disclosures pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014 is available in Financial section on the website of the Company at https://softtech-engr.com/wp-content/uploads/SoftTech-Employees-Stock-Option-Plan-2017.pdf

or
https://softtechglobal.com/wp-content/uploads/2024/04/SoftTech-Employees-Stock-Option-Plan-20171.pdf.

The disclosures in compliance with Regulation 14 of the Securities And Exchange Board of India (Share Based Employee Benefits And Sweat Equity) regulations, 2021 and other applicable regulation, if any is available on the website of the Company at https://softtechglobal.com/wp-content/uploads/2024/07/ESOP-Disclosure.pdf and Form ESOP Annexure is enclosed herewith as **“Annexure C”** to the Board’s Report.

15. UTILIZATION OF PROCEEDS FROM PREFERENTIAL ISSUE:

The proceeds of the preferential issue have been used in accordance with the objects stated in offer document. There is no deviation in use of proceeds from objects stated in the offer documents in FY 2023-24. The summary of utilisation of proceeds from preferential issue as on March 31, 2024 is stated in Note No. 36 of Notes to Accounts.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

➢ **CONSERVATION OF ENERGY:**

The operations carried out by the Company are such that they are not deemed as energy intensive. However, the Company constantly makes efforts to avoid excessive consumption of energy. The measures are aimed at effective management and utilization of energy resources and resultant cost saving of the Company.

a) steps taken by Company to conserve energy:
- Turning off lights and electronics when not in use.
- Upgrading appliances and equipment to energy-efficient models.
- Utilizing natural light whenever possible.
- Improving building insulation to minimize heating/cooling needs.
- Implementing smart thermostats for automated temperature control.
- Educating employees on energy-saving practices.

b) the steps taken by the company for utilising alternate sources of energy; Nil

c) the capital investment on energy conservation equipments; Nil

➢ **TECHNOLOGY ABSORPTION:**

Every effort is made by the Company to update the technological skills of its technical staff in order to ensure that they possess adequate skills to enable them to service the Company's clients.

i. the efforts made towards technology absorption – Nil.

ii. the benefits derived like product improvement, cost reduction, product development or import substitution – Nil.

iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year – Nil.

iv. the expenditure incurred on Research and Development – Nil

➢ **FOREIGN EXCHANGE EARNINGS AND OUTGO:**

(₹ in Lakhs)

Earnings	**149.8**
Outgo	634

17. AUDITORS:

a) Statutory Auditors:

In the 25th Annual General Meeting (AGM) held on September 30, 2021 M/s. P G Bhagwat LLP, Chartered Accountants **(Firm Registration No. 101118W/W100682)** have been appointed as the Statutory Auditors of the Company for a term of Five (5) years i.e. from the conclusion of 25th AGM up to the conclusion of 30th AGM of the Company.

M/s. P G Bhagwat LLP, Chartered Accountants **(Firm Registration No. 101118W/W100682)**, have confirmed their willingness to act as Statutory Auditors of the Company. The Company has received letter from M/s. P G Bhagwat LLP (Firm Registration No. 101118W/W100682), to the effect that their appointment, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from being appointed.

b) <u>Secretarial Auditor</u>:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Devesh Tudekar, **(COP No: 2506, FCS No.: 5712)** Practicing Company Secretary and Partner of DTSM & Associates, Pune was appointed as a Secretarial Auditor of the Company to carry out the audit of the Secretarial Records of the Company for the Financial Year 2023-24. A Report of the Secretarial Audit is annexed herewith as '**Annexure D'**.

Pursuant to SEBI Circular CIR/CFD1/27/2019 dated 8th February 2019 all listed entities shall, additionally, on annual basis, submit a report to the stock exchange(s) on compliance of all applicable SEBI Regulations and circulars / guidelines issued thereunder within 60 days of end of Financial Year. Such report shall be submitted by Company Secretary in practice to the Company in the prescribed format.

The Company has received such report from DTSM & Associates, Practicing Company Secretaries, Pune for the Financial Year ended March 31, 2024 and it has been submitted to the stock exchange(s) within the stipulated time.

c) <u>Internal Auditor</u>:

For the FY 2023-24 the Company appointed M/s. Sharp & Tannan Associates **(FRN:109983W)**, Chartered Accountants, as an internal auditors to conduct internal audit of the functions and activities of the Company.

18. REPORTING OF FRAUD BY STATUTORY AUDITORS:

There was no fraud suspected in the Company, hence no reporting was made by Statutory Auditors of the Company under sub-section (12) of section 143 of Companies Act, 2013.

19. DEPOSITS:

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

20. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that -

a) In the preparation of the annual accounts for the year ended March 31, 2024, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit of the Company for the year ended March 31, 2024;
c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) The directors have prepared the Annual Accounts on a going concern basis;
e) The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. CORPORATE GOVERNANCE:

The Company has taken adequate steps to ensure that the conditions of Corporate Governance as stipulated and applicable under various regulations are complied with. The Company has strived to maximise the wealth of shareholders by managing the affairs of the Company with the pre-eminent level of accountability, transparency and integrity. A report on Corporate Governance including the relevant Audiors' Certificate regarding the conditions of Corporate Governance as stipulated in Regulation 34(3) read with Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed and forms part of Annual Report as '**Annexure E'.**

22. COMPLIANCE OF SECRETARIAL STANDARDS:

Your directors states that The Company has complied with the provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India on the Meetings of Board of Directors (SS-01) and on General Meetings (SS-02).

23. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The code provides for periodical disclosures from Directors and designated employees as well as pre-clearances of transactions by such persons.

The detailed Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders is placed on the Company's website and can be viewed at: https://softtech-engr.com/wp-content/uploads/Code-of-Conduct-for-Prevention-of-Insider-trading.pdf.

Or
https://softtechglobal.com/investors/

24. INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY:

During the Financial Year under review, the Company has incorporated a wholly owned subsidiary with the name of 'SoftTech Digital Solutions Ltd.' in UK on November 14, 2023 with the object of International Market Penetration of SoftTech's products established in India.

Your Company has a subsidiary with name SoftTech Care Foundation, Section 8 Company, AmpliNxt Private Limited, SoftTech Engineers Inc, in state of Delaware, USA, SoftTech Digital Pte. Ltd., Singapore and a wholly owned subsidiary named SoftTech Finland Oy located in Republic of Finland. The Company has a step down subsidiary (Subsidiary of SoftTech Engineers Inc.) as SoftTech Government Solutions Inc. in the Commonwealth of Virginia and step down subsidiary (Subsidiary of SoftTech Digital Pte. Ltd.) as SoftTech Digital Software L.L.C in the Emirates of Dubai, UAE.

25. STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDARIES / ASSOCIATE COMPANIES / JOINT VENTURES:

Further a statement containing salient features of the financial statements of subsidiaries in the prescribed format AOC-1 is appended as **'Annexure-F'** to this Report. The statement also provides details of performance, financial position.

There has not been any material change in the nature of the business of the Subsidiaries. As required under SEBI LODR Regulations, 2015 and Companies Act, 2013, the consolidated financials of your Company and Subsidiaries are provided in this annual report.

26. RISK MANAGEMENT POLICY:

Periodic assessments to identify the risk areas are carried out and the management is briefed on the risks in advance to enable the Company to control risk through a properly defined plan. The risks are classified as financial risks, operational risks and market risks. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them. The Company has formulated a Plan for Risk Management with the following objectives:

- Provide an overview of the principles of risk management.
- Explain approach adopted by the Company for risk management.
- Define the organizational structure for effective risk management.
- Develop a “risk” culture that encourages all employees to identify risks and associated opportunities and to respond to them with effective actions.
- Identify, assess and manage existing and new risks in a planned and coordinated manner with minimum disruption and cost, to protect and preserve Company’s human, physical and financial assets.

27. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT:

Your Company has an Internal Control System in accordance with Section 134(5)(e) of the Act, commensurate with the size, scale and complexity of its operations. The Audit Committee comprising of professionally qualified Directors, interacts with the statutory auditor, internal auditors and the management in dealing with matters within its terms of reference.

The Company has a proper and adequate system of internal controls. These controls ensure transactions are authorized, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls within the meaning of the Act. An extensive program of internal audits and management reviews supplement the process of internal financial control framework. Documented policies, guidelines and procedures are in place for effective management of internal financial controls.

The Company also has an Audit Committee which reviews with the management adequacy and effectiveness of the internal control system and internal audit functions. The scope of the Internal Audit is decided by the Audit Committee and the Board. There are policies, guidelines and delegation of power issued for the compliance of the same across the Company.

The Audit Committee and the Board are of the opinion that the Company has sound Internal Financial Control commensurate with the nature and size of its business operations and are operating effectively, and no material weakness exists during Financial year 2023-24.

28. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186:

1. During the financial year under review, the Company has invested ₹ 334.19 Lakhs in Debentures of SoftTech Egineers Inc. (Subsidiary).

2. During the financial year under review, the Company has invested ₹ 118.24 Lakhs in Equity Shares of SoftTech Digital Pte Ltd (Subsidiary).
3. During the financial year under review, the Company has invested ₹ 125.75 Lakhs in Equity Shares of Qi Square Pte Ltd (Subsidiary).

   Please refer Note No. 5 notes forming part of the financial statements to the Standalone Financial Statements) for investments under Section 186 of the Companies Act, 2013. Except this, the Company has not made any investment or granted any Loans or Guarantees covered under Section 186 of the Companies Act, 2013 & Rules thereof including amendments thereunder.

29. LOAN FROM DIRECTORS AND RELATIVES OF DIRECTOR:

The details of loans and advances accepted from directors of the Company and relatives of directors as on March 31, 2024 given below:

(₹ In Lakhs)

Sr. No.	Name of person	Designation	Loan Taken during the year	Loan repaid during the year	Balance as on 31.03.2024
1	Vijay Gupta	Managing Director	50.00	50.00	(201.09)
2	Priti Gupta	Whole -Time Director	10.00	10.00	(36.24)

30. NOMINATION & REMUNERATION POLICY:

The Company has in placed a Policy on Directors' appointment and remuneration of the Directors, Key managerial Personnel (KMP) and other employees including criteria for determining qualifications, positive attributes, independence of a Director and other matters. The Policy is in compliance with the provisions of the Companies Act, 2013 read with the Rules made therein and is formulated to provide a framework and set standards. The detailed Nomination & Remuneration Policy of the Company is placed on the Company's website and can be viewed at:

https://softtechglobal.com/wp-content/uploads/2024/05/Nomination-and-Remuneration-Policy.pdf

31. VIGIL MECHANISM:

The Company has adopted a Vigil Mechanism / Whistle Blower Policy, to provide a formal mechanism to the directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, the Company has not received any complaints under the said mechanism. The Vigil Mechanism / Whistle Blower Policy has been posted on the website of the Company https://softtechglobal.com/wp-content/uploads/2024/04/Vigil-Mechanism-Whistle-Blower-11.pdf

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Policy has set guidelines on the redressal and inquiry process that is to be followed by aggrieved woman, whilst dealing with issues related to sexual harassment at the work place towards any women. All employees (permanent, temporary, contractual and trainees) are covered under this policy.

The Company has complied with the provision relating to the constitution of the Internal Complaint Committee under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

- Number of complaints pending as of the beginning of the financial year: 0
- Number of complaints filed during the financial year: 0.
- Number of complaints pending as of the end of the financial year: 0

It may be noted that during the year 2023-24, no grievance / complaint from any women employee was reported.

33. MATERIAL CHANGES & COMMITMENTS, BETWEEN THE DATE OF BALANCE SHEET AND THE DATE OF BOARD REPORT:

There have been 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 Statements relate and the date of the report, except as disclosed elsewhere in this report.

34. INDUSTRIAL RELATIONS:

The industrial relations during the year 2023-24 have been cordial. The Directors take on record the dedicated services and significant efforts made by the Officers, Staff and Workers towards the progress of the Company.

35. CORPORATE SOCIAL RESPONSIBILITY:

The Company has developed Corporate Social Responsibility Policy as per the provisions of the Section 135 of the Companies Act 2013. In compliance of Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility (CSR) Committee comprising of

Sr. No.	Name of Member of the Corporate Social Responsibility (CSR) Committee	Designation
1.	Mr. Vijay Gupta	Chairperson and Managing Director
2.	Mrs. Priti Gupta	Member and Whole-time Director
3.	Mr. Sridhar Pillallamarri	Member and Independent Director

The details as per the requirement are annexed to this report as '**Annexure G'.**

36. PARTICULARS OF EMPLOYEE REMUNERATION:

Disclosures with respect to the remuneration of Directors, KMPs and employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **'Annexure H'** to this Report.

37. CHANGE IN NATURE OF BUSINESS, IF ANY:

During the year under review, there was no change in the nature of business of the Company.

38. THE EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE STATUTORY AUDITORS/ SECRETARIAL AUDITOR IN THE AUDIT REPORT:

There are no qualifications or adverse remarks in the Statutory Auditors' Report which require any clarification/ explanation. The notes on financial statements and comments by Statutory Auditors are self-explanatory, and need no further explanation.

Observation by Secretarial Auditor	Explanation by the Board
1. Trading application submitted to BSE Limited via issue type viz. "Conversion of warrants/CCDs" instead of issue type viz. "preferential issue." - Trading application for BSE Limited submitted to BSE Limited via issue type viz, "Conversion of warrants/CCDs" instead of issue type viz. preferential issue." However, Fresh application was submitted on March 18, 2024	1. The Company had erroneously applied in the wrong issue type and the re-application was done. The Company has complied with the timely application for trading approval.
2. As per Reg 25 (6) of SEBI LODR, on resignation of ID, Company is required to fulfil the casual vacancy by a new ID within 3 months from the date of such vacancy. The Company appointed new ID with delay of 4(four) days- New Independent Director (ID) was appointed on February 12, 2024 upon resignation of ID on November 07, 2023 with a delay of 4 days.	2. The Company wish to clarify that the said non-compliance occurred due to sudden resignation of Mr. Rahul Gupta (ex-Independent Director) effective November 07, 2023, post which the Company made all possible efforts to fill the said vacancy, within the prescribed time as per regulation 25 of the LODR Regulations, 2015. Considering the level of competency, skills, experience and seniority required for the said post, it took reasonable time to identify and finalize the potential candidate. After a diligent selection process, Mr. Yogesh Desai (DIN: 10501676) was appointed as Independent Director on February 12, 2024.The Company is aware of the timelines and Regulation 25 of the LODR Regulations which is read with Regulation 17(1)(b) of SEBI LODR Regulations, 2015. The Company understand the importance of adhering to listing regulations and SEBI guidelines. The Company has paid requisite fine to stock exchanges.

39. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S FUTURE OPERATIONS:

The Company has not received any such orders from regulators or courts or tribunals during the year, which may impact the going concern status of the Company or its operations.

40. OTHER DISCLOSURES:

i. The Company is not required to maintain cost records, as specified by the Central Government under section 148 of the Act.

ii. No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the Financial Year along with their status as at the end of the Financial Year is not applicable.

iii. The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable to the Company.

41. ACKNOWLEDGEMENT:

Your Directors place on record their sincere thanks to the customers, vendors, investors, banks, financial & academic institutions, regulatory authorities, stock exchanges and all other stakeholders for their continued co-operation and support.

Your Directors also acknowledge the support and co-operation from the Government of India, state governments and overseas government(s), their agencies and other regulatory authorities.

Your Directors also appreciate the commendable efforts, teamwork and professionalism of the employees of the Company.

For and on behalf of the Board of Directors
SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA
CHAIRMAN & MANAGING DIRECTOR
DIN: 01653314
DATE: August 14, 2024
PLACE: PUNE

Encl:

- **a) Annexure A - Management Discussion and Analysis Report.**
- **b) Annexure B - Particulars of Contract/Arrangement with Related Parties in Form AOC-2**
- **c) Annexure C - ESOP Annexure**
- **d) Annexure D - Report of the Secretarial Audit**
- **e) Annexure E - Corporate Governance Report**
- **f) Annexure F - AOC-1**
- **g) Annexure G - Annual Report on Corporate Social Responsibility Activities.**
- **h) Annexure H - Particulars of employee remuneration**

Annexure A

Management Discussion and Analysis Report

This section lists forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these statements as a result of certain factors. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

I. OVERVIEW OF COMPANY:

Established in 1996, SoftTech empowers business transformation through software products and solutions that are built on deep domain expertise. Over the years, we have leveraged our leading industry practices in the architecture, engineering and construction (AEC) domains to create value for businesses. We have created comprehensive solutions spanning every stage of the construction lifecycle – Plan, Build, and Sustain. From initial planning to project completion and ongoing building operations, our solutions are meticulously built to streamline processes, accelerate project completion, foster collaboration, and ensure project success. We built solutions for government agencies, builders, developers, contractors, architects, and sustainability-focused enterprises. Our Civit Suite and expert services deliver speed, accuracy, efficiency, and cost savings for the entire construction ecosystem.

India's GDP is estimated to grow by 8.2% in 2023-24.
India's GDP is expected to reach US$ 6 trillion by FY 30 & US$10 trillion by 2035 and achieve upper middle income status on the back of

- *Digitization*
- *Globalization*
- *Favorable demographics and*
- *Reforms*

Our solutions offer an integrated approach, combining the strengths of Civit Suite and our expert services. By leveraging technology and expertise together, we provide a comprehensive solution tailored to your project's needs. From start to finish, SoftTech Engineers is committed to driving innovation, efficiency, and excellence in construction project management.

II. INDUSTRY OVERVIEW:

Global Economic Outlook:

The global economy remains remarkably resilient, with growth holding steady as inflation returns to target. The journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, a Russian-initiated war on Ukraine that triggered a global energy and food crisis, and a considerable surge in inflation, followed by a globally synchronized monetary policy tightening. Yet, despite many gloomy predictions, the world avoided a recession, the banking system proved largely resilient, and major emerging market economies did not suffer sudden stops.

Global growth is projected to hold steady at 2.6% in 2024 before edging up to an average of 2.7% in 2025-26. That is well below the 3.1% average in the decade before COVID-19.

Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in 2024 and 2025. The forecast for 2024 is revised up by 0.1 percentage point from the January 2024 World Economic Outlook

(WEO) Update, and by 0.3 percentage point from the October 2023 WEO. The pace of expansion is low by historical standards, owing to both near-term factors, such as still-high borrowing costs and withdrawal of fiscal support, and longer-term effects from the COVID-19 pandemic and Russia's invasion of Ukraine; weak growth in productivity; and increasing geo-economics fragmentation. Global headline inflation is expected to fall from an annual average of 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. The latest forecast for global growth five years from now—at

3.1 percent—is at its lowest in decades. The pace of convergence toward higher living standards for middle- and lower-income countries has slowed, implying a persistence in global economic disparities.

Risks to the outlook have become somewhat more balanced since January, with the global economy thus far proving resilient to high financing costs. However, the balance of risks remains tilted to the downside amid elevated uncertainty. Heightened geopolitical tensions could sharply depress sentiment, disrupt trade and commodity markets, push up inflation, and hurt economic activity; in particular, a conflict-related disruption to global oil supply could push oil prices markedly higher and undermine the disinflation process.

Worldwide IT spending is expected to total $5.06 trillion in 2024, an increase of 8% from 2023, according to the latest forecast by Gartner, Inc. This is an increase from the previous quarter's forecast of 6.8% growth and puts worldwide IT spending on track to surpass $8 trillion well before the end of the decade.
Spending on data center systems is expected to see a notable jump in growth from 2023 (4%) to 2024 (10%), in large part due to planning for generative AI (GenAI)

Indian Economy Overview

[1]The International Monetary Fund (IMF) has upgraded India's gross domestic product (GDP) in the FY2024-25 by 20 basis points to 7 percent. The IMF has revised upward its forecast from the previous estimate of 6.8 percent in April.

The IMF's latest 'World Economic Outlook' report indicates that India's economic growth forecast for the current year has also been raised to 7.0 percent. The development has come in the backdrop of notable rise in consumption prospects, especially in rural areas. With this, India continues to maintain its position as the fastest-growing economy among emerging markets and developing economies.

By 2040, real estate market will grow to Rs. 65,000 crores (US$ 9.30 billion) from Rs. 12,000 crores (US$ 1.72 billion) in 2019. Real estate sector in India is expected to reach US$ 1 trillion in market size by 2030, up from US$ 200 billion in 2021 and contribute 13% to the country's GDP by 2025.

For the year 2025, the IMF projected India's growth rate at 6.5 per cent. It attributed robustness and strength in domestic demand and a rising working-age population behind its growth projections.

Notably, India's GDP expanded at 8.2 percent in 2023-24. That was higher than the 7 per cent in 2022-23, aided by a greater than expected expansion of 7.8 per cent in the fourth quarter, according to the provisional estimates of GDP growth released by the National Statistical Office (NSO). FY24 indicators such as buoyant GST collections, rising electricity demand, and steady credit growth reflect strong domestic demand, although some indicators showed moderation at the start of FY25.

[1] https://www.imf.org/en/Publications/WEO/Issues/2024/07/16/world-economic-outlook-update-july-2024#Overview

Manufacturing and construction sectors surged, with manufacturing growing at 9.9% and significant growth in steel and cement sectors due to infrastructure spending.

The Indian economy exhibits robust fundamental policies by Reserve Bank of India (RBI), which plays a key role in maintaining stability through its adept monetary policy framework. By carefully managing interest rates and liquidity, the RBI aims to control inflation while fostering sustainable economic growth. It ensures a resilient financial sector, contributing to overall economic stability. The resilience of Indian economy has navigated into the stock market to all time high. The record spiked stock market reflects investor confidence in India's long-term growth prospects, driven by reforms, demographic dividends, and technological advancements.

Higher economic growth typically correlates with increased job creation and improved social security measures. When a country's GDP grows faster, businesses tend to expand and invest more, which leads to higher demand for labor across various sectors.

In FY 23-24 GDP growth in the third quarter was aided by a strong uptick in private investment spending, which grew by 10.6% YoY. Investment growth remained above 8% YoY in the last four quarters, which indicates that India is on the cusp of a strong boost to the private capital expenditure cycle. High capital expenditure spending by the government over the past few years is now expected to crowd in private investments.

On the other hand, private consumption improved to 3.5% YoY from the third quarter of fiscal year 2024. The index of industrial production of consumer durables and improved passenger and two-wheeler sales indicated a revival in private consumption over this period. Data from the past three quarters points to India's resilient domestic demand, which has aided its strong growth despite modest global growth and continuing geopolitical crises.

The biggest drag on GDP growth in the third quarter was government consumption, which contracted by 3.2% YoY, compared with growth of 13.8% YoY in the second quarter of the year. While growth in exports slowed in the third quarter (3.4% YoY), a faster decline in imports (8.3% YoY) due to falling crude oil prices helped net exports improve overall.

From the production side, gross value added (GVA)3 grew 6.5% YoY, which was in line with market expectations. Robust growth in manufacturing (11.6% YoY) and construction activities (9.5% YoY), along with a steady positive performance in services (7% YoY) kept economic activity strong. The contraction of 0.8% YoY in agriculture, however, weighed on the economy, with the sector contracting for the first time since 2019, which was partly expected as temporal rains impacted kharif crop production.

[2]According to the National Association of Software and Service Companies (NASSCOM), the Indian IT industry's revenue touched US$ 227 billion in FY22, a 15.5% YoY growth and was estimated to have touched US$ 245 billion in FY23.

The IT spending in India is estimated to record a double-digit growth of 11.1% in 2024, totaling US$ 138.6 billion up from US$ 124.7 billion past year. The Indian software product industry is expected to reach US$ 100 billion by 2025. Indian companies are focusing on investing internationally to expand their global footprint and enhance their global delivery Centres.

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[2] https://www.ibef.org/industry/information-technology-india

The data annotation market in India stood at US$ 250 million in FY20, of which the US market contributed 60% to the overall value. The market is expected to reach US$ 7 billion by 2030 due to accelerated domestic demand for AI. India's IT industry is likely to hit the US$ 350 billion mark by 2026 and contribute 10% towards the country's gross domestic product (GDP), Infomerics Ratings said in a report.

As an estimate, India's IT export revenue rose by 9% in constant currency terms to US$ 194 billion in FY23. Exports from the Indian IT services industry stood at US$ 199 billion in FY24. The export of IT services has been the major contributor, accounting for more than 53% of total IT exports (including hardware). BPM and engineering and R&D (ER&D) and software products exports accounted for 22% and 25%, respectively of total IT exports during FY23. Exports from the Indian IT industry stood at US$ 194 billion in FY23. The export of IT services was the major contributor, accounting for more than 51% of total IT exports (including hardware). BPM, and Software products and engineering services accounted for 19.3% and 22.1% each of total IT exports during FY23. The IT industry added 2.9 lakh new jobs taking the industry's workforce tally to 5.4 million people in FY23.

Indian Construction Industry

[3]In Interim Budget 2024-25, capital investment outlay for infrastructure has been increased by 11.1% to Rs. 11.11 lakh crore (US$ 133.86 billion), which would be 3.4 % of GDP. As per the Interim Budget 2023-24, a capital outlay of Rs. 2.55 lakh crore (US$ 30.72 billion) has been made for the Railways, an increase of 5.8% over the previous year.

[4]By 2040, the real estate market will grow to Rs. 65,000 crore (US$ 9.30 billion) from Rs. 12,000 crore (US$ 1.72 billion) in 2019. Real estate sector in India is expected to reach US$ 1 trillion in market size by 2030, up from US$ 200 billion in 2021 and contribute 13% to the country's GDP by 2025. Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs. India's real estate sector is expected to expand to US$ 5.8 trillion by 2047, contributing 15.5% to the GDP from an existing share of 7.3%.

In FY23, India's residential property market witnessed with the value of home sales reaching an all-time high of Rs. 3.47 lakh crore (US$ 42 billion), marking a robust 48% year-on-year increase. The volume of sales also exhibited a strong growth trajectory, with a 36% rise to 379,095 units sold.

Indian real estate developers operating in the country's major urban centers are poised to achieve a significant feat in 2023, with the completion of approximately 558,000 homes. In 2023, demand for residential properties surged in the top 8 Indian cities, driven by mid-income, premium, and luxury segments despite challenges like high mortgage rates and property prices.

[5]The construction Industry in India is expected to reach $1.4 Tn by 2025.

- **Cities Driving Growth**
    - By 2030, cities are expected to generate 70% of India's GDP (MGI, 2011).
    - The construction industry market in India works across 250 sub-sectors with linkages across sectors.

[3] IBEF: Infrastructure Sector in India – May, 2024
[4] IBEF: Indian Real Estate Industry – May, 2024
[5] https://www.investindia.gov.in/sector/construction

- Residential
    - An estimated 600 Mn people are likely to be living in urban centres by 2030, creating a demand for 25 Mn additional mid-end and affordable units.
    - Under NIP, India has an investment budget of $1.4 Tn on infrastructure - 24% on renewable energy, 18% on roads & highways, 17% on urban infrastructure, and 12% on railways.
- Schemes such as the revolutionary Smart City Mission (target 100 cities) are expected to improve quality of life through modernized/ technology driven urban planning.
- 54 global innovative construction technologies identified under a Technology Sub-Mission of PMAY-U to start a new era in Indian construction technology sector.
- Over 3,900 cities have certified as ODF+ and 1,429 cities as ODF++ under SBM-U.
- 35 Multimodal Logistics Parks (MMLPs) to be developed at a total capital cost of $ 6.1 Bn, will cater to 50% of the freight movement.

Union Budget 2023 Highlights:

- Strong fiscal support for infrastructure to continue over the next 5 years, in conjunction with imperatives of other priorities and fiscal consolidation. This year, INR 11,11,111 Cr has been provisioned for capital expenditure. This would be 3.4% of our GDP.
- Under the PM Awas Yojana Urban 2.0, the housing needs of 1 Cr urban poor and middle-class families will be addressed with an investment of INR 10 Lakh Cr. This will include the central assistance of INR 2.2 Lakh Cr in the next 5 years.
- Transit Oriented Development plans for 14 large cities with a population above 30 Lakh will be formulated, along with an implementation and financing strategy.

Growth Drivers:

- **Digital Transformation:** According to industry reports, the use of BIM software surged by 35% from 2023 to 2024, with more construction firms integrating these digital tools into their project management processes. This not only resulted in cost savings but also contributed to better project outcomes, reducing errors and rework significantly.
- **Sustainable Construction Practices:** Statistics reveal a 25% increase in the adoption of sustainable construction practices during this period, driven by both market demand and government incentives. As consumers became more environmentally conscious, the demand for green buildings surged, prompting industry players to embrace sustainable construction techniques and materials.
- **Rising Demand for Affordable Housing:** Statistics indicate a 20% increase in the construction of affordable housing units during 2023–2024, with both public and private players launching new projects and expanding their affordable housing portfolios. This not only provided a much-needed boost to the construction sector but also contributed to social inclusion and sustainable urban development.
- **Infrastructure Investment Boom:** According to the Ministry of Road Transport and Highways, infrastructure investment increased by 30% during this period, with a substantial portion allocated to construction contracts and infrastructure projects. This influx of capital not only created employment opportunities but also spurred demand for construction materials and equipment, benefiting the entire construction ecosystem.

The Government of India has launched following schemes and reforms, which will have a positive impact on AEC (Architectural, Engineering & Construction) vertical in India:

Smart Cities Mission[6]:

Launched in 2015, the objective of the Smart Cities Mission is to promote cities providing core infrastructure, clean and sustainable environment and decent quality of life to citizens by applying smart solutions. The mission of this centrally sponsored scheme is to drive economic growth and improve quality of life by focusing on the social, economic, physical and institutional pillars of cities.

100 Smart cities have been identified. Private sector participation was emphasized through Public Private.

Initially, 100 cities have been selected to be developed as smart cities. These cities are from 32 states and union territories of India, and the development is planned through a two-stage competition. he 100 Cities have completed 7,188 projects (90% of total projects) amounting to ₹ 1,44,237 crore as part of the Mission. The balance 830 projects amounting to ₹ 19,926 crore are also in advanced stages of completion. On the financial progress, the Mission has an allocated GOI budget of ₹ 48,000 crore for the 100 Cities. As on date, GOI has released ₹ 46,585 crore (97% of the allocated GOI budget) to 100 Cities. Out of these funds released to the Cities, 93% have been utilized as on date. The Mission has also released full GOI financial support under the Mission to 74 out of 100 Cities.

Atal Mission for Rejuvenation and Urban Transformation (AMRUT)[7]:

The Union Budget 2024 allocated Rs. 16,000 crores for the 'Urban Rejuvenation Mission'—Atal Mission for Rejuvenation and Urban Transformation 'AMRUT' and Smart Cities Mission.
Universal coverage of water supply is the priority sectors under the Mission. At the inception of AMRUT, the water supply coverage was 64%. By the end of the Mission, it aims to cover 100% households. The target is to provide 139 lakh water tap connections to achieve universal coverage. So far 22.89 lakh tap connections have been provided.

Against the total plan size of Rs. 77,640 crores of all the SAAPs, Rs. of Rs. 35,990 crores. So far, States/UTs have taken up 5,873 projects worth Rs. 82,222 crores, of which 4,676 projects worth Rs. 32,793 crores have been completed, and another 1,197 projects worth Rs. 49,430 crores have been grounded which are at various stages of implementation. Further, overall works worth around Rs. 66,313 crores have been physically completed and expenditure of Rs. 59,615 crores have been incurred.
Till date, 134 lakhs water tap connections and 102 lakh sewer connections have been provided through AMRUT & in convergence with other schemes against targeted 139 lakh water connections and 145 lakh sewer connections respectively.

Pradhan Mantri Awas Yojana (PMAY)[8]:

Pradhan Mantri Awas Yojana – Urban (PMAY-U), a flagship Mission of Government of India being implemented by Ministry of Housing and Urban Affairs (MoHUA), was launched on 25th June 2015. The Mission will provide ease of living to urban migrants/ poor in Industrial Sector as well as in non-formal urban economy to get access to dignified affordable rental housing close to their workplace. According to the government, it has sanctioned 118.64 lakh houses under the urban leg (PMAY-U) of the scheme and completed 85.04 lakh houses so far. The

[6]Make in India- Construction
[7]https://pib.gov.in/PressReleasePage.aspx?PRID=1885837#:~:text=AMRUT%20Mission%20has%20been%20subsumed,till%2031st%20March%2C%202023
[8]PMAY site

government claims that by February 2024, it sanctioned 2.94 crore houses, of which 2.55 crore houses were completed by February 2024.

Under the PM Awas Yojana Urban 2.0, housing needs of one crore urban poor and middle-class families will be addressed with an investment of ₹10 lakh crore. This will include the central assistance of ₹2.2 lakh crore in the next 5 years. A provision of interest subsidy to facilitate loans at affordable rates is also envisaged. Three crore additional houses under the PM Awas Yojana in rural and urban areas in the country have been announced, for which the necessary allocations are being made,

RERA[9]:

Government of India has enacted the Real Estate (Regulation and Development) Act 2016 and all the sections of the Act have come into force with effect from May 1, 2017. All commercial and residential real estate projects will have to register (with some exceptions). As per the RERA, details of all the Registered Projects shall be available online for citizens including

1. Sanctioned plans, layout plans, along with specifications, approved by the competent authority
2. Proposed Plan, Proposed Layout Plan of the whole project and Floor Space Index proposed to be consumed in the whole project, as proposed by the promoter
3. Proposed Number of building(s) or wing(s) to be constructed and sanctioned number of the building(s) or wing(s)
4. The stage wise time schedule of completion of the project, including the provisions for civic infrastructure like water, sanitation and electricity

As many as 101,304 projects across the country have been registered under RERA

Digital India:

Launched in 2015, Digital India encompasses a set of initiatives targeted at transforming India into a digitally empowered society and a knowledge economy. The vision of Digital India programme is to transform India into a digitally empowered society and knowledge economy. The Digital India programme is centered on three key vision areas: 1) Digital Infrastructure as a Core Utility to Every Citizen; 2) Governance & Services on Demand; 3) Digital Empowerment of Citizens

Due to the above mentioned Government initiatives, an overall boost to construction industry in terms of – i) Automation in management of smart city infrastructure, ii) Increase in housing – higher construction activities, iii) Increase in construction infrastructure projects, iv) Adoption of technology among private construction companies v) Greater automation in issuing construction permits vi) Digitization and usage of software application for e-Governance, replacing manual operations. Since SoftTech's software products are aimed at fulfilling the market requirements in above areas, we foresee a sustainable increase in demand for our software solutions during next five years.

[10]IT and Technology Industry Outlook

Nasscom Annual Enterprise & Tech Services CXO Survey 2024 indicates stronger growth momentum for CY2024 with under-stressed sectors of BFSI, telecom, media and entertainment and hi-tech leading digital spending. Gen AI remains a key priority for over 95% of the organisations over the next 6-12 months.

[9]https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1910165

[10] https://nasscom.in/knowledge-center/publications/technology-sector-india-strategic-review-2024

For technology providers, FY2025 growth expectations look stronger as 79% of the providers expect higher growth compared to last year. Hiring growth is expected to be positive with 80% of the providers planning higher level of hiring compared to FY2024.

Global Technology Trends: Technology industry remained resilient in a year of macroeconomic uncertainties as enterprise software and IT services demand sustained large-scale cost optimization and automation deals. Global tech spending grew slower in CY2023, at 4.4% y-o-y, primarily due to degrowth in hardware and devices. Spending increase was primarily driven by enterprise software and IT services spend that grew nearly 1.1X of the total tech spending.

Indian technology industry overview FY 2024E: Amid global geo-political tension leading to a more cautious approach for investments and delayed decision making, India's technology industry revenue (including hardware) is estimated to reach $254 Bn (3.8% y-o-y growth) in FY2024, an addition of over $9 Bn over last year. Exports are poised to touch the $200 Bn mark growing at 3.3% y-o-y, and the Domestic technology sector is expected to cross $54 Bn, growing at 5.9% y-o-y.
Despite the tough market conditions, the industry continues to be a net hirer, adding 60K employees, taking the total employee base to 5.43 Mn (1.1% y-o-y growth). Europe, APAC, Manufacturing, Retail and Healthcare emerge as the key growth markets for the industry.

Imperatives to drive India's tech-led development through 2047:

With these changing market dynamics, and to drive India's tech-led development through 2047, it is imperative for the industry to focus on the following:

- Leading the Gen Al driven services transformation
- Expanding into newer markets
- Transitioning towards outcome-based Service Level Agreements (SLAs)
- Integrating more deeply with academia for adaptive skilling
- Driving the strategic enablement of India@100

Themes that defined FY 2024:

- Tech remains resilient in times of uncertainty.
- Technology-led transformation of traditional services.
- ER&D remains the poster child for tech services.
- The year Al became omnipresent.
- Deep Tech beyond Al.
- India Tech start-ups - Strengthening business fundamentals.
- India continues to be the destination of choice for tech.
- Future of work - focus on 'skills first' approach.
- India domestic market growth - a promise of good times.
- Building future readiness through capability enhancements.

Global Digital Transformation Market:

Worldwide IT spending is expected to total $5 trillion in 2024, an increase of 6.8% from 2023, according to the latest forecast by Gartner, Inc. This is down from the previous quarter's forecast of 8% growth. While generative AI (GenAI) had significant hype in 2023, it will not significantly change the growth of IT spending in the near-term. [11].

[11] https://www.gartner.com/en/newsroom/press-releases/01-17-2024-gartner-forecasts-worldwide-it-spending-to-grow-six-point-eight-percent-in-2024

IT services will continue to see an increase in growth in 2024, becoming the largest segment of IT spending for the first time. Spending on IT services is expected to grow 8.7% in 2024, reaching $1.5 trillion (see Table 1). This is largely due to enterprises investing in organizational efficiency and optimization projects. These investments will be crucial during this period of economic uncertainty.

As per The Gartner Digital Markets 2022 Global Software Buyer Trends Recent Survey Two-thirds of respondents expressed an interest in growing their software investment, with one in every four businesses planning to increase software spending by 16% to 30%. Businesses will continue to use software to support remote work infrastructure for online meetings, collaboration and data privacy[12].

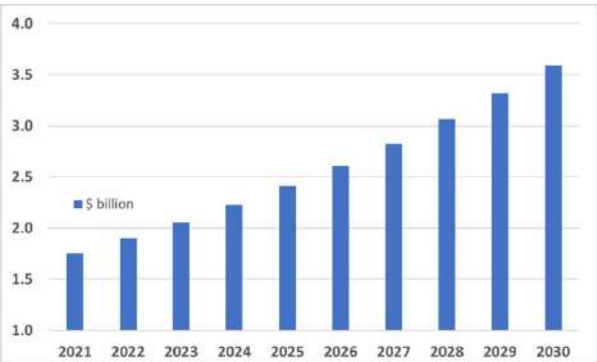
Some of the most promising aspects of digital transformation that are currently emerging and expected to change the dynamics of the IT adoption in AEC industry:

- *Building Information Modelling*
- *Augmented / Virtual Reality*
- *Artificial Intelligence (AI)*
- *Machine Learning (ML)*
- *Big Data Analytics*
- *Internet of Things (IoT)*
- *Product Engineering*
- *Digital Media*

Among the different software categories surveyed, most business users said they plan to temporarily or permanently adopt software related to communication, marketing and project management, closely followed by human resources, IT management, accounting, and business intelligence and analytics. The fastest-growing industry segment is transportation, indicating that companies involved in supply chains plan the highest increase in new software adoption. As digital-driven business models become entrenched, software and software-as-a-service (SaaS) providers can expect more spending on technology in 2022.

According to Gartner's, with the new normal work model, IT is no longer limited to support corporate activities as it was traditionally but is now actively involved in delivering business value. Acceleration in digitalization has not only shifted IT from a back-office role to the front of the business, but it has also changed the source of funding from an overhead cost that is maintained, monitored, and sometimes cut to something that generates revenue. All IT spending segments are expected to expand in 2023 and beyond. Even though cost optimization efforts will continue in 2022, organizations are now prioritizing their IT spending in emerging technologies such as Cloud, Automation, Data analytics, Digital ER&D, Artificial Intelligence (AI), Machine Learning (ML) which would add their agility and flexibility and enable them to keep the operations running in unforeseen situations like a pandemic in future. With the increased vaccine rollouts and easing of lockdown restrictions, the strong recovery of IT spending is expected across countries, industries, and markets.

Digitalization in Infrastructure:



The study conducted by Astute Analytica foresees a tremendous growth in revenue of the Global Construction Software Market from US$ 1,753 Mn in 2021 to US$ 3,549 Mn by 2030. The market is estimated to register a CAGR of 8.3% during the forecast period 2022-2030.

- The Global Construction Project Management Software Market was valued at over $1.2 billion in 2018

[12] Gartner Digital Market

and is expected to reach $2.3 billion by 2028 at a CAGR of 6.2% ~*McKinsey*

- The Global Building Information Modelling (BIM) market is projected to reach $13.2 billion by the end of 2024, a 18%+ CAGR since 2017 ~*Market Research Engine*
- The Global Digital Twin Market is estimated to be from $6.9 billion in 2022 to $73.5 billion by 2027, at a CAGR of 60.6% during the forecast period ~*Research & Markets*
- The Global Green Construction Market size was valued at $265 Billion in 2019 and is anticipated to reach $610 billion by 2027 at a CAGR of 11.0% ~ *Emergen Research*

Upcoming Technologies:

India, having proven its capabilities multiple times in delivering both on-shore and off-shore services to global clients, is now exposed to pioneering technologies which are offering a new spectrum of opportunities to IT firms.

Growth Area #1: **Internet of Things** The potential economic value that the IoT could unlock is large and growing. By 2030, we estimate that it could enable $5.5 trillion to $12.6 trillion in value globally, including the value captured by consumers and customers of IoT products and services. The IoT's economic-value potential is concentrated in certain settings (types of physical environments where IoT is deployed). We found that the factory setting (which includes standardized production environments in manufacturing, hospitals, and other areas) will account for the largest amount of potential economic value from the IoT, around 26 percent, in 2030. The human-health setting is second, representing around 10 to 14 percent of estimated IoT economic value in 2030. B2B applications are where the majority of IoT value can be created, with around 65 percent of the estimated IoT value potential by 2030. But the value of B2C applications is growing quickly, spurred by faster-than-expected adoption of IoT solutions within the home.

The 2030 IoT economic-value potential of the developed world will account for 55 percent of the global total, decreasing from 61 percent in 2020. China is becoming a global IoT force as not only a manufacturing hub and technology supplier but also an end market for value creation.[13]

Growth Area #2: Integration of **Artificial Intelligence & Machine Learning** has been one of the most buzzing technologies in recent years. This has led to significant advances in many areas such as speech recognition, natural language processing, robotics, machine learning and computer vision. AI and ML will be used in over 80% of IoT activities in enterprises by 2022. Hyper Automation is one of the major outcomes of AI, and this will be one of the driving forces behind digital transformation in 2022.[14]

Growth Area #3: Another area that received high demand is **Big Data Analytics**-the process of examining large & varied data sets to uncover patterns, correlations, market trends &other useful information that can help organizations make more informed business decisions. n India is currently valued at $2 Billion and is expected to grow at a CAGR of 26 percent reaching approximately $16 Billion by 2025, making India's share approximately 32 percent in the overall global market. India is currently among the top 10 countries in Big Data analytics market and already has around 600 data analytics firms with this number only expected to grow in future. This industry will prove disruptive and lead to a paradigm shift in future. India being amongst the top 5 social media and mobile consumers in the world, generation of vast amount of data is indispensable. In the light of approx. 2.9 zeta bytes of data generation by the year 2020, Big Data analytics would synthesize into a booming market providing abundant opportunities to firms and investors wanting to explore this space.[15]

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[13] https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/iot-value-set-to-accelerate-through-2030-where-and-how-to-capture-it
[14] Digital India-2022 Major Technology trends for Indian IT Industry
[15] https://www.indiainfoline.com/company/ram-info-ltd-share-price/management-discussions/5225

Growth Area #4: Product engineering is another field that has received high demand in recent times. It takes care of the entire product life cycle from the innovation phase to deployment & user acceptance phase. Product engineering is also expected to see robust growth in the future. The global product engineering services market is projected to grow at the CAGR of 1–3% to reach $1.50 Tn by 2023, primarily driven by growing investment in transport, industrial, non-residential, and commercial infrastructure sectors in the emerging economies.[16]

Growth Area #5: Digital Media, a blend of technology & content used to develop various applications. Digital media products are abundant in the world we live in today and has penetrated almost every industry. The worldwide revenue of US$294 billion in 2021 is expected to grow to US$447 billion up to 2026.[17]

> *"In this digital age, we have an opportunity to transform lives of people in ways that was hard to imagine just a couple of decades ago.*
> *– Narendra Modi,*
>
> *Prime Minister of India*

Growth Area #6: Building Information Modelling is a digital representation of physical and functional characteristics of a facility. Building information model is a shared knowledge resource for information about a facility forming a reliable basis for decisions during its life-cycle; defined as existing from earliest conception to demolition. The market is expected to reach an estimated $9 billion by 2025 with a CAGR of 9% to 11% from 2019 to 2025. The major drivers for this market are rapid urbanization, growth in infrastructure projects, and increase adoption of BIM for planning, designing, and managing building projects efficiently.

III. OPPORTUNITIES AND THREATS

Our Business

In last 25+ years, the company is constantly improving, developing and innovating software products to meet the AEC industry requirements. We have a portfolio of 7 products and these products cover entire value chain of the construction industry right from pre-construction to during construction and then to the post construction stage. These products are being used by government authorities, local bodies, municipalities, construction and infrastructure enterprises, real estate developers, architects and other consultants in AEC sector. Company has added an AI enabled platform for AEC vertical in a unique way of offering its products.

Product portfolio includes -

- *Civit Platform*
- *AutoDCR*
- *PWIMS*
- *OPTICON*
- *BIMDCR*
- *Rule Buddy*

[16] Product Engineering services market worth $1.50 Tn by 2023
[17] Digital media revenue worldwide from 2021 to 2026

ESG Vision:

SEL combines its strong sense of purpose with digital Outcomes expertise and innovation to drive not only its own sustainability journey, but also that of its stakeholders. The company's environmental stewardship rests on four pillars: carbon footprint mitigation, water conservation and recycling, waste reduction and recycling, and preserving biodiversity. Climate action has been a key focus area of the company. Today, we incorporate environmental considerations into everything that we do, as we power the journey towards a sustainable world for all. We articulated our ESG Vision, stating our commitment to shape and share solutions that serve the development of businesses and communities. SEL provides a unique combination of services in the area of energy modeling, management and sustainability areas through its multiple product offerings. UN SDG Goals of SEL are as follows:

Products

AutoDCR–Technology to Deliver on The Building Plans

AutoDCR is an innovative solution boosting Smart City projects by automating building and layout plan approvals. AutoDCR reads 2D CAD drawings and checks them for compliance to Development Control Regulations (DCR) of Urban Local Bodies (ULBs), Municipal Corporations, Urban Development Authorities and other such approving authorities. It is integrated with online approval workflow to monitor the approval process with associated document scrutiny. This reduces human intervention and at the same time shortens time required for approvals drastically, which further helps the authorities on improving "Ease of Doing Business" rankings. Further, there is increased transparency and uniformity in the work flow.

PWIMS – Smarter Management for Public Works Organizations

PWIMS is a web based, integrated works and procurement management software which is used for managing the core functional processes of works planning, procurement and maintenance large government as well as private civil infrastructure organizations. The services in this software include Budget and Estimate management, Tenders & Project management, Asset & Inventory management, Finance & Accounts management and HR management. Further, it provides a comprehensive dashboard and generates real-time MIS reports for such organizations.

OPTICON – ERP for Construction Enterprises

OPTICON is Enterprise Resource Planning (ERP) software which combines enterprise technologies with nearly 20 years of construction industry domain experience into an integrated system. The product aims at optimizing construction processes. The services in the product includes detailed tender bid management, cost estimation for the project, managing timeline and schedules, generating MIS reports on real-time basis, managing inventory and purchase records, client billing, Sales & CRM among others. With growing infrastructural and construction activities, it aims at reducing the workload of construction companies and reducing their project completion time saving their overall cost.

BIMDCR

BIMDCR is a recently released product based on cutting edge 3D BIM technology. BIMDCR will update the AutoDCR customers with advanced technology to serve as integrated systems for Smart City projects. BIMDCR is an innovative 3D Building Information Model based Online Single Window Clearance (SWC) system. It enables automatic scrutiny of building proposals by reading 3D Building Models submitted by Applicant. BIMDCR helps in better coordination between different departments providing approvals, NOCs (No Objection Certificates) and ensures comments by different stake holders in a single 3D model thereby detecting or preventing clashes at an earlier stage. The novel BIM model approach will also help development authorities to track unauthorized constructions in due course.

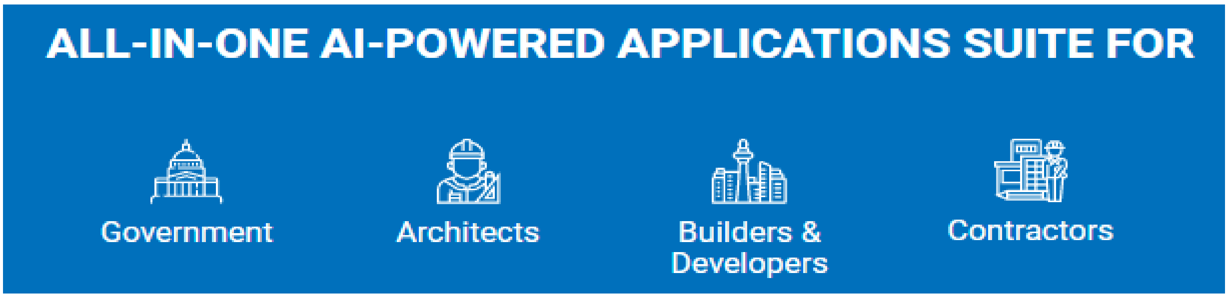
RULEBUDDY

RULEBUDDY is an e-commerce platform which aims to help customers solve their queries prior to commissioning of any construction activities for particular area. By leveraging the current & validated database of DCRs of various authorities and SoftTech's technical expertise in the construction industry, it will analyze and assess the feasibility of any construction project, further validating DC rules, NOC fees and other documentary requirements. The key users for this product will be Project owners, project developers, construction companies, architects, engineers, financial institutions involved in issuing housing loans among others. The product has recently been developed and is ready for commercialization.

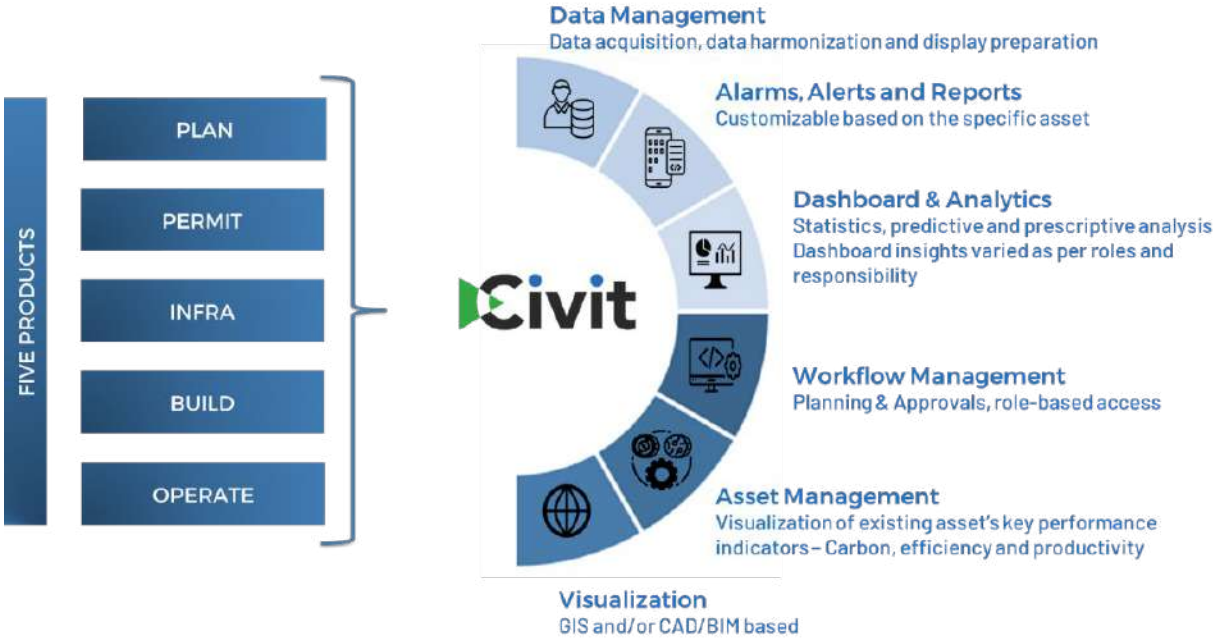
The RULEBUDDY ecommerce portal acts as a one-stop application providing right from building by-laws search till the approval plan preparation and compliance check. It enables users to access and analyze the commercial and legal feasibility of any building project and selection of appropriate land parcel in designated city. It lets the user know whether your project will pass through the authority based on selected project parameters. The services offered include: 1) Plan Draft, 2) Plan Check, 3) Plan Assist, 4) Rule Search, 5) Approval Processes, & 6) Project Verification

The AEC technology platform Civit:

After having established independent products in AEC which have delivered significantly with great success stories, we are moving towards providing a platform to connect all the stake holders and application products through a newly design platform named Civit.



Civit is the AI-powered platform transforming AEC landscape. Digitally aligning architecture, engineering and construction (AEC) eco-system to empower smarter planning, easy collaboration, and flawless project execution. Civit is all in one AI powered platform for Government, Architects, Builders & Developers & Contractors.



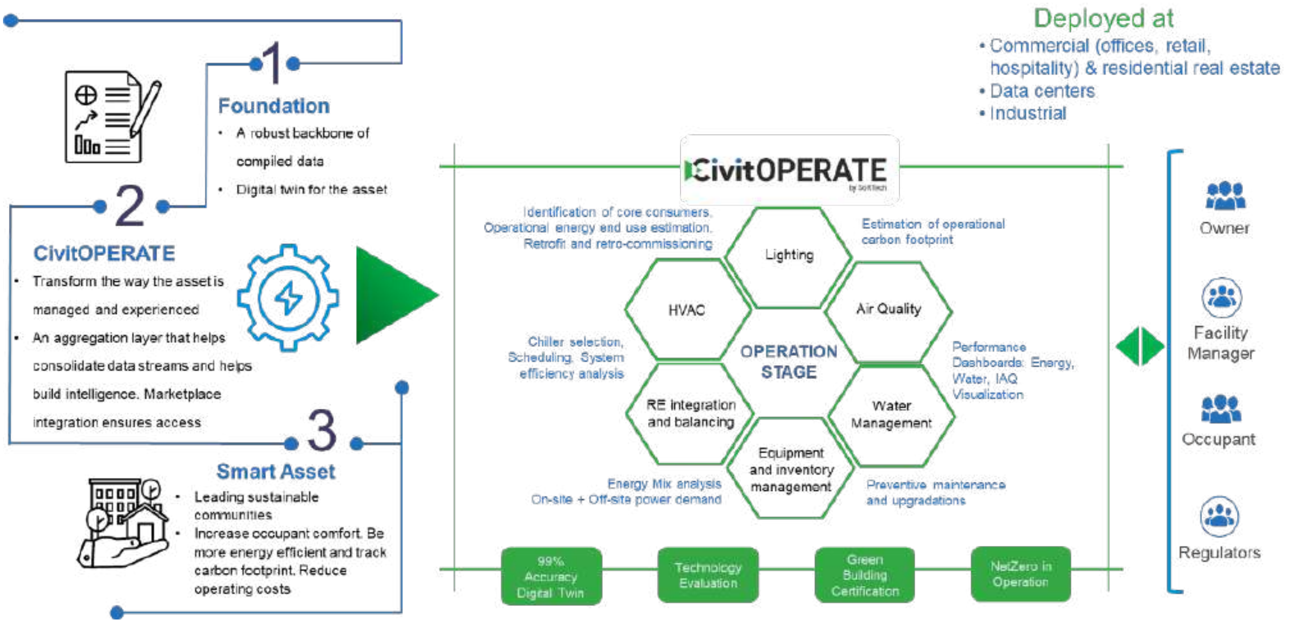
CivitPLAN is the first AI-powered pre-submission building plan validation tool designed for architects and consultants. The engine reads 2D drawings as well as BIM models and validates for compliance against building codes. Civit's Plan Comply engine automatically generates a detailed compliance report to aid building officials in rejecting or approving building plan.

CivitPERMIT is AI-powered building plan compliance validation and automated permitting based on CAD drawings or BIM models.

CivitINFRA is a web-based application for efficiently managing the lifecycle of public works projects by local and state governments including waterworks, roads, bridges, buildings and infrastructure facilities. From planning and procurement to execution and management, CivitINFRA replaces the existing manual, siloes and paper-based process of managing public infrastructure projects with an automated, intelligent, transparent, and integrated software.

CivitBUILD is the most powerful all-in-one AI-powered ERP software for builders, developers and contractors to transform their construction operations for high efficiency, speed, and agility.

CivitOPERATE is the concept of a digital twin involves creating a real-time digital replica of a physical object, process, or system. In the context of construction, a digital twin encompasses a detailed virtual model of a building or infrastructure project, encompassing its design, construction, operation, and eventual decommissioning. With the global imperative to mitigate climate change and achieve net-zero emissions, the construction industry faces both challenges and opportunities. Integrating digital twin technology into the construction process can significantly contribute to these efforts by enabling better-informed decisions, more efficient resource utilization, and enhanced sustainability.



Digital Twin based Energy Modelling & Management

- Energy modeling for existing and proposed built environment including but not limited to commercial, residential, warehouses, data centers, etc.
- Develop digital twin based on BIM models, collect data, collate data, Interrogate & analyze data and visualize in terms of dashboards
- Combine big data with physics-based analysis and create a hybrid digital twin
- BIM modeling with Revit, Catia, and IESVE
- Solar studies to determine the feasibility of adoption of solar power in the project

Life Cycle Analysis

- Life cycle analysis and assessment, independent or rating system (GM 2021/LEED v4.1) related
- The analysis spans across product stage, use stage, and end-of-life stage

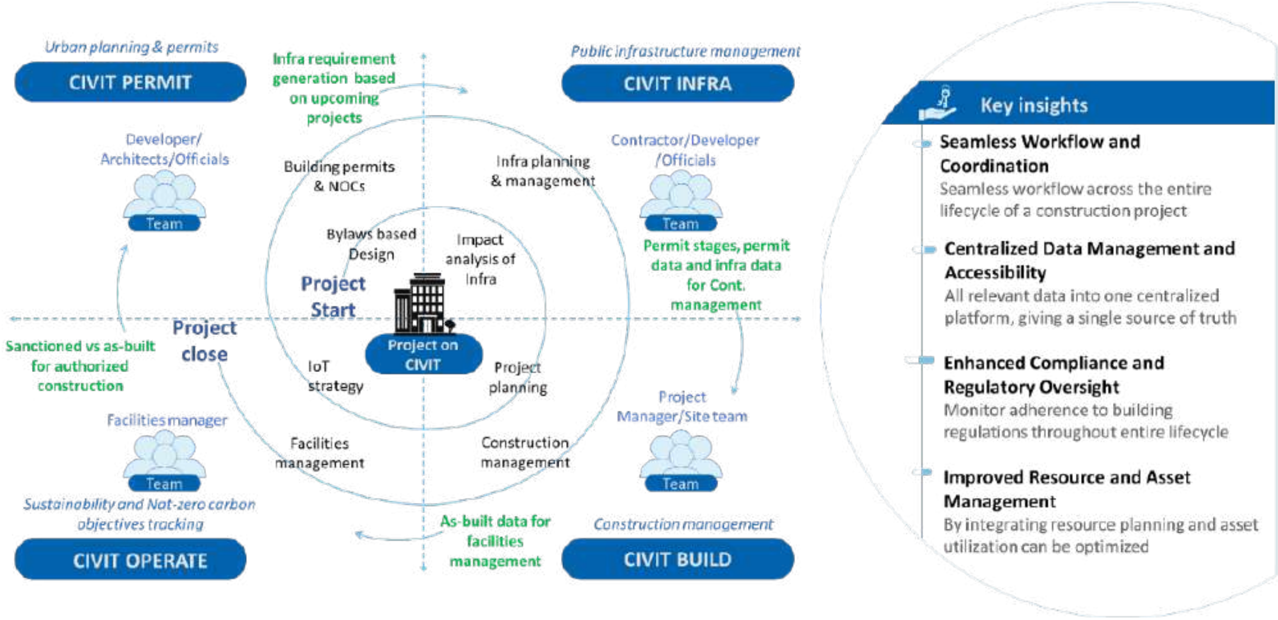
Net Zero Roadmap & Green Building Certification

- Plan, map the process, study the project and provide potential road mapping solutions to get to positive energy block
- Guide and consult on the process of obtaining global and local green building certifications including US Green Building Council, International Well Building Institute and BCA Green Mark

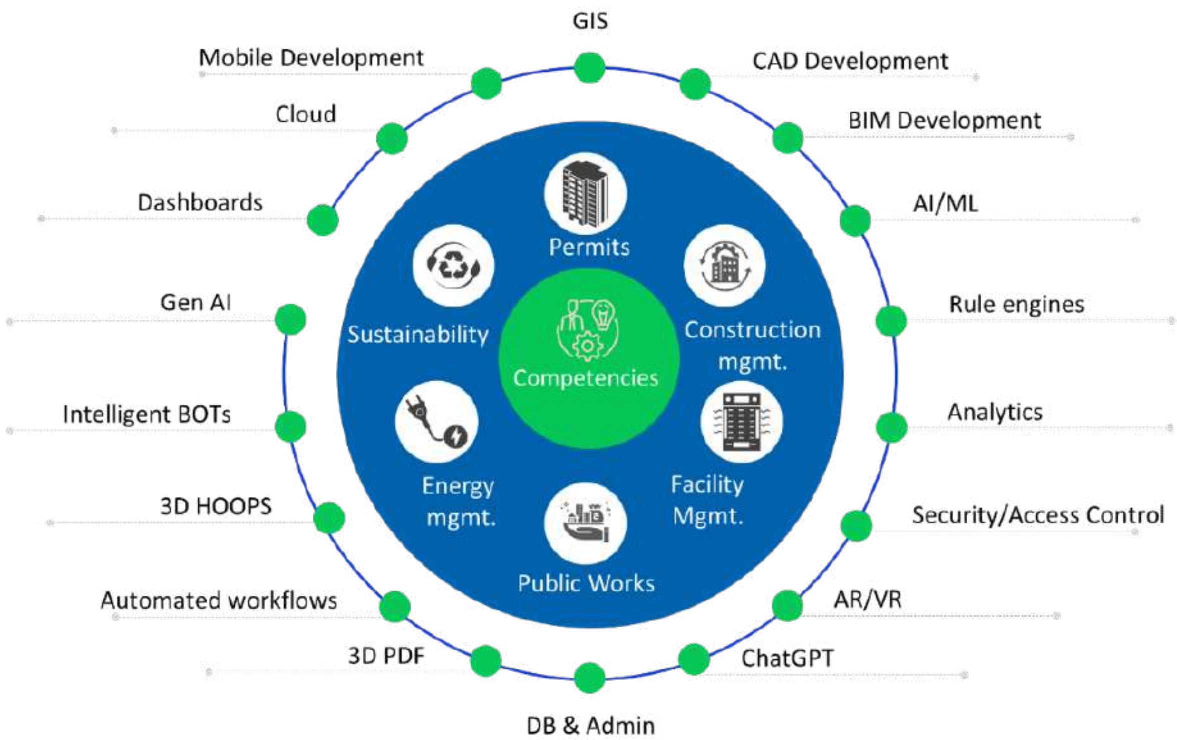
Microgrid Analysis

- Microgrid’ is defined as a self-sufficient energy system that serves a discrete geographic footprint such as a college campus, hospital complex, business center or neighborhood.
- Conduct simulation and analysis of the power consumption, generation and storage for the micro-grid setup

Connecting the entire AEC ecosystem



Technology Capabilities



With above products, deep technical expertise, and the experience of over 25 years, we are empowering business transformations in AEC vertical. With deep industry/ domain knowledge, scalable products and robust frameworks, experienced management team, and technical expertise we have ensured a competitive advantage in this market segment.

Civit Positioning

Civit ***platform as an offering***, emerging as a strong solution for corporate sustainability goals, with addition of Civit OPERATE

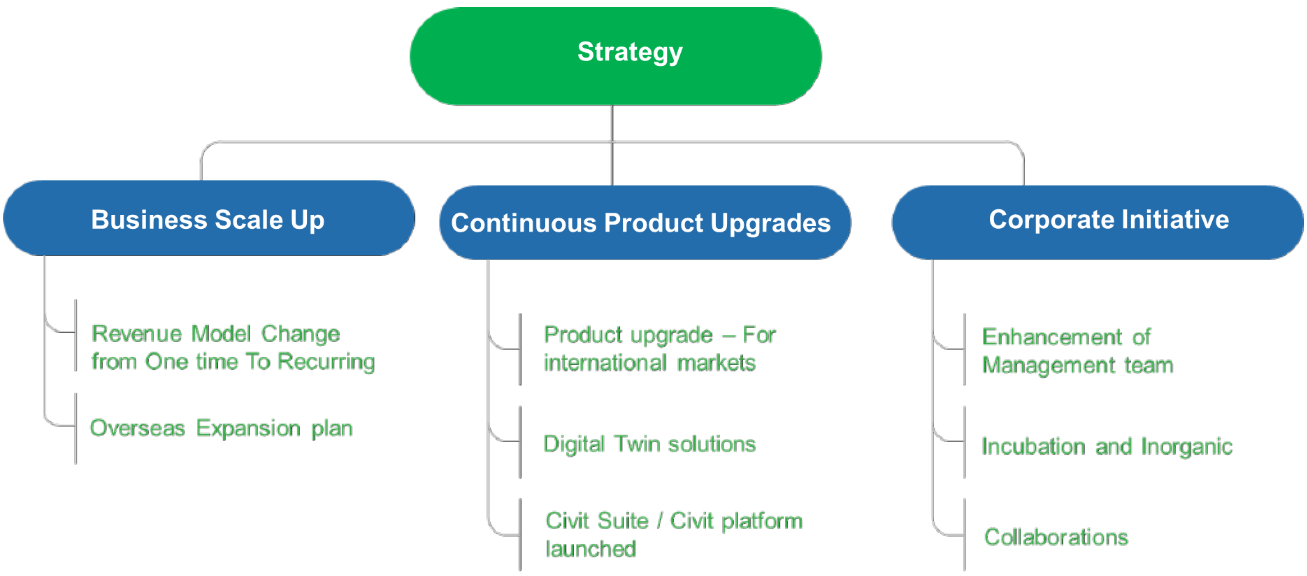
	Government	Public Sector Companies	Contractors	Infrastructure/Real Estate Companies	Architects/Consultants
CivitPERMIT	✓	✓	✓		
CivitPLAN	✓		✓	✓	✓
CivitBUILD			✓	✓	
CivitINFRA	✓	✓			✓
CivitOPERATE		✓	✓	✓	✓

Business Strategy

Company is continuously innovating new products to cater to industry in which it operates. It provides solutions to various government departments, local bodies, corporations etc. and other private enterprises to enable transformation. It is focused on continually offering innovative products in entire value chain of the construction industry. The strategy is to accomplish the Business Potential and Unlock Value.

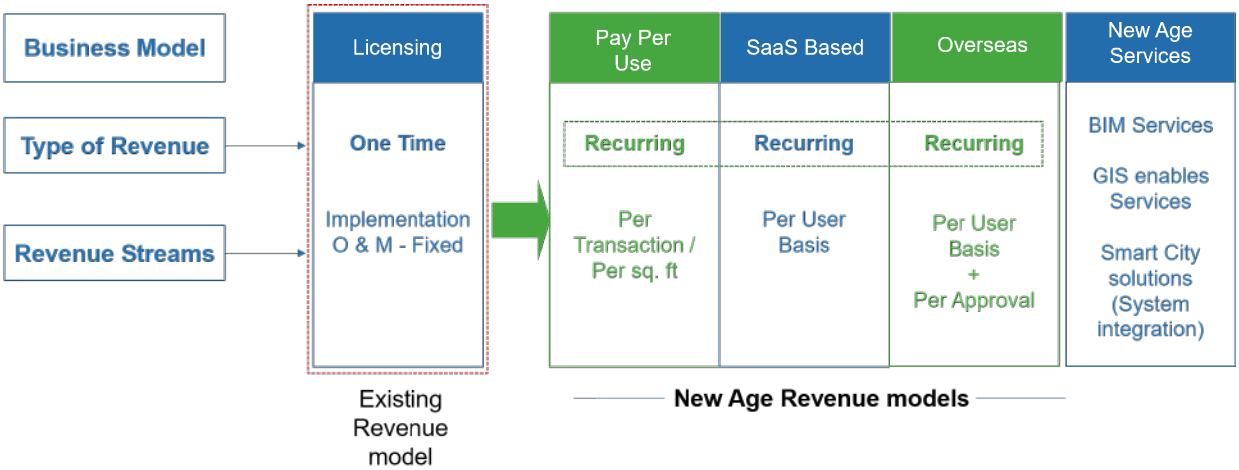
The 3-pronged strategy includes-

1. *Business Scale Up*
2. *Continuous Product update*
3. *Corporate Initiative*



Actions Initiated under above strategies –

- Overseas Development, the traction and speed of Progress in US and Singapore puts the companies overseas work on fast tract and priority.
- Transforming Revenue Model, a paradigm shifts in the offering structure of all the products to unlock stability.



- ➢ Corporate Initiatives, highly valuable Initiatives are shaping up to drive the immense value unlocking of SoftTech Products.

- ➢ Adoption of BIM, and launch of BIMDCR are key drivers triggering huge opportunities to the company.
- ➢ New age technology like Integration of AI/ML and AR/VR in the cloud based CIVIT will drive the future of the company's products.
- ➢ As startups are leading the tech resolution, we are ready with incubation program for AEC focused deep tech startups to tap technology and leadership early.

Competition

Currently our business is distributed among two categories- (1) e-Governance projects and (2) Products and services to Private sector companies.

In e-Governance business, there is low level of competition for our AutoDCR products, as there are only 4 to 5 companies actively involved in Building Permission Management system (BPAS). The projects are awarded normally through a formal tendering & bidding process. Since our Company has created a number of success stories and has established our credentials in the market and since AutoDCR product has a technological edge over the competition, we envisage to continue with our leadership position in the BPAS. There is moderate level of competition for our PWIMS product in e-Governance. However, the growth happening in infrastructure projects and as PWIMS has fully matured and well accepted by customers, we envisage a good growth and increase in our market share during next few years.

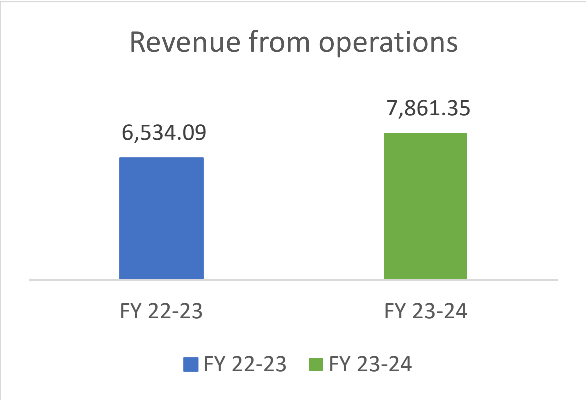
In private sector, though there is high level of competition for our OPTICON product as well as for our services, the increasing volume of market size is expected to have a positive impact for our revenue creation. Introduction of new products such as RuleBuddy and IBPS[18] will help us acquire more and more customers from private sector and offer products with emerging technology integration.

Our competitive edge lies in:

(i) Innovation & meeting market expectations at earlier stage
(ii) Customer satisfaction through deep level support
(iii) Continuous R&D to maintain technological edge
(iv) Building on earlier successes and brand

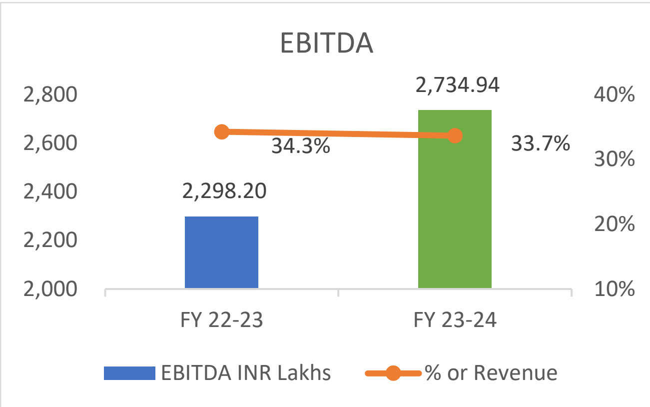
IV. COMPANY PERFORMANCE (Standalone)

✓ **Revenue from operations INR Lakhs**



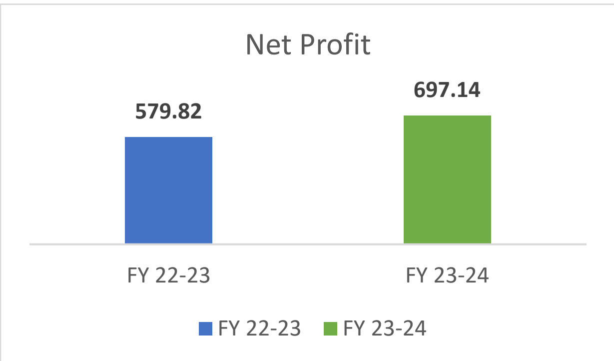
Y-o-Y increase in the revenue is ~20% in FY 24 as compared to FY 24, largely due to the growth in the pay per use services which is around 46% .

✓ **Earnings before interest, depreciation and amortization and tax (EBITDA INR Lakhs)**



Company has achieved the same EBITDA margin of 33.7% for FY 24, resulting in EBITDA of Rs. 2,734.94 lakhs as compare to FY 23

✓ **Net profit INR lakhs**



PAT margin has slightly decreased this year due to increase in Tax Expenses and Finance Cost, but the absolute profit has increased by ~20% in numbers.

[18] Under research and design phase

✓ **Performance of the Company**

INR Lakhs

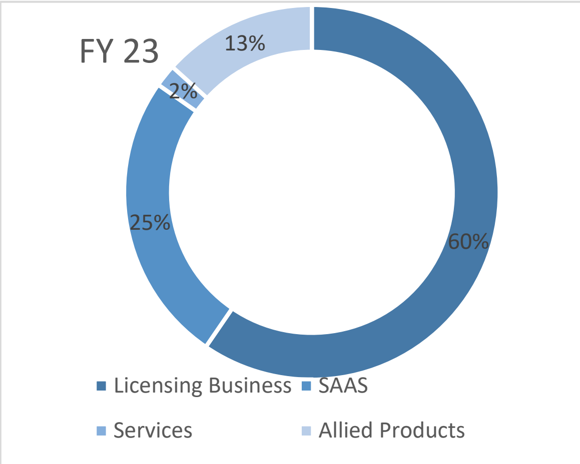
Particulars	As on March 31st			
	2024	%	2023	%
Revenue from operations	**7,861.35**	**100%**	**6,534.09**	**100%**
Purchases of stock-in-trade	1,171.61	14.90%	883.86	13.53%
Employee benefits expense	1,937.13	24.64%	1,619.39	24.78%
Depreciation and amortization expense	1,343.36	17.09%	1,045.58	16.00%
Other expenses	2,279.75	29.00%	1,903.32	29.13%
Total expenses	**6,731.86**	**85.63%**	**5,452.15**	**83.44%**
Operating profit	**1,129.50**	**14.37%**	**1,081.94**	**16.56%**
Other income	262.08	3.33%	170.68	2.61%
Finance costs	455.61	5.80%	391.77	6.00%
Profit before tax	935.97	**11.91%**	**860.85**	**13.17%**
Net tax expenses	238.83	3.04%	281.03	4.30%
Net profit	**697.14**	**8.87%**	**579.82**	**8.87%**

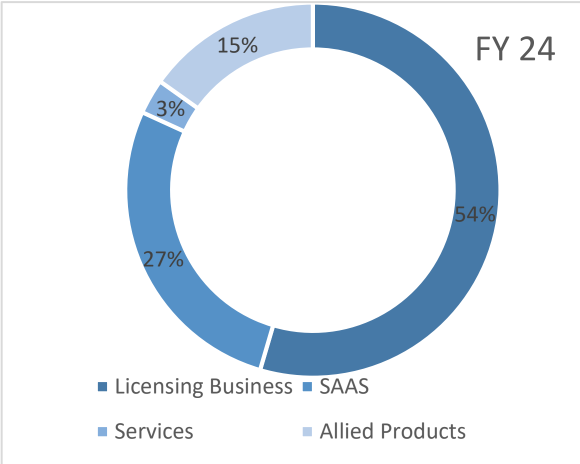
Operations has increased from INR 6,534.09 lakhs in FY23 to INR 7,861.35 lakhs in FY24 an increase of 20.3%. Purchases of stock in trade has increased from INR 883.86 lakhs to INR 1,171.61 lakhs during the same period. Employee benefit expenses increased from INR 1,619.39 lakhs to INR 1,937.13 slightly increase as compared to operating revenue from 24.6% in FY 23 to 24.8% in FY 24 respectively. Depreciation and amortization expenses have increased by 28.5% compared to last year. Other expenses have decreased from INR 1,903.32 lakhs to INR 2,279.75 lakhs largely due to increase in professional fees and technical consultants' charges which has increased by 46% from FY 23 to FY 24 i.e. from INR 914.16 lakhs to INR 1,338.47 lakhs. Finance cost decreased as % of operating revenue from 6.0% to 5.8% from FY 23 to FY 24 respectively. Profit before tax increased from INR 860.85 lakhs to INR 935.96 lakhs. Net tax expenses has decreased from INR 281.03 lakhs to INR 238.83 lakhs. Net profit of the company has increased from INR 579.82 lakhs in FY 23 to INR 697.13 lakhs in FY24 i.e. Y-o-T increase of 20.2%, and as compare to operating revenue it is at same level of 8.9%.

Factors impacting Current Year's Financial Performance

- Company is continuously investing in the development of the products suitable for the overseas market like USA, APAC, etc. which has resulted into increase in intangible assets from Rs. 3,546.0 lakhs in FY 23 to Rs. 5,637.5 lakhs in FY 24.
- As compared to FY 23 receivable has increased from Rs. 2,608.5 lakhs to Rs. 4,635.6 lakhs in FY 24. which has improved the operating cash flow of the company and Contracts assets has decreased from Rs. 5,546.9 lakhs to Rs. 4,802.6 lakhs.
- During the year borrowings had been reduced by Rs. 862.23 lakhs.
- During the FY 24 company has generated Rs. 2,226.4 lakhs from operations compare to Rs. 1,137.9 in FY 23
- During the year company has raised equity of Rs. 1,875 lakhs through issue of shares
- Pay per Use model, and Licensing Business platform for architects have shown growth, in line with the changing revenue model plan of the company.
- Contracts assets has decreased from Rs. 5,546.9 lakhs to Rs. 4,802.6 lakhs. Increase in contract assets has impacted the operating cash flow of the company. During the FY 24 company has generated Rs. 2,226.4 lakhs from operations compare to Rs. 1,137.9 in FY 23
- During the year company has raised equity of Rs. 1,875 lakhs through issue of CCD

Nature of Revenue Mix





Company has over the past 4 years made considerable progress to achieve a more recurring revenue based business model, and the below table shows the comparative with FY 21 vis-a vis FY 24

INR Lakhs

Particulars	FY 21	% of Revenue	FY 24	% of Revenue
Licensing Business	2,520.26	61%	4,266.55	54%
SAAS	795.35	19%	2,131.90	27%
Services	305.76	7%	261.06	3%
Allied Products	535.98	13%	1,201.84	15%
Total	**4,157.35**	**100%**	**7,861.35**	**100%**

- Company ensured more sustainable revenue model within the on premise business, by entering into Pay Per Use (SaaS / Transaction Based revenue) and AMC contracts with all the implementation projects.

Performance of the company (INR Lakhs)

Particulars	Year ended March 31st	
	2024	2023
Net worth	13,430.06	10,917.47
Gross debt (Long term + short term debt + Unsecured Loan)	3,136.11	3,998.34
Gross debt/net worth	0.23	0.37
Total fixed assets (including intangibles under development)	5,981.43	3,947.88
Current ratio	1.85	2.22

- Gross debt comprises of long term debt of INR 415.15 lakhs in FY 24 (FY 23 INR 880.99 lakhs) and short term debt of INR 2,720.96 lakhs (FY 23 INR 3,117.35 lakhs). The decrease in the overall Long term borrowings is due to company has raised the equity during the year. Fixed assets include intangible assets, during the year company has invested in the development of the products suitable for the overseas market like USA, APAC, etc. which has resulted into increase in intangible assets (includes intangible under development) from INR 3546.03 lakhs in FY 23 to INR 5637.52 lakhs in FY 24. Gross debt to net worth has reduced from 0.36 x to 0.23x. and Current ratio is 1.85 in FY 24 against the 2.22 in FY 23 respectively.

Key Financial Ratios

Particulars	2023-24	2022-23
Operating Profit Margin %	14.4%	16.56%

Net Profit Margin %	8.87%	8.65%
Debtors Turnover ratio	2.17	2.37
Interest Coverage Ratio	3.05	3.20
Current Ratio	1.85	2.22
Return on Net Worth	5.73%	5.76%
Debt Equity Ratio	0.23	0.37

- As compared to FY 23 receivable has increased from Rs. 2,608.49 lakhs to Rs. 4,635.6 lakhs in FY 24, which has decreased the operating cash flow of the company. Contracts assets has decreased from Rs. 5,546.90 lakhs to Rs. 4,802.62 lakhs decrease in contract assets. Even increase in receivables company has positive operating cash flow.
- Operating Profit Margin: There is decrease in operating profit margin from 16.6% in FY 23 to 14.4% in FY 24 but Net Profit Margin is maintained at 8.87% of the operating revenue due to increase in other income and decrease in tax expenses.

V. TALENT ACQUISITION, TRAINING AND RETENTION

Company believes that Human Resources of the Company are its core strength. The Company's Human Resources philosophy is to establish and build a strong performance and competency driven culture with greater sense of accountability and responsibility. The Company has taken pragmatic steps for strengthening organizational competency through involvement and development of employees as well as installing effective systems for improving the productivity, equality and accountability at functional levels. With expanding business, the company has also undertaken initiatives to re-orient the organizational structure for increased efficiency.

With the changing and turbulent business scenario, the Company's basic focus is to enhance the skill and knowledge level of the existing human assets by providing appropriate leadership at all levels, motivating them to face the hard facts of business, inculcating the attitude for speed of action and taking responsibilities.
In order to keep the employee's skill, knowledge and business facilities updated, ongoing in house and external training is provided to the employees at all levels. The effort to rationalize and streamline the work force is a continuous process.

As on March 31, 2024, the Company has total head count of 490 manpower resources.

Department wise team members

Particulars	As on March 31, 2024	As on March 31, 2023
Management	10	15
Implementation	280	283
Development	122	97
QA	22	22
Sales	20	21
Finance and accounts	9	8
Purchase and administration	19	15
Human resource	8	7
Total	**490**	**468**

Male and female team members count

Particulars	Male	Female	Male : Female
March 31, 2024	348	142	2.45:1
March 31, 2023	337	137	2.41:1

VI. RISKS AND CONCERNS

Risks, concerns and mitigations–

Risks	Impact on Company	Mitigation Plan
Volatile global political and economic scenario	Geo-political disruptions such as the war in Ukraine and resultant volatility in the global economy, or trade wars may adversely affect that outlook resulting in reduced spending which could restrict revenue growth opportunities. This could also result in steep inflation globally which could impact government spending on infrastructure projects as well as increase SEL cost of doing business	• Proactively investing in infrastructure and resourcing to satisfy anticipated customer demand for flexible products and platforms based solution offerings and subscription-based services to gain market share and new clients and markets. • Leverage business ecosystem through collaboration with partners, start-ups and alliances to participate in transformation initiatives of customers.
Rapidly changing business models due to technology	Rapidly evolving technologies are changing technology consumption patterns, creating new classes of buyers within the enterprise, giving rise to entirely new business models. This is resulting in increased demands on the company's agility to keep pace with the rapidly changing customer expectations. Failure to cope may result in loss of market share and impact business growth.	• Investments in building scale and differentiated capabilities on emerging technologies through reskilling, external hiring, research and innovation, solution development and IP asset creation leveraging deep contextual knowledge across domains, technologies and processes. • Staying relevant to AEC segment by constantly launching new service practices and technology solutions including a new AI-Powered business solution • Implement Location Independent Agile methods to mitigate location constraints and pricing and margin pressures. • Constant scouring of the technology landscape through alliance partnerships, and strong connections in academia and the start-up ecosystem to spot new trends and technologies and launch offerings around them.

Breach of data privacy and protection	Another area of increasing concern is the privacy and protection of personal data. In case of any violation or breach of security, non-compliance or inadequacy of privacy, policies might result in substantive penalties and financial impact on profitability.	A robust technology infrastructure and stringent data security norms help to keep the data secure. There are stringent confidentiality policies with employees in place as a part of the security management process.
Inadequate laws in case of Intellectual Property (IP) management	There is always a risk of violation by 3rd party IPs which may often lead to potential liabilities on the part of the company. It can hamper our reputation and increase legal obligations.	Measures to protect IPR through necessary certifications (Copyrights, Trademarks, patents).
Skilled Human Resource Availability and Retention	A lack of skilled human resource often prevents the company from staying relevant in the face of rapidly changing technology trends. This often leads to misalignment of business and workforce strategies.	Early planning and acquisition of talent in line with the expansion plans and estimated growth.
Client concentration risk	Majority client is government authorities etc.	Increase the business with private sector through new products as well as augmenting existing products.
Expenditure on research and development	Company is making expenditure on research and development of new products which may not be recouped.	• Regular allocation of budget for R&D. • Build and enhance the R&D team.
Attrition	Our business depends upon the skilled personnel; we may not be able to attract, hire, motivate, retain and train personnel.	Company is providing training and other incentives to attract and retain its employees.
Government Policy change	If government policies relating to Smart cities, digital India, AMRUT, PMAY etc. change, it could result in lower future revenues and profitability	• Diversification and expansion of revenue streams to private sector. • Propose Saas based business models.
Technology changes	Changes in technology may render current technologies obsolete or may require significant capital investments	Company is investing in R&D to cope up with current technology changes.
Sustainability Risks Climate change and Environmental aspects	As a result of changing weather and seasonal patterns, there are also increasing cases of seasonal diseases, epidemics and pandemics besides threat to human safety and business disruption. **Market dimension and opportunity:** There is also a commercial opportunity to participate in customers' climate change mitigation	**Market dimension and opportunity:** • As enterprises look to reduce their own carbon footprint and cater to the growing demand more environmentally friendly products and services, it opens up new business opportunities for SEL to provide technology-led solutions to help them realize and achieve their green plans.

journey by leveraging SEL' core competencies.	• Key solution areas include designing sustainability strategy, sustainability innovation, sustainable consumer analytics and sustainable dashboards for energy conservations and energy audits through BtrLyf Platform

VII. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal control systems play a crucial role in the health of a Company in every industry. An effective system of internal control is a backbone, necessary for building, maintaining and improving shareholders' confidence and value as well as helps to enhance the overall quality of the business and the enterprise.
The Company has an adequate internal control system commensurate with the size of the Company and the nature of its business. The Company also has internal control system for speedy compilation of accounts and Management Information Reports and to comply with applicable laws and regulations. The company has appointed reputed firm as Internal Auditors.

The Company has also formed an Audit Committee. Audit Committee reviews with the management adequacy and effectiveness of the internal control system and internal audit functions. Besides the above, Audit Committee is actively engaged in overseeing financial disclosures.

VIII. OUTLOOK

Government Business Expansion

The measures announced by the Government on Infrastructure spending and other lending reforms should help bring liquidity in the system and increase the flow of orders. Along with the ongoing government initiatives like Smart Cities Mission, AMRUT, RERA, Digital India etc., huge opportunities are presented for technology companies like us to transform and simplify the current business activities. All are facing the challenges of new work style, and the company's product help the Government keep functioning despite physical presence.

SoftTech's major focus shall be on increasing its market share in each of the product category. The Company's strength lies in the vision of experienced management team and innovative products which would pave in for the future. The Company endeavors to enter into ventures and agreements with new business partners and introduce innovative products in newer geographies and is establishing new branch offices to provide direct customer services. The Company recognizes the need of timely and quality delivery of service and is continuously working towards creating and expanding a work platform which is agile and shielded from most uncertainties.

The below developments lead to the management remain confident of a sustained positive outlook for company's product –

1. Robust development in the Strategic Partnerships initiatives undertaken by the company on both sales and technology front. Initiated AmpliNXT, a corporate incubation center and have 4 start-ups currently in the program. Invested in BtrLyf, a Singapore based building Energy management startup
2. Rapid progress by the company in new age technologies especially BIM, GIS and Scan to BIM (Image Processing) aligned with its product offering. Signed Business partnership arrangement with Mitsubishi Electric to enter Smart City domain.

3. Strong offering emerging out of the CIVIT platform positioning the company as an Integrated Platform based offering on the cloud in AEC vertical. Raised Rs. 18.75 Crs as growth capital.

Opportunities

- **Business Expansion**
  International markets have shaped up well for the company during the year especially USA –
  - SoftTech has completed the localization of core products AutoDCR / BIMDCR, PWIMS & OPTICON as per USA building codes on CIVIT Platform
  - During the past 1-year company has developed Proof of Capability of CivitPLAN and CivitPERMIT Subscription to: MyGovWatch.com, COMMBUYS.com and Periscope S2G for solicitation leads
  - During the last 1-year company has responded to 6 out of 9 solicitations in North America for CivitPERMIT & CivitINFRA. Out of 6 responses submitted 2 are under evaluation stage amounting $ 10 MN.

  Finalised the team in US and Singapore, which includes 1 C level resource, 2 Senior International Sales resources and other support team, to convert the strong leads generated from India, and set up local organisations there.

- **Market Development:** Establish SoftTech as an industry thought leader
  - Participate in trade conferences and exhibitions
  - Present and speak at industry events
  - Engage in social media marketing
  - Write for industry publications
  - Create blogs, podcasts, and white papers

- **Process Improvement:** Empowering Workforce Efficiency and Growth through Data-Driven Strategies
  - Track employee efficiency
  - Speed up recruitment and onboarding
  - Develop employee skills
  - Monitor KRAs with data-driven systems
  - Improve project monitoring and performance management
  - Track resource budget per department

- **Product Development**
  - **Localization for global market**
  - **CIVIT Platform**
    - *US Version CivitPLAN*
    - *Launch of CivitOPERATE 1st Version*
  - **Technology advancement**
    - *CivitBUILD Enhancement*
    - *Significant use of AI / ML /IoT in all products*
  - **Patents & Rights**
  - **Services Portal**

Annexure B

Particulars of Contract/Arrangement with Related Parties in form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the 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

The Company has not entered into contracts or arrangements or transaction with related parties during the FY 2023-24 which are not at arm's length basis.

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

The Company has not entered into any material contracts or arrangements or transaction with related parties during FY 2023-24.

For and on behalf of the Board of Directors
SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA
CHAIRMAN & MANAGING DIRECTOR
DIN: 01653314
DATE: August 14, 2024
PLACE: PUNE

ANNEXURE C

Disclosure with respect to Employee stock option scheme of the Company

THE DISCLOSURES IN COMPLIANCE WITH CLAUSE 14 SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

Sr. No.	Particulars	SoftTech ESOP 2017
1.	**Description of each Employee Stock Option Scheme (ESOS) that existed at any time during the year, including the general terms and conditions of each ESOS, including -**	
a.	Date of shareholders' approval	22.09.2017
b.	Total number of options approved under ESOS	1,40,000
c.	Vesting requirements	All the options shall vest in accordance with schedule set out in grant letter
d.	Exercise price or pricing formula	The Board or Nomination and Remuneration committee decides Exercise price at the time of grant.
e.	Maximum term of options granted	5 years from the date of grant
f.	Source of shares (primary, secondary or combination)	Primary
g.	Variation in terms of options	NIL
2.	Method used to account for ESOS - Intrinsic or fair value	Intrinsic
3.	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Note no. 2 (xii) of notes to accounts
4.	**Option movement during the year (For each ESOP):**	
a.	Number of options outstanding at the beginning of the period	NIL
b.	Number of options granted during the year	NIL
c.	Number of options forfeited / lapsed during the year	NIL
d.	Number of options vested during the year	NIL
	Number of options exercised during the year	NIL
e.	Number of shares arising as a result of exercise of options	NIL
f.	Money realized by exercise of options (INR), if scheme is implemented directly by the company	NIL

g.	Loan repaid by the Trust during the year from exercise price received		Not Applicable
h.	Number of options outstanding at the end of the year		NIL
i.	Number of options exercisable at the end of the year		NIL
5.			
i.	Weighted average fair value of options granted during the year whose		
	A	Exercise price is equals to market price	NIL
	B	Exercise price is greater than market price	NIL
	C	Exercise price is lesser than market price	NIL
ii.	Weighted average exercise price of options granted during the year whose		
	A	Exercise price is equals to market price	NIL
	B	Exercise price is greater than market price	NIL
	C	Exercise price is lesser than market price	NIL
6.	**Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to** -		NIL
a.	Senior Managerial Personnel		NIL
b.	any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year		NIL
c.	identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant		NIL
7.	**A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:**		
a.	the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model		Note no. 2 (xii) of notes to accounts
b.	the method used and the assumptions made to incorporate the effects of expected early exercise		Not applicable
c.	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility		Not applicable
d.	whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition		Not applicable
8.	Disclosures in respect of grants made in three years prior to IPO under each ESOS Until all options		The Company has approved the 'SoftTech Employees Stock Option Plan

	granted in the three years prior to the IPO have been exercised or have lapsed, disclosures of the information specified above in respect of such options shall also be made	2017' in the Annual General Meeting held for the Financial Year ended 31st March, 2017, which was later ratified in the AGM dated 28th September, 2018 and 30th September, 2019. Current disclosure is with respect to SoftTech ESOP 2017 which was approved before IPO. No other scheme was in force in the Company prior to the Initial Public Offering of shares.

For and on behalf of the Board of Directors
SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA
CHAIRMAN & MANAGING DIRECTOR
DIN: 01653314
DATE: August 14, 2024
PLACE: PUNE

ANNEXURE D

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
And
Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members,
SoftTech Engineers Limited,
SoftTech Towers, S NO 1/1A/7 8 15 16 17
Plot No. BCD 1-Baner, Opp. Royal Enfield Showroom,
Baner Road, Pune - 411045.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SoftTech Engineers Limited** CIN: L30107PN1996PLC016718 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2024** 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 **March 31, 2024** according to the provisions of:

i. The Companies Act, 2013, as amended from time to time (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings wherever applicable;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018**;**
d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021**;**
e) The Securities and Exchange Board of India (Issue and Listing of Non - Convertible Securities) Regulations, 2021 **(not applicable to the Company 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 **(not applicable to the Company during the audit Period)**;
g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(not applicable to the Company during the audit Period)**;
h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 **(not applicable to the Company during the audit Period)** and
i) The Securities and Exchange Board of India (Debenture Trustees) Regulation, 1993 **(not applicable to the Company during the audit Period)**;

vi. We further report that having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof, no other law was applicable specifically to the Company.

We have also examined compliance with the applicable clauses and regulations of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India; and
ii. The Listing Agreement entered into by the Company with Stock Exchange pursuant to The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'SEBI LODR').

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

1. *Trading application submitted to BSE Limited via issue type viz. "Conversion of warrants/CCDs" instead of issue type viz. "preferential issue."*
2. *As per Reg 25 (6) of SEBI LODR, on resignation of Independent Director (ID), Company is required to fulfil the casual vacancy by appointment of new ID within 3 months from the date of such vacancy. The Company appointed new ID with delay of 4(four) days.*

We further report that:

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

Adequate notice is given to all 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. Further, in the incidences where, for the purpose of any Board or Committee Meeting, notice, agenda or notes to agenda are circulated with shorter period of less than seven days, all the Directors including Independent Directors have consented to the shorter period of circulation of the same.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be. The resolutions passed by way of circulation for Board and Committees are carried with requisite majority and recorded in the minutes of the meetings thereof.

We 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.

We further report that during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

1) The Company has passed the following resolution in the Annual General Meeting held on September 28, 2023:
   a) Special Resolution for re-appointment and revision of remuneration payable to Mr. Vijay Gupta (DIN: 01653314) from the Company including its step up down subsidiary SoftTech Government Solutions INC.
2) The Company via circular resolution dated October 27, 2023 approved conversion of 20,00,000 Fully Convertible Warrants into 20,00,000 fully paid up equity shares of Rs. 10 each and thereby allotment of fully paid up Equity shares of the Company having face value of Rs. 10 each at a premium of Rs. 115 each in the ratio of one (1) warrant into one (1) Equity share.

3) The Company via circular resolution dated October 27, 2023 approved conversion of 6,63,120 Unsecured Compulsorily Convertible Debentures into 6,63,120 fully paid up equity shares of Rs. 10 each and thereby allotment of fully paid up Equity shares of the Company having face value of Rs. 10 each at a premium of Rs. 115 each in the ratio of one (1) Compulsorily Convertible Debentures into one (1) Equity Share.

4) SoftTech Digital Pte. Ltd., subsidiary of Company has acquired subsidiary with name SoftTech Digital Software L.L.C in the Emirates of Dubai, UAE on 10th April, 2023 by subscribing 100,000 shares of AED 1.00 each equivalent to AED 100,000 of the subsidiary.

5) The Company has incorporated a Wholly Owned Subsidiary Company namely "Softtech Digital Solutions Ltd." in United Kingdom (UK) on November 14, 2023 by subscribing 100 shares of GBP 1.00 each equivalent to GBP 100.00 of the subsidiary.

For **DTSM & Associates**
Company Secretaries

Sridhar Mudaliar
Partner
FCS No: 6156
CP No: 2664
Peer Review No: 2496/2022
UDIN: F006156F000969052
Place: Pune
Date: August 14, 2024

Note: *This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as* ***Annexure A*** *and forms an integral part of this report.*

'ANNEXURE A'

To,
The Members,
SoftTech Engineers Limited,
SoftTech Towers, S NO 1/1A/7 8 15 16 17,
Plot No. BCD 1-Baner, Opp. Royal Enfield Showroom,
Baner Road, Pune - 411045.

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. We have relied on the documents and evidences provided physically and through electronic mode.

5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

7. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For **DTSM & Associates**
Company Secretaries

Sridhar Mudaliar
Partner
FCS No: 6156
CP No: 2664
Peer Review No: 2496/2022
UDIN: F006156F000969052
Place: Pune
Date: August 14, 2024

ANNEXURE E

CORPORATE GOVERNANCE REPROT

The Company has been practicing the Principles of good Corporate Governance over the years. The directors present below the Company's report on Corporate Governance for the financial Year 2023-24.

1. **STATEMENT ON THE COMPANIES PHILOSOPHY ON CODE OF GOVERNANCE:**
SoftTech Engineers Limited believes in the highest level of accountability towards its stakeholders and actively promotes fair, transparent and ethical Corporate Governance practices. The Company is committed to maintain the highest standards of Corporate Governance and continue to improve the same from time to time. Corporate Governance includes the processes through which company's' objectives are set and pursued in the context of the social, regulatory and market environment. Governance mechanisms include monitoring the actions, policies, practices, and decisions of companies, their agents and affected stakeholders. The Board of Directors, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholders' value. Our Board is constituted in compliance with the provisions of the Companies Act and the SEBI LODR, as applicable. The Management presents before the Board of Directors and its corresponding committees all the reports filed to Stock Exchange from time to time. The Company is listed on main board of NSE and BSE and the Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable to the Company, with regards to corporate governance.

2. **BOARD OF DIRECTORS:**

   i. **Composition and Category of Directors:**
   The Company's Board of Directors ("Board") embodies diverse expertise, strategic vision, and ethical leadership. With a commitment to accountability, risk management, and effective decision-making, board members navigate complex issues with clarity and integrity. Strong communication skills foster open dialogue and collaboration, while a dedication to continuous learning ensures adaptability in a dynamic business landscape. Engaged and committed, the Board upholds the organization's mission, guiding it towards sustainable success and fulfilling its responsibilities to shareholders and stakeholders alike.
   The Chairman of the Company is an Executive Director.

   As on March 31, 2024, Board comprises 8 (Eight) Directors out of which 3 (Three) Directors are Executive, 4 (Four) Directors are Non-Executive Independent Directors and 1 (One) Director is Non-Executive Nominee Director. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013. All Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time and section 149 of the Companies Act, 2013. Further, Mr. Rahul Gupta (DIN: 00024732), has resigned from the Board of SoftTech Engineers Limited as a Non-Executive Independent Director and consequently as a member of the Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee and Corporate Social Responsibility Committee of the Board w.e.f. November 7, 2023 due to increase in his responsibilities within his business and Mr. Yogeshkumar Mangubhai Desai (DIN: 10501676) has been appointed as a Non-Executive Independent Director on the Board of the Company w.e.f. February 12, 2024.

As on March 31, 2024, the Composition of the Board of the Company meets the stipulated requirements of Regulation 17 of LODR regulation, 2015.

Sr. No.	Category of Directors	Name	Designation
1.	Promoter Executive Directors	Mr. Vijay Gupta	Chairman and Managing Director
2.		Ms. Priti Gupta	Whole-time Director
3.	Non-Promoter Executive Director	Mr. Pratik Patel	Whole-time Director
4.	Independent Non-Executive Directors	Mr. Sridhar Pillalamarri	Independent Director
5.		Mr. Rahul Gupta (Resigned on November 7, 2023)	Independent Director
6.		Mr. Sundararajan Srinivasan	Independent Director
7.		Dr. Rakesh Kumar Singh	Independent Director
8.		Mr. Yogeshkumar Mangubhai Desai (Appointed on February 12, 2024)	Additional Independent Director
9.	Nominee Non-Executive Director	Mr. Garth Brosnan (Resigned on May 24, 2024)	Nominee Director

ii. <u>Confirmation from Directors</u>

All the Directors on the Board of the Company have confirmed that they are not debarred or disqualified from being appointed or continuing to act as Directors of the Company in terms of any order of the Securities and Exchange Board of India (“SEBI”), Ministry of Corporate Affairs (“MCA”) or any such statutory authority/ies. All Independent Directors are Non-Executive Directors as defined under Regulation 16(1) (b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013 (“the Act”) along with rules framed thereunder. In terms of Regulation 25(8) of Listing Regulations, they have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties as Independent Directors. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1) (b) of the Listing Regulations and that they are independent of the management and the Company.

iii. <u>Attendance of Directors at the Board Meetings and Annual General Meeting:</u>

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long-term interests are being served.

Board meetings are convened at appropriate intervals by giving notice and agenda papers to the Directors in advance. The time gap between two consecutive Board meetings does not exceed 120 days. The Company adheres to the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings (SS-1).

During the financial year 2023-24, 4 (Four) Board meetings were held. The dates on which the Board Meetings were held during the financial year 2023-24 are as follows: May 25, 2023, August 10, 2023, November 7, 2023 and February 12, 2024, the details of attendance of Directors at the board Meetings and at the last Annual General Meeting are as under:

Name of Directors	Particulars of Attendance		
	No of Meetings Held During the year	No of Meetings attended by Director	Last Year AGM attended (September 28, 2023)
Mr. Vijay Gupta	4	4	Yes
Ms. Priti Gupta	4	4	Yes
Mr. Pratik Patel	4	4	Yes
Mr. Rahul Gupta*	3	2	Yes
Mr. Sridhar Pillalamarri	4	4	Yes
Mr. Sundararajan Srinivasan	4	4	Yes
Dr. Rakesh Kumar Singh	4	4	Yes
Mr. Yogeshkumar Mangubhai Desai*	0	0	NA
Mr. Garth Brosnan *	4	3	NA

Notes:

***** Mr. Rahul Gupta (DIN: 00024732), resigned from the Board of SoftTech Engineers Limited as a Non-Executive Independent Director w.e.f. November 7, 2023.

* Mr. Yogeshkumar Mangubhai Desai (DIN: 10501676) was appointed as an Additional Non-Executive Independent Director w.e.f. February 12, 2024 subject to the approval of the members through postal ballot w.e.f. May 6, 2024.

* Mr. Garth Brosnan resigned as a non-executive Nominee Director w.e.f. May 24, 2024 due to the fact that the Loan payable to RIB Group has been fully repaid and there is no longer any need to fulfil the role of representative director.

iv. Details of Directorship and Committee Membership:

In accordance with Regulation 26 of the Listing Regulations, Membership(s) / Chairmanship(s) of only Audit Committees and Stakeholders' Relationship Committees in other Public Limited Companies have been considered as on March 31, 2024.

Name of Directors	Directorship in Indian Public Limited Companies (Including SoftTech)	Committee Positions (Including SoftTech)		Directorship held in other Listed Companies
		Member	Chairman	
Mr. Vijay Gupta	1	2	0	NA
Ms. Priti Gupta	1	0	0	NA
Mr. Pratik Patel	1	0	0	NA
Mr. Rahul Gupta[1]	1	2	2	NA
Mr. Sridhar Pillalamarri[2]	1	2	1	NA
Mr. Sundararajan Srinivasan	1	1	0	NA
Dr. Rakesh Kumar Singh[3]	1	2	1	NA
Mr. Garth Brosnan	1	0	0	NA

Notes:

[1]w.e.f. November 7, after 2023 Mr. Rahul Gupta resigned as the Chairman of the Audit Committee and Stakeholders Relationship Committee and as the member of Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

[2]w.e.f. November 8, after 2023 Mr. Sridhar Pillalamarri appointed as the Chairman of the Audit Committee and member of the Corporate Social Responsibility Committee.

[3]w.e.f. November 8, after 2023 Dr. Rakesh Kumar Singh appointed as the member of the Audit Committee and Nomination and Remuneration Committee and Chairman of Stakeholders Relationship Committee.

Regulation 34 read with Schedule V Part C, clause 2 (c) is not required to be complied i.e., separately the names of the listed entities where the person is a director and the category of directorship, as None of the Board of the Directors of the Company is a Director of any other listed entity.

All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than 10 (Ten) public companies as on March 31, 2024. The number of Directorship and Committee Membership and Chairmanship of all Directors are within the respective limits prescribed under the Companies Act, 2013 and the Listing Regulations. Separate Meeting of Independent Directors in compliance with Schedule IV of the Companies Act, 2013 was held during the year.

v. In terms of Regulation 26 of the Listing Regulations, none of the Directors of the Company were members of more than 10 Committees or acted as the Chairperson of more than 5 Committees across all companies in India, in which they are holding Directorships

vi. Mr. Vijay Gupta (MD & CEO) and Ms. Priti Gupta, Whole-time Director are related with each other as husband and wife. Except this, none of other Directors are related to each other.

vii. The Company has not issued any convertible instruments. As on March 31, 2024 all the non-executive Directors in the company are Independent Directors and they do not hold any share or convertible instrument in the Company.

viii. During the year under review, the Board of Directors of the Company has amended / approved changes in the policies complying with the recent amendments in the Companies Act, 2013 and SEBI Regulations. Accordingly, the updated policies are uploaded on website of the Company at www.softtech-engr.com or https://softtechglobal.com/.

ix. The Board of Directors confirm that, in the opinion of the Board, Independent Directors fulfill the conditions specified in the SEBI LODR Regulations and they are independent of management.

x. The Board periodically reviews the compliance reports of all laws applicable to the Company

xi. During Financial year 2023-24, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration

xii. The Company has devised the Policy on Familiarization Programmes for Independent Directors and the same is available on the website of the Company at https://softtech-engr.com/wp-content/uploads/Familiarization-of-Independent-Director.pdf or https://softtechglobal.com/wp-content/uploads/2024/04/Familiarization-of-Independent-Director1.pdf

xiii. Skills / Expertise / Competencies of the Board:

The Board comprises of qualified members who possesses requisite skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Business Leadership
- Financial Skills
- Risk Management
- Global Experience
- Strategic Planning
- Technology
- Corporate Governance

- While all the Board members possess the skills identified, their area of core expertise is given below:

Name of Directors	Business Leadership	Financial Skills	Risk Management	Global Expertise	Strategic Planning	Technology	Corporate Governance
Mr. Vijay Gupta	√	√	√	√	√	√	√
Ms. Priti Gupta	√	√	√		√		√
Mr. Pratik Patel	√	√	√	√	√		√
Mr. Rahul Gupta (Resigned w.e.f. November 7, 2023)	√	√	√	√	√		√
Mr. Sridhar Pillalamarri	√	√	√	√	√	√	√
Mr. Sundararajan Srinivasan	√	√	√	√	√	√	√
Dr. Rakesh Kumar Singh	√	√	√	√	√	√	√
Mr. Yogeshkumar Mangubhai Desai (Appointed w.e.f. February 12, 2024)	√	√	√	√	√	√	√

Mr. Garth Brosnan (Resigned w.e.f May 24, 2024)	√	√	√	√	√		√

Note: Each Director may possess varied combinations of skills / expertise within the described set of parameters and it is not necessary that all Directors possess all skills / expertise listed therein.

3. BOARD COMMITTEES

The Committees of the Board are guided by their respective charter/terms of reference, which outline their composition, scope, power, duties/functions and responsibilities. Basis the recommendations, suggestions and observations made by these Committees, the Board of Directors take an informed decision. The Chairperson of the respective Committees update the Board on the deliberations at the Committee meetings. As on March 31, 2024, there were four Board Committees, namely: (a) Audit Committee (b) Nomination and Remuneration Committee (c) Stakeholders' Relationship Committee (d) Corporate Social Responsibility Committee. The Company Secretary acts as the Secretary to the abovementioned Committees.
Details of the terms of reference & composition of the Board Committees and the number of meetings held during FY-24 & attendance therein, are provided below:

A) AUDIT COMMITTEE:

Composition, Meetings and Attendance of the Audit Committee:
The Audit Committee meets the criteria laid down under Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.
The Audit Committee comprised of three Independent Directors and one Executive Director.

The Annual General Meeting of the Company was held on September 28, 2023.

The representatives of the Statutory Auditors, Internal Auditors, CFO and Company Secretary are permanent invitees to the Audit Committee Meetings.

Details of Audit Committee ('AC') meetings along with presence of quorum are as under:

Sr. No.	Date of meeting	Total no. of Directors in AC as on date of the meeting	Total no. of Directors present	Total no. of Independent Directors present	Presence of Quorum (Yes/No)
1.	May 25, 2023	4	3	2	Yes
2.	August 10, 2023	4	4	3	Yes
3.	November 7, 2023	4	4	3	Yes
4.	February 12, 2024	4	4	3	Yes

Details of attendance of the Directors at the meetings of Audit Committee, are as under:

Sr. No.	Name of the Director	Category	Position in the Committee	Number of meetings held	Number of meetings attended
1.	Mr. Rahul Gupta[1]	Independent Director	Chairman	3	2

2.	Mr. Sridhar Pillalamarri[2]	Independent Director	Chairman	4	4
3.	Mr. Sundararajan Srinivasan	Independent Director	Member	4	4
4.	Dr. Rakesh Kumar Singh[3]	Independent Director	Member	1	1
5.	Mr. Vijay Gupta	Managing Director	Member	4	4

Notes:

[1] Mr. Rahul Gupta resigned from the position of Non-Executive Independent director of the Company and he cease to be *the Chairman of the Audit Committee w.e.f. November 7, 2023.*

[2]Mr. Sridhar Pillalamarri is appointed as the Chairman of the Audit Committee w.e.f. November 8, 2023.

[3]Dr. Rakesh Kumar Singh is appointed as the member of the Audit Committee w.e.f. November 8, 2023.

Terms of Reference

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations as amended from time to time and Section 177 of the Companies Act, 2013.

The brief terms of reference of the Audit Committee are as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   - ➢ matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   - ➢ changes, if any, in accounting policies and practices and reasons for the same;
   - ➢ major accounting entries involving estimates based on the exercise of judgment by management;
   - ➢ significant adjustments made in the financial statements arising out of audit findings;
   - ➢ compliance with listing and other legal requirements relating to financial statements;
   - ➢ disclosure of any related party transactions;
   - ➢ modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
18. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board;
19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. To review the functioning of the whistle blower mechanism;
21. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
22. Audit committee shall oversee the vigil mechanism;
23. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings;
24. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision
25. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder
26. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into the Companies Act or SEBI Listing Regulations 2015 to the extent applicable.

Review of Information by the Audit Committee:

a) Management discussion and analysis of financial condition and results of operations;
b) Management letters / letters of internal control weaknesses issued by the statutory auditors;
c) Internal audit reports relating to internal control weaknesses; and
d) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
e) statement of deviations:

(i) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
(ii) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)

B) NOMINATION AND REMUNERATION COMMITTEE:

Composition, Meetings and Attendance of the Nomination and Remuneration Committee:
The Nomination and Remuneration Committee ('NRC') of the Board of Directors meets the criteria laid down under Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. As on March 31, 2024, NRC comprised of three Independent Directors.

Details of NRC meetings along with presence of quorum are as under:

Sr. No	Date of meeting	Total no. of Directors in NRC as on date of the meeting	Total no. of Directors present	Total no. of Independent Directors present	Presence of Quorum (Yes/No)
1	May 25, 2023	3	2	2	Yes
2	August 10, 2023	3	3	3	Yes
3	February 12, 2024	3	3	3	Yes

Details of attendance of the Directors at the meetings of the NRC, are as under -

Sr. No	Name of Directors	Category	Position in the Committee	Number of meetings held	Number of meetings attended
1	Mr. Sridhar Pillalamarri	Independent Director	Chairman	3	3
2	Mr. Rahul Gupta[1]	Independent Director	Member	2	1
3	Mr. Sundararajan Srinivasan	Independent Director	Member	3	3
4	Dr. Rakesh Kumar Singh[2]	Independent Director	Member	1	1

Notes:

[1]Mr. Rahul Gupta resigned from the position of Non-Executive Independent director of the Company and he cease to be the member of the Nomination and Remuneration Committee w.e.f. November 8, 2023.

[2]Dr. Rakesh Kumar Singh is appointed as the member of the Nomination and Remuneration Committee w.e.f. November 8, 2023.

The Constitution and terms of reference of Nomination and Remuneration Committee of the Company are in compliance with section 178 of the Companies Act, 2013 and the SEBI Listing Regulations.

Terms of Reference:

1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of

Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

2. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
3. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
4. Devising a policy on diversity of Board of Directors;
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors;
6. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.
8. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
9. Define and/or implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
10. Decide the amount of Commission payable to the Whole time Directors;
11. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
12. To formulate and/or administer the Employee Stock Option Scheme;
13. Allotment of shares consequent to exercise of stock options.
14. To perform such functions as may be assigned to them by the Board of Directors, from time to time or containing into the Companies Act or SEBI Listing Regulations 2015 to the extent applicable.
15. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    a. use the services of an external agencies, if required;
    b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
    c. consider the time commitments of the candidates.

The Company Secretary acts as a Secretary to the Committee.

Performance Evaluation Criteria for Independent Directors:

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the SEBI LODR, the Annual Performance Evaluation was carried out for the FY 2023-24. An indicative list of factors that may be evaluated include Attendance for the meetings, participation and independence during the meetings, Interaction with Management, Knowledge and proficiency, Strategic perspectives or inputs.

Directors with materially pecuniary or business relationship with the Company:

There have been no materially relevant pecuniary transactions or relationship between the Company and its Non-Executive and / or Independent Directors during the Financial Year 2023-24.

Remuneration Policy

The Board determines the remuneration payable to executive director by taking into account their qualification, expertise and contribution and based on the recommendation of Nomination and Remuneration Committee. The Company has adopted and implemented the Nomination and Remuneration Policy which is available on the website of the Company accessed at https://softtech-engr.com or https://softtechglobal.com/wp-content/uploads/2024/05/Nomination-and-Remuneration-Policy.pdf

Non-executive directors are paid sitting fees for attending Board / Committee meetings as decided by the Board within the limits prescribed under the Companies Act, 2013.

Remuneration to Non-executive Directors and Executive Directors for the Financial Year 2023-24 are as under:

Pecuniary relationship or transactions with Non-executive Directors:

(₹ in Lakhs)

Name of Director	Designation	Sitting fees	No. of shares held
Mr. Rahul Gupta*	Independent Director	0.50	NIL
Mr. Sridhar Pillalamarri	Independent Director	1.00	NIL
Mr. Sundararajan Srinivasan	Independent Director	1.00	NIL
Dr. Rakesh Kumar Singh	Independent Director	1.00	NIL
Mr. Yogeshkumar Mangubhai Desai*	Independent Director	0.00	NIL

Notes:

* Mr. Yogeshkumar Mangubhai Desai was appointed as an Additional Non-Executive Independent Director w.e.f. February 12, 2024 subject to the approval of the members through postal ballot w.e.f. May 6, 2024.

*Mr. Rahul Gupta resigned as a Non-Executive Independent Director w.e.f. November 7, 2023.

Pursuant to limits approved by the Board, the independent Directors are paid INR 30,000 for attending each Board Meeting. No profit based commission was paid to the non-executive directors during reporting period. Policy on Criteria for making payment to non- executive directors is disseminated on the website of the Company at link https://softtech-engr.com/wp-content/uploads/Criteria-Of-Making-Payment-To-Non%E2%80%90executive-Directors.pdf

Remuneration to Executive Directors:

(₹ in Lakhs)

Name	Mr. Vijay Gupta	Ms Priti Gupta	Mr. Pratik Patel
Designation	Managing Director	Whole-Time Director	Whole-Time Director
Basic Salary	24.3	4.5	4.5
Perquisites, allowances and benefits	49.95	9.25	8.76
Bonus	6.75	1.25	1.20
Total	**81.00**	**15.00**	**14.46**

The Company does not have any service contracts with its Directors, nor any severance fees is payable to the Directors. Stock Options are not given to the Directors during the year.

C) STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Composition, Meetings and Attendance of the Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee ('SRC') of the Board of Directors meets the criteria laid down under Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations.

As on March 31, 2024, SRC comprised of two Independent Directors and one Executive Director.

Details of SRC meetings along with presence of quorum are as under:

Sr. No	Date of meeting	Total no. of Directors in SRC as on date of the meeting	Total no. of Directors present	Total no. of Independent Directors present	Presence of Quorum (Yes/No)
1	November 07, 2023	3	3	2	Yes

Details of attendance of the Directors at the meeting of the SRC, are as under:

Sr. No	Name of Directors	Category	Position in the Committee	Number of meetings held	Number of meetings attended
1	Mr. Rahul Gupta*	Independent Director	Chairman	1	1
2	Mr. Sridhar Pillalamarri	Independent Director	Member	1	1
3	Mr. Vijay Gupta	Managing Director	Member	1	1
4	Dr. Rakesh Kumar Singh*	Independent Director	Chairman	0	0

Notes:

***** Mr. Rahul Gupta resigned from the position of Non-Executive Independent and he ceases to be the Chairperson of Stakeholders Relationship Committee Director w.e.f. November 7, 2023

****** Dr. Rakesh Kumar Singh has been appointed as the Chairman of Stakeholders Relationship Committee w.e.f. November 8, 2023.

Role of the Stakeholders Relationship Committee:

- Resolving the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, nonreceipt of annual report, nonreceipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely

Name and designation of the compliance officer:

Akancha Bhadani, Compliance Officer w.e.f 25th November, 2022 till 25th May, 2023.

Shalaka Khandelwal, Company Secretary & Compliance Officer w.e.f. 25th May, 2023.

Redressal of Investor Grievances:

The Company and its Registrar and Share Transfer Agent addresses all complaints, suggestions and grievances, if any expeditiously. Details of Investors Complaint received during the financial year 2023-24:

Complaints received	Complaints disposed	Complaints Pending
Nil	Nil	Nil

D) <u>CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE MEETING:</u>

The Corporate Social Responsibility ('CSR') Committee of the Board of Directors meets the criteria laid down under Section 135 of the Act. As on March 31, 2024, CSR Committee comprised of one Independent Directors and two Executive Directors.

Details of CSR meetings along with presence of quorum are as under:

Sr. No	Date of meeting	Total no. of Directors in CSR Committee as on date of the meeting	Total no. of Directors present	Total no. of Independent Directors present	Presence of Quorum (Yes/No)
1.	August 10, 2023	3	3	1	Yes

Details of attendance of the Directors at the meetings of the CSR Committee, are as under:

Sr. No	Name of Directors	Category	Position in the Committee	Number of meetings held	Number of meetings attended
1.	Mr. Vijay Gupta	Managing Director	Chairman	1	1
2.	Mrs. Priti Gupta	Whole-time Director	Member	1	1
3.	Mr. Rahul Gupta*	Independent Director	Member	1	1
4.	Mr. Sridhar Pillalamarri*	Independent Director	Member	0	0

Notes:

***** Mr. Rahul Gupta resigned from the position of Non-Executive Independent Director and he ceases to be member of Corporate Social Responsibilty w.e.f. November 7, 2023.

***** Mr. Sridhar Pillalamarri has been appointed as the member of Stakeholders Relationship Committee w.e.f. November 8, 2023.

Terms of Reference:

- Formulation and recommendation to the Board, CSR Policy, which shall indicate the activities to be undertaken by the Company, in the areas or subject, as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the CSR activities.

- Formulate and recommend to the Board, an Annual Action Plan in pursuance of CSR Policy, which shall include:
  - List of CSR Projects / programmes to be undertaken in the areas or subject speci ed in Schedule VII of the Companies Act, 2013.
  - Manner of execution of such Projects / programmes. Modalities of utilization of funds and implementation schedules of such Projects / programmes.
  - Monitoring and reporting mechanism for such Projects / programmes.
  - Details of need and impact assessment, if any, for the projects undertaken by the Company. Monitor CSR Policy of the Company from time to time

The Committee's core responsibility is to assist the Board in discharging its social responsibility by formulating and monitoring implementation of the framework of the CSR Policy along with an Annual Action Plan. The CSR Policy of the Company is available on the Company's website.(https://softtech-engr.com/investor-relations-in-softtech-engineers/)

INDEPENDENT DIRECTORS' MEETING:

During the year under review, the Independent Directors met on August 10, 2023, inter alia to discuss :

- Evaluation of the performance of Non-Independent Directors and Board of Directors, as a whole.
- Evaluation of the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- Evaluation of the quality, quantity and timeliness of flow of information between the Company Management and the Board of Directors, that is necessary for the Board of Directors to effectively and reasonably perform their duties.

The Directors expressed their satisfaction with the evaluation process.

4. GENERAL BODY MEETINGS:

i. The details of the Annual General Meeting (AGMs) held during last three years are as follows:

Financial Year	Date of AGM	Time	Venue
2023-24	28/09/2023	4.00 PM	SoftTech Towers, S NO 1/1A/7 8 15 16 17 Plot No. B,C,D, 1-Baner, Opp. Royal Enfield Showroom, Baner Road, Pune: 411045
2022-23	22/09/2022	3.30 PM	SoftTech Towers, S NO 1/1A/7 8 15 16 17 Plot No. B,C,D, 1-Baner, Opp. Royal Enfield Showroom, Baner Road, Pune: 411045
2021-22	30/09/2021	2.30 PM	SoftTech Towers, S NO 1/1A/7 8 15 16 17 Plot No. B,C,D, 1-Baner, Opp. Royal Enfield Showroom, Baner Road, Pune: 411045

ii. Special Resolutions passed in last 3 AGMs:

1.	**28/09/2023**	**1. Appointment of Mr. Garth Brosnan (DIN: 09836995) as Nominee Director of the Company.** **2. Revision in remuneration of Mr. Vijay Gupta (DIN: 01653314), Managing Director of the Company.**
2.	22/09/2022	1. To appoint Dr. Rakesh Kumar Singh (DIN: 02294988) as an Independent Director of the Company 2. To re-appoint Mr. Rahul Gupta (DIN: 00024732) as an Independent Director of the Company 3. To re-appoint Mr. Sridhar Pillalamarri (DIN: 00026018) as an Independent Director of the Company 4. To consider and approve payment and revision in remuneration to Mr. Vijay Gupta (DIN: 01653314), Managing Director of the Company 5. For considering payment of remuneration to Mrs. Priti Gupta (DIN: 01735673), Whole time Director according to Regulation 17(e)(ii) of SEBI LODR Regulation 6. To provide loan to subsidiary(ies) or person(s) in which Director is interested under section 185 of the Companies Act, 2013 7. To consider increase in Authorised Share Capital by alteration of Memorandum of Association of the Company 8. To consider issue of Convertible Warrants by the Company 9. To consider issue of Unsecured Compulsorily Convertible Debentures by the Company
3.	30/09/2021	1. To appoint M/s P G Bhagwat LLP, Chartered Accountants (Firm Registration No. 101118W/W100682) as Statutory Auditors of the Company 2. To consider waiver of excess managerial remuneration 3. Issue of Equity Shares on a Preferential Issue/Private Placement Basis

Postal Ballot:

- The Company has sought the approval of shareholders by way of Special Resolution through notice of postal ballot dated March 28, 2024 for appointment of Mr. Yogeshkumar Mangubhai Desai (DIN: 10501676) as a Non-Executive, Independent Director of the Company which was duly passed and results of which were announced on May 6, 2024. Mr. Sridhar Mudaliar (Membership Number: F6156), Partner of DTSM & Associates, Practicing Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner.

Sr. No.	Description of Resolution	No of votes polled	Votes casted in Favour (% of total votes polled)	Votes casted against (% of total votes polled)	Invalid Votes
1.	Special Resolution for Appointment of Mr. Yogeshkumar Mangubhai Desai (DIN: 10501676) as a Non-Executive, Independent Director of the Company	1,01,47,868	1,01,47,868	0	0

- Procedure for postal ballot: The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020, 17/2020, 02/2021 and 21/2021 dated April 8, 2020, April 13, 2020, January 13, 2021 and December 14, 2021 respectively issued by the Ministry of Corporate Affairs.
- None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

5. MEANS OF COMMUNICATION:

Announcement of Financial Results:

The Quarterly, Half Yearly and Annual Results are sent to the stock exchange(s), where shares of the Company are listed within the timeline prescribed under SEBI LODR regulations immediately after they are approved by the Board.

The audited financial statements are part of the Annual Report which is sent to the members in advance of the Annual General Meeting.

Newspaper:

The Company informs by way of publication on the English language national daily newspaper circulating in the whole or substantially the whole of India i.e. Financial Express and one daily newspaper published in the language of the region, where the registered office of the listed entity is situated i.e. Loksatta, Pune.

Website:

The Company also informs by way of intimation to Stock Exchanges and placing it in its website all the price sensitive matters or such other matters, which in the opinion of the Board are material and of relevance to the members.

The Annual Report of the Company, the quarterly/half yearly and the annual results of the Company, Shareholding pattern, corporate governance report, announcements, official press releases etc. are also placed on the website of the Company www.softtech-engr.com. The investors can contact the Company on investors@softtech-engr.com

6. GENERAL SHAREHOLDER INFORMATION:

(a) Annual General Meeting:

Date: September 27, 2024

Time: 1.00 PM

Mode of Meeting: Through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”)

(b) Financial year: 1st April, 2023 to March 31, 2024

(c) Dividend payment date: NA

(d) The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s):

National Stock Exchange of India Limited

“Exchange Plaza”, C-1, Block – G

Bandra – Kurla Complex

Bandra (East), Mumbai – 400051

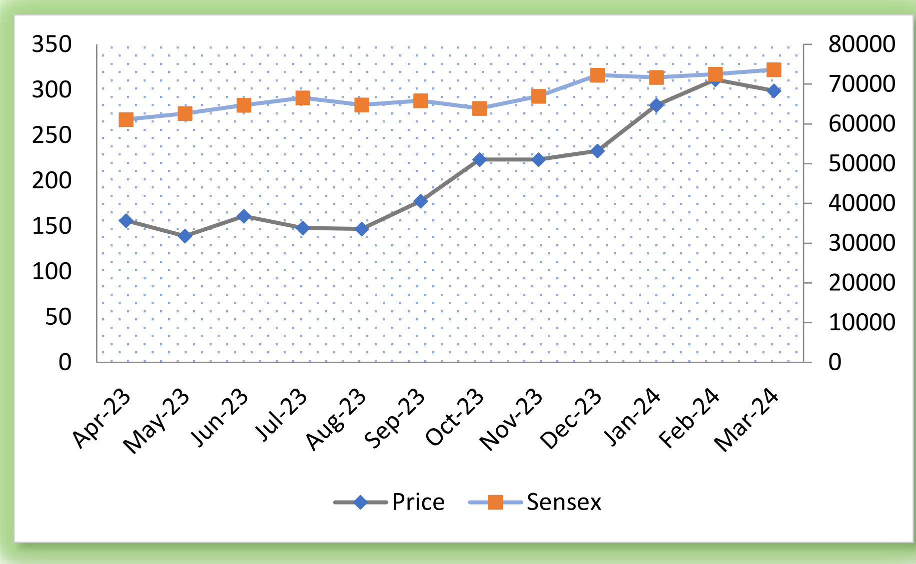
BSE Limited
Floor 25, Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai – 400001
Listing fess have been duly paid to both the stock exchanges.

(e) Stock Code:
NSE code: SOFTTECH
BSE Code: 543470
ISIN: INE728Z01015

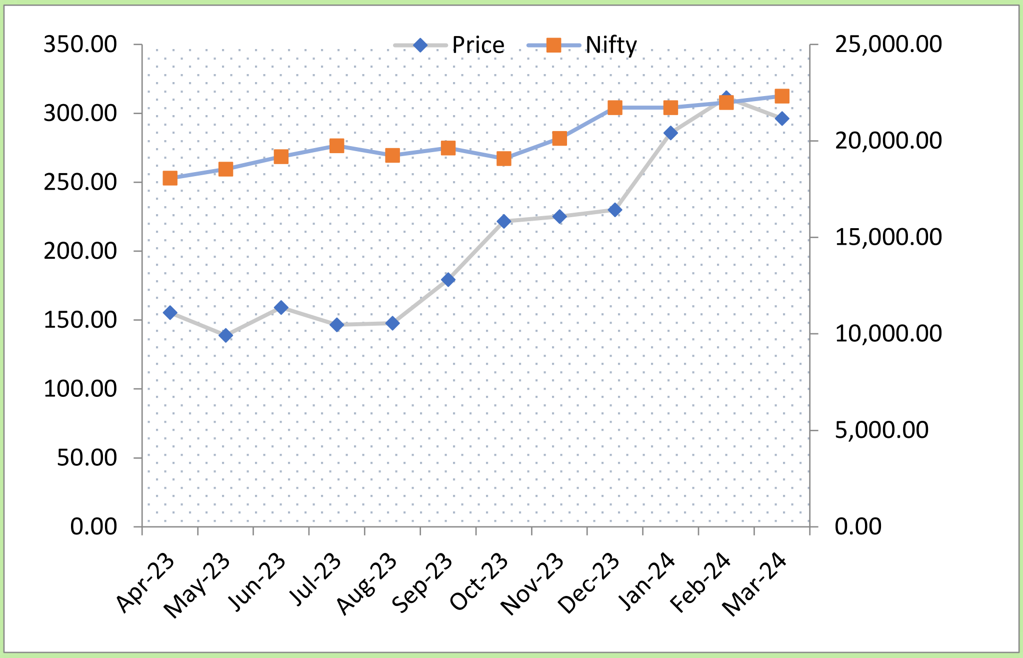
(f) Market Price data- high, low during each month in last financial year:

	NSE			BSE		
Month	High Price	Low Price	Volume (No. of Shares Traded)	High Price	Low Price	Volume (No. of Shares Traded)
April, 2023	187.95	131.35	1,01,695	185.6	136.95	16,010
May, 2023	161	121.55	43,657	166.45	131.2	23,673
June, 2023	185.2	125.55	3,65,433	185	130	1,02,174
July, 2023	160.7	140	30,789	168.95	137.15	1,00,316
August, 2023	161	138.05	1,12,544	161	130.15	72,607
September, 2023	184.15	147.25	1,85,890	183	148	1,24,481
October, 2023	287.45	176.6	5,11,874	288.25	171.15	3,28,068
November, 2023	240.00	207.50	-	240.9	208	36,051
December, 2023	250.00	218.00	-	250.95	218	31,369
January, 2024	290	292.05	6,054	293.7	222.3	38,106
February, 2024	236	338.45	91,852	338.1	236	35,042
March, 2024	290.05	299.6	13,712	343	270.75	20,990

(g) Performance in comparison to broad-based BSE SENSEX



Performance in comparison to broad-based NSE indices



(h) In case the securities are suspended from trading, the Directors report shall explain the reason thereof: NA

(i) Registrar to an issue and share transfer agents:

Link Intime India Pvt. Ltd.
Block No 202, Akshay Complex, 2nd floor, Near Ganesh Temple,
Off Dhole Patil Road, Pune 411 001, Maharashtra, India.
Tel: - +91 20 2616 0084, 2616 1629 Fax: - +91 20 2616 3503
website: www.linkintime.co.in

(j) Share transfer system:

In accordance with the proviso to Regulation 40(1) of the Listing Regulations, effective from April 1, 2019, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. The Company has entire 100% of its share capital in dematerialized form. Share transfers, dividend payments and all other investor related activities are attended to and processed at the Office of the Company's Registrar and Share Transfer Agent.

(k) Distribution of shareholding:

PATTERN OF SHAREHOLDING BY OWNERSHIP AS ON MARCH 31, 2024

Category of the Shareholder	No of Equity Shares held	Shareholding %
Promoters	**41,07,872**	**32.0448**
Foreign Portfolio	**9,644**	**0.0752**
Resident Individuals holding nominal share capital up to Rs. 2 lakhs	**8,98,566**	**7.0096**
Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	**18,41,566**	**14.3658**
Non Resident Indians (NRIs)	**4,07,433**	**3.1783**
Bodies Corporate	**16,51,768**	**12.8852**
Any Other (specify)	**39,02,291**	**30.4411**

PATTERN OF SHAREHOLDING BY SHARE CLASS AS ON MARCH 31, 2024

No. of shares	Shareholders		Equity shares held	
	No. of shareholders	% of total	No. of shares	% of total
1-500	1861	85.4061	118781	0.9266
501-1000	79	3.6255	64828	0.5057
1001-2000	95	4.3598	144635	1.1283
2001-3000	16	0.7343	40952	0.3195
3001-4000	26	1.1932	87566	0.6831
4001-5000	20	0.9179	92880	0.7245
5001-10000	36	1.6521	249975	1.9500
10001-above	46	2.1111	12019523	93.7623
Total	2179	100.0000	12819140	100.0000

(l) Dematerialization of shares and liquidity: As on March 31, 2024, the Company has entire 100% of its share capital in dematerialized form.

(m) Outstanding Global Depository Receipts GDRs or American Depository Receipts ADRs or warrants or any convertible instruments, conversion date and likely impact on equity: The Company has not issued ADRs/GDRs.

During the financial year under review, the Company has made allotment of 20,00,000 (Twenty Lakhs) Fully Convertible Warrants ("Warrants/ Convertible Warrants") of the Company issued at a Subscription Price of Rs. 31.25/- per warrant (25% of the Issue Price), entitling the Warrant holder to exercise an option to subscribe to 20,00,000 (Twenty Lakhs) Equity Shares of the Company having a face value of Rs. 10/- each at an exercise

price of Rs. 93.75/- (75% of Issue Price), Issue price being Rs. 125/- (face value Rs. 10/- and a premium of Rs. 115/-) per equity share on preferential basis.
Further, the warrant holder had deposited the subscription amount equivalent to 25% of the Warrant Issue Price i.e. Rs. 6,25,00,000/- (Rupees Sixty Two Crores and Five lakhs only) and upon receipt of remaining issue amount aggregating to Rs. 18,75,00,000/- (Rupees Eighteen Crore Seventy-Five Lakhs only) at the rate of Rs. 93.75 (Rupees Ninety Three and Seventy Five Paise Only) per warrant (being 75% of the issue price per warrant as “Warrant Exercise Price”) and on receipt of duly signed application form from M/s Florintree Technologies LLP, warrant holder, as per the terms of issue of Warrants, the Board of Directors of the Company, has on October 27, 2023, considered and approved the allotment of 20,00,000 (Twenty Lakhs) Equity Shares of Re. 10/- each, upon conversion/ exchange of/for equal number of Warrants. The new equity shares so allotted, shall rank pari passu with the existing equity shares of the Company.

Further, the Company has made allotment of 6,63,120 (Six Lakhs Sixty Three Thousand One Hundred and Twenty) Unsecured Compulsorily Convertible Debentures (“CCDs”), of the Company (“CCDs”) issued at a Subscription Price of Rs. 125/-per Debenture (100% of the Issue Price), being convertible into 6,63,120 Equity Shares at a conversion price of Rs 125/- (face value Rs. 10/- and a premium of Rs. 115/-) per equity share on preferential basis.
Further, the Compulsorily Convertible Debentures holder had deposited subscription amount equivalent to 100% of the issue price i.e. Rs. 8,28,90,000/- (Rupees Eight Crores Twenty-Eight Lakhs and Ninety Thousand only). Upon receipt of duly signed application form from M/s East India Udyog Limited, CCDs holder, as per the terms of issue of Compulsorily Convertible Debentures, the Board of Directors of the Company, has on October 27, 2023, considered and approved the allotment of 6,63,120 (Six Lakhs Sixty Three Thousand One Hundred Twenty) Equity Shares of Rs. 10/- each, upon conversion for equal number of CCDs. The new equity shares so allotted, shall rank pari passu with the existing equity shares of the Company.

(n) Foreign exchange risk and hedging activities:

Details of foreign exchange risk and hedging activities are provided in notes forming part of the financial statement.

(o) Plant locations: The Company has its office at SoftTech Towers, S NO 1/1A/7 8 15 16 17 Plot No. B,C,D, 1-Baner, Opp. Royal Enfield Showroom, Baner Road, Pune: 411045. Further it has presence abroad through subsidiaries.

(p) Address for correspondence:

Registered office of the Company:
SoftTech Towers,
S NO 1/1A/7 8 15 16 17 Plot No. B,C,D, 1-Baner,
Opp. Royal Enfield Showroom, Baner Road,
Pune: 411045

(q) List of all credit ratings obtained by the Company during the financial year and revisions thereto, if any:

Facilities	Amount (In crore)	Rating	Rating action
Long Term Bank Facilities	2.53	CARE BBB-; Stable	Reaffirmed
Long Term / Short Term Bank Facilities	12.00	CARE BBB-; Stable	Reaffirmed
Short Term Bank Facilities	11.68	CARE A3	Reaffirmed
Total Facilities	**26.21**		

7. OTHER DISCLOSURES:

a. There are no materially significant related party transactions that may have potential conflict with the interests of listed entity at large. As per SEBI LODR regulations, the Company has formulated an policy on materiality of related party transactions and dealing with related party transactions and same is available on the website of the Company at https://softtech-engr.com/wp-content/uploads/Policy-on-Materiality-of-Related-Party-Transactions-1.pdf or https://softtechglobal.com/investors/

b. During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets except for delayed compliance of regulation 23(9) of SEBI LODR regulations for the half year ended March 31, 2023 for which Fine of Rs. 64,900/- (including GST) was levied by National Stock Exchange of India Limited and Rs. 64,900/- (including GST) was levied by BSE Limited. The Company has paid fine within prescribed time.

c. The Company has adopted a Vigil Mechanism / Whistle Blower Policy, to provide a formal mechanism to the directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, the Company has not received any complaints under the said mechanism. The Vigil Mechanism / Whistle Blower Policy has been posted on the website of the Company at https://softtech-engr.com or https://softtech-engr.com/wp-content/uploads/Vigil-Mechanism-Whistle-Blower.pdf.

d. The Company has complied with all the mandatory requirements under SEBI (LODR) Regulations, 2015, Company is also complying with non-mandatory requirement as mentioned in point 13 of CG Report.

e. The policy for determining Material Subsidiaries formulated by the Board of Directors is disclosed on the Company’s website https://softtech-engr.com or https://softtechglobal.com/wp-content/uploads/2024/04/Policy-for-Determining-Material-Subsidairies1.pdf

f. The policy for transactions with related party formulated by the Board of Directors is disclosed on the Company’s website https://softtech-engr.com/wp-content/uploads/Policy-on-Materiality-of-Related-Party-Transactions-1.pdf.

g. Disclosure of commodity price risks and commodity hedging activities: NA

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Objects of Preferential issue	Funds Utilized (INR in Lakh)
To meet cost required for building marketing team for product penetration in US market	58.11
For development of Civit suite on SaaS platform	590.06
Investment into start-ups directly or through subsidiary	20.90
General corporate purposes	205.92
Total	**875.00**

i. The Company has obtained a certificate from Mr. Sridhar Mudaliar, Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority.

j. The Board of Directors has accepted all recommendations of all committees of the board which is mandatorily required in the FY 2023-24.

k. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Sr. No.	Particulars	Amount in Lakhs
1.	Statutory Audit	8.00
2.	Limited Review	4.00
3.	Certification fees	0.95
4.	Reimbursement of expenses	0.14
	Total	**13.09**

l. The Company has implemented policy for Prevention of Sexual Harassment of Women at Workplace. The Policy has set guidelines on the redressal and inquiry process that is to be followed by aggrieved woman, whilst dealing with issues related to sexual harassment at the work place towards any women. All employees (permanent, temporary, contractual and trainees) are covered under this policy.

a. number of complaints filed during the financial year: 0
b. number of complaints disposed of during the financial year: 0
c. number of complaints pending as on end of the financial year: 0

m. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested, if any forms part of notes to accounts.

Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed: The Company has complied with the provisions, except in respect of matters specified below:- Deviation	**Management Response**
As per Reg 25 (6) of SEBI LODR, on resignation of ID, Company is required to fulfil the casual vacancy by a new ID within 3 months from the date of such vacancy. The Company appointed new ID with delay of 4(four) days- New Independent Director (ID) was appointed on	As informed by the Listed entity, the Causal Vacancy caused due to resignation of ID was filled in the Board meeting held on February 12, 2024 and as per the email dated May 28, 2024 received from BSE and as per the email dated June 07, 2024 from NSE, the Company is required to pay the fine within 15 days

February 12, 2024 upon resignation of ID on November 07, 2023 with a delay of 4 days.	from the date of email. The Company has paid requisite fine to stock exchanges.
Trading application submited to BSE Limited via issue type viz, "Conversion of warrants/CCDs" instead of issue type viz. "preferential issue."	The Company had erroneously applied in the wrong issue type and the re-application was done. The Company has complied with the timely application for trading approval.

8. <u>The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.</u>

(a) After Declaration of quarterly / half-yearly Financials Results, the Company presents those and major events of the Company to shareholders by submitting those to Stock Exchanges and hosting same on website of the Company.
(b) The Company continues to stay in the regime of Financial Statements with unmodified audit opinion.

9. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and change Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

10. Disclosures with respect to demat suspense account/ unclaimed suspense account: NA

11. CEO & CFO Certificate In accordance with the provisions of Regulation 17(8) of the SEBI Listing Regulations, certificate of CEO&MD and CFO in relation to the financial statements for the year ended March 31, 2024, is annexed as Annexure – 1 to this Report

12. **DISCRETIONARY REQUIREMENTS AS PRESCRIBED IN PART E OF SCHEDULE II OF THE LISTING REGULATIONS**:

The Company has complied with the following discretionary requirements:

- The auditor's report on standalone and consolidated financial statements of the Company for the financial year ended March 31, 2024 are unqualified.

Declaration regarding compliance with the Company's Code of Conduct
I confirm that the Company has in respect of the Financial Year ending on 31st March 2024 received from the Board of Directors and Senior Management a declaration of compliance with the Code of Conduct of board of directors and senior management.

For and on behalf of the Board of Directors
SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA
CHAIRMAN & MANAGING DIRECTOR
DIN: 01653314
DATE: August 14, 2024
PLACE: PUNE

ANNEXURE A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
SoftTech Engineers Limited,
SoftTech Towers, S NO 1/1A/7 8 15 16 17
Plot No. BCD 1-Baner, Opp. Royal Enfield Showroom,
Baner Road, Pune - 411045

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SoftTech Engineers Limited** (hereinafter referred to as 'the Company'), having CIN–L30107PN1996PLC016718 and having registered office at SoftTech Towers, S NO 1/1A/7 8 15 16 17 Plot No. BCD 1-Baner, Opp. Royal Enfield Showroom, Baner Road, Pune - 411045, produced before us by the Company on email for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **March 31, 2024** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Original Date of appointment
1	Vijay Shantiswarup Gupta	01653314	**21/06/1996**
2	Priti Vijay Gupta	01735673	**04/03/2008**
3	# Rahul Gupta	00024732	**04/06/2010**
4	* Sridhar Pillalamarri	00026018	**03/03/2018**
5	@ Sundararajan Srinivasan	07936396	**27/08/2019**
6	Pratik Sunilbhai Patel	08798734	**18/07/2020**
7	Rakesh Kumar Singh	02294988	**12/08/2022**
8	Garth Brosnan	09836995	**26/12/2022**
9	$ **Yogeshkumar Desai**	**10501676**	**12/02/2024**

1. # Rahul Gupta who was re- appointed as Independent Director of the Company w.e.f March 3, 2023 for a period of 5 (Five)years, has resigned as Independent Director w.e.f. November 7, 2023
2. * Sridhar Pillalamarri *who was re- appointed* as Independent Director of the Company w.e.f March 3, 2023 for a period of 5 years.
3. @ Sundararajan Srinivasan who was non-executive non-independent director w.e.f. August 27, 2019, has been appointed as an Independent Director w.e.f. July 10, 2020 for a period of 5 (Five) years.

4. $ Mr. Yogeshkumar Desai was appointed as an Independent Director of the Company w.e.f. February 12, 2024 for a period of 5 (Five) years.

   Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **DTSM & Associates**
Company Secretaries

Sridhar Mudaliar
Partner
FCS No: 6156
CP No: 2664
Peer Review No: 2496/2022
UDIN: F006156F000969129
Place: Pune
Date: August 14, 2024

Note:

We have relied on the documents and evidences provided by electronic mode, for the purpose of issuing this certificate.

CERTIFICATE FROM PRACTICING COMPANY SECRETARY

ON CORPORATE GOVERNANCE

To,
The Members of SoftTech Engineers Limited

We have examined the compliance of conditions of Corporate Governance by **SoftTech Engineers Limited** (hereinafter referred "the Company"), for the year ended on March 31, 2024 as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations).

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

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

We further state that, this certificate is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **DTSM & Associates**
Company Secretaries

Sridhar Mudaliar
Partner
FCS No: 6156
CP No: 2664
Peer Review No: 2496/2022
UDIN: F006156F000969096
Place: Pune
Date: August 14, 2024

Note:

We have relied on the documents and evidences provided by electronic mode, for the purpose of issuing this certificate.

ANNEXURE F

FORM NO. AOC.1

Statement containing salient features of the financial statement of

Subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of

Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(₹ in Lakhs)

Sr. No.	Particulars	SoftTech Finland Oy.	SoftTech Engineers Inc.
1.	Sl. No.	1	2
2.	Name of the subsidiary	SoftTech Finland Oy.	SoftTech Engineers Inc.
3.	The date since when subsidiary was acquired	16th July, 2018	21st November, 2018
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
5.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Reporting Currency-Euro Exchange rate as on 31.03.2024- 90.1038	Reporting Currency-USD Exchange rate as on 31.03.2024- 83.3466
6.	Share capital	2.03	6.60
7.	Reserves & surplus	(55.57)	(8.19)
8.	Total assets	3.89	756.27
9.	Total Liabilities	57.43	764.29
10.	Investments	Nil	6.43
11.	Turnover	Nil	Nil
12.	Profit before taxation	Nil	Nil
13.	Provision for taxation	Nil	Nil
14.	Profit after taxation	Nil	Nil
15.	Proposed Dividend	Nil	Nil
16.	% of shareholding	100%	92%

Sr. No.	Particulars	SoftTech Care Foundation	AmpliNxt Private Limited
1.	Sl. No.	3	4
2.	Name of the subsidiary	SoftTech Care Foundation	AmpliNxt Private Limited
3.	The date since when subsidiary was acquired	14th April, 2021	29th October, 2021
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA	NA

5.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable	Not Applicable
6.	Share capital	1.00	2.67
7.	Reserves & surplus	(2.14)	52.50
8.	Total assets	0.50	95.63
9.	Total Liabilities	1.64	40.46
10.	Investments	Nil	94.52
11.	Turnover	3.00	Nil
12.	Profit before taxation	Nil	46.30
13.	Provision for taxation	Nil	Nil
14.	Profit after taxation	Nil	46.30
15.	Proposed Dividend	Nil	Nil
16.	% of shareholding	90%	100%

Sr. No.	Particulars	SoftTech Digital Pte. Limited	SoftTech Digital Solutions Ltd.
1.	Sl. No.	5	6
2.	Name of the subsidiary	SoftTech Digital Pte. Limited	SoftTech Digital Solutions Ltd.
3.	The date since when subsidiary was acquired	3rd October, 2022	14th November, 2023
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
5.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Reporting Currency-S$ Exchange rate as on 31.03.2024- 61.7791	Reporting Currency- GBP Exchange rate
6.	Share capital	124.54	Nil
7.	Reserves & surplus	(49.31)	Nil
8.	Total assets	89.05	Nil
9.	Total Liabilities	89.05	Nil
10.	Investments	22.59	Nil
11.	Turnover	Nil	Nil
12.	Profit before taxation	Nil	Nil
13.	Provision for taxation	Nil	Nil
14.	Profit after taxation	Nil	Nil
15.	Proposed Dividend	Nil	Nil
16.	% of shareholding	100%	100%

1. Names of subsidiaries which are yet to commence operations

   a) SoftTech Finland Oy.

2. Names of subsidiaries which have been liquidated or sold during the year.

   NIL

Part "B": Associates and Joint Ventures- NA

For and on behalf of the Board of Directors
SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA
CHAIRMAN & MANAGING DIRECTOR
DIN: 01653314
DATE: August 14, 2024
PLACE: PUNE

ANNEXURE G

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES

To,

The Members of

SoftTech Engineers Limited ("the Company"),

Pune.

Your Directors have pleasure in presenting the Annual Report on CSR Activities for the financial year ended as on March 31, 2024. As per the provisions of section 135 of the Companies Act, 2013 the compliance of the conditions of corporate social responsibility is the responsibility of the management. Your company intends to allocate up to 2% of its average net profits (i.e. PBT) of last three financial years on CSR activities.

1. A brief outline of the Company's CSR policy:

CSR Objective:

The focus of CSR activities of the company has been in the following broad areas.

1) Promoting education including special education
2) Giving medical aid, Promoting preventive health care and sanitation and making available safe drinking water
3) Eradicating hunger, poverty and malnutrition
4) Promoting education, gender equality and empowering women and physically handicap and disabled.
5) Ensuring Environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water
6) Measures for the benefit of armed forces veterans, war widows and their dependents
7) Rural Development Projects
8) Such other activities as specified in schedule VII of the Companies Act, 2013.

Company's Corporate Social Responsibility Policy:

Your Company maintains standard of corporate conduct towards its shareholders, customers, employees, all other stakeholders and society in general. The Corporate Social Responsibility will help in ensuring a long-term balanced & inclusive growth.

To that effect, SoftTech Engineers Limited has adopted the policy of Corporate Social Responsibility to comply with CSR. Further the Company has formed "SoftTech Care Foundation', subsidiary with charitable objectives incorporated under section 8 of the Companies Act, 2013.

2. Composition of CSR committee:

As on March 31, 2024, the composition and status of CSR Committee of SoftTech Engineers Limited is as detailed below:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Vijay Gupta	Chairman	1	**1**
2	Ms. Priti Gupta	Member	1	**1**

3	Mr. Rahul Gupta*	Member and Independent Director	1	**1**
4	**Mr. Sridhar Pillalamarri***	**Member and Independent Director**	**0**	**0**

Notes:

**Mr. Rahul Gupta resigned from the Board and from the membership of Corporate Social Responsibility Committee w.e.f. November 7, 2023.*

**Mr. Sridhar Pillalamarri appointed as a member of the Corporate Social Responsibility Committee w.e.f. November 8, 2023.*

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. -** https://softtech-engr.com/wp-content/uploads/Corporate-Social-Responsibility-Policy.pdf and https://softtechglobal.com/wp-content/uploads/2024/04/Corporate-Social-Responsibility-Policy1.pdf

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). -** Not Applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:** INR 23,047/- is available for set off for FY 2022-23 and INR 19,877/- is available for set off for FY 2023-24 upto immediately succeeding three financials years.

All figures in ₹

Sr. No.	Year	Excess amount spent allowed to be carry forward (Rs.)	carry forward amount adjusted during the Financial year(Rs.)	Balance amount carry forward for immediately succeeding three financials years (Rs.)
1	2021-22	0	0	0
2	2022-23	23,047	0	23,047
3	2023-24	19,877	0	19,877

6. **Average net profit of company**:

The details of profit for last three years is as follows:

All figures in ₹

	Amount in Rs.		
Particulars	**FY 2020-21 (April-March)**	**FY 2021-22 (April-March)**	**FY 2022-23 (April-March)**
Total Revenue	425,970,545	594,286,965	812,342,982
Total Expenditure	372,917,128	516,926,719	718,746,398
Extra-ordinary Items	-	-	-
Net Profit before Tax	49,614,013	70,297,746	91,705,096

Net Profit before Tax as per section 198	49,614,013	70,297,746	91,705,096
Total			211,616,855
Average 3 years profit			70,538,952
CSR Activity Gross Amount @ 2%			1,410,779

7. (a) Two percent of average net profit of the company as per section 135(5) - ₹ 1,410,779/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. – Nil

(c) Amount required to be set off for the financial year, if any- NA

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 1,410,779/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year.	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount in ₹	**Date of transfer.**	**Name of the Fund**	**Amount ₹**	Date of transfer
₹ 1,430,656/-	-	-		-	

(b) **Details of CSR amount spent against ongoing projects for the financial year:** NOT APPLICABLE

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
	Total											

(c) **Details of CSR amount spent against other than ongoing projects for the financial year:**

All figures in ₹

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	**Name of the Project**	**Item fromthe list of activities in schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Amount spent for the project (in ₹).**	**Mode of implementation Direct (Yes/ No).**	Mode of implementation – Through implementing agency.	
				State.	**District.**			**Name.**	CSR registration number.
1.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects, Promoting	(ii)	Yes	Maharashtra	Pune	3,00,000/-	No	SoftTech Care Foundation	**CSR00014115**

	health care including preventive health care								
2.	Research, Experimental Development Services	(ix) (b)	No	Maharashtra	Powai, Mumbai	7,30,656/-	Yes	_	-
3.	Research, Experimental Development Services	(ix) (a)	Yes	Maharashtra	Pune	4,00,000/-	Yes	_	-
	TOTAL					14,30,656/-			

(d) **Amount spent in Administrative Overheads:** Not applicable

(e) **Amount spent on Impact Assessment, if applicable:** Not applicable

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** ₹ 1,430,656/-

(g) **Excess amount for set off, if any- 19,877**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	**1,410,779**
(ii)	Total amount spent for the Financial Year	**1,430,656**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	***19,877**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	**0**
(v)	**Amount available for set off in succeeding financial years [(iii)-(iv)]**	***19,877**

**Note: the excess amount spent for the financial year will be available for set off in succeeding financial years under Section 135 of the Companies Act 2013 within the prescribed time period.*

9. (a) **Details of Unspent CSR amount for the preceding three financial years**:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent inthe reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining tobe spent in succeeding financial years. (in Rs.)
				Name of the Fund	**Amount (in Rs).**	**Date of transfer.**	
1.	2020-21	-	-	PM CARES Fund	981,216	28-09-2021	**NIL**
2	2021-22	-	-	Swachh Bharat	150,011.8	23-09-2022	**NIL**
		-	-	PM CARES Fund	250,000	26-09-2022	
		-	-	Prime Minister's National Relief Fund	132,471	27-09-2022	
	TOTAL				**1,513,698.8**		

(b**) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**
NOT APPLICABLE

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed/Ongoing.
1.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
	TOTAL							

10. In **case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details**).: NOT APPLICABLE
(a) Date of creation or acquisition of the capital asset(s).
(b) (b)Amount of CSR spent for creation or acquisition of capital asset.
(c) (c)Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
(d) (d)Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).: NA

12. Responsibility Statement of CSR Committee:

The committee member's states that the company has implemented & monitored the CSR policy, in compliance with CSR objective and policy of the company.

13. Acknowledgment

Your Directors express their special thanks to the CSR Committee, Members, and Employees for their continued support. Your directors also gratefully acknowledge the co-operation and assistance received from Central and State Government authorities for their continued support and valuable assistance.

For and on behalf of the board of Directors
SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA
CHAIRMAN & MANAGING DIRECTOR
DIN: 01653314
DATE: August 14, 2024
PLACE: PUNE

PRITI GUPTA
DIRECTOR
DIN: 01735673
DATE: August 14, 2024
PLACE: PUNE

ANNEXURE H

PARTICULARS OF EMPLOYEE REMUNERATION

INFORMATION PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUERATION OF MANAGERIAL REMUNERATION) RULES, 2014

Sr No	Particulars	Details
1	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year	Refer Annexure I
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year	Refer Annexure II
3	The percentage increase in the median remuneration of employees in the financial year.	21%
4	The number of permanent employees on the rolls of Company.	352 as on 31 March, 2024
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Increase in salaries of managerial personnel were in line with the Company policy and market trend. Median Percentage increase in salaries of employee other than managerial personnel was 21%. This is mainly on account of additional new employees being inducted with latest domain specific knowhow as compared to last year. Also old employees were given due increments in line with the company policy and industry standards.
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	The remuneration to employees of the Company is as per the remuneration policy of the Company
7	Statement showing the names of the top ten employees in terms of remuneration drawn and The name of every employee, who, (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees; (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month; (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.	Names of the top ten employees in terms of remuneration drawn: 1. Vijay Gupta 2. Kamal Lalji Agrawal, 3. Kashyap Chaturvedula 4. Neetesh Singhal 5. Yogesh Rajput 6. Chandrashekhar Sambhaji Bagesar 7. Sheetal Kurhade 8. Kuldeep Rathi 9. Sriniwas Rao Perla 10. Sarika Y. Jagalagneshwala Remuneration of none of the employees exceeds prescribed limits.

Annexure I:

Sr. No.	Name of Director	Ratio of remuneration of each Director to the median remuneration of the employees of the Company
1.	Mr. Vijay Gupta	15.62 times of median
2.	Mrs. Priti Gupta	2.89 times of median
3.	Mr. Pratik Patel	2.79 times of median
4.	Mr. Rahul Gupta	No remuneration. only sitting fees are paid
5.	Mr. Sridhar Pillalamarri	No remuneration. only sitting fees are paid
6.	Mr. Sundararajan Srinivasan	No remuneration. only sitting fees are paid
7.	Dr. Rakesh Kumar Singh	No remuneration. only sitting fees are paid

Annexure II:

Sr. No.	Name of Director/KMP	Designation	% Increase/(Decrease) in the Remuneration (Including sitting fees paid to the Directors)
1	Mr. Vijay Gupta	Managing Director and Chief Executive officer	No Change
2	Mrs. Priti Gupta	Whole-time Director	No change
3	Mr. Pratik Patel	Whole-time Director	No change
4	Mr. Rahul Gupta	Independent Director	No change
5	Mr. Sridhar Pillalamarri	Independent Director	No change
6	Mr. Sundararajan Srinivasan	Independent Director	No change
7	Dr. Rakesh Kumar Singh	Independent Director	No change
8	Mr. Kamal Agrawal	Chief Financial Officer	20%
9	Ms. Shalaka Khandelwal	Company Secretary	NA

Details as per section 197(14):

Any director who receives any commission from the company and who is Managing Director or Whole Time Director of the company, shall not be disqualified from receiving any remuneration or commission from any holding company or subsidiary company of such company, subject to its disclosure by the company in the Board's report

For and on behalf of the Board of Directors
SOFTTECH ENGINEERS LIMITED

VIJAY GUPTA
CHAIRMAN & MANAGING DIRECTOR
DIN: 01653314
DATE: August 14, 2024
PLACE: PUNE

INDEPENDENT AUDITORS' REPORT

To the Members of SoftTech Engineers Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of SoftTech Engineers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 then ended, and notes to the Standalone Financial Statements, including a summary of material 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit and other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Principle Audit Procedures
A. **Revenue recognition - fixed price contracts:** **Refer note 2(ix) to the accompanying Standalone Financial Statements for accounting policy and Note 22 for the revenue recorded during the year.** **Revenue for fixed-price contracts is recognised over the period of time either using percentage-of-completion method or over straight-line basis depending upon the contractual terms. The company uses output method to measure the progress towards the complete satisfaction of a performance obligation. This method involves**	• Evaluated the appropriateness of the Company's revenue recognition policies. • Evaluated the design and implementation of key controls over the recognition of contract revenue and tested the operating effectiveness of these controls. • For a sample of contracts i. Identified significant terms and deliverables in the contract to assess management's conclusions regarding the identification of

outputs such as the number of units/plan approved by the customer, the number of transactions processed, phase of software completed etc. **Revenue recognition is a key audit matter due to the presence of multiple contract types with varying terms, which require significant judgment in determining whether to recognize revenue on a straight-line basis or a percentage-of-completion basis, identifying milestones (outputs) to measure progress, and ensuring the accuracy of revenue recognized based on different types of outputs**	distinct performance obligations and milestones to determine percentage of completion ii. We tested the accuracy of milestone measurement and the corresponding revenue recognition calculations iii. Evaluated the appropriateness and adequacy of the disclosures made in the Standalone Financial Statements with respect to fixed price contract revenue in accordance with the requirements of applicable accounting standards.
B. **Development costs towards intangible assets under Development** **Refer Note 2(viii) to the accompanying Standalone Financial Statements for accounting policy and Note 3(b) of the Standalone Balance Sheet for related disclosure.** **The Company's software development team is engaged in creating new software and enhancing existing ones. Eligible development costs are capitalized in line with Ind AS 38, Intangible Assets. Key judgments for capitalizing these costs include assessing technical and economic feasibility, the company's ability to identify and control the intangible asset and ensuring future economic benefits. Additionally, reliable measurement of development expenditures is crucial. Our audit focused on these areas due to the significant value of the development costs, the need to assess eligible costs for capitalization, and the judgment involved. This has been identified as a key audit matter for the current year.**	• Tested the design and operating effectiveness of the controls in relation to intangible assets under development. • Evaluated the accounting policy for appropriateness in accordance with Ind AS 38, Intangible Assets. • Discussed with management and development teams to review work progress and judgments on product, focusing on different stages, economic feasibility, and criteria for recognizing intangible assets. • Tested on a sample basis the underlying costs by inspection of supporting documents such as payroll records, vendor contracts and invoices. • Evaluated Management's assessment of amortization period and method for capitalized intangible assets upon successful development. • Evaluated the appropriateness and adequacy of the disclosures in accordance with the requirements of applicable accounting standards.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board of Directors' Report along with its Annexures and the Corporate Governance Report included in the Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon, which is expected to be made available to us after this auditors' report date. 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 in the audit or otherwise appears to be materially misstated. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable under the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the 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.

Those Board of Directors are also 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 control 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 with reference to the financial statements 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.

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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A; a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2 i) (vi) below on reporting under Rule 11(g).

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

d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With reference to the maintenance of accounts and other matters connected therewith, refer to our comment in Paragraph 2 (b) above and refer to our comment in paragraph 2(i)(vi) below, on reporting under rule 11 (g).

g) With respect to the adequacy of the internal financial controls with reference to the Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B.

h) As required by section 197 (16) of the Act; in our opinion and according to information and explanation provided to us, the remuneration paid by the Company to its directors is in accordance with the provisions of section 197 of the Act and remuneration paid to directors is not in excess of the limit laid down under this section.

i) 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 – Refer Note 30;

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.

(iv) (a) The Management has represented to us that, to the best of its knowledge and belief, except as disclosed in Note 5 to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented to us, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer Note 40 (c) to the Standalone Financial Statements.

(c) Based on the information and explanation given to us and audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the Management under sub-clause (iv)(a) and (iv)(b) above contain any material misstatement.

(v) The Company has not declared or paid dividend during the year.

(vi) Based on our examination which included test checks, the Company, has used an accounting software, for maintaining its books of account which has a feature of recording audit trail (edit log) facility however it was activated on the 5th of April 2023 and the same has operated throughout the year for all relevant transactions recorded in the software. During the course of our audit, so far it relates to audit trail in respect of transactions, we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership Number: 136835
UDIN: 24136835BKBGVM8110
Place: Pune
Date: May 24, 2024

Annexure A

to the Independent Auditors' Report

Referred to in paragraph 1 under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

(i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

(b) According to the information and explanations provided to us, the property, plant and equipment of the Company are being physically verified by the Management, every year. In our opinion, the frequency of verification is reasonable. The property, plant and equipment have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The Company does not have any immovable properties.

(d) The Company has chosen cost model for its property, plant and equipment (including Right to Use Assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of property, plant and equipment (including Right to Use Assets) or intangible assets does not arise.

(e) According to the information and explanations provided to us, there are no proceedings that have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company is in the business of software development, sale of software products and software as a service and therefore does not have any physical inventory. Accordingly, reporting on clause (ii) (a) of the Order is not applicable.

(b) According to the information and explanations provided to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.

The Management of the Company has provided us with the quarterly returns or statements, which they have represented to us have been filed by the Company with their banks or financial institutions based on the sanction terms. Based on our procedures and in our opinion the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement/reconciled with the unaudited books of account of the Company except as mentioned in note 16 (b) to the Standalone Financial Statements.

(iii) According to the information and explanations provided to us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year and there are no opening balances. Accordingly, reporting on clause 3 (iii) (a) (A), (B), (c),(d), (e) and (f) of the Order is not applicable. The Company has made investments in mutual funds and subsidiary companies and other entity during the current year.

(b) According to information and explanation provided to us and in our opinion, the investments made during the year are, prima facie; not prejudicial to the interest of the Company.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Act in respect of investments made. The Company has not granted any loans, provided any guarantees, and securities.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules made thereunder or amounts which are deemed to be deposits. Accordingly, reporting on clause 3 (v) of the Order is not applicable.

(vi) According to information and explanation provided to us, being a software Company, maintenance of cost records under sub-section (l) of section 148 of the Act is not applicable. Accordingly, reporting on clause 3 (vi) of the Order is not applicable.

(vii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities though there has been a slight delay in a few cases in case of payment of Goods and Services Tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues referred in sub clause (a) above were in arrears as at March 31, 2024, for a period of more than six months from the date they became payable except as mentioned below:

Name of Statue	Nature of Dues	Amount (Rs) in Lakhs	Period to which amount relates	Due Date	Date of Payment
The Employees' Provident Fund and Miscellaneous Provisions Act, 1952	Employee and Employer share	1.31	May 2023 to September 2023	15 of next month	Not Paid

Non-payment of Provident Fund contribution is due to pendency of linkage between employee Universal Account Number (UAN) and Aadhar Number from some of the employees which is prerequisite for depositing Provident Fund contribution.

(b) According to the information and explanation provided to us, there are no statutory dues referred to in clause (vii) (a) which have not been deposited because of any dispute except as mentioned below:

Name of Statue	Nature of Dues	Amount (Rs) in Lakhs	Paid under protest	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Disallowance of expenses	274.75	Nil	AY 2018-19	Assessing Officer

The Maharashtra Goods and Services Tax Act, 2017	Interest	9.89	Nil	FY 2017-18	Dy. Commissioner
The Maharashtra Goods and Services Tax Act, 2017	Interest	19.75	Nil	FY 2019-20	Dy. Commissioner
The Maharashtra Goods and Services Tax Act, 2017	Differences in IT claimed, liability paid with GSTR 1, 3B and2A	78.79	Nil	FY 2018-19	Dy. Commissioner

(viii) According to the information and explanations given to us and records examined by us, there are no transactions which were not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix)(a) Based on our audit procedures; in our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or interest thereon to any lender.

(b) According to the information and explanations given to us, our audit procedures and as represented to us by the Management, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us and in our opinion, prima facie; term loans availed by the Company in the current year were applied for the purpose for which they were obtained.

(d) According to the information and explanations given to us, the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the company has not taken any funds (borrowings) from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting on clause 3 (x) (a) of the Order is not applicable.

(b) According to the information and explanations provided, the Company made a preferential allotment or private placement of compulsorily convertible debentures and share warrants amounting to Rs. 828.90 lakhs and Rs. 625 lakhs, respectively, in the previous year. In the current year, these debentures were converted into equity shares. The Company also received Rs. 1,875 lakhs against share warrants, which were converted into equity shares in current year. In our opinion, the requirements of sections 42 and 62 of the Act have been complied with, and the funds raised have been used for their intended purposes though idle or surplus funds of Rs. 910.07, not needed immediately, were invested in mutual funds during the year. Refer to Note 36 of the Standalone Financial Statements.

(xi)(a) Based upon the audit procedures performed by us and according to the information and explanation provided to us by the Management, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

(b) According to information and explanation provided to us and based on our examination of records, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

(c) According to information and explanation provided to us and based on our audit procedures, there were no whistle-blower complaints received by the Company during the year and up to the date of this report.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting on clause 3 (xii) (a), (b) & (c) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of transactions have been disclosed in the Financial Statements as required by Ind AS 24 'Related Party Disclosures'. Refer note 31 to the Standalone Financial Statements.

(xiv) (a) According to the information and explanations given to us and in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have taken into consideration the reports made available to us by the Management of the Internal Auditors for the period under audit.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with them during the year. Accordingly, reporting on clause 3 (xv) of the Order is not applicable.

(xvi) (a)In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India, 1934. Accordingly, reporting on clause 3(xvi) (b) & (c) of the Order is not applicable.

(d) According to the information and explanations given to us, there is no Core Investment Company within the Group.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting on clause 3 (xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to the information and explanations given to us, there is no amount remaining unspent towards Corporate Social Responsibility (CSR) in respect of other than ongoing projects. Accordingly, reporting on clause 3 (xx) (a) is not applicable.

(b) According to the information and explanations given to us, the Company does not have any ongoing project under Corporate Social Responsibility. Accordingly, reporting on clause 3 (xx) (b) is not applicable.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership Number: 136835
UDIN: 24136835BKBGVM8110
Place: Pune
Date: May 24, 2024

Annexure B

to the Independent Auditors' Report

Referred to in paragraph 2 (g) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the Standalone Financial Statements of SoftTech Engineers Limited ("the Company") as of March 31, 2024 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 Company's Management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Standalone Financial Statements.

Meaning of Internal Financial controls with reference to the Standalone Financial Statements

A company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Standalone Financial Statements 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of Management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, 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 with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls with reference to the Standalone Financial Statements were operating effectively as at March 31, 2024, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership Number: 136835
UDIN: 24136835BKBGVM8110
Place: Pune
Date: May 24, 2024

STANDALONE BALANCE SHEET AS AT MARCH 31 2024

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	As at March 31 2024	As at March 31 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	**343.90**	401.86
Right-of-use assets	4 (a)	**692.34**	823.17
Other intangible assets	3 (a)	**3,971.31**	3,040.99
Intangible assets under development	3 (b)	**1,666.21**	505.04
Financial assets			
Investments	5	**1,494.29**	846.67
Other financial assets	6	**1,284.13**	1,401.69
Contract assets	13	**34.32**	-
Income tax assets (net)	7	**15.28**	292.35
Deferred tax assets (net)	21 (b)	**195.45**	95.29
Other non-current assets	8	**5.86**	36.14
Total non-current assets		**9,703.09**	7,443.19
Current assets			
Financial assets			
Investments	9	**980.64**	869.00
Trade receivables	10	**4,635.60**	2,608.49
Cash and cash equivalents	11(a)	**28.82**	61.85
Bank balance other than above	11(b)	**0.21**	0.21
Other financial assets	12	**161.35**	193.80
Contract assets	13	**4,802.62**	5,546.90
Other current assets	14	**70.82**	169.57
Total current assets		**10,680.06**	9,449.83
Total assets		**20,383.15**	16,893.01
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15 (A)	**1,281.91**	1,015.60
Instruments entirely equity in nature	15 (B)	**-**	828.90
Other equity	15 (C)	**12,148.15**	9,072.97
Total Equity		**13,430.06**	10,917.47
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings	16 (a)	**415.15**	880.99
Lease liabilities	4 (b)	**625.60**	722.62
Provisions	18	**148.90**	117.03
Total non-current liabilities		**1,189.65**	1,720.65
Current Liabilities			
Financial Liabilities			

Borrowings	16 (b)	**2,720.96**	3,117.35
Lease liabilities	4 (b)	**87.79**	82.31
Trade payables	17		
Total outstanding dues of micro and small enterprises		**96.45**	76.63
Total outstanding dues of creditors other than micro and small enterprises		**920.16**	500.71
Other financial liabilities	19(a)	**1,334.52**	233.88
Other current liabilities	20	**404.92**	113.73
Provisions	18	**77.28**	71.95
Current tax liabilities (net)		**121.36**	58.33
Total current liabilities		**5,763.44**	4,254.89
Total liabilities		**6,953.09**	5,975.54
Total equity and liabilities		**20,383.15**	16,893.01

Summary of material accounting policies. 1 – 2

The accompanying notes form an integral part of the financial statements. 3 – 40

As per our report of even date attached

For and on behalf of the Board of Directors

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Abhijeet Bhagwat
Partner
Membership No.: 136835
Place: Pune
Date: 24 May 2024

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place: Pune
Date: 24 May 2024

Kamal Agrawal
Chief Financial Officer

STANDALONE STATEMENT OF PROFIT AND LOSS

For the year ended 31 March 2024

(Rs. in lakhs)

Particulars	Notes	Year Ended March 31 2024	Year Ended March 31 2023
Income			
Revenue from operations	22	**7,861.35**	6,534.09
Other income	23	**262.08**	170.68
Total Income		**8,123.43**	6,704.77
Expenses			
Purchase of stock-in-trade	24	**1,171.61**	883.86
Employee benefit expenses	25	**1,937.13**	1,619.39
Finance cost	26	**455.61**	391.77
Depreciation and amortization expenses	27	**1,343.36**	1,045.58
Other expenses	28	**2,279.75**	1,903.32
Total Expenses		**7,187.46**	5,843.92
Profit before tax		**935.97**	860.85
Tax expense			
Current Tax	21 (a)	**328.44**	269.72
Deferred Tax	21 (b)	**(104.35)**	(11.80)
Short/(Excess) provision for previous years		**14.74**	23.11
Total tax expense		**238.83**	281.03
Profit after tax [A]		**697.14**	579.82
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		**(16.29)**	(22.12)
Remeasurements of investment		**35.93**	86.86
Income tax relating to these items	21 (b)	**(4.19)**	(14.24)
Other comprehensive income for the year, net of tax [B]		**15.45**	50.50
Total comprehensive income for the year [A+B]		**712.59**	630.32

Earnings per share of face value Rs. 10/- per share	29		
Basic earnings per share		**6.17**	5.53
Diluted earnings per share		**6.17**	5.48

Summary of material accounting policies. 1 - 2
The accompanying notes form an integral part of the financial statements. 3 - 40

As per our report of even date attached

For and on behalf of the Board of Directors

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Abhijeet Bhagwat
Partner
Membership No.: 136835
Place: Pune
Date: 24 May 2024

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place: Pune
Date: 24 May 2024

Kamal Agrawal
Chief Financial Officer

STANDALONE STATEMENT OF CASH FLOWS

For the year ended 31 March 2024

(Rs. in lakhs)

Particulars	Year Ended March 31 2024	Year Ended March 31 2023
Cash flow from operating activities		
Net profit before tax	**935.97**	860.85
Adjustments for		
Depreciation and amortisation expense	**1,343.36**	1,045.58
Provision for doubtful debts net of reversal/ debit balances written off	**138.47**	284.74
Changes in fair value of financial assets at fair value through profit or loss	**(38.01)**	(25.44)
Gain on sale of investment	**(28.64)**	(9.79)
Unwinding of discount on security deposits	**(3.53)**	(5.54)
Dividend and interest income classified as investing cash flows	**(104.35)**	(60.17)
Finance cost	**455.61**	391.77
Net exchange differences	**0.40**	(39.35)
Cash generated from operations before working capital changes	**2,699.27**	2,442.64
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	**(2,173.14)**	212.79
Increase/(Decrease) in trade payables	**439.27**	(333.68)
(Increase)/Decrease in contract assets	**709.95**	(1,046.78)
(Increase)/Decrease in other current asset	**98.74**	(83.94)
(Increase)/Decrease in other financial assets	**53.85**	(122.35)
Increase/(Decrease) in other non-current assets	**30.27**	12.06
Increase/(Decrease) in other financial liabilities	**56.03**	29.63
Increase/(Decrease) in provisions	**20.90**	6.97
Increase/(Decrease) in other current liabilities	**291.22**	20.56
Cash generated from operations	**2,226.38**	1,137.89
Income taxes paid	**(3.07)**	(251.63)
Net cash generated from operating activities	**2,223.30**	886.26
Cash flows from investing activities		
Payments for property, plant and equipment	**(55.87)**	(34.99)
Payments for intangibles assets	**(2,161.05)**	(1,623.29)
Purchase of long term investment	**(578.18)**	(389.27)
Investment in mutual funds (net)	**(44.99)**	(276.86)
Interest income	**25.03**	24.17
Investment in fixed deposits with banks	**152.65**	(375.37)
Net cash (used in) investing activities	**(2,662.40)**	(2,675.61)

Cash flows from financing activities		
Proceeds from issues of shares/warrants	**1,875.00**	1,453.96
Proceeds from long term borrowings	**-**	597.00
Repayment of long term borrowings	**(1,283.42)**	(437.22)
Net change in short term borrowings	**421.19**	690.32
Lease payments	**(152.07)**	(171.19)
Share issue expense	**(75.00)**	-
Interest paid	**(379.64)**	(344.55)
Net cash generated from financing activities	**406.06**	1,788.33
Net increase/ (decrease) in cash and cash equivalents	**(33.03)**	(1.02)
Cash and cash equivalents at the beginning of the financial year	**61.85**	62.87
Effects of exchange rate changes on cash and cash equivalents	**-**	
Cash and cash equivalents at the end of the year (Refer note 11a)	**28.82**	61.85

Refer note 28(b) for cash outflow relating to CSR activity
Refer note 19 for changes in liability arising from financing activity
Cash flow is prepared under Indirect Method as per Ind AS 3 "Cash Flow Statements"

As per our report of even date attached

For and on behalf of the Board of Directors

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Abhijeet Bhagwat
Partner
Membership No.: 136835
Place: Pune
Date: 24 May 2024

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place: Pune
Date: 24 May 2024

Kamal Agrawal
Chief Financial Officer

Standalone Statement of changes in equity

for the period ended 31st March 2024

(All amounts in ₹ Lakhs unless otherwise stated)

A. Equity share capital

Particulars	Total
Balance as at March 31, 2022	1,015.48
Changes in equity share capital during the year	0.13
Balance as at March 31, 2023	1,015.60
Changes in equity share capital during the year	**266.31**
Balance as at March 31, 2024	**1,281.91**

B. Instruments entirely equity in nature

Particulars	Total
Balance as at March 31, 2022	-
Changes in instruments entirely equity in nature during the year	828.90
Balance as at March 31, 2023	828.90
Changes in instruments entirely equity in nature during the year	**(828.90)**
Balance as at March 31, 2024	**-**

C. Other equity

Particulars	Reserve and surplus			Other components of equity		Total other equity
	Securities premium account	Share options outstanding account	Retained earnings	Equity instruments through OCI	Money received against share warrants	
Balance as at March 31, 2022	3,354.34	0.44	4,462.93	-	-	7,817.71
Profit for the year	-	-	579.82	-	-	579.82
Other comprehensive income	-	-	(16.55)	67.05	-	50.50
Transferred during the year to Share premium/Share Capital Account on account of allotment of shares	0.38	(0.44)	-	-	-	(0.06)
Premium on shares issued during the year	-	-	-	-	-	-
Issue of share warrants	-	-	-	-	625.00	625.00
Balance as at March 31, 2023	3,354.72	(0.00)	5,026.20	67.05	625.00	9,072.97
Profit for the year	**-**	**-**	**697.14**	**-**	**-**	**697.14**

Other comprehensive income (net of tax)	**-**	**-**	**(12.19)**	**27.64**	**-**	**15.45**
Transferred during the year to Share premium/Share Capital Account on account of allotment of shares	**-**	**-**	**-**	**-**	**(2,500.00)**	**(2,500.00)**
Share issue expense	**-**	**-**	**(75.00)**	**-**	**-**	**(75.00)**
Premium on shares issued during the year	**3,062.59**	**-**	**-**	**-**	**-**	**3,062.59**
Issue of share warrants	**-**	**-**	**-**	**-**	**1,875.00**	**1,875.00**
Balance as at March 31, 2024	**6,417.31**	**(0.00)**	**5,636.15**	**94.70**	**-**	**12,148.15**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For and on behalf of SoftTech Engineers Limited

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Abhijeet Bhagwat
Partner
Membership No.: 136835
Place: Pune
Date: 24 May 2024

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place: Pune
Date: 24 May 2024

Kamal Agrawal
Chief Financial Officer

Notes

to standalone financial statements for the period ended March 31, 2024
(All amounts in ₹ Lakhs unless otherwise stated)

1. Corporate information

SoftTech Engineers Limited (the "Company") was founded in 1996 and is based out of Pune. The registered and corporate address was changed w.e.f 15th January, 2021 to SoftTech Towers, S NO 1/1A/7 8 15 16 17, Baner, Pune – 411045, Maharashtra, India.

The equity shares of the Company have been listed in the SME portal of National Stock Exchange of India Limited ('NSE') on 11 May 2018. The company has migrated to the main board of the National Stock Exchange and Bombay Stock Exchange w.e.f. 25th February, 2022 from NSE-SME platform.

The Company is an information technology and software services organisation, delivering end to end solution in Architectural-Engineering-Construction (AEC) space, catering to government bodies, municipalities, property developers, municipal corporations, investors, real estate companies, contractors, architects and consultants.

2. Material accounting policies

i. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with the Companies Indian Accounting Standards Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements were authorised for issue by the Board of Directors on 24th May, 2024.

ii. Basis of measurement

The financial statements have been prepared on a historical cost basis, except for certain items, which are measured on an alternative basis on each reporting date.

Items	Measurement basis
Defined benefit plan assets	Fair value
Certain financial instruments (refer note 33)	Fair value

iii. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information is presented in Lakhs in INR, unless otherwise stated.

iv. Current or non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria as set out in the Division II of Schedule III as amended to the Act.

Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities for product business.

v. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and disclosure of the contingent liabilities at the end of each reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying value of assets or liabilities in future periods.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Critical estimates and judgements

The preparation of the Company's standalone financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities effected in future period.

- **Estimation of defined benefit plan**
  Employee benefit obligations are determined using independent actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual results in the future. These include the determination of discount rate, future salary increase, experience of employee departure and mortality rates. Due to the complexities involves in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- **Fair value measurements of financial instruments**
  When fair value of financial assets and financial liabilities recorded in balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation technique including the Discounted Cash flow ("DCF") model. The inputs to these models are taken from observable markets where possible, but where there is not feasible, a degree of judgement is required in establishing their values. Judgement includes consideration of inputs such as credit risk and future projections. Changes in assumptions about these factors could affect the reported fair values of financial instruments.

- **Impairment of investment in subsidiaries and associates**
  The company reviews its carrying value of investment in subsidiaries carries at cost (net of impairment, if any) when there is indication of impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the standalone statement of profit and loss. Significant judgement and estimate is required in determining recoverable amount.

- **Impairment of other non-financial assets i.e. Contract Asset, Intangible Assets and Intangible Assets under Development**
  The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less cost of disposal and its

value in use. Significant judgement and estimate is required in determining recoverable amount.

- **Impairment of Trade Receivables**
  The Company uses the simplified approach to calculate expected credit losses for impairment on trade receivables and other financial assets, providing for them where necessary. The majority of the customer of the Company is Government and Government Authorities, therefore the credit risk is very low and case by case analysis is performed for impairment testing which requires significant judgement.

- **Revenue recognition for fixed-price contract**
  Revenue for fixed-price contracts is recognised over the period of time either using percentage-of-completion method or over straight-line basis depending upon the contractual terms. The multiple types of contracts with different terms requires significant judgement in determining whether to recognise revenue on straight-line basis or percentage of completion basis, identification of milestone (output) to measure the progress of work, determining accuracy of revenue to be recognised using different types of outputs.

- **Recognition of Intangible assets and its useful life**
  For an intangible asset to be recognized, it must meet criteria such as identifiability, control over the resource, and expectation of future economic benefits. Judging whether these criteria are met requires professional judgment. Estimating the fair value of intangible assets often involves significant judgment, especially when market-based evidence is not readily available. This may require the use of valuation techniques like discounted cash flow (DCF) models, which rely on subjective assumptions about future cash flows, discount rates, and growth rates.

  The Management reviews the estimated useful lives of intangible assets at the end of each reporting period. Factors such as changes in the expected level of usage and technological developments could significantly impact the economic useful lives of the asset, consequently leading to a change in the future amortization charge.

vi. Cash and cash equivalents

Cash at banks, cash on hand and short-term deposits with an original maturity of three months or less and which are subject to an insignificant risk of changes in value are classified as cash and cash equivalents.

vii. Property, plant and equipment

Items of property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Borrowing costs such as interest expenses directly attributable to the construction of a qualifying asset are capitalised as part of the cost.

Parts of an item of property, plant and equipment having different useful lives, (if any) are accounted for as separate items (major components) of property, plant and equipment.

The cost of internally generated computer software developed for providing services by integrating it with computer system is recognised as tangible asset. The cost of computer and computer software for providing such services are grouped as 'Service Cell System'.

Property, plant and equipment under construction are disclosed as capital work-in-progress.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under "Other non-current assets".

- **Subsequent costs**

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

- **Disposal**

An item of property, plant and equipment is derecognized upon disposal or when no future benefits are expected from its use. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income/expenses in the statement of profit and loss.

- **Depreciation**

Depreciation on property, plant and equipment is provided using the straight-line method based on the useful lives of assets as estimated by the management. Depreciation is charged on pro-rata basis for assets purchased/sold during the year.

The following assets are depreciated at a rate which are in line with Schedule II of the Companies Act, 2013 considering the estimated useful life of the assets and obsolescence except Service cell system:

Class of assets	Useful life as followed by the Company (in Years)
Furniture, fixtures and fittings	10
Vehicles	8
Office equipment	5
Computers	3
Servers	6
Service cell system	5
Leasehold improvements	Over the lease period

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Right to use assets are depreciated on straight line basis over the lease period or useful life of asset whichever is lower. However, if the lease transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

viii. Intangible assets and amortization

- **Recognition and measurement**

Internally generated Intangible assets (mainly software) are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets acquired by the Company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

- **Research and development expenditure on new products:**

Expenditure on research is expensed under respective heads of account in the period in which it is incurred. Development expenditure on new products is capitalised as intangible asset, if all of the following can be demonstrated:

1. the technical feasibility of completing the intangible asset so that it will be available for use or sale;
2. the Company has intention to complete the intangible asset and use or sell it;
3. the Company has ability to use or sell the intangible asset;
4. the manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;
5. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
6. the Company has ability to reliably measure the expenditure attributable to the intangible asset during its development.

Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as Intangible assets under development.

- **Subsequent measurement**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

- **Amortisation**

Amortisation of the asset begins when development is complete and the asset is available for use. Internally generated intangible assets are amortised on a straight line basis over their estimated useful life of 4 years, and computer software are amortised on a straight line basis over their estimated useful life of five years.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

ix. Revenue recognition

Sale of Products and Rendering of services

1) Fixed-price contracts: Revenue for fixed-price contracts is recognised over the period of time using percentage-of-completion method. The percentage of completion is determined by the company using output method, which is measured by the number of units/plan approved by the customer, the number of transactions processed from the software etc.

The fixed price revenue contracts of the Company are by their nature complex given the significant judgements involved in estimation of efforts required to complete any particular project.

This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts input till date and efforts required to complete the remaining contract performance obligations, and the ability to deliver the contracts within planned timelines. The estimates involved are reviewed by the management on periodic basis.
Changes in the estimates as contract progresses can result in material adjustments to revenue recorded by the Company.

2) Operation and maintenance contract: Revenue related to these contracts is recognised based on time elapsed mode and revenue is straight-lined over the period of performance.

3) Sale of licenses: Revenue from licenses where the customer obtains a “right to use “the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognized over the access period. Revenue from sale of traded software licenses is recognised on delivery to the customer. Cost and earnings in excess of billings are classified as unbilled revenue while billings in excess of cost and earnings are classified as unearned revenue.

Due to the short nature of credit period given to customers, there is no material financing component in the contract.

Other income

1. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.
2. Dividend income is recognized when the right to receive the dividend is established.

x. Finance costs

Finance costs are interest and other costs that an entity incurs in connection with the borrowing of funds. It also includes exchange differences in relation to the foreign currency borrowings to the extent those are regarded as an adjustment to the borrowing costs.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale which is usually 12 months or more.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are expensed in the period in which they are incurred.

xi. Foreign currencies transactions

The financial statements are presented in INR, which is also the company’s functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are recorded at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

xii. Employee Benefits

Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus, leave travel allowance etc. are recognized in the period in which the employee renders the related service.

Post-Employment Benefits

Defined Contribution Plans

The Company's state governed provident fund scheme and employee state insurance scheme are defined contribution plans. The contribution paid/payable under the scheme is recognized during the period in which the employee renders the related service.

Defined Benefit Plans

The company operates only one defined benefit plans for its employees, viz., gratuity. The costs of providing benefits under the plan are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for the plan using the projected unit credit method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Past service cost is recognized as expenses on a straight-line basis over the average period until the benefits become vested. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Long Term Employee Benefit

The company encourages all its employees to consume their Earned Leaves (EL) during the yearly cycle itself. No earned leaves shall be carried forward or encashed w.e.f. 1st April, 2024, these should be consumed with in the same financial year. Therefore no liability arises for compensated absences from the current financial year.

Employee stock compensation cost

Employees (including senior executives) of the company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).
In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total intrinsic value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

xiii. Taxes

Current income tax

Tax on income for the current period is determined based on taxable income after considering various provisions of the Income Tax Act, 1961 and based on the enacted rate.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

Deferred tax is provided using the balance sheet 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 liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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. Unrecognized 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. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

xiv. Provisions and contingent liabilities

A Provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources is expected to settle the obligation, in respect of which a reliable estimate can be made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for warranty is recognized when the product is sold. Provision is made on historical experience. The estimate of such warranty related costs is revised annually.

Contingent liability is disclosed in case of

a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
b) present obligation arising from past events, when no reliable estimate is possible
c) a possible obligation arising from past events where the probability of outflow of resources is not remote.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

xv. Leases

Lease is a contract that provides to the customer (lessee) the right to use an asset for a period of time in exchange for consideration.

Company as a Lessee

A lessee is required to recognize assets and liabilities for all leases with a term that is greater than 12 months, unless the underlying asset is of low value, and to recognize depreciation of leased assets separately from interest on lease liabilities in the statement of Profit and Loss.

Initial Measurement

Right to use asset

At the commencement date, the Company measures the right-of-use asset at cost. The cost of the right-of-use asset shall comprise:

- the amount of the initial measurement of the lease liability
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the lessee; and
- an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence

of having used the underlying asset during a particular period.

Lease liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Company under residual value guarantees;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent measurement

Right to use asset

Subsequently the Company measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses.

Lease Liability

Subsequently the Company measures the lease liability by:

- increasing the carrying amount to reflect interest on the lease liability at the interest rate implicit in the lease, if that rate can be readily determined or the Company's incremental borrowing rate.
- reducing the carrying amount to reflect the lease payments made; and
- re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

xvi. Impairment of non-financial assets

The company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's net selling price or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.
Impairment losses are recognized in the statement of profit and loss.

xvii. Fair value measurement

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Quoted market prices, when available, are used as the measure of fair value. In cases where quoted market prices are not available, fair values are determined using present value estimates or other valuation techniques which maximize the use of relevant observable inputs and minimize the use of unobservable inputs, for example, the present value of estimated expected future cash flows using discount rates commensurate with the risks involved. Fair value estimation techniques normally incorporate assumptions that market participants would use in their estimates of values, future revenues, and future expenses, including assumptions about interest rates, default, prepayment and volatility. Because assumptions are inherently subjective in nature, the estimated fair values cannot be substantiated by comparison to independent market quotes and, in many cases, the estimated fair values would not necessarily be realised in an immediate sale or settlement of the instrument.

For cash and other liquid assets, the fair value is assumed to approximate to book value, given the short-term nature of these instruments. For those items with a stated maturity exceeding twelve months, fair value is calculated using a discounted cash flow methodology.
The financial instruments carried at fair value are categorized under the three levels of the Ind AS fair value hierarchy as follows:

Level 1: Quoted market prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access. This level of the fair value hierarchy provides the most reliable evidence of fair value and is used to measure fair value whenever available.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs). These inputs reflect the Company's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk). These inputs are developed based on the best information available in the circumstances, which include the Company's own data. The Company's own data used to develop unobservable inputs is adjusted if information indicates that market participants would use different assumptions.

xviii. 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 except Trade Receivables are recognised initially at fair value. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

a. Debt instruments at amortised cost
b. Debt instruments at fair value through other comprehensive income (FVTOCI)
c. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
d. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Impairment of financial asset

Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue 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 expected lifetime loss 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.

Financial liabilities: Initial recognition and measurement

The company initially recognises loans and advances, deposits, debt securities issued and subordinated liabilities at their fair value on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the company becomes a party to the contractual provisions of the instrument.

A financial liability is measured initially at fair value minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. Transaction costs of financial liabilities carried at fair value through profit or loss are expensed in profit or loss.

Subsequent Measurement

For purposes of subsequent measurement, financial liabilities are classified and measured as follows:

1) **Financial liabilities at fair value through profit or loss**

   Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

   Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

   Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

2) Loans and Borrowings at amortised Cost

This is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or when it expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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 realize the assets and settle the liabilities simultaneously.

xix. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period as reduced by number of shares bought back, if any. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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.

xx. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decision.

Segment accounting policies are in line with the accounting policies of the Company.

Note 3: Property, Plant and Equipment

Particulars	Furniture and fixtures	Vehicle	Office equipment	Computers	Service cell Systems	Leasehold improvements	Total
Gross carrying amount as at April 1, 2022	180.11	27.76	279.74	98.96	0.63	28.33	615.53
Additions during the year	-	-	2.72	32.00	-	-	34.72
Disposals during the year	0.01	-	-	0.02	-	-	0.03
Gross carrying amount as at March 31, 2023	180.10	27.76	282.47	130.94	0.63	28.33	650.22
Accumulated depreciation as at March 31, 2022	22.86	8.48	61.52	43.72	0.45	3.51	140.54
Depreciation charge during the year	18.25	4.24	57.04	25.40	0.18	2.83	107.94
Accumulated depreciation on disposals during the year	0.01	-	-	0.11	-	-	0.12
Gross accumulated depreciation as at March 31, 2023	41.11	12.71	118.56	69.01	0.63	6.34	248.36
Net carrying amount as at March 31, 2023	138.99	15.05	163.90	61.93	0.00	21.99	401.86

Particulars	Furniture and fixtures	Vehicle	Office equipment	Computers	Service cell Systems	Leasehold improvements	Total
Gross carrying amount as at April 1, 2023	**180.10**	**27.76**	**282.47**	**130.94**	**0.63**	**28.33**	**650.22**
Additions during the year	**0.78**	**-**	**0.59**	**57.15**	**-**	**-**	**58.52**
Disposals during the year	**-**	**-**	**1.24**	**-**	**-**	**-**	**1.24**
Gross carrying amount as at March 31, 2024	**180.88**	**27.76**	**281.81**	**188.09**	**0.63**	**28.33**	**707.49**
Accumulated depreciation as at March 31, 2023	**41.11**	**12.71**	**118.56**	**69.01**	**0.63**	**6.34**	**248.36**
Depreciation charge during the year	**18.25**	**4.25**	**54.93**	**34.97**	**-**	**2.83**	**115.23**
Accumulated depreciation on disposals during the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Gross accumulated depreciation as at March 31, 2024	**59.36**	**16.96**	**173.49**	**103.98**	**0.63**	**9.17**	**363.59**
Net carrying amount as at March 31, 2024	**121.52**	**10.80**	**108.32**	**84.10**	**0.00**	**19.16**	**343.90**

1) Refer Note 2 (vii) for policy on depreciation
2) Refer note 30 for disclosure of contractual commitments for the acquisition of Property, plant and equipment.
3) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

Note 3 (a): Other Intangible Assets

Particulars	Computer software	Internally generated software	Total
Gross carrying amount as at April 1, 2022	35.01	3,361.08	3,396.09
Additions during the year	8.53	1,527.96	1,536.49
Disposals during the year	-	-	-
Gross carrying amount as at March 31, 2023	43.54	4,889.04	4,932.58
Accumulated amortization as at April 1, 2022	13.74	1,015.33	1,029.08
Amortization charge for the year	9.29	853.23	862.52
Accumulated amortization on disposals during the year	-	-	-
Gross accumulated amortization as at March 31, 2023	23.03	1,868.56	1,891.59
Net carrying value as at March 31, 2023	20.51	3,020.48	3,040.99

Particulars	Computer software	Internally generated software	Total
Gross carrying amount as at April 1, 2023	**43.54**	**4,889.04**	**4,932.58**
Additions during the year	**-**	**2,080.15**	**2,080.15**
Disposals during the year	**22.44**	**-**	**22.44**
Gross carrying amount as at March 31, 2024	**21.09**	**6,969.19**	**6,990.29**
Accumulated amortization as at April 1, 2023	**23.03**	**1,868.56**	**1,891.59**
Amortization charge for the year	**18.14**	**1,131.69**	**1,149.83**
Accumulated amortization on disposals during the year	**22.44**	**-**	**22.44**
Gross accumulated amortization as at March 31, 2024	**18.72**	**3,000.25**	**3,018.98**
Net carrying value as at March 31, 2024	**2.37**	**3,968.94**	**3,971.31**

Refer Note 2(viii) for policy on amortization.
The Company is an information technology and software service organisation, delivering end to end solutions in architectural-Engineering-Construction (AE) space. The Company internally develops softwares to deliver aforesaid services. The software development cost and its upgradation cost is capitalised as internally generated software.

Note 3 (b): Intangible assets under development

Particulars	Internally generated software
Opening gross carrying amount as on April 1, 2022	377.70
Additions	1,515.30
Less: Capitalised during the year	(1,387.96)
Gross carrying amount as on March 31, 2023	505.04

Particulars	**Internally generated software**
Opening gross carrying amount as on April 1, 2023	**505.04**
Additions	**3,241.33**
Less: Capitalised during the year	**(2,080.15)**
Gross carrying amount as on March 31, 2024	**1,666.21**

Projects whose completion is overdue or has exceeded its cost compared to its original plan the year ended March 31, 2024 ₹ NIL (March 31, 2023 ₹ Nil).

There is significant management judgement and estimate involved in identifying the amount, nature of expenses to be allocated to an internally generated intangible asset (software).

Intangible assets under development ageing schedule
As at 31st March 2023

Intangible assets under development	**Amount in Intangible assets under development for a period of**				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	183.18	135.75	27.57	158.52	505.04
Projects temporarily suspended	-				-
Total	183.18	135.75	27.57	158.52	505.04

As at 31st March 2023

Intangible assets under development	**Amount in Intangible assets under development for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	**1,322.56**	**117.89**	**39.30**	**186.46**	**1,666.21**
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
Total	**1,322.56**	**117.89**	**39.30**	**186.46**	**1,666.21**

Note 4 (a): Right-of-use assets (ROU)

Particulars	**Amount**
Gross carrying amount as at April 1, 2022	529.68
Add: Additions	582.00
Less: Disposals	-
Gross carrying amount as at March 31, 2023	1,111.68
Accumulated depreciation as at April 1, 2022	172.86
Add: Depreciation charge on right-of-use assets	115.65
Accumulated depreciation as at March 31, 2023	288.51
Net carrying amount as at March 31, 2023	823.17
Gross carrying amount as at April 1, 2023	**1,111.68**
Add: Additions	
Less: Disposals	**39.87**
Gross carrying amount as at March 31, 2024	**1,071.81**
Accumulated depreciation as at April 1, 2023	**288.51**

Add: Depreciation charge on right-of-use assets*	**118.61**
Less: Disposals	**27.65**
Accumulated depreciation as at March 31, 2024	**379.47**
Net carrying amount as at March 31, 2024	**692.34**

*Includes INR 40.31 Lakhs (March 31, 2023: 40.53 lakhs) capitalised during the year
The net depreciation expense on ROU assets is disclosed under depreciation and amortization expense in the statement of Profit and Loss.

Note 4 (b): Lease liabilities

Particulars	March 31 2024	March 31 2023
Non-current	**625.60**	722.62
Current	**87.79**	82.31
Total	**713.39**	804.93

Interest expenses on lease liabilities

		March 31 2024	March 31 2023
Interest on lease liabilities		**72.74**	39.32

Expenses on short term leases / low value assets

		March 31 2024	March 31 2023
Short term leases		**2.70**	-
Low value assets		**-**	-

Amounts recognised in the statement of cash flow

		March 31 2024	March 31 2023
Total cash outflow for leases		**(152.07)**	(171.19)

Maturity analysis of lease liabilities

		March 31 2024	March 31 2023
Less than one year		**87.79**	82.31
One to five years		**588.25**	544.37
More than five years		**37.36**	178.25
Total lease liabilities at year end		**713.39**	804.93

Other Information:

The company's leasing activities are restricted to leasing premises for their corporate and regional offices. These lease contracts provide for lease rentals to increase each year on account of inflation.

The company does not face significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. There are no variable lease payments and guaranteed residual value in existing lease agreements.

During the previous financial year, in accordance with Ind AS 116, the company has reassessed the lease term for the premises that it is currently occupying as it's corporate office, leading to a remeasurement of lease liability.

Financial assets

Note 5: Non-current Investments

Particulars	As at **March 31 2024**	**As at** March 31 2023
Investment carried at cost		
Investments in equity shares of subsidiaries (fully paid up)		
Unquoted		
SoftTech Finland OY	**2.03**	2.03
[1,000 (March 2023 : 1000) equity shares of Euro 2.50 each fully paid up]		
Amplinxt Private Limited	**51.00**	51.00
[26,664 (March 2023 : 26,664) equity shares of Rs. 10 each fully paid up]		
SoftTech Care Foundation	**0.90**	0.90
[9,000 (March 2023: 9,000) equity shares of Rs. 10 each fully paid up]		
SoftTech Engineers Inc.	**6.08**	6.08
[800,000 (March 2023 : 800,000) equity shares of USD 0.01 each fully paid up]		
SoftTech Digital Pte Ltd.	**124.54**	6.30
[1,98,039 (March 2023: 10,000) equity shares at SGD 1 each]		
Total	**184.54**	66.30
Investments in equity shares of others at fair value through profit and loss (fully paid up)		
Unquoted		
The Mahesh Sahakari Bank Limited	**3.58**	3.58
[14,300 (March 2023: 14,300) equity shares of ₹ 25 each fully paid up]		
The Saraswat Co-operative Bank Limited	**0.25**	0.25
[2,500 (March 2023: 2,500) equity shares of ₹ 10 each fully paid up]		
Total	**3.83**	3.83
Investments in equity shares of others at fair value through other comprehensive income (partly paid)		
Unquoted		
QI Square Singapore	**460.13**	298.46
[150,054, SGD 5,78,244 paid and SGD 1,00,000 unpaid (March 2023: 1,50,054, SGD 3,78,244 paid and SGD 3,00,000 unpaid) equity shares of SGD 0.01 each partly paid up]		
Total	**460.13**	298.46
Investments in debentures of subsidiaries at fair value through profit and loss (fully paid up)		
Unquoted		
SoftTech Finland OY Debentures	**62.34**	53.57
[24,000 (March 2023: 24,000) 1% optionally convertible debentures of Euro 2.50 each fully paid up]		
SoftTech Engineers Inc. Debentures	**783.45**	424.52
[9,17,00,000 (March 2022: 5,17,00,000) 1% optionally convertible debentures of USD 0.01 each fully paid up]		

Total	**845.79**	478.09
Grand Total	**1,494.29**	846.67
Aggregate amount of unquoted investments	**1,494.29**	846.67
Aggregate amount of impairment in the value of investments		-

Note: Number of shares/debentures are in full figures

The company has complied with the number of layers of companies as prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) for Fair value hierarchy disclosures for financial assets and liabilities.

Disclosure pursuant to section 186(4) of the Act
There are no guarantees issued or loans given by the Company as at 31st March, 2024 and 31st March, 2023. Details of Investments made are given in note above.

Details of investment made by the Company in its wholly owned subsidiary for further investment in its step down subsidiary.

Name of intermediary	Date of investment	Amount of investment	Date of further advance/ investment	Amount of further advance/ investment	Name of ultimate beneficiary
SoftTech Engineers Inc	11-05-2023	82.98	15-05-2023	41.49	SoftTech Government Solutions Inc
			05-07-2023	37.34	SoftTech Government Solutions Inc
SoftTech Engineers Inc	20-10-2023	83.87	23-10-2023	41.94	SoftTech Government Solutions Inc
			24-10-2023	41.94	SoftTech Government Solutions Inc
SoftTech Engineers Inc	04-12-2023	167.34	06-12-2023	41.84	SoftTech Government Solutions Inc
			07-12-2023	41.84	SoftTech Government Solutions Inc
			18-12-2023	41.84	SoftTech Government Solutions Inc
SoftTech Digital Pte Ltd	23-10-2023	61.99	08-02-2024	22.60	SoftTech Digital Software LLC
Total*		**396.18**		**310.80**	

* The company has complied with relevant provisions of the Foreign Exchange Management Act,1999 and the Companies Act, 2013 and the above transactions are not violative of the Prevention of Money Laundering Act, 2002.
The investment will be used for general corporate purposes by SoftTech Government Solutions Inc.

Note 6: Other non-current financial assets

Particulars	As at March 31 2024	As at March 31 2023
Unsecured, considered good		
Bank deposits with maturity of more than 12 months (Refer note below)	**974.36**	1,127.02
Interest accrued but not due on bank deposits and others	**250.12**	198.25
Security deposits*	**37.50**	37.79
Tender deposits	**1.50**	-
Retention money	**20.64**	38.63
Total other non-current financial assets	**1,284.13**	1,401.69

Details of bank deposits pledged:

1) Deposit of INR 184 lakhs (March 31, 2023: INR 284.00 lakhs) are pledged as security against the long-term borrowings.
2) Deposit of INR 611.56 lakhs (March 31, 2023: INR 664.38 lakhs) are pledged as security against the short-term borrowings.
3) Deposit of INR 178.64 lakhs (March 31, 2023: INR 178.64 Lakhs) are held against bank guarantees.
4) Deposit of INR 0.16 lakhs (March 31, 2023: INR Nil) are held as security deposit.

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) for Fair value hierarchy disclosures for financial assets and liabilities.
*Refer Note 31(b) for Security deposits receivable from related parties.

Note 7: Income tax assets (net)

Particulars	As at March 31 2024	As at March 31 2023
Advance tax and tax deducted at source (net of provision)	**15.28**	292.35
Total income-tax assets	**15.28**	292.35

Note 8: Other non-current assets

Particulars	As at March 31 2024	As at March 31 2023
Balances with government authorities (Income tax) (Refer note 30 aii)	**-**	30.01
Prepaid expenses	**5.86**	6.13
Total other non- current assets	**5.86**	36.14

Note 9: Current investments

Particulars	As at March 31 2024	As at March 31 2023
Investments in Mutual Funds (measured at fair value through profit and loss)		
Quoted		

SBI Magnum Low Duration Fund	**269.59**	-
8,448.174 (March 2023 : Nil) units		
HDFC Low Duration Fund	**538.25**	257.28
10,22,217.219 (March, 2023 : 5,24,192.704) units		
HDFC Liquid fund - Growth	**-**	257.39
Nil (March, 2023 : 5,871.044) units		
HDFC Medium Term Debt Fund	**172.80**	257.96
3,39,319.99 (March, 2023 : 5,44,400.238) units		
HDFC Ultra Short Term Fund	**-**	96.38
Nil (March, 2023 : 7,45,863.915) units		
Total current investments	**980.64**	869.00
Aggregate carrying value of quoted investments	**980.64**	869.00
Aggregate market value of quoted investments	**980.64**	869.00

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) for Fair value hierarchy disclosures for financial assets and liabilities.

Note 10: Trade receivables

Particulars	**As at March 31 2024**	As at March 31 2023
Trade receivables from contract with customers	**4,805.22**	2,711.32
Less: Loss allowance	**(169.62)**	(102.83)
Total trade receivables	**4,635.60**	2,608.49
Break up of security details		
Trade receivables considered good - secured	**-**	-
Trade receivables considered good - unsecured		
From related parties	**66.99**	-
From others	**4,738.23**	2,711.32
Trade receivables - credit impaired	**-**	-
Total	**4,805.22**	2,711.32
Less: Loss allowance	**(169.62)**	(102.83)
Total trade receivables	**4,635.60**	2,608.49

Ageing of trade receivables	**Outstanding for following periods as at 31 March 2024**						
Particulars	**Not Due**	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	**-**	**3,198.16**	**197.61**	**320.64**	**121.32**	**967.50**	**4,805.22**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**

(iii) Undisputed Trade Receivables – credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(iv) Disputed Trade Receivables–considered good	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(vi) Disputed Trade Receivables – credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Less: Loss allowance	**-**	**-**	**-**	**-**	**(21.12)**	**(148.49)**	**(169.62)**
Total	**-**	**3,198.16**	**197.61**	**320.64**	**100.19**	**819.00**	**4,635.60**

Ageing of trade receivables	Outstanding for following periods as at 31 March 2023						
Particulars	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	1,018.22	356.69	216.72	338.80	780.89	2,711.32
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	(16.30)	(86.53)	(102.83)
Total	-	1,018.22	356.69	216.72	322.50	694.35	2,608.49

Movement in provision for loss allowance:

Particulars	**As at March 31 2024**	As at March 31 2023
Balance at beginning of the year	**102.83**	11.40
Add: Provision made during the year	**66.78**	94.15
Less: Reversed / utilized during the year	**-**	(2.71)
Balance as at the end of the year	**169.62**	102.83

Trade receivables have been offered as security against the working capital facilities provided by the banks (refer note 16 (c))

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) for Fair value hierarchy disclosures for financial assets and liabilities.

Amount receivable from related parties which includes debts due by companies in which any director is a director or member includes receivable from SoftTech Govt Solutions Inc and SoftTech Digital Software LLC of Rs. 43.21 lakhs and 23.78 lakhs respectively.

Note 11(a): Cash and cash equivalents

Particulars	As at March 31 2024	As at March 31 2023
Balances with banks in current accounts	**28.50**	60.83
Cash on hand	**0.32**	1.03
Total Cash and cash equivalents	**28.82**	61.85

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

Note 11(b): Bank balance other than above

Particulars	As at March 31 2024	As at March 31 2023
Unclaimed dividend account	**0.21**	0.21
Total Bank balance other than above	**0.21**	0.21

Note 12: Other current financial assets

Particulars	As at March 31 2024	As at March 31 2023
Unsecured, considered good		
Expense reimbursement receivable from Related Parties*	**30.56**	101.84
Tender deposit	**43.58**	66.58
Security deposit	**1.25**	25.39
Retention Deposit	**54.63**	-
Other receivables	**31.33**	-
Total other current assets	**161.35**	193.80

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) for Fair value hierarchy disclosures for financial assets and liabilities.

*Refer Note 31(b) for receivables from related parties.

Note 13: Contract assets

Particulars	As at March 31 2024	As at March 31 2023
Non-current		
Unbilled revenue - considered good	**34.32**	-
Unbilled revenue - credit impaired	**-**	-

Current		
Unbilled revenue - considered good	**4,870.15**	5,546.90
Unbilled revenue - credit impaired	**-**	-
Total	**4,870.15**	5,546.90
Less: Loss allowance	**(67.53)**	-
Total current unbilled revenue	**4,802.62**	5,546.90
Total Contract assets	**4,836.94**	5,546.90

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) for Fair value hierarchy disclosures for financial assets and liabilities.

Note 14: Other current assets

Particulars	**As at March 31 2024**	As at March 31 2023
Prepaid expenses	**48.65**	141.65
Advance to suppliers	**13.16**	16.55
Advance to employees and others	**9.02**	11.37
Total other current assets	**70.82**	169.57

Note 15(A): Equity Share capital

a) Details of Authorised share capital:

Particulars	**No. of Shares**	**Amount**
Authorised Share Capital		
Equity shares of Rs. 10/- each		
As at March 31, 2022	11,000,000	1,100.00
Increase during the year	4,000,000	400.00
As at March 31, 2023	15,000,000	1,500.00
Increase during the year	**-**	**-**
As at March 31, 2024	**15,000,000**	**1,500.00**

b) Details of Issued, subscribed and fully paid up share capital:

Particulars	**No. of Shares**	**Amount**
Issued, subscribed and fully paid up:		
Equity shares of Rs. 10/- each		
As at March 31, 2022	10,154,754	1,015.48
Issued during the year	1,266	0.13
As at March 31, 2023	10,156,020	1,015.60
Issued during the year	**2,663,120**	**266.31**
As at March 31, 2024	**12,819,140**	**1,281.91**

c) Reconciliation of the number of shares and amount outstanding at the beginning and at the year end.

Particulars	No. of Shares	Amount
As at March 31, 2022	10,154,754	1,015.48
Issued during the year	-	-
Exercise of options proceeds involved through ESOP	1,266	0.13
As at March 31, 2023	10,156,020	1,015.60
CCD and share warrants converted into equity shares [refer note 36]	**2,663,120**	**266.31**
Exercise of options proceeds involved through ESOP	**-**	**-**
As at March 31, 2024	**12,819,140**	**1,281.91**

d) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares, having par value of ₹ 10 per share. Each holder of equity share is entitled for one vote per share and has a right to receive dividend as recommended by the Board of Directors subject to the necessary approval from the shareholders. In the event of liquidation of the Company the holders of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding. The distribution will be in proportion to the numbers of equity shares held by the shareholder.

e) Details of share holders holding more than 5% shares in the Company

Particulars	March 31, 2024		March 31, 2023	
	No. of shares	**% holding**	No. of shares	% holding
Vijay Gupta	**3,681,234**	**28.72%**	3,681,234	36.25%
School of Design and Entrepreneurship LLP	**-**	**0.00%**	1,566,729	15.43%
East India Udyog Limited	**1,365,520**	**10.65%**	702,400	6.92%
Pratik Sunilbhai Patel	**671,104**	**5.24%**	671,104	6.61%
Udyat Indian Ventures LLP	**1,566,729**	**12.22%**	-	0.00%
Florintree Technologies LLP	**2,000,000**	**15.60%**	-	0.00%
Total	**9,284,587**	**72.43%**	6,621,467	65.21%

f) Details of shares held by Promoter

Particulars	March 31, 2024	March 31, 2023
Promoter Name		
Vijay Gupta		
No of shares	**3,681,234**	3,681,234
Percentage of total shares	**28.72%**	36.25%
Percentage Change	**-7.53%**	0.00%
Chirag Vijay Gupta		
No of shares	**94,400**	94,400
Percentage of total shares	**0.74%**	0.93%
Percentage Change	**-0.19%**	0.00%
Priti Vijay Gupta		
No of shares	**64,700**	33,090
Percentage of total shares	**0.50%**	0.33%

Percentage Change	**0.17%**	0.00%
Covisible Solutions India Private Limited		
No of shares	**267,538**	299,148
Percentage of total shares	**2.09%**	2.95%
Percentage Change	**-0.86%**	0.00%

(g) Aggregate number of shares issued for consideration other than cash

Particulars	31-Mar-24		31-Mar-23	
	No. of shares	**% holding**	No. of shares	% holding
Shares issued through ESOP	**-**	**0.00%**	1,266	0.01%

Employee stock compensation (ESOP 2017 Scheme)

The Company had instituted Employees' Stock Option Plan "ESOP 2017" under which the stock options have been granted to the employees. The scheme was approved by the shareholders at the annual general meeting held on September 22, 2017.

The details of activities under the ESOP 2017 scheme are summarised as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of options	**WAEP***	No. of options	WAEP*
Outstanding at the beginning of the year	**-**	**-**	1,266	5
Granted during the year	-	-	-	-
Adjusted for bonus	-	-	-	-
Lapsed during the year	-	-	-	-
Exercised during the year	-	-	1,266	5
Outstanding at the end of the year	-	**-**	-	5
Exercisable at the end of the year	-	**-**	-	5

* WAEP denotes weighted average exercise price

The weighted average fair value of the options granted during the earlier year was ₹ 58.67 per share option issued. Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	As At	As At
	31 March 2024	31 March 2023
Dividend yield (%)	**-**	0.00%
Expected volatility	**-**	15%
Risk free interest rate	**-**	6.26%
Exercise price	**-**	10.00
Expected life of options (in years)	**-**	
- Year I	**-**	2.00
- Year II	**-**	2.01
- Year III	**-**	3.01

The expected life of the options is based on historical data and current expectations and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may differ from the actuals.

Note 15(B): Instruments entirely equity in nature

Particulars	As at March 31, 2024	As at March 31, 2023
Compulsory convertible debentures (CCD)*	-	828.90
Total Instruments entirely equity in nature	**-**	828.90

* Terms of securities convertible into equity (CCD): The Holding Company had made a preferential issue of CCDs on 23rd August, 2022. The CCDs are convertible into equity shares at any time on or before the expiry of 18 months from the date of allotment of the CCDs in one or more tranches. The CCD are convertible into equity shares at a conversion price of Rs. 125/- per equity share i.e. face value of Rs. 10/- per share and premium of Rs 115/- per equity share. During the year, the CCDs have been converted into equity shares as per the terms of conversion.

Note 15(C): Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
i. Retained earnings		
Opening Balance	**5,026.19**	4,462.93
Profit for the year	**697.14**	579.82
Remeasurements of post employment benefit obligations (net of tax)	**(12.19)**	(16.55)
Utilisation for share issue expenses	**(75.00)**	-
Closing Balance	**5,636.15**	5,026.19
ii. Share option outstanding account		
Opening Balance	**-**	0.44
Employee Stock Option Scheme		
Less: Transferred during the year to Share premium/Share Capital Account		-0.44
Closing Balance	**-**	-
iii. Securities premium		
Opening Balance	**3,354.72**	3,354.34
Exercise of option proceeds received		0.38
Premium on shares issued during the year	**3,062.59**	-
Utilisation for share issue expenses		-
Closing balance	**6,417.31**	3,354.72
iv. Equity instruments through OCI		
Opening Balance	**67.05**	-
Other comprehensive income (net of tax)	**27.64**	67.05

Closing balance	**94.70**	67.05
Total Reserves and surplus	**12,148.15**	8,447.97
Money received against share warrants**	-	625.00
Total Other Equity	**12,148.15**	9,072.97

** Terms of securities convertible into equity (Share Warrants): The Holding Company had made a preferential issue of share warrants on 23rd August, 2022 with an issue price of Rs 125/- per warrant with a right to the warrant holder to apply for and be allotted 1 equity share of face value Rs. 10/- each of the company at a premium of Rs 115/- per share for each warrant within a period of 18 months from the date of allotment of the warrants. In the event the warrant holder would not have exercised the warrants within 18 months from the date of allotment, the warrants would have been lapsed and the amount paid to the Holding Company at the time of subscription of the warrants would have been forfeited. During the year, shares have been issued against share warrants.

Nature and purpose of reserves

a) Share options outstanding account represents the balance that would be utilised for allotting the shares under the Stock option scheme.
b) Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Act.

Note 16 (a): Non-current borrowings

Particulars	**As at March 31 2024**	As at March 31 2023
Secured (Refer notes 16 (c))		
Term loans		
From banks	**287.30**	457.39
Axis Bank vehicle loan	-	4.00
Axis Bank ECGL	**113.31**	178.29
ICICI Bank	**173.99**	275.10
From financial institutions	**125.01**	445.00
Technology Development Board (TDB)	-	70.00
Tata Capital Financial Services Ltd	**125.01**	375.00
Unsecured		
Term loans from others	**435.67**	1,229.00
RIB ITWO Soft Pvt Ltd	**198.33**	991.67
Loan from directors	**237.33**	237.33
Less: Current maturities of long term borrowings	**(432.82)**	(1,250.40)
Total non-current borrowings	**415.15**	880.99

The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

The Company has used the borrowings taken for the specific purposes for which it was taken.

The Company has registered all required charges with Registrar of Companies.

Note 16(b): Current borrowings

Particulars	As at **March 31 2024**	As at March 31 2023
Loans repayable on demand		
Secured (Refer note 16 (c))		
From banks - working capital loans	**2,121.79**	1,747.55
Unsecured (Refer note 16 (c))		
From others	**166.35**	119.40
Current maturities of long-term borrowings	**432.82**	1,250.40
Total current borrowings	**2,720.96**	3,117.35

The statements of quarterly returns filed by the company with the banks are in agreement/reconciled with the books of account except below:

Particulars of Securities	Quarter	As Per Return/ Statement	As per Quarterly Financials	Difference*
Contract Assets+Trade Receivable (Gross)+Other current asset+Bank borrowings+Trade Payable+Other current liability+Sales	Mar-24	23,959.33	24,304.86	(345.53)

* The statements were filed with bank before the quarterly submission of audited financial results

Note 16(c): Borrowings

(a)	Nature of security and terms of repayment of secured loans		
	Loan Amount, Nature of security		**Terms of repayment**
	Term loans from banks		
(i)	**ICICI Bank**		
	This loan is towards take-over of SIDBI loan. The sanction amount of this loan is Rs 135 Lakhs. The Company has availed a loan of Rs 123.51 Lakhs (As at March 31, 2023: Rs 48.19 Lakhs, As at 31st March 2024: Rs. 12.05 lacs) only. This loan is secured against: i) exclusive charge on movable fixed assets / tangible and intangible assets financed by SIDBI; ii) personal guarantee by Mr Vijay S. Gupta and Ms. Priti V. Gupta		Rate of interest is 9.25% p.a. The principal amount shall be repaid in 41 equal instalments of Rs 301,233 starting from Mar 21 to July-2024

(ii)	**ICICI Bank**		
	This Loan is towards renovation and interiors of company's new office at Baner. The sanction amount of this loan is Rs. 350 Lakhs only. The Company has availed a loan of Rs. 324.81 Lakhs (as at March 31, 2023: Rs. 226.90 Lakhs, As at 31st March 2024: Rs. 161.94 Lacs). Loan is secured against: i) the exclusive charge on assets to be financed for interiors and setup of new office (furniture, fixtures, networking systems etc); ii) personal guarantee by Mr Vijay S. Gupta and Priti V. Gupta. iii) pledge of fixed deposits of Rs. 106 Lakhs		Rate of interest is 9.25%. Principal amount shall be repaid in 60 equal monthly instalments of Rs 5,41,364 starting from Sept-2021 to August-2026
(iii)	**Axis Bank - ECLGS**		
	This ECLGS loan has been sanctioned to meet the working capital requirements arising out of COVID-19. Loan of Rs. 195 lakhs (as at March 31, 2023: Rs. 81.28 lakhs, as at 31st March 2024: Rs.16.31 Lacs). Loan is secured against: i) Hypothecation on entire current assets of the borrower; ii) personal guarantee by Mr Vijay S.Gupta , Mrs Priti V. Gupta and Mr Chirag Gupta (limited to the value of property)		Rate of interest is 5.25% over the Repo rate, which will reset at interval of 3 months. The current rate of interest is 11.75% p.a. (i.e. Repo rate of 6.5% + 5.25%). The loan of Rs 195 Lakhs disbursed is to be repaid in 36 instalments after 12 months moratorium period starting from the month of July-21.
(iv)	**Axis Bank - ECLGS II**		
	This ECLGS loan has been sanctioned to meet liquidity mismatch arising out of COVID-19. Loan of Rs. 97 lakhs (as at 31st March 2023: Rs. 97 lacs, as at 31st March 2024: Rs.97 lacs). Loan is secured against: i) Extension of charges on existing securities i.e. entire current assets of the company on second charge basis ii) 100% credit guarantee by National Credit Guarantee Trustee Company		Rate of interest is 5.25% over the Repo rate, which will reset at interval of 3 months. The current rate of interest is 11.75% p.a. (i.e. Repo rate of 6.50% + 5.25%). The loan of Rs 97 Lakhs disbursed is to be repaid in 36 instalments of Rs. 2,69,444 after 24 months moratorium period starting from the month of Oct-22.
(v)	**Axis Bank - Vehicle Loan**		
	Vehicle loan was obtained by the Company in November 2018 at an interest rate of 8.70% p.a., secured against first charge on the underlying vehicle so purchased Loan of Rs. 29.18 lakhs (as at March 31, 2023: Rs 3.99 lakhs, as at 31st March 2024: NIL)		Repaid in 60 monthly instalments of Rs 60,149 with last instalment of Rs 50,427 starting from Nov-18 to Oct-23
	Term loans from financial institutions		
(vi)	**TDB**		

	Total loan amount of 245 lakhs (as at 31st March 2023: Rs. 70 lakhs, as at 31st March 2024: NIL) was obtained to partly finance the development of a new product. Loan is secured against: i) Hypothecation of movable assets of the Company including assets created under the project ranking first pari pasu charge with other holders. ii) Personal guarantee from Vijay Gupta and Priti Gupta pledging 3 Lakh shares of Rs. 10 each having face value of Rs. 30 lakhs of Vijay Gupta. iii) Own corporate guarantee of SoftTech Engineers Limited		Loan of Rs 245 lakhs was disbursed in 3 instalments, with two instalments of Rs 75 Lakhs and Rs145 lakhs disbursed on 28 March 2017 and 16 February 2019 and third instalment of Rs 25 Lakhs on 4 November 2020. The principal amount was repaid in 7 half-yearly instalments, with the last instalment payable in month of March 2024.
(vii)	**Tata Capital Financial Services Limited**		
	Loan obtained of Rs.500 Lacs for General Corporate Purpose / Capex/ Expansion Purposes / WC purposes (as at 31st March 2023: Rs. 375 lakhs, as at 31st March 2024: Rs. 125.01 lakhs). Loan is secured against: Fixed Deposit (FD) of Rs. 25 lakhs with a bank acceptable to TCFSL, duly lien marked on principal and interest in favour of TCFSL.		Rate of interest is Long term lending rate released by Tata Capital Financial Services Limited less 9.05% As at 31st March LTLR is 21.80%-9.05% ie 12.75% Repayment in monthly instalments of Rs.20,83,300 starting from 10th October 2022

(b)	**Terms and conditions of Unsecured Loans**
(viii)	**Unsecured loan from RIB ITWO Software Private Limited** The total sanctioned loan amount is Rs 1,400 Lakhs which comprises of committed loan facility of Rs 1,190 Lakhs and uncommitted loan facility of INR 210 Lakhs which is to be disbursed only at the sole discretion of the lender. The committed portion of loan facility was fully disbursed in the month of December 2019. Committed loan facility is carrying the interest rate of 6% p.a.. Loan facility amount shall be converted into equity shares of the company thereby ensuring Lender's shareholding of 10% (ten percent) of the equity shares of the Company, for the full facility amount, subject to the applicable laws in relation thereto. If the uncommitted portion of the facility amount is not disbursed and conversion is effected by the lender, then the committed portion as disbursed, shall be proportionately converted to 8.5% of the company's shareholding. The Conversion can be effected by lender within a period of 18 months from the date of disbursement. The repayment of this loan shall commence after the expiry of 3 years in 6 equal quarterly instalments.
	During the financial year 2022 lender RIB ITWO Software Private Limited has expressed non-conversion of loan into equity. The loan amount will be repaid to lender in 6 equal quarterly installments of Rs 198.33 Lakhs starting from Jan-2023 to April-2024
(ix)	**Loans from Directors** These includes loan availed from managing director Mr. Vijay Gupta of Rs 201.09 lakhs as at March 31, 2024 (Rs 201.09 lakhs as at March 31, 2023) and director Mrs Priti Gupta of Rs. 36.24 lakhs as at March 31, 2024 (Rs. 36.24 lakhs as at March 31, 2023). These loans do not have a repayment schedule and carry an interest rate of 10% p.a.

(c)	**Loan repayable on demand - Current Borrowings**	
	Secured	
	Working capital loan from banks	
(x)	**Axis Bank**	
	Loan is secured against: i) First charge by way of hypothecation over entire current assets of the Company, both present and future along with residual / sub-servient charge with ICICI	Current rate is 10.70% (repo rate + 4.20%)

	ii) First pari pasu charge by way of hypothecation over entire movable fixed assets (excluding assets financed by SIDBI) of the Company, both present and future, with TDB and Residual / sub-servient charge with ICICI iii) First charge over all the immovable assets of the Company with residual / sub-servient charge with ICICI iv) Equitable mortgage on flat at Bibewadi, Pune, owned jointly in the name of Vijay Gupta and Priti Gupta v) Equitable mortgage on flat at Wagholi, Pune, owned jointly by Vijay Gupta and Priti Gupta vi) Lien on fixed deposits of Rs 36 lakhs and Rs 243 lakhs to be created. vii) Lien on recurring deposit of Rs 42 lakhs (Rs 1.75 lakhs p.m. for 24 months starting from March 2018) and Rs 120 lakhs (12 monthly instalments of Rs 10 lakhs p.m. started from March 2019) viii) Lien on fixed deposits of Rs. 25 Lakhs in the name of Softtech Engineers Limited as on 15th Jan 2021. ix) Negative lien on the office premises (Unit 5C, 5th Floor, Pentagon) located at Swargate, Pune, owned jointly by Vijay Gupta and Priti Gupta. x) Personal guarantee from Vijay Gupta and Priti Gupta.	
(xi)	**Axis Bank DLOD**	
	Loan is secured against Primary: i) Hypothecation of entire current assets of the borrower, both present and future on exclusive basis: Collateral: i) Exclusive charge by way of hypothecation on the entire moveble fixed assets (Excluding assets financed by TDB) of the company - present and future ii) Exclusive charge on the movable fixed assets (excluding those funded out of term loan with ICICI bank) of the borrower, both present and future iii) Residential flat no-503, 5th floor, B-1 wing, Gangavihar Co-op Housing Society Ltd, S.No 612, Hissa No. 7, Plot no 2 to 17, near Gangadham, Bibewadi-Kondhwa road, Bibewadi, Pune standing jointly in the name of Vijay Gupta and Priti Gupta iv) Immovable property situated at Flat number 1211, 12th floor, Building No E-15, IVY Apartment, Gat no 690 to 710, Behind JSPM College, Off Nagar road, Wagholi (Avalwadi), Pune in the name of Vijay Gupta and Priti Gupta v) Liquid Collateral as under: -BG Margin: -25% for Rs.9 cr and 20% for Rs.2.66 cr (Totalling of Rs.2.78 crores) -Recurring Fixed Deposit of Rs.36.00 Lacs -FD of Rs.211 lakhs -FD of Rs. 25 lakhs -FD of Rs. 238 lakhs (For fresh Enhancement) v) Negative Lien and deposition of original Title deeds of property of Office premises at Unit no 5C, 5th Floor, The Pentagon, S.No. 42-A/3/1, F.P.No 477-A, TPS No. 3, CTS No 4616, Near Lotus court, Off	Rate of interest is repo plus 5.25%

	Pune Satara Road, Parvati, Pune standing jointly in the name of Vijay Gupta and Priti Gupta	
(xii)	**ICICI Bank CC**	
	Loan is secured against: i) First paripassu charge on current assets ii) personal guarantee by Mr Vijay S. Gupta and Priti V.Gupta. iii) the exclusive charge on fixed deposit of Rs. 107 lakhs upfront iv) the exclusive charge on movable fixed assets upfront	The Repo Rate component of the Interest Rate shall be reset after every 3 months. Current rate is 9.75% (repo rate 6.50% + 3.25%)
(xiii)	**Unsecured loan repayable on demand - from others**	
	Loan of Rs. 162.77 lakhs as at March 31, 2024 (Rs. 119.40 Lakhs as at March 31, 2023) is taken from East India Udyog Limited for the purpose of making immediate payments of tender deposit amounts.	There is no repayment schedule. This is a non-interest-bearing loan

Note 17: Trade payables

Particulars	**As at March 31 2024**	As at 31 March, 2023
Trade payables		
total outstanding dues of micro and small enterprises	**96.45**	76.63
total outstanding dues of creditors other than micro and small enterprises	**864.16**	500.26
total outstanding dues of related parties	**56.00**	0.45
Total Trade payables	**1,016.61**	577.34

Dues to Micro, Small, Medium Enterprises

Particulars	**As at March 31 2024**	As at 31 March, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year*	**490.24**	76.63
- Principal amount outstanding due and remaining unpaid out of the above	**47.03**	24.35
- Interest due thereon	**2.46**	1.47
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	**-**	-
The amount of payment made to the supplier beyond the appointed day during the year	**253.05**	102.51
Amount of interest due and payable on delayed payments	**14.27**	2.21
Amount of interest accrued and remaining unpaid as at year end	**16.73**	3.67
The amount of further interest remaining due and payable even in the succeeding year	**21.75**	5.02

To comply with the requirement of The Micro, Small And Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company requested its suppliers to confirm whether they are Micro, Small or Medium enterprise as defined in the said MSMED Act. Based on the communications received from such suppliers confirming their coverage as such enterprise, the Company has recognised them for the necessary treatment as provided under the MSMED Act, from the date of receipt of such confirmations.

*Includes capital payable from MSE vendors of Rs. 393.79 lakhs (March 2023: Nil)

Ageing of Trade Payables	**Outstanding for following periods from due date of payment 31 March, 2024**					
Particulars	**Not due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade payables						
Micro enterprises and small enterprises	**27.68**	**53.60**	**15.17**	**-**	**-**	**96.45**
Others	**-**	**300.54**	**9.19**	**0.48**	**4.49**	**314.70**
Disputed trade payables	**-**	**-**	**-**	**-**	**-**	**-**
Micro enterprises and small enterprises	**-**	**-**	**-**	**-**	**-**	**-**
Others	**-**	**-**	**-**	**-**	**-**	**-**
Unbilled dues	**605.46**	**-**	**-**	**-**	**-**	**605.46**
Total	**633.14**	**354.14**	**24.36**	**0.48**	**4.49**	**1,016.61**

Ageing of Trade Payables	**Outstanding for following periods from due date of payment 31 March, 2023**					
Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables						
Micro enterprises and small enterprises	47.26	26.17	3.20	-	-	76.63
Others	-	125.79	11.10	28.49	3.99	169.37
Disputed trade payables	-	-	-	-	-	-
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Unbilled dues	331.35	-	-	-	-	331.35
Total	378.61	151.96	14.29	28.49	3.99	577.34

Note 18: Provisions

Particulars	**As at March 31 2024**	**As at** March 31 2023
Non-current		
Gratuity (Refer note 32)	**148.90**	109.87
Compensated absences	**-**	7.16
Non-current employee benefits obligations	**148.90**	117.03
Current		
Gratuity (Refer note 32)	**77.28**	67.84

Compensated absences	-	4.11
Current employee benefits obligations	**77.28**	71.95

Movement in Provisions for compensated absences

As at 31 March 2022	**20.14**
Additional provisions recognised	-
Excess amounts reversed/utilised	8.87
As at 31 March 2023	11.27
Additional provisions recognised	
Excess amounts reversed/utilised	**11.27**
As at 31 March 2024	**-**

Note 19: Other Current Financial Liabilities

Particulars	**As at**	**As at**
	March 31 2024	March 31 2023
Payable to employees	**230.32**	174.29
Interest accrued but not due on borrowings	**27.99**	24.76
Payable towards capital purchases	**1,076.00**	34.62
Unpaid dividend	**0.21**	0.21
Total other current financial liabilities	**1,334.52**	233.88

Changes in liability arising from financing activity

Particulars	**As at March 31 2024**	**As at March 31 2023**
Non-current borrowings (Refer note 16(a))	**415.15**	880.99
Current borrowings (Refer note 16(a))	**2,720.96**	3,117.35
Interest accrued (Refer note 19)	**27.99**	24.76
Non-current Lease liabilities (Refer note 4(b))	**625.60**	722.62
Current Lease liabilities (Refer note 4(b))	**87.79**	82.31
Total	**3,877.49**	4,828.04

Particulars	**As at March 31 2024**	**As at March 31 2023**
Non cash adjustments:		
Reduction/ Increase in interest accrued	**3.23**	7.91
Interest on lease liabilities	**72.74**	39.32
Addition on account on new leases	**-12.22**	562.88
Cash flows:		
Lease payment including interest thereon	**-152.07**	-152.07
Proceeds from non- current borrowings	**-**	597.00
Repayment of non- current borrowings	**-1,283.42**	-437.22
Net proceeds from current borrowings	**421.19**	690.32
Movement of liabilities arising from financing activities	**-950.55**	1,308.14

Note 20: Other current liabilities

Particulars	As at March 31 2024	As at March 31 2023
Statutory liabilities	**351.14**	97.00
Advance from customers	**53.78**	16.73
Total other current liabilities	**404.92**	113.73

Note 21 (a): Income tax expense

Particulars	As at	As at
	March 31 2024	March 31 2023
Current tax expense	**328.44**	269.72
Deferred tax - Relating to origination and reversal of temporary differences	**(104.35)**	(11.80)
Add: Short tax provision of previous years	**14.74**	23.11
Income tax expense reported in the statement of profit and loss	**238.82**	281.03
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expenses	**935.97**	860.85
Tax Rate	**25.17%**	25.17%
Tax at the Indian tax rate	**235.56**	216.66
Adjustments:		
Tax effect of amounts which are not deductible in calculating taxable income	**8.95**	30.42
Income taxable at lower tax rate	**(17.33)**	-
Others	**(3.09)**	10.84
Total	**(11.48)**	41.26
Add: Short tax provision for previous years	**14.74**	23.11
Net current tax expenses recognised in statement of profit & loss	**238.82**	281.03

Note 21 (b): Deferred Tax (Net)

Particulars	As at	As at
	March 31 2024	March 31 2023
Net Deferred tax assets/(liabilities)**	**195.45**	95.29
Deferred tax assets/(liabilities) arise from the following:	**195.45**	95.29
Deferred tax assets		
Gratuity and compensated absences	**56.92**	47.56
Provision for doubtful debts, doubtful deposits and capital advance	**59.68**	25.88
Property, plant & equipment and intangible assets	**80.82**	52.65

MSME Principal outstanding and due	**11.84**	-
	209.26	126.09
Deferred tax liability		
Fair valuation adjustment	**10.82**	6.40
Lease adjustment	**(5.30)**	4.59
Deferred tax on FVOCI gain	**8.29**	19.80
	13.81	30.80

**Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

Movement in deferred tax (assets)/ liabilities:	**As at**	**As at**
	March 31 2024	March 31 2023
Opening deferred tax (assets) / liabilities	**(95.29)**	(97.73)
Movement in deferred tax (assets)/ liabilities:		
Gratuity & compensated absences	**(9.36)**	(7.32)
Provision for doubtful debts, doubtful deposits and capital advance	**(33.80)**	(8.04)
Ind AS assets	**(9.89)**	4.08
PP&E depreciation and intangible amortization	**(28.17)**	(14.58)
Others	**(18.94)**	28.30
Closing deferred tax (assets) / liabilities	**(195.46)**	(95.29)
Deferred tax expense/ (income)	**(100.16)**	2.44
- Recognised in statement of profit and loss	**(104.35)**	(11.80)
- Recognised in statement of other comprehensive income	**4.19**	14.24

Note 22: Revenue from operations

	2023-24	**2022-23**
Revenue from contracts with customers		
Sale of services (Refer note 38)	**6,651.29**	5,654.21
Sale of products	**1,210.06**	879.87
Total revenue from operations	**7,861.35**	6,534.09

Note 23: Other income

	2023-24	**2022-23**
Interest income on bank deposits	**76.91**	60.17
Interest income on financial asset measured at FVTPL*	**27.44**	-
Net gain on sale of investments	**28.64**	9.79
Fair value gain on investment measured at FVTPL*	**38.01**	25.44
Total (A)	**171.00**	95.40
Other non-operating income		
Excess provision/credit balances written back	**50.00**	27.35
Unwinding of discount on security deposits	**3.53**	5.54
Interest on Income Tax Refund	**29.85**	-

Foreign currency net gains and losses on financial assets measured at FVTPL*		
Investments classified as FVTPL*	**6.07**	30.52
Other financial instruments	**-**	6.22
Miscellaneous Income	**1.61**	5.66
Total (B)	**91.08**	75.28
Total other income (A+B)	**262.08**	170.68

* FVTPL stands for Fair value through Profit and Loss

Note 24: Purchase of stock-in-trade

	2023-24	2022-23
Purchase of traded software	**1,171.61**	883.86
Total purchases of stock-in-trade	**1,171.61**	883.86

Note 25: Employee benefit expenses

	2023-24	2022-23
Salaries, wages and bonus	**1,824.25**	1,527.53
Contribution to provident and other funds	**67.30**	63.46
Gratuity (refer note 32)	**27.36**	19.32
Staff welfare expenses	**18.23**	9.08
Total employee benefit expenses	**1,937.13**	1,619.39

Note 26: Finance cost

	2023-24	2022-23
Interest cost on borrowings	**356.85**	323.28
Finance charges on lease liabilities (refer note 4)	**72.74**	39.32
Interest others	**18.08**	8.63
Other borrowing costs	**7.95**	20.54
Total finance cost	**455.61**	391.77

Note 27: Depreciation and amortization expenses

	2023-24	2022-23
Depreciation on property, plant and equipment	**115.23**	107.94
Depreciation on right-of-use assets [Net of INR 40.31 Lakhs (March 31, 2023: 40.53 lakhs) capitalised during the year]	**78.30**	75.12
Amortization of intangible assets	**1,149.83**	862.52
Total depreciation and amortization expenses	**1,343.36**	1,045.58

Note 28: Other expenses

	2023-24	2022-23
Electricity charges	**24.79**	23.86
Rent	**2.70**	-

Repairs and maintenance	**10.46**	10.23
Insurance	**21.10**	21.66
Rates and taxes	**17.85**	91.72
Travelling and conveyance	**175.83**	139.85
Professional fees for technical consultants	**1,338.47**	914.16
Auditors' remuneration [refer note (28 a) below]	**13.09**	12.81
Legal and professional expenses	**183.29**	149.61
Bank charges	**12.21**	12.84
Sales promotion expenses	**65.17**	33.33
Printing and stationery	**5.30**	2.85
Office expenses	**20.72**	16.84
Postage and telephone	**12.34**	10.77
Internet charges	**101.49**	89.64
Subscription Fees	**101.78**	49.31
Bad debts written off	**4.15**	3.98
Provision for bad and doubtful debts	**134.31**	94.15
Claims receivable written off	**-**	186.61
Expenditure towards Corporate Social Responsibility (CSR) activities (Refer note 28 (b) below)	**14.31**	15.24
Foreign exchange gain/loss	**8.22**	-
Miscellaneous expenses	**12.15**	23.86
Total other expenses	**2,279.75**	1,903.32

Note 28 (a): Payment to auditors

	2023-24	**2022-23**
As auditor		
Statutory audit	**8.00**	8.00
Limited reviews	**4.00**	4.00
Certification fees	**0.95**	0.28
Reimbursement of expenses	**0.14**	0.53
Total payment to auditors	**13.09**	12.81

Note 28 (b): Corporate Social Responsibility expenditure

	2023-24	**2022-23**
(a) amount required to be spent by the company during the year	**14.11**	15.01
(b) amount of expenditure incurred	**14.31**	15.24
(c) shortfall / (excess) at the end of the year*	**(0.20)**	(0.23)
(d) total of previous years shortfall	**-**	-
(e) reason for shortfall	**NA**	NA

(f) nature of CSR activities	**Promoting education, research and development for BIM & Inclusive Digitalization, treatment of cancer, sheltering/caring differently abled children/ special children and adults who are mentally challenged**	Promoting education and employment enhancing vocation skills especially among children, women, promoting gender equality and empowering women
(g) details of related party transactions	**The Company has made a payment of Rs. 3,00,000 to Section 8 company, SoftTech Care Foundation.**	The Company has made a payment of Rs. 8,95,000 to Section 8 company, SoftTech Care Foundation.
(h) whether a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision during the year shall be shown separately	**Nil**	Nil

***Note:**

1. The excess amount of Rs.0.20 lakhs spent during the FY 2023-24 shall be used to set off against the liability of eligible succeeding financial years.
2. The excess amount of Rs.0.23 lakhs spent during the FY 2022-23 shall be used to set off against the liability of eligible succeeding financial years.
3. Cashflow related to CSR activity is amounting to Rs 14.31 lakhs (March 2023 Rs. 15.24 lakhs)

Note 29: Earnings per share

	2023-24	**2022-23**
(i) Basic earnings per share		
Profit attributable to equity shareholders of the Company	**697.14**	579.82
Weighted average number of equity shares (Refer note below)	**1,12,98,397**	1,04,86,842
Basic earnings per share (in Rs)	**6.17**	5.53
(ii) Diluted earnings per share		
Profit attributable to equity shareholders of the Company	**697.14**	579.82
Weighted average number of equity shares including potential shares (Refer note below)	**1,12,98,397**	1,05,82,014
Diluted earnings per share (in Rs)	**6.17**	5.48

Weighted average number of shares used as denominator

	2023-24	**2022-23**
Weighted average number of shares used as the denominator in calculating basic earnings per share	**1,12,98,397**	1,04,86,842

Adjustments for calculation of diluted earnings per share		
Share warrants (Refer note 15 C)	-	95,173
Options	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share.	**1,12,98,397**	1,05,82,014

Note 30: Contingencies and commitments

i) Capital commitments

Particulars	March 31 2024	March 31 2023
Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	-
Total		

ii) Contingent liabilities

Particulars	March 31 2024	March 31 2023
a. Claims against the company not acknowledged as debts		
Goods & Service Tax demand for FY 2017-18 to 2019-20	**108.43**	-
Income Tax demand for Assessment Year 2018-19	**274.75**	-
b. Other matters for which the Company is contingently liable	**7.62**	7.62
Total	**390.80**	7.62

ai. During the financial year 2019-20, the Company had received communication under section 70 of the CGST Act, 2017 from the DGGI, Zonal Unit, Pune in relation to input tax credit allegedly wrongly availed by the Company. The GST officers had taken the relevant records of the Company for further investigation. The management of the company based on discussions and frequent meetings with the GST officers, had paid the input tax credit availed of INR 186.61 Lakhs under protest. At the time, the company had obtained appropriate legal opinion which indicated that they had a case to claim refund of the amount paid under protest and accordingly, the amount paid had been disclosed under the head “Balances with Government Authorities in the financial statements. However, during the previous year 2022-23, the management had decided to not pursue this claim so the entire Rs. 186.61 Lakhs along with penalty and interest has been written off in the statement of profit and loss.

aii. The Assessing officer had filed an appeal with Income Tax Appellate Tribunal ('ITAT') against the order passed by Commissioner of Income Tax (Appeals) under section 143 (3) of the Income tax Act, 1961 for the Assessment Year (A.Y.) 2014 - 2015, resulting in net tax liability of Rs. 201.01 Lakhs. Amount of Rs. 30 Lakhs had been paid under protest for the same (refer note 8). In the current financial year, the ITAT released an order dismissing all appeals of the Revenue and refund is received by the company.

aiii. During current financial year, company has received the demand order from Dy. Commission of sales tax under The Maharashtra Goods and Services Tax Act, 2017 aggregating to Rs. 108.43 lakhs (including interest and penalty) pertaining to certain delay in filing tax returns and late payment of tax.

Company has filed appeal against the show cause notices stating that the relevant tax, interest and penalty has already been paid by the company at the time of filing of returns of respective periods.

aiv. During the year company has received notice u/s. 148A for reopening the assessment for AY 2018-19 by Assessing officer raising demand of Rs. 274.75 lakhs. The Company has filed the appeal to the Joint Commissioner (Appeals)/ Commissioner of Income-tax (Appeals).

Management of the company is confident that none of the above contingent liabilities will result in material cash outflow.

Note 31: Related party disclosures

a) Names of related parties and their relationships

Name of the Related party	Nature of Relationship
Entities over which control exists	
SoftTech Finland OY	Wholly owned subsidiary
SoftTech Engineers Inc.	Subsidiary
SoftTech Government Solutions Inc.	Step down Subsidiary
AmpliNxt Private Limited	Wholly owned subsidiary
SoftTech Digital Pte. Ltd	Wholly owned subsidiary
SoftTech Digital Solutions Limited	Wholly owned subsidiary
SoftTech Digital Software LLC	Step down Subsidiary
Key Management Personnel (KMP)	
Vijay Gupta	Managing director
Priti Gupta	Executive Director
Pratik Patel	Executive Director
Kamal Agrawal	Chief Financial Officer
Shalaka Khandelwal	Company Secretary (Appointed w.e.f. 25th May 2023)
Sridhar Pillalamarri	Independent Director
Rahul Gupta	Independent Director (Resigned w.e.f 7th November 2023)
Sundararajan Srinivasan	Independent Director
Dr. Rakesh Kumar Singh	Independent Director
Yogeshkumar Mangubhai Desai	Independent Director (Appointed w.e.f 12th February 2024)
Garth Brosnan	Nominee Director (Resigned w.e.f 24th May 2024)
Close members of KMP	
Chirag Gupta	Son of Vijay Gupta
Pawan Gupta	Relative of a Director
Other related parties	
SoftTech Care Foundation	Subsidiary (Section 8 company formed for CSR purpose)

Note 31: Related party disclosures

b) Nature of transactions and amounts

Nature of transactions	Key Management Personnel (KMP)		Close members of KMP		Subsidiaries		Entities over which KMP and their close members are able to exercise significant Influence	
	March 31 2024	March 31 2023	**March 31 2024**	March 31 2023	**March 31 2024**	March 31 2023	**March 31 2024**	March 31 2023
Salaries and allowances								
Aishwarya Patwardhan	**-**	(5.97)	**-**	-	**-**	-	**-**	-
Kamal Agrawal	**(60.00)**	(50.00)	**-**	-	**-**	-	**-**	-
Shalaka Khandelwal	**(5.06)**	-						
Directors remuneration								
Vijay Gupta	**(81.00)**	(81.00)	**-**	-	**-**	-	**-**	-
Priti Gupta	**(15.00)**	(15.00)	**-**	-	**-**	-	**-**	-
Pratik Patel	**(14.46)**	(14.46)	**-**	-	**-**	-	**-**	-
Post employee benefit								
Vijay Gupta	**-**	-						
Priti Gupta	**(0.22)**	(0.38)						
Pratik Patel	**(0.26)**	(0.19)						
Kamal Agrawal	**(0.99)**	(0.56)						
Shalaka Khandelwal	**(0.03)**	-						
Other long term benefits								
Vijay Gupta	**0.23**	0.19						
Priti Gupta	**0.14**	0.08						
Pratik Patel	**-**	-						
Kamal Agrawal	**0.15**	0.05						
Shalaka Khandelwal	**-**	-						
Loan obtained								
Vijay Gupta	**50.00**	155.00	**-**	-	**-**	-	**-**	-
Priti Gupta	**10.00**	75.00	**-**	-	**-**	-	**-**	-
Loan repaid								
Vijay Gupta	**(50.00)**	(103.91)	**-**	-	**-**	-	**-**	-
Priti Gupta	**(10.00)**	(78.00)	**-**	-	**-**	-	**-**	-
Services received- Pawan Gupta	**-**	-	**-**	(1.50)	**-**	-	**-**	-
Directors sitting fees								
Sridhar Pillalamarri	**(1.00)**	(1.25)	**-**	-	**-**	-	**-**	-
Rahul Gupta	**(0.50)**	(1.00)	**-**	-	**-**	-	**-**	-

Sundararajan Srinivasan	**(1.00)**	(1.25)	**-**	-	**-**	-	**-**	-
Rakesh Kumar Singh	**(1.00)**	(0.75)	**-**	-	**-**	-	**-**	-
Interest expense								
Vijay Gupta	**(20.50)**	(21.93)	**-**	-	**-**	-	**-**	-
Priti Gupta	**(3.68)**	(4.21)	**-**	-	**-**	-	**-**	-
Investment in share capital								
Amplinxt Private Limited	**-**	-	**-**	-	**-**	(50.00)	**-**	-
SoftTech Digital Pte. Ltd.	**-**	-	**-**	-	**(118.24)**	(6.30)	**-**	-
Investment in debentures								
SoftTech Engineers Inc. Debentures	**-**	-	**-**	-	**(334.19)**	(121.37)	**-**	-
Interest income on debentures								
SoftTech Engineers Inc. Debentures					**19.16**			
SoftTech Finland OY					**8.28**			
Purchase of Intangible Assets								
Vijay Gupta	**-**	(140.00)	**-**	-	**-**	-	**-**	-
Non-compete fees								
Vijay Gupta	**(62.22)**	-	**-**	-	**-**	-	**-**	-
Rent expense								
Ritaben S Patel	**-**	-	**(2.70)**	-	**-**	-	**-**	-
Sale of services								
SoftTech Govt Solutions Inc	**-**	-	**-**	-	**43.11**	-	**-**	-
SoftTech Digital Software LLC	**-**	-	**-**	-	**23.78**	-	**-**	-
Total	**(266.39)**	(289.55)	**(2.70)**	(1.50)	**(358.10)**	(177.66)	**-**	-

Note: Figures in bracket are outflows.

Outstanding receivable/(payable) balances

Nature of transactions	Key Management Personnel (KMP)		Close members of KMP		Subsidiaries		Entities over which KMP and their close members are able to exercise significant Influence	
	March 31 2024	March 31 2023	**March 31 2024**	March 31 2023	**March 31 2024**	March 31 2023	**March 31 2024**	March 31 2023
Remuneration payable								
(i) Short term employee benefit								
Vijay Gupta	**(6.75)**	(21.25)	**-**	-	**-**	-	**-**	-
Priti Gupta	**(1.25)**	(0.79)	**-**	-	**-**	-	**-**	-
Pratik Patel	**(8.57)**	(4.87)	**-**	-	**-**	-	**-**	-
Kamal Agrawal	**(5.00)**	(3.42)	**-**	-	**-**	-	**-**	-
Shalaka Khandelwal	**(0.46)**	-	**-**	-	**-**	-	**-**	-
(ii) Post employee benefit								
Vijay Gupta	**(20.00)**	(20.00)						
Priti Gupta	**(3.48)**	(3.26)						
Pratik Patel	**(0.65)**	(0.39)						
Kamal Agrawal	**(1.69)**	(0.70)						
Shalaka Khandelwal	**(0.03)**	-						
(iii) Other long term benefits								
Vijay Gupta	**-**	(0.23)						
Priti Gupta	**-**	(0.14)						
Pratik Patel	**-**	-						
Kamal Agrawal	**-**	(0.15)						
Shalaka Khandelwal	**-**	-						
Loan payable								
Vijay Gupta	**(201.09)**	(201.09)	**-**	-	**-**	-	**-**	-
Priti Gupta	**(36.24)**	(36.24)	**-**	-	**-**	-	**-**	-
Interest payable								
Vijay Gupta	**(19.46)**	(9.18)	**-**	-	**-**	-	**-**	-
Priti Gupta	**(4.18)**	(3.33)	**-**	-	**-**	-	**-**	-
Travelling advance								
Vijay Gupta	**0.10**	0.10						
Expense reimbursement receivable								
SoftTech Finland OY	**-**	-	**-**	-	**3.38**	3.35	**-**	-
SoftTech Government Solutions Inc.	**-**	-	**-**	-	**1.30**	90.34	**-**	-

AmpliNxt Private Limited	**-**	-	**-**	-	**15.14**	2.32	**-**	-
SoftTech Digital Pte. Ltd.	**-**	-	**-**	-	**5.82**	5.59	**-**	-
SoftTech Care Foundation	**-**	-	**-**	-	**0.31**	-	**-**	-
Softtech Digital Software LLC.	**-**	-	**-**	-	**4.61**	-	**-**	-
Directors sitting fees Payable								
Sridhar Pillalamarri	**-**	(0.23)						
Sundararajan Srinivasan	**-**	(0.23)						
Investment in equity shares								
SoftTech Finland OY	**-**	-	**-**	-	**2.03**	2.03	**-**	-
SoftTech Engineers Inc	**-**	-	**-**	-	**6.08**	6.08	**-**	-
Amplinxt Private Limited	**-**	-	**-**	-	**51.00**	51.00	**-**	-
SoftTech Care Foundation	**-**	-	**-**	-	**0.90**	0.90	**-**	-
SoftTech Digital Pte Ltd	**-**	-	**-**	-	**124.54**	6.30	**-**	-
Investment in debentures (fair value)								
SoftTech Finland OY	**-**	-	**-**	-	**62.34**	53.57	**-**	-
SoftTech Engineers Inc	**-**	-	**-**	-	**783.45**	424.52	**-**	-
Security deposits								
Vijay Gupta	**-**	5.53	**-**	-	**-**	-	**-**	-
Priti Gupta	**-**	2.02	**-**	-	**-**	-	**-**	-
Non-Compete Fees								
Vijay Gupta	**56.00**	-	**-**	-	**-**	-	**-**	-
Rent expense								
Ritaben S Patel	**-**	-	**(2.70)**	-	**-**	-	**-**	-
Trade Receivables								
SoftTech Govt Solutions Inc	**-**	-	**-**	-	**43.21**	-	**-**	-
SoftTech Digital Software LLC	**-**	-	**-**	-	**23.78**	-	**-**	-

Terms and conditions:

Management is of the view that all transactions with related parties are in ordinary course and on an arm's length basis.

All outstanding balances are unsecured and payable in cash.

Note 32: Employee benefit obligations

A. Defined contribution plans (Refer Note 25)

The Company's state governed provident fund, employee state insurance scheme and labour welfare are defined contribution plan. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the service. During the year, the Company has contributed **Rs. 67.30 Lakhs** (March 31, 2023 Rs. 63.46 Lakhs) to these schemes.

B. Defined benefit plans

The Company provides for gratuity benefit under a defined benefit retirement scheme (the "Gratuity Scheme") as laid out by the Payment of Gratuity Act, 1972 of India covering eligible employees. The Gratuity Scheme provides for a lump-sum payment to employees who have completed at least five years of service with the Company, based on salary and tenure of employment. Liabilities with regard to the Gratuity Scheme are determined by actuarial valuation carried out using the Projected Unit Credit Method by an independent actuary. The Gratuity Scheme is a non-funded scheme and the Company intends to discharge this liability through its internal resources.

(a) Movements in the present value of the defined obligation are as follows:

Particulars	March 31 2024	March 31 2023
Obligation at the beginning of the year	**177.71**	139.75
Current service cost	**24.67**	19.39
Interest expense	**12.78**	7.65
Benefits paid	**(5.28)**	(11.20)
Actuarial losses (gains) arising from experience adjustments	**16.29**	22.12
Liability at the end of the year	**226.18**	177.71

(b) The Plan has not been funded as on the balance sheet date.

(c) The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	March 31 2024	March 31 2023
Present value of funded obligations	**226.18**	177.71
Fair value of plan assets		
Deficit of Gratuity Plan	**226.18**	177.71
Current / Non Current Bifurcation		
Current liability	**77.28**	67.84
Non Current liability	**148.90**	109.87

(d) Expenses recognized in the Statement of Profit and Loss under employee benefit expenses.

Particulars	March 31 2024	March 31 2023
Service cost	**24.67**	19.39
Net interest (income)/expense	**12.78**	7.65
Past Service Cost	**-**	-
Expected return on plan assets	**-**	-
Settlement cost/(credit)	**-**	-

Less: Capitalised during the year in Intangible asset under development	**(10.09)**	(7.72)
Net gratuity cost*	**27.36**	19.32

(e) Expense recognized in statement of other comprehensive income:

Remeasurement	**March 31 2024**	**March 31 2023**
Remeasurement for the year - obligation (Gain)/Loss	**16.29**	22.12
Total Remeasurement Cost/(Credit) for the year recognised in OCI	**16.29**	22.12

(f) Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	**March 31 2024**	**March 31 2023**
Mortality rate	**Indian Assured Lives Mortality (2012-14) Ult.**	Indian Assured Lives Mortality (2012-14) Ult.
Discount rate	**7.20%**	7.30%
Rate of growth in compensation level	**10.00%**	10.00%
Expected average remaining working lives of employees (in years) *	**3.26**	3.16
Retirement Age	**58.00**	58.00
Withdrawal Rate:	**30.00%**	31.00%

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

(g) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Change in Assumption	**Defined benefit obligation**	
	March 31 2024	March 31 2023
(i) 1% decrease in discount rate	**6.69**	4.86
(ii) 1% increase in discount rate	**(6.29)**	(4.60)
(iii) 1% increase in rate of salary escalation	**4.43**	3.26
(iv) 1% decrease in rate of salary escalation	**(4.32)**	(3.18)
(v) 1% increase in rate of withdrawal	**(0.84)**	(0.59)
(vi) 1% decrease in rate of withdrawal	**0.87**	0.60

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 1%, keeping all other actuarial assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(h) The following payments are expected contributions to the defined benefits plan in future year if the company decides to invest in these funds:

Particulars	March 31 2024	March 31 2023
Year 1	**77.28**	67.84
Year 2	**47.97**	35.45
Year 3	**41.65**	32.37
Year 4	**35.75**	28.33
Year 5	**35.36**	24.23
Year 6 to 10	**116.18**	86.15

(i) Average Duration

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate and interest rate) is 3.63 years

(j) Risk Exposure And Asset Liability Matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1. Liability Risks

a. Discount Rate Risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

b. Future Salary Escalation and Inflation Risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

Note 33: Fair value measurements

i) Financial instruments by category

Particulars	March 31 2024			March 31 2023		
	Fair value through Profit & Loss	**Fair Value through Other Comprehensive income**	**Amortised cost**	Fair value through Profit & Loss	Fair Value through Other Comprehensive income	Amortised cost
Financial assets						
Non- current financial assets						
Non-current investments other than equity investments in subsidiaries*	**849.62**	**460.13**	**-**	481.91	298.46	-
Other non-current financial assets						
Term deposits with maturity more	**-**	**-**	**974.36**	-	-	1,127.02

than 12 months from reporting date						
Interest accrued but not due on bank deposits and others	-	-	**250.12**	-	-	198.25
Security deposits	-	-	**37.50**	-	-	37.79
Tender deposits	-	-	**1.50**			-
Retention money	-	-	**20.64**	-	-	38.63
Current financial assets						
Trade receivables	-	-	**4,635.60**	-	-	2,608.49
Current investments	**980.64**	-	-	869.00	-	-
Cash and cash equivalents	-	-	**28.82**	-	-	61.85
Bank balance other than above	-	-	**0.21**			0.21
Tender deposits	-	-	**43.58**	-	-	66.58
Security deposits	-	-	**1.25**	-	-	25.39
Other current financial assets	-	-	**116.52**	-	-	101.84
Total financial assets	**1,830.26**	**460.13**	**6,110.12**	1,350.92	298.46	4,266.04
Financial liabilities						
Non-current financial liabilities						
Non-current borrowings	-	-	**415.15**	-	-	880.99
Lease liabilities	-	-	**625.60**	-	-	722.62
Current financial liabilities						
Current borrowings	-	-	**2,720.96**	-	-	3,117.35
Lease liabilities	-	-	**87.79**	-	-	82.31
Trade payables	-	-	**1,016.61**	-	-	577.34
Other current financial liabilities	-	-	**1,334.52**	-	-	233.88
Total financial liabilities	-	-	**6,200.63**	-	-	5,614.50

*** Notes:**

1. Investment in Subsidiaries are shown at Cost in balance sheet as per Ind AS 27 : Separate Financial Statements
2. Equity instruments designated as measured at fair value through OCI.

a) There are designated as such upon initial recognition in accordance with paragraph 5.7.5 of Ind AS 109. This presentation is required as the asset is a strategic non-held for trading investment and fails the SPPI test.

b) There are no dividends recognised during the period for this investment.

c) There have been no transfer of cumulative gain/loss within equity during the period for this investment.

3. The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables, investments in equity shares of others at FVTPL and other current financial assets and liabilities approximate their carrying amounts, largely due to the short term nature of these balances.
4. The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
5. The management assessed that the carrying amounts of its financial instruments are reasonable approximations of fair values.

ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Indian Accounting Standard. An explanation of each level follows underneath the table.

As at March 31, 2024

Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at Fair value through Profit & Loss				
Non-current investments	**-**	**-**	**849.62**	**849.62**
Current investments	**980.64**	**-**	**-**	**980.64**
Financial Investments at Fair value through Other Comprehensive Income				
Non-current investments	**-**	**-**	**460.13**	**460.13**
Current investments	**-**	**-**	**-**	**-**
Total financial assets	**980.64**	**-**	**1,309.75**	**2,290.39**

As at March 31, 2023

Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at Fair value through Profit & Loss				
Non-current investments	-	-	481.91	481.91
Current investments	869.00	-	-	869.00
Financial Investments at Fair value through Other Comprehensive Income				
Non-current investments	-	-	298.46	298.46
Current investments	-	-	-	-
Total financial assets	869.00	-	780.37	1,649.37

There are no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2024 and March 31, 2023.

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of derivatives is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

iii) Valuation inputs used in Level 3 and sensitivity of inputs to fair value:

Particulars	As at 31st March 2024	As at 31st March 2023	Valuation technique adopted	Significant unobservable inputs	As at March 2024	As at March 2023	Sensitivity of Input to FV
Non-Current Investments - Investment in debentures of SofTech Engineers Inc at FVTPL	**783.45**	424.52	DCF technique	Discounting factor	**Increase by 10% : (Rs. 16.19 Lakhs) Decrease by 10% : Rs. 16.61 Lakhs**	Increase by 10% : (Rs. 3.92 Lakhs) Decrease by 10% : Rs. 3.97 Lakhs	Increase/ (decrease) in the rate would (decrease)/ increase the fair value.
Non-Current Investments - Investment in debentures of SofTech Finland OY at FVTPL	**62.34**	53.57	DCF technique	Discounting factor	**Immaterial impact if change in discounting factor by 10%**	Immaterial impact if change in discounting factor by 10%	Increase/ (decrease) in the rate would (decrease)/ increase the fair value.
Non-Current Investments - Investment in equity shares of others at FVTPL	**3.83**	3.83	Purchase cost	NA	**NA**	NA	NA
Non-Current Investments - Investment in equity shares of others at FVOCI	**460.13**	298.46	DCF technique	Discounting factor	**Increase by 10% : (Rs. 95.98 Lakhs) Decrease by 10% : Rs. 130.60 Lakhs**	Increase by 10% : (Rs. 35.30 Lakhs) Decrease by 10% : Rs. 39.16 Lakhs	Increase/ (decrease) in the rate would decrease/ (increase) the fair value.

iv) Financial assets and liabilities measured at amortised cost

The fair value of all financial instruments carried at amortised cost are not materially different from their carrying amounts, since they are either short-term in nature or the interest rate applicable are equal to the current market rate of interest.

Note: 34 Financial risk management

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures 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

The Company is exposed to credit risk from counterparties defaulting on their obligations, primarily related to trade receivables and unbilled revenue. To manage this risk, the Company regularly monitors and limits exposure, focusing on the financial reliability of its customers, which are mostly state government bodies, thus having a low inherent risk of payment default.

To manage this risk, the Company periodically reviews the financial reliability of its customers, taken into account their financial conditions, current economic trends, analysis of historical bad debts and ageing of trade receivables.

The Company uses the simplified approach to calculate expected credit losses for impairment on trade receivables and other financial assets, providing for them where necessary. All of the Company's other financial assets measured at amortised cost and the loss allowance recognised during the period was therefore limited to 12 months' expected losses. Management considers instruments to be low credit risk when there is a low risk of default and the issuer has a strong capacity to meet its obligations. Refer to Notes 10 and 12 for the ageing of receivables, contract assets, and movement in loss allowance.

(b) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and maintains adequate source of financing, if required, through the use of short term bank deposits. Processes and policies related to such risks are overseen by senior management.

Exposure to liquidity risk

The table below analyzes the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

March 31, 2024	Payable within 1 year	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	**398.36**	**16.79**	**415.15**
Lease liabilities	-	**202.57**	**423.03**	**625.60**
Other non-current financial liabilities	-	-	-	-
Current financial liabilities				-
Current borrowings	**2,720.96**	-	-	**2,720.96**

Lease liabilities	**87.79**	**-**	**-**	**87.79**
Trade payables	**1,016.61**	**-**	**-**	**1,016.61**
Other current financial liabilities	**1,334.52**	**-**	**-**	**1,334.52**
Total	**5,159.88**	**600.93**	**439.82**	**6,200.63**

March 31, 2023	**Payable within 1 year**	**1 year to 3 years**	**More than 3 years**	**Total**
Non-current financial liabilities				
Non-current borrowings	-	800.48	80.52	880.99
Lease liabilities	-	93.33	629.30	722.62
Other non-current financial liabilities	-	-	-	-
Current financial liabilities				-
Current borrowings	3,117.35	-	-	3,117.35
Lease liabilities	82.31	-	-	82.31
Trade payables	577.34	-	-	577.34
Other current financial liabilities	233.67	-	-	233.67
Total	4,010.68	893.80	709.81	5,614.29

(c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk.

i) Foreign currency rate risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company transacts majority of it's business in local currency INR and therefore has minimal foreign currency exposure from trade payables and trade receivables. However, the Company has significant investments in overseas subsidiaries. These investments are long term in nature and won't be impacted for any short term fluctuation in the currency. The company has not hedged it's foreign currency exposure by derivative instruments as on 31 March, 2024. There are no forward contracts outstanding as on 31 March, 2024.

Details of foreign currency exposures

Particulars	**Currency**	**Amount in Foreign Currency**		**Amount in Rs.**	
		31 March 2024	31 March 2023	**31 March 2024**	31 March 2023
Financial liabilities					
Trade Payables	EURO	**40,001**	871	**36,04,244**	77,760
	USD	**33,000**	15,000	**27,50,437**	12,31,650
Financial assets					
Trade receivable	USD	**69,588**	5,400	**57,99,922**	4,43,394
	MYR	**7,00,000**	7,00,000	**1,23,50,672**	1,29,92,000

	SGD	**1,09,600**	1,82,000	**67,70,989**	1,12,38,500
	AED	**1,04,802**	-	**23,78,468**	-
Expense reimbursement from related parties	SGD	**9,423**	9,058	**5,82,158**	5,59,414
	AED	**17,932**	-	**4,06,963**	-
	EURO	**3,748**	3,748	**3,37,706**	3,34,601
	USD	**1,560**	1,10,018	**1,30,022**	90,33,921
Financial assets					
Investments in debentures					
	EURO	**69,192**	60,000	**62,34,494**	53,56,200
	USD	**9,39,988**	5,17,000	**7,83,44,776**	4,24,50,870

Currency wise net exposure (assets - liabilities)

Currency	**Amount in Foreign Currency**		**Amount in Rs.**	
	31 March 2024	31 March 2023	**31 March 2024**	31 March 2023
USD	**9,78,136**	6,17,418	**8,15,24,283**	5,06,96,535
EURO	**32,939**	62,877	**29,67,956**	56,13,041
MYR	**7,00,000**	7,00,000	**1,23,50,672**	1,29,92,000
SGD	**1,19,023**	1,91,058	**73,53,147**	1,17,97,915
AED	**1,22,734**	-	**27,85,430**	-

Currency wise details of Hedged exposure

Currency	**Amount in Foreign Currency**	
	31 March 2024	31 March 2023
USD	**-**	-
EURO	**-**	-
MYR	**-**	**-**
SGD	**-**	**-**

Currency wise net Unhedged exposure

Currency	**Amount in Foreign Currency**		**Amount in Rs.**	
	31 March 2024	31 March 2023	**31 March 2024**	31 March 2023
USD	**9,78,136**	6,17,418	**8,15,24,283**	5,06,96,192
EURO	**32,939**	62,877	**29,67,956**	56,13,024
MYR	**7,00,000**	7,00,000	**1,23,50,672**	1,29,92,000
SGD	**1,19,023**	1,91,058	**73,53,147**	1,17,97,832

AED	**1,22,734**	-	**27,85,430**	-

Sensitivity Analysis

The following tables demonstrate the sensitivity to a reasonably possible change in above exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	31 March 2024	31 March 2023
Net unhedged exposure in INR		
USD	**8,15,24,298**	5,06,96,192
EURO	**29,67,930**	56,13,024
MYR	**1,23,50,672**	1,29,92,000
SGD	**73,53,134**	1,17,97,832
AED	**27,85,421**	-
Sensitivity		
USD-change by 2.63 % (4.45% in 2022-23)	**2.19**	3.65
EURO-change by 2.09 % (3.58% in 2022-23)	**1.88**	3.20
MYR-change by 0.30 % (2.28 % in 2022-23)	**0.05**	0.42
SGD- change by 3.97 % (5.09 % in 2022-23)	**2.45**	3.14
AED-change by 2.63 % (2.28 % in 2022-23)	**0.60**	0.51
Impact on profit after tax or equity (INR Weakens)		
USD	**16,03,508**	13,86,177
EURO	**46,479**	1,34,237
MYR	**27,383**	41,141
SGD	**2,18,318**	2,77,488
SGD	**54,734**	-
Impact on profit after tax or equity (INR Strengthens)		
USD	**-16,03,508**	-13,86,177
EURO	**-46,479**	-1,34,237
MYR	**-27,383**	-41,141
SGD	**-2,18,317.63**	-2,77,488
SGD	**-54,734.26**	-

Backup of standard deviation

Currency	31-Mar-20	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24
USD	75.36	73.16	75.90	82.11	**83.35**
EURO	83.08	85.92	84.21	89.27	**90.10**
MYR	17.47	17.66	18.05	18.56	**17.64**
SGD	53.01	54.42	56.06	61.75	**61.78**
AED	20.52	19.92	20.67	22.36	**22.69**

Currency	% Change 2020-21	% Change 2021-22	% Change 2022-23	% Change 2023-24	Average change
USD	-3%	4%	8%	2%	**2.63%**
EURO	3%	-2%	6%	1%	**2.09%**
MYR	1%	2%	3%	-5%	**0.30%**
SGD	3%	3%	10%	0%	**3.97%**
AED	-3%	4%	8%	2%	**2.63%**

ii) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's debt obligations with floating interest rates.

Interest rate exposure: The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	31 March 2024	31 March 2023
Variable rate borrowings		
Term loan from banks	**287.30**	453.39
Term loan from financial institutions	**125.01**	375.00

Sensitivity analysis
Profit or loss due to higher/lower interest rate expense from borrowings as a result of changes in interest rates

Particulars	31 March 2024	31 March 2023
If interest rates -		
Increase by 1%	**(3.09)**	(6.20)
Decrease by 1%	**3.09**	6.20

iii) Price risk

The Company’s exposure to equity securities price risk arises from investments in mutual fund held by the Company and classified in the balance sheet at fair value through profit or loss. At the reporting date the exposure to quoted equity securities is Rs. 980.64 lakhs. A decrease of 100 bps on the NAV would decrease the profit and loss or equity attributable to the company by approximately Rs. 9.81 lakhs. On the other hand, an increase of 100 bps in the value of the quoted securities would increase the profit and loss and equity of the company by approx. Rs. 9.81 Lakhs.

Note 35: Capital Management

For the purpose of the Company’s capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company’s capital management is to ensure that it maintains a strong credit rating in order to support its business activities and maximize brand value.

The Company manages its capital and makes adjustments to it in light of the changes in economic and market conditions.

Particulars	March 31 2024	March 31 2023
Total Borrowings	**3,136.11**	3,998.34
Cash and cash equivalents and bank balances	**(29.03)**	(62.06)
Net debt	**3,107.08**	3,936.28
Shareholders' funds		
Equity share capital	**1,281.91**	1,015.60
Instruments entirely equity in nature	**-**	828.90
Other equity	**12,148.15**	9,072.97
Total equity	**13,430.06**	10,917.47
Net debt to equity ratio	**0.23**	0.36

Note 36: Issue of equity shares on preferential allottment basis

On October 8, 2021 and October 5, 2022, company had made private placement by way of equity shares, compulsory convertible debenture and share warrants the proceeds of which are Rs 1000 lakhs, 828.90 lakhs and 2500 lakhs respectively for expanding its business and general corporate purpose. During the year, compulsory convertible debenture and share warrants are converted into equity shares.

Following are the details of utilization of proceeds from private placement raised on October 8, 2021 and October 5, 2022 done till March 31, 2024.

Particulars	March 31 2024	March 31 2023
Received from private placement as on reporting date	**4,328.90**	2,453.90
Less: Utilised as on reporting date	**(3,418.83)**	(1,488.90)
Closing unutilised	**910.07**	965.00
Purpose for which proceeds are used		
1. To support the expansion of business in Indian and Overseas market	**2,290.38**	1,094.30
2. General corporate purposes	**1,128.45**	394.60
Total	**3,418.83**	1,488.90

There is no deviation in use of proceeds from the objects stated in the resolution done till year end. The remaining funds of Rs. 910.07 lakhs have been invested in mutual funds during the year (Refer note 9).

Note 37: Segment Information

The business segment have been identified on the basis of the nature of products and services, the risks and returns, internal organisation and management structure and the internal performance reporting systems.

1. In accordance with Indian Accounting Standard 108 - Segment Reporting, the Company has determined its single business segment as "design, development, installation and servicing of information technology related resource". Operating segments are reported in a manner consistent with the internal reporting provided to the board of directors based in India regarded as the Chief Operating Decision Maker ("CODM"). Since the entire Company's business is from information technology related resource there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire

segment assets, total amount of charge of depreciation and amortisation during the year are all as reflected in the financial statements as at and for the year ended March 31, 2024, and March 31, 2023.

2. Further, the Company operates primarily in India and there is no other significant geographical segment.

   Disclosure applicable to entities that have single reportable segment are given in consolidated financial statement.

Note 38: Disclosure pursuant to Ind AS 115 "Contracts with Customer"

Disaggregation of revenue

Revenue Break-Up	2023-24	2022-23
One Time License Model	**4,266.55**	4,091.40
Pay Per Use / SaaS	**2,131.90**	1,445.36
BIM / GIS Services	**261.06**	126.49
Others	**1,201.84**	870.83
Total	**7,861.35**	6,534.09

The Company is an information technology and software services organisation, delivering end to end solution in Architectural-Engineering-Construction (AEC) space, catering to Government bodies, municipalities, property developers, investors, real estate companies, contractors, architects and consultants.

1. Background:

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognise revenues, the Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognise revenues when a performance obligation is satisfied. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

2. Performance Obligations

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised product or service is combined and accounted as a single performance obligation. A performance obligation is typically satisfied as services are rendered and in some cases upon the completion of service.

The company allocates the transaction price to separately identifiable performance obligations based on their relative stand-alone selling price. In cases where the company is unable to determine the stand-alone selling price the Group uses expected cost-plus margin approach in estimating the stand-alone selling price.

The billing schedules agreed with customers include periodic performance-based payments and / or milestone-based progress payments. Invoices are payable within contractually agreed credit period.

3. Revenue Recognition

1) Fixed-price contracts: Revenue for fixed-price contracts is recognised over the period of time using percentage-of-completion method. The percentage of completion is determined by the company using output method, which is measured by the number of units/plans approved by the customer, the number of transactions processed from the software etc.
2) Operation and maintenance contract: Revenue related to these contracts is recognised based on time elapsed mode and revenue is straight-lined over the period of performance.
3) Sale of licenses: Revenue from licenses where the customer obtains a "right to use "the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Revenue from sale of traded software licenses is recognised on delivery to the customer. Cost and earnings in excess of billings are classified as unbilled revenue while billings in excess of cost and earnings are classified as unearned revenue.

4. Contract Assets

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

Note 39: Ratio Analysis

Particulars	March 31 2024	March 31 2023	Change in the ratio compared to the preceding year	Explanation for change more than 25%
Current ratio	**1.85**	2.22	-16.56%	NA
Debt-Equity Ratio	**0.23**	0.37	-36.24%	Due to repayment of borrowings
Debt Service Coverage ratio	**1.73**	2.86	-39.35%	New loans undertaken during the year has caused a large increase in current borrowings but revenue/profit have not increased proportionately.
Return on Equity ratio	**6%**	6%	-0.55%	NA
Trade Receivable Turnover Ratio	**2.17**	2.37	-8.38%	NA
Trade Payable Turnover Ratio	**4.15**	3.61	14.75%	NA
Net Capital Turnover Ratio	**1.55**	1.25	24.17%	NA
Net Profit ratio	**9%**	9%	-0.07%	NA
Return on Capital Employed	**13%**	11%	16.70%	NA

Return on Investment				
Mutual Funds	**8%**	5%	57.91%	Market dynamics
Investment in equity shares (other than subsidiaries)	**9%**	30%	-69.93%	Increase in unrealised gain based on fair valuation report

Investment in debentures carry interest rate of 5% p.a.

Fixed deposits carry interest rate ranging from 5% to 6%

Element of Ratio	**Numerator**	**Denominator**	**As at March 31, 2024**		**As at March 31, 2023**	
Ratios			**Numerator**	**Denominator**	Numerator	Denominator
Current ratio	Current Assets	Current Liabilities	**10,680.06**	**5,763.44**	9,449.83	4,254.89
Debt-Equity Ratio	Debt (borrowing)	Total Equity	**3,136.11**	**13,430.06**	3,998.34	10,917.48
Debt Service Coverage ratio	Profit for the year + Finance cost + Depreciation	Interest and principal repayments for long term borrowings and interest and principal lease payments	**2,734.94**	**1,576.45**	2,298.20	803.41
Return on Equity ratio	Profit for the year	Average Total Equity	**697.14**	**12,173.77**	579.82	10,069.10
Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivable	**7,861.35**	**3,622.05**	6,534.09	2,758.13
Trade Payable Turnover Ratio	Total Purchases	Average Trade Payables	**3,304.68**	**796.98**	2,689.06	744.18
Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital	**7,861.35**	**5,055.78**	6,534.09	5,217.98
Net Profit ratio	Profit for the period/year	Revenue from Operations	**697.14**	**7,861.35**	579.82	6,534.09
Return on Capital Employed	Profit for the period/year + Finance cost	Equity + Debt (Borrowing) - Cash & Cash Equivalents	**1,391.58**	**10,733.19**	1,252.62	11,274.50

Return on Investment	Income generated from invested funds	Average invested funds in treasury investments				
Mutual Funds			**66.65**	**854.10**	35.23	712.96
Investment in equity shares (other than subsidiaries)			**35.93**	**404.92**	86.86	294.37

40: Other notes

a. To the best of our knowledge and information available the Company has not transacted with any company struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year.

b. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

c. No funds have been received by the Company from any person or entity, including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes 3 to 40 form an integral part of the standalone financial statements.

As per our report of even date attached

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership No.: 136835
Place: Pune
Date: 24 May 2024

For and on behalf of the Board of Directors

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place: Pune
Date: 24 May 2024

Kamal Agrawal
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

To the Members of SoftTech Engineers Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of SoftTech Engineers Limited (hereinafter referred to as the "Holding Company") and its Subsidiaries (Holding Company and its Subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, 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 notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the other financial statements/financial information prepared by the Management 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, of the consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial 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 Act 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 obtained by us and the financial statements/financial information prepared by the Management referred to in the "Other Matter" paragraph, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

Key Audit Matters	Principle Audit Procedures
Revenue recognition - fixed price contracts: **Refer note 2.2B(b) to the accompanying Consolidated Financial Statements for accounting policy and Note 22 for the revenue recorded during the year.** **Revenue for fixed-price contracts is recognised over the period of time either using percentage-of-**	• Evaluated the appropriateness of the Holding Company's revenue recognition policies. • Evaluated the design and implementation of key controls over the recognition of contract revenue and tested the operating effectiveness of these controls. • For a sample of contracts

completion method or over straight-line basis depending upon the contractual terms. The Holding Company uses output method to measure the progress towards complete satisfaction of a performance obligation. This method involves outputs such as the number of units/plan approved by the customer, the number of transactions processed, phase of software completed etc. **Revenue recognition is a key audit matter due to the presence of multiple contract types with varying terms, which require significant judgment in determining whether to recognize revenue on a straight-line basis or a percentage-of-completion basis, identifying milestones (outputs) to measure progress, and ensuring the accuracy of revenue recognized based on different types of outputs**	i. Identified significant terms and deliverables in the contract to assess management's conclusions regarding the identification of distinct performance obligations and milestones to determine percentage of completion ii. We tested the accuracy of milestone measurement and the corresponding revenue recognition calculations iii. Evaluated the appropriateness and adequacy of the disclosures made in the Standalone Financial Statements with respect to fixed price contract revenue in accordance with the requirements of applicable accounting standards.
Development costs towards intangible assets under Development **Refer Note 2.2B(d)to the accompanying Consolidated Financial Statements for accounting policy and Note 3(b) of Consolidated Balance Sheet for related disclosure.** **The Holding Company's software development team is engaged in creating new software and enhancing existing ones. Eligible development costs are capitalized in line with Ind AS 38, Intangible Assets. Key judgments for capitalizing these costs include assessing technical and economic feasibility, the company's ability to identify and control the intangible asset and ensuring future economic benefits. Additionally, reliable measurement of development expenditures is crucial. Our audit focused on these areas due to the significant value of the development costs, the need to assess eligible costs for capitalization, and the judgment involved. This has been identified as a key audit matter for the current year.**	• Tested the design and operating effectiveness of the controls in relation to intangible assets under development. • Evaluated the accounting policy for appropriateness in accordance with Ind AS 38, Intangible Assets. • Discussed with management and development teams to review work progress and judgments on product, focusing on different stages, economic feasibility, and criteria for recognizing intangible assets. • Tested on a sample basis the underlying costs by inspection of supporting documents such as payroll records, vendor contracts and invoices. • Evaluated Management's assessment of amortization period and method for capitalized intangible assets upon successful development. • Evaluated the appropriateness and adequacy of the disclosures in accordance with the requirements of applicable accounting standards.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board of Directors' Report along with its Annexures and the Corporate Governance Report included in the Annual Report but does not include the Consolidated Financial Statements and our auditor's report thereon, which is expected to be made available to us after this auditors' report date. 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 in the audit or otherwise appears to be materially misstated. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable under the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), the consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies in the Group are responsible for assessing the ability of the companies included in the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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 control 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 Group has adequate internal financial controls with reference to the Consolidated Financial Statements 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial 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 companies included in the Group 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 or business activities 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 the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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 matters

The Consolidated Financial Statements include the financial statements of five subsidiaries which have not been audited by us, whose financial statements reflect total assets of Rs. 973.40 Lakhs as at March 31, 2024, revenues from operations of Rs 29.52 Lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs. (92.93) Lakhs and net cash inflows of Rs. 38.82 Lakhs, for the year ended as on that date. Only one subsidiary is incorporated in India. The financial statements of these subsidiaries are management drawn. According to the information and explanations given to us by the management and in our opinion, these financial statements are not material to the Group.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters with respect to our reliance on the Financial Statements certified by the Board of Directors.

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 of the aforesaid Consolidated Financial Statements.

b) In our opinion, proper books of account as required by law have been kept by the Holding Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2 i) (vi) below on reporting under Rule 11(g).

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 Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and as represented to us in case of Indian Subsidiary, none of the directors of the Holding Company and Indian Subsidiary, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f) With reference to the maintenance of accounts and other matters connected therewith, refer to our comment in Paragraph 1 (b) above and refer to our comment in paragraph 1 (i)(vi) below, on reporting under rule 11 (g).

g) For our opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in Annexure I.

h) As required by section 197 (16) of the Act; in our opinion and according to the information and explanations given to us, the remuneration paid during the current year to its Directors by the

Holding Company is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. Section 197 of the Act is not applicable to the Indian Subsidiary.

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

(i) The Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2024 on the consolidated financial position of the Group- Refer Note 30 to the Consolidated Financial Statements.

(ii) The Holding Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There are no amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2024.

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

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

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

We would like to mention that the Holding Company has invested in its two foreign subsidiaries during the current year. The subsidiaries have further provided a loan and invested in equity in its step-down subsidiary company and the same has been disclosed and reported in the Standalone Financial Statements and separate financial statements of the subsidiaries. In accordance with the accepted accounting principles, such transactions have been eliminated in the preparation of the Consolidated Financial Statements and hence no reporting is required in the Audit Report on the Consolidated Financial Statements.

v) The Holding Company has not declared or paid any dividend during the year under section 123 of the Act.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report is not applicable since only one subsidiary is incorporated in India and which has not been audited. Refer Other Matters Paragraph above.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership Number: 136835
UDIN: 24136835BKBGVL4311
Place: Pune
Date: May 24, 2024

Annexure I

to the Independent Auditors' Report

Referred to in paragraph 1 (g) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the Consolidated Financial Statements of SoftTech Engineers Limited (hereinafter referred to as the "Holding Company") for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal financial controls over financial reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements 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 internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial with reference to Consolidated Financial Statements, 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 judgement, including the assessment of the risks of material misstatement of the Consolidated 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 Holding Company's 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 Consolidated 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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of Management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

The Consolidated Financial Statements include the financial statements/financial information of five subsidiaries which have not been audited by us and are Management drawn of which only one is incorporated in India. These Consolidated Financial Statements are not material to the Group.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682

Abhijeet Bhagwat
Partner
Membership Number: 136835
UDIN: 24136835BKBGVL4311
Place: Pune
Date: May 24, 2024

CONSOLIDATED BALANCE SHEET AS AT MARCH 31 2024

(All amounts in ₹ Lakhs unless otherwise stated)

Particulars	Notes	As at March 31 2024	As at March 31 2023
ASSETS			
Non-current assets			
Property plant and equipment	3	**345.35**	403.25
Right-of-use assets	4 (a)	**692.34**	823.17
Other intangible assets	3 (a)	**3,971.31**	3,040.99
Intangible assets under development	3 (b)	**1,666.21**	505.04
Financial assets			
Investments	5	**559.38**	303.22
Other financial assets	6	**1,286.83**	1,405.09
Contract assets	13	**34.32**	-
Income tax assets (net)	7	**23.38**	292.35
Deferred tax assets (net)	21 (b)	**202.36**	95.29
Other non-current assets	8	**5.86**	36.14
Total non-current assets		**8,787.34**	6,904.54
Current assets			
Financial assets			
Investments	9	**980.64**	869.00
Trade receivables	10	**4,578.63**	2,615.20
Cash and cash equivalents	11 (a)	**140.49**	85.67
Bank balance other than above	11 (b)	**0.21**	0.21
Other financial assets	12	**133.10**	92.20
Contract assets	13	**4,802.62**	5,546.90
Other current assets	14	**79.59**	169.86
Total current assets		**10,715.28**	9,379.04
Total assets		**19,502.62**	16,283.58
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15 (A)	**1,281.91**	1,015.60
Instruments entirely equity in nature	15 (B)	**-**	828.90
Other equity	15(C)	**11,326.84**	8,522.01
Total equity attributable to owners of the Company		**12,608.75**	10,366.51
Non controlling interest		**(100.46)**	(73.80)
Total equity		**12,508.28**	10,292.72
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings	16 (a)	**415.96**	880.99
Lease liabilities	4 (b)	**625.60**	722.62

Other financial liabilities		**-**	-
Provisions	18	**148.90**	117.03
Deferred tax liability		**21.62**	-
Total non-current liabilities		**1,212.08**	1,720.65
Current Liabilities			
Financial Liabilities			
Borrowings	16 (b)	**2,721.01**	3,123.19
Lease liabilities	4 (b)	**87.79**	82.31
Trade payables	17		
Total outstanding dues of micro enterprises and small enterprises		**96.45**	76.63
Total outstanding dues of creditors other than micro enterprises and small enterprises		**926.09**	509.98
Other financial liabilities	19	**1,347.00**	233.88
Other current liabilities	20	**405.28**	113.94
Provisions	18	**77.28**	71.95
Current tax liabilities (net)		**121.36**	58.33
Total current liabilities		**5,782.26**	4,270.21
Total liabilities		**6,994.34**	5,990.86
Total equity & liabilities		**19,502.62**	16,283.58

Summary of material accounting policies. 1 - 2
The accompanying notes form an integral part of the financial statements. 3 - 41

As per our report of even date attached

For and on behalf of the Board of Directors

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Abhijeet Bhagwat
Partner
Membership No.: 136835
Place: Pune
Date: 24 May 2024

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place: Pune
Date: 24 May 2024

Kamal Agrawal
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the period ended 31st March 2024

(Rs. in lakhs)

Particulars	Notes	Year Ended March 31 2024	Year Ended March 31 2023
Income			
Revenue from operations	22	**7,877.59**	6,540.48
Other income	23	**229.22**	142.97
Total Income		**8,106.81**	6,683.45
Expenses			
Purchase of stock-in-trade	24	**1,171.61**	883.86
Employees benefit expenses	25	**2,134.88**	1,670.79
Finance cost	26	**455.61**	392.56
Depreciation and amortization expenses	27	**1,344.42**	1,046.20
Other expenses	28	**2,435.92**	2,047.50
Total Expenses		**7,542.44**	6,040.90
Profit before tax		**564.37**	642.55
Tax expense			
Current Tax	21 (a)	**328.44**	269.72
Deferred Tax	21 (b)	**(111.26)**	(11.80)
Short/(Excess) provision for previous years		**14.74**	23.11
Total tax expense		**231.92**	281.03
Profit after tax [A]		**332.45**	361.52
Other comprehensive income			
Item that will be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		**(5.17)**	(13.57)
Item that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations		**(16.29)**	(22.12)
Remeasurements of investment		**130.41**	86.86
Income tax relating to these items	21 (b)	**(25.81)**	(14.24)
Other comprehensive income for the year, net of tax [B]		**83.15**	36.93
Total comprehensive income for the year [A+B]		**415.60**	398.45
Profit for the year attributable to:			
-Owners of the Company		**357.81**	399.76
-Non controlling interests		**(25.36)**	(38.24)
Other comprehensive income (net of tax) attributable to:			
-Owners of the Company		**84.45**	42.43
-Non controlling interests		**(1.30)**	(5.50)

Total comprehensive income for the year attributable to:			
-Owners of the Company		**442.26**	442.19
-Non controlling interests		**(26.66)**	(43.74)
Earnings per share of face value Rs. 10/- per share	29		
Basic earnings per share		**3.17**	3.81
Diluted earnings per share		**3.17**	3.78

Summary of material accounting policies. 1 - 2

The accompanying notes form an integral part of the financial statements. 3 - 41

As per our report of even date attached

For and on behalf of SoftTech Engineers Limited

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Vijay Gupta
Managing Director
DIN: 01653314

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Partner
Membership No.: 136835
Place: Pune
Date: 24 May 2024

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place: Pune
Date: 24 May 2024

Kamal Agrawal
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31st March 2024

(Rs. in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flow from operating activities		
Net profit before tax	**564.37**	642.55
Adjustments for		
Depreciation and amortization expense	**1,344.42**	1,046.20
Provision for doubtful debts net of reversal/ debit balances written off	**138.47**	284.74
Changes in fair value of financial assets at fair value through profit or loss	**(38.01)**	(25.44)
Gain on sale of investment	**(28.64)**	(9.79)
Unwinding of discount on security deposits	**(3.53)**	(5.54)
Interest income classified as investing cash flows	**(76.91)**	(60.17)
Finance cost	**455.61**	392.56
Net exchange differences	**(6.47)**	(39.34)
Cash generated from operations before working capital changes	**2,349.31**	2,225.76
Change in operating assets and liabilities		
(Increase)/ Decrease in trade receivables	**(2,094.34)**	206.08
Increase/ (Decrease) in trade payables	**435.93**	(331.86)
(Increase)/Decrease in contract assets	**709.95**	(1,046.78)
(Increase)/ Decrease in other current asset	**90.27**	(84.19)
(Increase)/ Decrease in other financial assets	**(20.97)**	(44.79)
Increase/(Decrease) in other non current assets	**30.27**	12.06
Increase/ (Decrease) in other financial liabilities	**68.52**	29.63
Increase/(Decrease) in provisions	**20.90**	6.97
Increase/(Decrease) in other current liabilities	**291.35**	19.54
Cash generated from operations	**1,881.20**	992.42
Income taxes paid	**(11.17)**	(251.63)
Net cash generated from operating activities	**1,870.02**	740.78
Cash flows from investing activities		
Payments for property, plant and equipment	**(57.00)**	(36.38)
Payments for intangibles development costs	**(2,161.04)**	(1,623.29)
Purchase of long term investments	**(125.75)**	(183.92)
Net Investment in mutual funds	**(44.99)**	(276.86)
Interest income	**25.03**	24.17
Investment in fixed deposits with banks	**152.65**	(375.37)
Net cash (used in) investing activities	**(2,211.10)**	(2,471.65)
Cash flows from financing activities		
Proceeds from issues of shares	**1,875.00**	1,453.96

Proceeds from long term borrowings	**-**	597.00
Repayment of borrowings	**(1,283.42)**	(475.12)
Net change in short term borrowings	**416.20**	696.17
Lease payments	**(152.07)**	(171.19)
Share issue expense	**(75.00)**	-
Interest paid	**(379.64)**	(345.33)
Net cash generated from financing activities	**401.07**	1,755.49
Net increase in cash and cash equivalents	**59.99**	24.62
Foreign currency translation reserve movement	**(5.17)**	(13.77)
Cash and cash equivalents at the beginning of the financial year	**85.67**	74.82
Cash and cash equivalents at end of the year	**140.49**	85.66

Refer note 19 for changes in liability arising from financing activity

Cash flow is prepared under Indirect Method as per Ind AS 3 "Cash Flow Statements"

As per our report of even date attached

For and on behalf of SoftTech Engineers Limited

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Vijay Gupta
Managing Director
DIN: 01653314

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Membership No.: 136835
Place: Pune
Date: 24 May 2024

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place: Pune
Date: 24 May 2024

Kamal Agrawal
Chief Financial Officer

Consolidated Statement of changes in equity

for the period ended 31st March 2024

A. Equity share capital

Particulars	**Total**
Balance as at March 31, 2022	1,015.48
Changes in equity share capital during the year	0.13
Balance as at March 31, 2023	1,015.60
Changes in equity share capital during the year	**266.31**
Balance as at March 31, 2024	**1,281.91**

B. Instruments entirely equity in nature

Particulars	**Total**
Balance as at March 31, 2022	-
Changes in Instruments entirely equity in nature during the year	828.90
Balance as at March 31, 2023	828.90
Changes in instruments entirely equity in nature during the year	**(828.90)**
Balance as at March 31, 2024	**-**

C. Other equity

Particulars	Reserve and surplus			Other components of equity			Total attributable to Owners of the Company	Non Controlling Interest	Total Other Equity
	Securities premium account	Share option outstanding account	Retained earnings	Equity instruments through OCI	Money received against share warrants	Foreign Currency Translation Reserve			
Balance as at March 31, 2022	3,354.35	0.44	4,102.39	-	-	(2.32)	7,454.87	(30.05)	7,424.82
Profit for the year	-	-	399.76	-	-	-	399.76	(38.24)	361.52
Other comprehensive income	-	-	(11.05)	67.05	-	(13.57)	42.43	(5.50)	36.93
Transferred during the year to Share premium/Share Capital Account on account of allotment of shares	0.37	(0.44)	-	-	-	-	(0.07)	-	(0.07)
Issue of share warrants	-	-	-	-	625.00	-	625.00	-	625.00
Balance as at March 31, 2023	3,354.72	-	4,491.11	67.05	625.00	(15.89)	8,522.01	(73.80)	8,448.20
Profit for the year	-	-	**357.81**	-	-	-	**357.81**	**(25.36)**	**332.45**
Other comprehensive income	-	-	**(12.19)**	**100.50**	-	**(3.86)**	**84.45**	**(1.30)**	**83.15**

Share issue expense	**-**	**-**	**(75.00)**	**-**	**-**	**-**	**(75.00)**	**-**	**(75.00)**
Transferred during the year to Share Premium Account on account of allotment of shares	**-**	**-**	**-**	**-**	**(2,500.00)**	**-**	**(2,500.00)**	**-**	**(2,500.00)**
Premium on shares issued during the year	**3,062.59**	**-**	**-**	**-**	**-**	**-**	**3,062.59**	**-**	**3,062.59**
Issue of share warrants	**-**	**-**	**-**	**-**	**1,875.00**	**-**	**1,875.00**	**-**	**1,875.00**
Balance as at March 31, 2024	**6,417.31**	**-**	**4,761.72**	**167.56**	**-**	**(19.75)**	**11,326.84**	**(100.46)**	**11,226.38**

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

As per our report of even date attached

For and on behalf of SoftTech Engineers Limited

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Vijay Gupta
Managing Director
DIN: 01653314

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Director
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Abhijeet Bhagwat
Partner
Membership No.: 136835
Place: Pune
Date: 24 May 2024

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place: Pune
Date: 24 May 2024

Kamal Agrawal
Chief Financial Officer

Notes

for the period ended 31st March 2024

1. General information and background

The Consolidated Financial Statements present the Consolidated Accounts of SoftTech Engineers Limited with its following Subsidiaries:

Name	Country of incorporation	Proportion of ownership of interest	
		As at 31 March 2024	As at 31 March 2023
Foreign subsidiaries:			
SoftTech Engineers Inc.	United States of America	92.00%	92.00%
SoftTech Finland OY	Finland	100.00%	100.00%
*SoftTech Government Solutions Inc.	United States of America	93.00%*	93.00%*
AmpliNxt Private Limited	India	100.00%	100.00%
SoftTech Digital Pte. Ltd	Singapore	100.00%	100.00%
**SoftTech Digital Software LLC	Dubai	100.00%	NA

*Held by SoftTech Engineers Inc

**Held by SoftTech Digital Pte Ltd

The Holding company is an information technology and software services organisation, delivering end to end solution in Architectural-Engineering-Construction (AEC) space, catering to property developers, municipal corporations, investors, real estate companies, contractors, architects and consultants.

These consolidated financial statements of the Group as at and for the year ended on 31 March 2024 were approved for issue in accordance with the resolution of the Board of Directors on May 24, 2024.

2. Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (‘Ind AS’) notified under Section 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules, 2015 notified, as amended thereafter and other relevant provisions of the Act.

The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Employee defined benefit plan
- Certain financial instruments (refer note 33)

The consolidated financial statements are presented in Indian Rupees (“INR”), which is also the Group functional currency and all values are rounded off to the nearest Lakhs, except when otherwise indicated. Wherever, an amount is presented as INR ‘0’ (zero) it construes value less than ₹ 1000.

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle and other criteria as set out in the Division II of Schedule III as amended to the Act.

Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities for product business.

2.2A Significant accounting estimates, assumptions and judgements

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities effected in future periods.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Critical estimates and judgements

The preparation of the Company's standalone financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities effected in future period.

- **Estimation of defined benefit plan**

Employee benefit obligations are determined using independent actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual results in the future. These include the determination of discount rate, future salary increase, experience of employee departure and mortality rates. Due to the complexities involves in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- **Fair value measurements of financial instruments**

When fair value of financial assets and financial liabilities recorded in balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation technique including the Discounted Cash flow ("DCF") model. The inputs to these models are taken from observable markets where possible, but where there is not feasible, a degree of judgement is required in establishing their values. Judgement includes consideration of inputs such as credit risk and future projections. Changes in assumptions about these factors could affect the reported fair values of financial instruments.

- **Impairment of investment in subsidiaries and associates**

The company reviews its carrying value of investment in subsidiaries carries at cost (net of impairment, if any) when there is indication of impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the standalone statement of profit and loss. Significant judgement and estimate is required in determining recoverable amount.

- **Impairment of other non-financial assets i.e. Contract Asset, Intangible Assets and Intangible Assets under Development**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less cost of disposal and its value in use. Significant judgement and estimate is required in determining recoverable amount.

- **Impairment of trade receivable**

The Company uses the simplified approach to calculate expected credit losses for impairment on trade receivables and other financial assets, providing for them where necessary. The majority of the customer of the Company is Government and Government Authorities, therefore the credit risk is very low and case by case analysis is performed for impairment testing which requires significant judgement.

- **Revenue recognition for fixed-price contracts**

Revenue for fixed-price contracts is recognised over the period of time either using percentage-of-completion method or over straight-line basis depending upon the contractual terms. The multiple types of contracts with different terms requires significant judgement in determining whether to recognise revenue on straight-line basis or percentage of completion basis, identification of milestone (output) to measure the progress of work, determining accuracy of revenue to be recognised using different types of outputs.

- **Recognition of Intangible assets and its useful life**

For an intangible asset to be recognized, it must meet criteria such as identifiability, control over the resource, and expectation of future economic benefits. Judgeing whether these criteria are met requires professional judgment. Estimating the fair value of intangible assets often involves significant judgment, especially when market-based evidence is not readily available. This may require the use of valuation techniques like discounted cash flow (DCF) models, which rely on subjective assumptions about future cash flows, discount rates, and growth rates.

The Management reviews the estimated useful lives of intangible assets at the end of each reporting period. Factors such as changes in the expected level of usage and technological developments could significantly impact the economic useful lives of the asset, consequently leading to a change in the future amortization charge.

2.2B

(a) Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

Changes in ownership interests:

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

(b) Revenue recognition

Sale of Products and Rendering of Services

1) Fixed-price contracts: Revenue for fixed-price contracts is recognised over the period of time using percentage-of-completion method. The percentage of completion is determined by the company using output method, which is measured by the number of units/plan approved by the customer, the number of transactions processed from the software etc.

The fixed price revenue contracts of the Company are by their nature complex given the significant judgements involved in estimation of efforts required to complete any particular project.

This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts input till date and efforts required to complete the remaining contract performance obligations, and the ability to deliver the contracts within planned timelines. The estimates involved are reviewed by the management on periodic basis.

Changes in the estimates as contract progresses can result in material adjustments to revenue recorded by the Company.

2) Operation and maintenance contract: Revenue related to these contracts is recognised based on time elapsed mode and revenue is straight-lined over the period of performance.

3) Sale of licenses: Revenue from licenses where the customer obtains a "right to use "the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Revenue from sale of traded software licenses is recognised on delivery to the customer. Cost and earnings in excess of billings are classified as unbilled revenue while billings in excess of cost and earnings are classified as unearned revenue.

Due to the short nature of credit period given to customers, there is no material financing component in the contract.

(c) Property, plant and equipment

An item of property, plant and equipment ('PPE') is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. These recognition principles are applied to the costs incurred initially to acquire an item of PPE, to the pre-operative and trial run costs incurred (net of sales), if any and also to the costs incurred subsequently to add to, replace part of, or service it and subsequently carried at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of PPE includes interest on borrowings directly attributable to the acquisition, construction or production of a qualifying asset. A qualifying asset is an asset that necessarily takes a substantial period of time to be made ready for its intended use or sale. Borrowing costs and other directly attributable cost are added to the cost of those assets until such time as the assets are substantially ready for their intended use, which generally coincides with the commissioning date of those assets.

An item of property, plant and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised within other income/expenses in the statement of profit and loss.

The cost of internally generated computer software developed for providing services by integrating it with computer system is recognised as tangible asset. The cost of computer and computer software for providing such services are grouped as 'Service Cell System'.

Depreciation on property, plant and equipment is provided using the straight-line method based on the useful lives of assets as estimated by the management. Depreciation is charged on pro-rata basis for assets purchased/sold during the year.

The following assets are depreciated at a rate which are in line with Schedule II of the Companies Act, 2013 considering the estimated useful life of the assets and obsolescence except Service Cell System:

Class of assets	Useful life as followed by the Group (in Years)
Furniture, fixtures and fittings	10
Vehicles	8
Office equipment	5
Computers	3
Servers	6
Service cell system	5
Leasehold improvements	Over the lease period

(d) Intangible assets

➢ **Recognition and measurement**

Internally generated Intangible assets (mainly software) are recognised when the asset is identifiable, is within the control of the Group, it is probable that the future economic benefits that are attributable to the asset will flow to the Group and cost of the asset can be reliably measured.

Intangible assets acquired by the Group that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

➢ **Research and development expenditure on new products:**

Expenditure on research is expensed under respective heads of account in the period in which it is incurred.

Development expenditure on new products is capitalised as intangible asset, if all of the following can be demonstrated:

1. the technical feasibility of completing the intangible asset so that it will be available for use or sale;
2. the Group has intention to complete the intangible asset and use or sell it;
3. the Group has ability to use or sell the intangible asset;
4. the manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or if it is to be used internally, the usefulness of intangible assets;
5. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
6. the Group has ability to reliably measure the expenditure attributable to the intangible asset during its development.

Development expenditure that does not meet the above criteria is expensed in the period in which it is incurred. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as Intangible assets under development.

➢ **Subsequent measurement**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

➢ **Amortisation**

Amortisation of the asset begins when development is complete and the asset is available for use. Internally generated intangible assets are amortised on a straight line basis over their estimated useful life of 4 years, and computer software are amortised on a straight line basis over their estimated useful life of five years.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(e) Finance costs

Finance costs are interest and other costs that an entity incurs in connection with the borrowing of funds. It also includes exchange differences in relation to the foreign currency borrowings to the extent those are regarded as an adjustment to the borrowing costs.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale which is usually 12 months or more.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are expensed in the period in which they are incurred.

(f) Foreign currency transactions and balances

The functional currency of the Group (i.e. the currency of the primary economic environment in which the Group operates) is the Indian Rupee (Rs.). On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities, denominated in a foreign currency, are translated at the exchange rate prevailing on the Balance Sheet date and the resultant exchange gains or losses are recognised in the consolidated Statement of Profit and Loss. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Foreign operations

Assets and liabilities of entities with functional currencies other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the Balance Sheet date. The Statement of Profit and Loss has been translated using the average exchange rates. The net impact of such translation are recognised in OCI and held in foreign currency translation reserve (‘FCTR’), a component of Equity.

On the disposal of a foreign operation (i.e. a disposal of the Group’s entire interest in a foreign operation, a disposal involving loss of control, over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement that includes a foreign operation of which the retained interest becomes a financial asset), the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to the consolidated Statement of Profit and Loss as part of the gain or loss on disposal.

In case of a partial disposal of interests in a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to NCI and are not recognised in the consolidated Statement of Profit and Loss. For all other partial disposal (i.e. partial disposals of joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to the consolidated Statement of Profit and Loss.

(g) 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 except Trade Receivables 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. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured 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

b) 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, such 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 other income in the consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the consolidated Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

b) The asset's contractual cash flows represent SPPI. Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified to the consolidated Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the consolidated Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which

Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the consolidated Statement of Profit and Loss.

Impairment of financial assets

The Group recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the consolidated Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group balance sheet) when:

• The rights to receive cash flows from the asset have expired, or

• The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial liabilities

Financial liabilities are classified and measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in consolidated Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in consolidated Statement of Profit and Loss.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated Statement of Profit and Loss.

Derivative financial instruments

The Group uses various types of derivative financial instruments to hedge its currency and interest risk etc. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time of issuance of guarantee. The liability is initially measured at fair value and is subsequently measured at the higher of the amount of loss allowance determined, or the amount initially recognised less, the cumulative amount of income recognised.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value.

(h) Leases

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a define period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an
identified assets, the Group assesses whether: (i) the contact involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

As a lessee, the Group recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term.

The estimated useful lives of right of use assets are determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments and lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. The Group has elected not to recognise right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Group has applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(i) Impairment of non-financial assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the assets' recoverable amount. An assets' recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset unless the asset does not generate cashflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and it is written down to its recoverable amount.

In assessing value in use, the estimated future cashflows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken in account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded entities or other available fair value indicators. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment loss no longer exist or has decreased. If such indication exists, the Group estimates the assets' or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the assets' recoverable amount, since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Such reversal is recognised in the consolidated Statement of Profit and Loss.

(j) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated Statement of Profit and Loss. net of any reimbursements.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

(k) Employee benefits

Employee benefits consist of provident fund, superannuation fund, gratuity fund, long service awards, post-retirement medical benefits, directors' retirement obligations and family benefit scheme.

Post-employment benefit plans

Defined contribution plans

Payments to a defined contribution retirement benefit scheme for eligible employees in the form of provident fund and superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made.

Defined benefit plans

For defined benefit schemes in the form of gratuity fund, the cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. The retirement benefit obligation recognised in the consolidated balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets. The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability. The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset.

The net interest income / (expense) on the net defined benefit liability is recognised in the consolidated Statement of Profit and Loss. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if any), are recognised immediately in the consolidated Balance Sheet with a corresponding charge or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the consolidated Statement of Profit and Loss in subsequent periods. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the consolidated Statement of Profit and Loss as past service cost.

Other long and short term employee benefits

The company encourages all its employees to consume their Earned Leaves (EL) during the yearly cycle itself. No earned leaves shall be carried forward or encashed w.e.f. 1st April, 2024, these should be consumed with in the same financial year. Therefore no liability arises for compensated absences from the current financial year.

(l) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

(m) Cash dividend

The Group recognizes a liability to make cash distributions to equity shareholders when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders of the Group.

(n) Income taxes

Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income 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 liabilities are recognized for all taxable temporary differences except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or in respect of taxable temporary differences associated with investment in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets on deductible temporary differences, the carry forward of unused tax credits and any unused tax losses are recognized to the extent that there is reasonably certainty that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become reasonably certain 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 or 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 recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

(o) Employee stock compensation cost

Employees (including senior executives) of the Holding Company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Holding Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the Consolidated Statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total intrinsic value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

(p) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

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

(q) Segment reporting

Based on the "Management approach" as defined in Ind AS 108: Operating Segments, the Chief Operating Decision Maker evaluates the Group performance and allocates resources based on an analysis of various performance indicators by business segments. Inter-segment sales and transfers are reflected at market prices.

(r) Contingent Liability and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of economic resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the consolidated financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

Note 3: Property, plant and equipment

Particulars	Furniture and fixtures	Vehicles	Office equipment	Computers	Service cell systems	Leasehold improvements	Total
Gross carrying amount as at April 1, 2022	180.11	27.76	279.74	99.72	0.63	28.33	616.29
Additions during the year	-	-	2.72	33.35	-	-	36.08
Disposals during the year	0.01	-	-	0.02	-	-	0.03
Gross carrying amount as at March 31, 2023	180.10	27.76	282.47	133.06	0.63	28.33	652.34
Accumulated depreciation as at March 31, 2022	22.86	8.48	61.52	43.83	0.45	3.51	140.65
Depreciation charge during the year	18.25	4.24	57.04	26.02	0.18	2.83	108.56
Accumulated depreciation on disposals during the year	0.01	-	-	0.11	-	-	0.12
Gross accumulated depreciation as at March 31, 2023	41.11	12.71	118.56	69.74	0.63	6.34	249.09
Net carrying amount as at March 31, 2023	138.99	15.05	163.90	63.32	0.00	21.99	403.25

Particulars	**Furniture and fixtures**	**Vehicles**	**Office equipment**	**Computers**	**Service cell systems**	**Leasehold improvements**	**Total**
Gross carrying amount as at April 1, 2023	**180.10**	**27.76**	**282.47**	**133.06**	**0.63**	**28.33**	**652.34**
Additions during the year	**0.78**	**-**	**0.59**	**58.26**	**-**	**-**	**59.63**
Disposals during the year*	**-**	**-**	**1.24**	**-**	**-**	**-**	**1.24**

Gross carrying amount as at March 31, 2024	**180.88**	**27.76**	**281.81**	**191.32**	**0.63**	**28.33**	**710.73**
Accumulated depreciation as at April 1, 2023	**41.11**	**12.71**	**118.56**	**69.74**	**0.63**	**6.34**	**249.09**
Depreciation charge during the year	**18.25**	**4.25**	**54.93**	**36.03**	**-**	**2.83**	**116.31**
Accumulated depreciation on disposals during the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Gross accumulated depreciation as at March 31, 2024	**59.36**	**16.96**	**173.49**	**105.77**	**0.63**	**9.17**	**365.40**
Net carrying amount as at March 31, 2024	**121.52**	**10.80**	**108.32**	**85.55**	**0.00**	**19.16**	**345.35**

1. For all items of property, plant and equipment, the Group has elected to continue with the carrying value as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and have used that as deemed cost.
2. Refer Note 16 (c) for information on Property, plant and equipment provided as security by the Holding Company.
3. Refer Note 2.2B (c) for policy on depreciation.
4. Refer note 30 for disclosure of contractual commitments for the acquisition of Property, plant and equipment.
5. The Group does not hold any immovable property
6. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

Note 3 (a): Other Intangible assets

Particulars	Computer software	Internally generated software	Total
Gross carrying amount as at April 1, 2022	35.01	3,361.08	3,396.09
Additions during the year	8.53	1,527.96	1,536.49
Disposals during the year	-	-	-
Gross carrying amount as at March 31, 2023	43.54	4,889.04	4,932.58
Accumulated amortization as at April 1, 2022	13.74	1,015.33	1,029.08
Amortization charge for the year	9.29	853.23	862.52

Accumulated amortization on disposals during the year	-	-	-
Gross accumulated amortization as at March 31, 2023	23.03	1,868.56	1,891.59
Net carrying value as at March 31, 2023	20.51	3,020.48	3,040.99

Particulars	**Computer software**	**Internally generated software**	**Total**
Gross carrying amount as at April 1, 2023	**43.54**	**4,889.04**	**4,932.58**
Additions during the year	**-**	**2,080.15**	**2,080.15**
Disposals during the year	**22.44**	**-**	**22.44**
Gross carrying amount as at March 31, 2024	**21.09**	**6,969.19**	**6,990.29**
Accumulated depreciation as at April 01, 2023	**23.03**	**1,868.56**	**1,891.59**
Amortization charge for the year	**18.14**	**1,131.69**	**1,149.83**
Accumulated amortization on disposals during the year	**22.44**	**-**	**22.44**
Gross accumulated amortization as at March 31, 2024	**18.72**	**3,000.25**	**3,018.98**
Net carrying value as at March 31, 2024	**2.37**	**3,968.94**	**3,971.31**

Refer Note 2.2B (d) for policy on amortization.

The Group is an information technology and software service organisation, delivering end to end solutions in architectural-Engineering-Construction (AE) space. The Group internally develops software to deliver aforesaid services. The software development cost and its upgradation cost is capitalised as internally generated software.

Note 3 (b) Intangible assets under development

Particulars	Internally generated software
Gross carrying amount as on April 1, 2022	377.70
Add: Additions	1,515.30
Less: Capitalised during the year	(1,387.96)
Gross carrying amount as on March 31, 2023	505.04
Particulars	**Internally generated software**
Opening gross carrying amount as on April 1, 2023	**505.04**
Additions	**3,241.33**
Less: Capitalised during the year	**(2,080.15)**
Gross carrying amount as on March 31, 2024	**1,666.21**

Projects whose completion is overdue or has exceeded its cost compared to its original plan the year ended March 31, 2024 ₹ NIL (March 31, 2023 ₹ Nil)

There is significant management judgement and estimate involved in identifying the amount, nature of expenses to be allocated to an internally generated intangible asset (software).

Intangible assets under development aging schedule

As at 31st March 2023

Intangible assets under development	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	183.18	135.75	27.57	158.52	505.04
Projects temporarily suspended	-	-	-	-	-
Total	183.18	135.75	27.57	158.52	505.04

As at March 31, 2024

Intangible assets under development	**Amount in Intangible assets under development for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3years**	**Total**
Projects in progress	**1,322.56**	**117.89**	**39.30**	**186.46**	**1,666.21**
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
Total	**1,322.56**	**117.89**	**39.30**	**186.46**	**1,666.21**

Note 4 (a): Right-of-use assets

Particulars	Amount
Gross carrying amount as at April 1, 2022	529.68
Add: Additions	582.00
Less: Disposals	-
Gross carrying amount as at March 31, 2023	1,111.68
Accumulated depreciation as at April 1, 2022	172.86
Add: Depreciation charge on right-of-use assets*	115.65
Accumulated depreciation as at March 31, 2023	288.51
Net carrying amount as at March 31 2023	823.17
Gross carrying amount as at April 1, 2023	**1,111.68**
Add: Additions	**-**
Less: Disposals	**39.87**
Gross carrying amount as at March 31, 2024	**1,071.81**
Accumulated depreciation as at April 1, 2023	**288.51**
Add: Depreciation charge on right-of-use assets*	**118.61**
Less: Disposals	**27.65**
Accumulated depreciation as at March 31, 2024	**379.47**
Net carrying amount as at March 31, 2024 **	**692.34**

*Includes INR 40.31 Lakhs (March 31, 2023: 40.53 lakhs) capitalised during the year

The net depreciation expense on ROU assets is disclosed under depreciation and amortization expense in the statement of Profit and Loss.

Note 4 (b): Lease liabilities

Particulars	31 March, 2024	31 March, 2023
Non-current	**625.60**	722.62
Current	**87.79**	82.31
Total	**713.39**	804.93

Interest expenses on lease liabilities

	31 March, 2024	31 March, 2023
Interest on lease liabilities	**72.74**	39.32

Expenses on short term leases / low value assets

	31 March, 2024	31 March, 2023
Short term leases	**3.44**	0.62
Low value assets	**-**	-

Amounts recognised in the statement of cash flow

	31 March, 2024	31 March, 2023
Total cash outflow for leases	**(155.51)**	(171.81)

Maturity analysis – contractual cash flows

	31 March, 2024	31 March, 2023
Less than one year	**87.79**	82.31
One to five years	**588.25**	544.37
More than five years	**37.36**	178.25
Total undiscounted lease liabilities at year end	**713.39**	804.93

Other Information:

The Group's leasing activities are restricted to leasing premises for their corporate and regional offices. These lease contracts provide for lease rentals to increase each year on account of inflation.

The Group does not face significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. There are no variable lease payments and guaranteed residual value in existing lease agreements.

During the previous financial year, in accordance with Ind AS 116, the Holding Company has reassessed the lease term for the premises that it is currently occupying as it's corporate office, leading to a remeasurement of lease liability.

Financial assets

Note 5: Non-current investments

Particulars	As at March 31 2024	As At March 31 2023
Investment in equity instruments (fully paid-up)		
Unquoted		
Investments in other companies carried at cost*		
SoftTech Care Foundation	0.90	0.90
[9,000 (March 2023: 9,000) equity shares of Rs. 10 each fully paid up]	-	
Total	0.90	0.90
Investments in others (fair value through profit and loss)*		
The Mahesh Sahakari Bank Limited	3.58	3.58
[14,300 (March 2023:14,300) equity shares of ₹ 25 each fully paid up]		
The Saraswat Co-operative Bank Limited	0.25	0.25
[2,500 (March 2022:2,500) equity shares of ₹ 10 each fully paid up]		
Total	3.83	3.83
Total	4.73	4.73
Investments in equity shares of others at fair value through other comprehensive income* (partly paid)		
Unquoted		
QI Square Pte. Ltd. Singapore		
[150,054, SGD 5,78,244 paid and SGD 1,00,000 unpaid (March 2023 : 1,50,054, SGD 3,78,244 paid and SGD 3,00,000 unpaid) equity shares of SGD 0.01 each partly paid up]	460.13	298.46
Gaudrika Digital Labour Chowk OPC Pvt. Ltd.	22.39	0.04
[400 (March 2023:400) equity shares of ₹ 10 each fully paid up]		
Expedian Builtdesign Private Limited	72.13	-
[400 (March 2023:Nil) equity shares of ₹ 5 each fully paid up]		
Vedansh Innvovations Private Limited**	0.00	-
[40 (March 2023:Nil) equity shares of ₹ 10 each fully paid up]		
Skurecloud Infosec Private Limited**	0.00	-
[200 (March 2023:Nil) equity shares of ₹ 10 each fully paid up]		
Salesclap IT Private Limited**	0.00	-
[400 (March 2023:Nil) equity shares of ₹ 10 each fully paid up]		
AccountTax Online Private Limited**	0.00	-

[200 (March 2023:Nil) equity shares of ₹ 1 each fully paid up]		
Sukekar Technologies Private Limited**	0.00	-
[10 (March 2023:Nil) equity shares of ₹ 10 each fully paid up]		
Misire Technologies Private Limited**	0.00	-
[200 (March 2023:Nil) equity shares of ₹ 10 each fully paid up]		
Lumieredeluciole Private Limited**	0.00	-
[40 (March 2023:Nil) equity shares of ₹ 10 each fully paid up]		
Minkash nextgen Private Limited**	0.00	-
[242 (March 2023:Nil) equity shares of ₹ 10 each fully paid up]		
Total	554.66	298.50
Total	559.38	303.22
Aggregate book value of unquoted investments	559.38	303.22
Aggregate amount of impairment in the value of investments		-

* Number of shares/ debentures are in full figures

** Amounts are less than Rs. 1000/-

The Holding company and its subsidiaries have complied with the number of layers of companies as prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Refer Note 33(i) for Fair value measurements of financial assets and liabilities and refer Note 33(ii) for Fair value hierarchy disclosures for financial assets and liabilities.

Note 6: Other non-current financial assets

Particulars	As At March 31 2024	As At March 31 2023
Unsecured, considered good		
Bank deposits with maturity of more than 12 months (Refer note below)	**974.36**	1,127.02
Interest accrued but not due on bank deposits and others	**250.12**	198.25
Security deposits*	**40.20**	41.19
Tender deposits	**1.50**	-
Retention money	**20.64**	38.63
Total other non-current financial assets	**1,286.83**	1,405.09

Details of bank deposits pledged

(1) Deposit of INR 184.00 lakhs (March 31, 2023: INR 284.00 lakhs) are pledged as security against the long-term borrowings.
(2) Deposit of INR 611.56 lakhs (March 31, 2023: INR 664.38 lakhs) are pledged as security against the short-term borrowings.
(3) Deposit of INR 178.64 lakhs (March 31, 2023: INR 178.64 Lakhs) are held against bank guarantees.
(4) Deposit of INR 0.16 lakhs (March 31, 2023: INR Nil) are held as security deposit

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) for Fair value hierarchy disclosures for financial assets and liabilities.

*Refer Note 31(b) for security deposits receivable from related parties.

Note 7: Income tax assets (net)

Particulars	As At	As At
	March 31 2024	March 31 2023
Advance tax and tax deducted at source (net of provision)	**23.38**	292.35
Total Income-tax assets	**23.38**	292.35

Note 8: Other non-current assets

Particulars	As At	As At
	March 31 2024	March 31 2023
Balances with government authorities (Income tax) (Refer note 30 aii)	**-**	30.01
Prepaid expenses	**5.86**	6.13
Total other non- current assets	**5.86**	36.14

Note 9: Current investments

Particulars	As At	As At
	March 31 2024	March 31 2023
Investments in Mutual Funds (measured at fair value through profit and loss)		
Quoted		
SBI Magnum Low Duration Fund - Growth	**269.59**	0.00
8,448.174 (March 2023: Nil) units		
HDFC Low Duration Fund	**538.25**	257.28
10,22,217.219 (March, 2023: 5,24,192.704) units		
HDFC Liquid Fund- Growth	**-**	257.39
Nil (March, 2023: 5,871.044) units		
HDFC Medium Term Debt Fund	**172.80**	257.96
3,39,319.99 (March, 2023: 5,44,400.238) units		
HDFC Ultra Short Term Fund	**-**	96.38
Nil (March, 2023: 7,45,863.915) units		
Total current investments	**980.64**	869.00
Aggregate carrying value of quoted investments	**980.64**	869.00
Aggregate market value of quoted investments	**980.64**	869.00

Refer Note 33(i) for Fair value measurements of financial assets and liabilities and refer Note 33(ii) for Fair value hierarchy disclosures for financial assets and liabilities.

Note 10: Trade receivables

Particulars	As At March 31 2024	As At March 31 2023
Trade receivables from contract with customers	**4,748.25**	2,718.03
Less: Loss allowance	**(169.62)**	(102.83)
Total trade receivables	**4,578.63**	2,615.20
Break up of security details		
Trade receivables considered good - secured	**-**	-
Trade receivables considered good - unsecured	**4,748.25**	2,718.03
Trade receivables - credit impaired	**-**	-
Total	**4,748.25**	2,718.03
Less: Loss allowance	**(169.62)**	(102.83)
Total trade receivables	**4,578.63**	2,615.20

Ageing of trade receivables	**Outstanding for following periods as at March 31 2024**						
Particulars	**Not Due**	**Less than 6 months**	**6 months -1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	**-**	**3,174.58**	**164.22**	**320.64**	**121.32**	**967.50**	**4,748.25**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(iii) Undisputed Trade Receivables – credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(iv) Disputed Trade Receivables–considered good	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(vi) Disputed Trade Receivables – credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Less: Loss allowance	**-**	**-**	**-**	**-**	**(21.12)**	**(148.49)**	**(169.62)**
Total	**-**	**3,174.58**	**164.22**	**320.64**	**100.19**	**819.00**	**4,578.63**

Ageing of trade receivables	Outstanding for following periods as at March 31 2023						
Particulars	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	1,024.93	356.69	216.72	338.80	780.89	2,718.03
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-			-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	(16.30)	(86.53)	(102.83)
Total	-	1,024.93	356.69	216.72	322.50	694.35	2,615.20

Movement in provision for loss allowance:

Particulars	**As At March 31 2024**	As At March 31 2023
Balance at beginning of the year	**102.83**	11.40
Add: Provision made during the year	**66.78**	94.15
Less: Reversed / utilized during the year	**-**	(2.71)
Balance as at the end of the year	**169.62**	102.83

Trade receivables have been offered as security against the working capital facilities provided by the banks (refer note 16 (c)).

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) for Fair value hierarchy disclosures for financial assets and liabilities

Note 11(a): Cash and cash equivalents

Particulars	**As At March 31 2024**	As At March 31 2023
Balances with banks		
in current accounts	**140.17**	84.64

Cash on hand	**0.32**	1.03
Total Cash and cash equivalents	**140.49**	85.67

The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

Note 11(b): Bank balance other than above

Particulars	**As at**	As at
	March 31 2024	March 31 2023
Unclaimed dividend account	**0.21**	0.21
Total	**0.21**	0.21

Note 12: Other current financial assets

Particulars	**As At**	As At
	March 31 2024	March 31 2023
Unsecured, considered good		
Expense reimbursement receivable from Related Parties*	**0.31**	0.24
Tender deposit	**43.58**	66.58
Security deposit*	**3.25**	25.39
Retention money	**54.63**	-
Other receivables	**31.33**	-
Total other current assets	**133.10**	92.20

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) for Fair value hierarchy disclosures for financial assets and liabilities.

*Refer Note 31(b) for receivables from related parties

Note 13: Contract assets

Particulars	**As At**	As At
	March 31 2024	March 31 2023
Non-current		
Unbilled revenue - considered good	**34.32**	-
Unbilled revenue - credit impaired		
Current		
Unbilled revenue - considered good	**4,870.15**	5,546.90
Unbilled revenue - credit impaired	**-**	-
Total	**4,870.15**	5,546.90
Less: Loss allowance	**(67.53)**	-
Total current unbilled revenue	**4,802.62**	5,546.90
Total Contract assets	**4,836.94**	5,546.90

Refer Note 33 (i) for Fair value measurements of financial assets and liabilities and refer Note 33 (ii) for Fair value hierarchy disclosures for financial assets and liabilities.

Note 14: Other current assets

Particulars	**As At**	As At
	March 31 2024	March 31 2023
Prepaid expenses	**48.65**	141.65
Advance to suppliers	**13.16**	16.55
Advance to employees and others	**17.78**	11.66
Total other current assets	**79.59**	169.86

Note 15(A): Equity Share capital

a) Details of Authorised share capital:

Particulars	**No. of Shares**	**Amount**
Authorised Share Capital		
Equity shares of Rs. 10/- each		
As at March 31 2022	11,000,000	1,100.00
Increase during the year	4,000,000	400.00
As at March 31 2023	15,000,000	1,500.00
Increase during the year	**-**	-
As at March 31 2024	**15,000,000**	**1,500.00**

b) Details of Issued, subscribed and fully paid up share capital:

Particulars	**No. of Shares**	**Amount**
Issued, subscribed and fully paid up:		
Equity shares of Rs. 10/- each		
As at March 31 2022	10,154,754	1,015.48
Issued during the year	1,266	0.13
As at March 31 2023	10,156,020	1,015.60
Issued during the year	**2,663,120**	**266.31**
As at March 31 2024	**12,819,140**	**1,281.91**

c) Reconciliation of the number of shares and amount outstanding at the beginning and at the year end

Particulars	**No. of Shares**	**Amount**
As at March 31 2022	10,154,754	1,015.48
Increase during the year	-	-
Exercise of options proceeds involved through ESOP	1,266	0.13
As at March 31 2023	10,156,020	1,015.60
Increase during the year	**2,663,120**	**266.31**
Exercise of options proceeds involved through ESOP	**-**	
As at March 31 2024	**12,819,140**	**1,281.91**

d) Rights, preferences and restrictions attached to equity shares

The Holding Company has only one class of equity shares, having par value of ₹ 10 per share. Each holder of equity share is entitled for one vote per share and has a right to receive dividend as recommended by the Board of Directors subject to the necessary approval from the shareholders. In the event of liquidation of the Holding Company the holders of equity share will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts in proportion to their shareholding. The distribution will be in proportion to the numbers of equity shares held by the shareholder.

e) Details of share holders holding more than 5% shares in the Group

Particulars	**March 31 2024**		**March 31 2023**	
	No. of shares	**% holding**	No. of shares	% holding
Vijay Gupta	3,681,234	28.72%	3,681,234	36.25%
School of Design and Entrepreneurship LLP	-	0.00%	1,566,729	15.43%
East India Udyog Limited	1,365,520	10.65%	702,400	6.92%
Pratik Sunilbhai Patel	671,104	5.24%	671,104	6.61%
Udyat Indian Ventures LLP	1,566,729	12.22%	-	0.00%
Florintree Technologies LLP	2,000,000	15.60%	-	0.00%
Total	**9,284,587**	**72.43%**	6,621,467	65.21%

f) Details of shares held by Promoter

Particulars	**March 31 2024**	March 31 2023
Promoter Name		
Vijay Gupta		
No of shares	**3,681,234**	3,681,234
Percentage of total shares	**28.72%**	36.25%
Percentage Change	**-7.53%**	0.00%
Chirag Vijay Gupta		
No of shares	**94,400**	94,400
Percentage of total shares	**0.74%**	0.93%
Percentage Change	**-0.19%**	0.00%
Priti Vijay Gupta		
No of shares	**64,700**	33,090
Percentage of total shares	**0.50%**	0.33%
Percentage Change	**0.17%**	0.00%
Covisible Solutions India Private Limited		
No of shares	**267,538**	299,148
Percentage of total shares	**2.09%**	0.00%
Percentage Change	**2.09%**	-0.21%

(g) Aggregate number of shares issued for consideration other than cash

Particulars	March 31 2024		March 31 2023	
	No. of shares	% holding	No. of shares	% holding
Shares issued through ESOP	-	0.00%	1,266.00	0.01%

Employee stock compensation (ESOP 2017 Scheme)

The Group had instituted Employees' Stock Option Plan "ESOP 2017" under which the stock options have been granted to the employees. The scheme was approved by the shareholders at the annual general meeting held on 22 September 2017.

The details of activities under the ESOP 2017 scheme are summarised as follows:

Particulars	March 31 2024		March 31 2023	
	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	-	-	1,266.00	5
Granted during the year	-	-	-	-
Adjusted for bonus	-	-	-	-
Lapsed during the year	-	-	-	-
Exercised during the year	-	-	1,266.00	5
Outstanding at the end of the year	-	-	-	5
Exercisable at the end of the year	-	-	-	5

* WAEP denotes weighted average exercise price in Rupees.

The weighted average fair value of the options granted during the earlier year was ₹ 58.67 per share option issued. Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	As At March 31 2024	As At March 31 2023
Dividend yield (%)	-	0.00%
Expected volatility	-	15%
Risk free interest rate	-	6.26%
Exercise price	-	10.00
Expected life of options (in years)		
- Year I	-	2.00
- Year II	-	2.01
- Year III	-	3.01

The expected life of the options is based on historical data and current expectations and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may differ from the actuals.

Particulars	As at March 31, 2024	As at March 31, 2023
Compulsory convertible debentures (CCD)*	-	828.90
Total Instruments entirely equity in nature	-	828.90

* Terms of securities convertible into equity (CCD): The Holding Company had made a preferential issue of CCDs on 23rd August, 2022. The CCDs are convertible into equity shares at any time on or before the expiry of 18 months from the date of allotment of the CCDs in one or more tranches. The CCD are convertible into equity shares at a conversion price of Rs. 125/- per equity share i.e. face value of Rs. 10/- per share and premium of Rs 115/- per equity share. During the year, the CCDs have been converted into equity shares as per the terms of conversion.

Note 15(C): Other Equity

Particulars	As at March 31 2024	As At March 31 2023
i. Retained earnings		
Opening Balance	**4,491.11**	4,102.39
Profit for the year	**357.81**	399.76
Remeasurements of post employment benefit obligations (net of tax)	**(12.19)**	(11.05)
Utilisation for share issue expenses	**(75.00)**	-
Closing Balance	**4,761.72**	4,491.11
ii. Share option outstanding account		
Opening Balance	-	0.45
Employee Stock Option Scheme		
Less: Transferred during the year to Share premium/Share Capital Account		(0.45)
Closing Balance	-	-
iii. Securities premium		
Opening Balance	**3,354.72**	3,354.35
Exercise of option proceeds received	-	0.37
Premium on shares issued during the year	**3,062.59**	-
Utilisation for share issue expenses		
Closing balance	**6,417.31**	3,354.72
iv. Foreign Currency Translation Reserve		
Opening balance	**(15.89)**	(2.32)
Addition during the year	**(3.86)**	(13.57)
Closing balance	**(19.75)**	(15.89)
v. Equity instruments through OCI		
Opening Balance	**67.05**	-
Other comprehensive income (net of tax)	100.50	67.05
Closing balance	**167.56**	**67.05**

Total Reserves and surplus	**11,326.84**	7,897.01
Money received against share warrants**	**-**	625.00
Total Other Equity	**11,326.84**	8,522.01

** Terms of securities convertible into equity (Share Warrants): The Holding Company had made a preferential issue of share warrants on 23rd August, 2022 with an issue price of Rs 125/- per warrant with a right to the warrant holder to apply for and be allotted 1 equity share of face value Rs. 10/- each of the company at a premium of Rs 115/- per share for each warrant within a period of 18 months from the date of allotment of the warrants. In the event the warrant holder would not have exercised the warrants within 18 months from the date of allotment, the warrants would have been lapsed and the amount paid to the Holding Company at the time of subscription of the warrants would have been forfeited. During the year, shares have been issued against share warrants

Nature and purpose of reserves

a) Share options outstanding account represents the balance that would be utilised for allotting the shares under the Stock option scheme.
b) Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Note 16 (a): Non-current borrowings

Particulars	**As At**	As At
	March 31 2024	March 31 2023
Secured (Refer notes 16 (c))		
Term loans		
From banks	**287.30**	457.39
Axis Bank vehicle loan	**-**	4.00
Axis Bank ECGL	**113.31**	178.29
ICICI Bank	**173.99**	275.10
From financial institutions	**125.01**	445.00
Technology Development Board (TDB)	**-**	70.00
Tata Capital Financial Services Ltd	**125.01**	375.00
Unsecured		
Term loans from others	**436.48**	1,229.00
RIB ITWO Soft Pvt Ltd	**198.33**	991.67
Loan from directors	**238.15**	237.33
Less: Current maturities of long-term borrowings	**(432.82)**	(1,250.40)
Total non-current borrowings	**415.96**	880.99

The Group has used the borrowings taken for the specific purposes for which it was taken.

The Group is regular in repaying its debt and is not a declared wilful defaulter by any bank or financial Institution or other lender.

The Indian Companies in the Group has registered all required charges with Registrar of Companies.

Note 16 (b): Current borrowings

Particulars	As At March 31 2024	As At March 31 2023
Loans repayable on demand		
Secured (Refer note 16 (c))		
From banks - working capital loans	**2,121.79**	1,747.55
Unsecured (Refer note 16 (c))		
From others	**166.39**	125.24
Current maturities of long-term borrowings	**432.82**	1,250.40
Total current borrowings	**2,721.01**	3,123.19

The statements of quarterly returns filed by the Holding Company with the banks are in agreement/reconciled with the books of account except below:

Particulars of Securities	Quarter	As Per Return/ Statement	As per Quarterly Financials	Difference*
Contract Assets+Trade Receivable (Gross)+Other current asset+Bank borrowings+Trade Payable+Other current liability+Sales	Mar-24	23,959.33	24,304.86	(345.53)

* The statements were filed with bank before the quarterly submission of audited financial results

Note 16 (C): Nature and purpose of loans, security and terms of repayment

(a) Nature of security and terms of repayment of secured loans

	Loan Amount, Nature of security of Holding Company		Terms of repayment
	Term loans from banks		
(i)	**ICICI Bank**		
	This loan is towards take-over of SIDBI loan. The sanction amount of this loan is Rs 135 Lakhs. The Holding Company has availed a loan of Rs 123.51 Lakhs (As at March 31, 2023: Rs 48.19 Lakhs, As at 31st March 2024: Rs. 12.05 lacs) only. This loan is secured against: i) exclusive charge on movable fixed assets / tangible and intangible assets financed by SIDBI; ii) personal guarantee by Mr Vijay S. Gupta and Ms. Priti V. Gupta		Rate of interest is 9.25% p.a. The principal amount shall be repaid in 41 equal instalments of Rs 301,233 starting from March 21 to July-2024
(ii)	**ICICI Bank**		
	This Loan is towards renovation and interiors of Holding Company's new office at Baner. The sanction amount of this loan is Rs. 350 Lakhs only. The Holding Company has availed a loan of Rs.		Rate of interest is 9.25%. Principal amount shall be repaid in 60 equal monthly instalments of Rs 5,41,364 starting from Sept-2021 to August-2026

	324.81 Lakhs (as at March 31, 2023: Rs. 226.90 Lakhs, As at 31st March 2024: Rs. 161.94 Lacs). Loan is secured against: i) the exclusive charge on assets to be financed for interiors and setup of new office (furniture, fixtures, networking systems etc); ii) personal guarantee by Mr Vijay S. Gupta and Priti V. Gupta. iii) pledge of fixed deposits of Rs. 106 Lakhs		
(iii)	**Axis Bank - ECLGS**		
	This ECLGS loan has been sanctioned to meet the working capital requirements arising out of COVID-19. Loan of Rs. 195 lakhs (as at March 31, 2023: Rs. 81.28 lakhs, as at 31st March 2024: Rs.16.31 Lacs). Loan is secured against: i) Hypothecation on entire current assets of the borrower; ii) personal guarantee by Mr Vijay S. Gupta , Mrs Priti V. Gupta and Mr Chirag Gupta (limited to the value of property)		Rate of interest is 5.25% over the Repo rate, which will reset at interval of 3 months. The current rate of interest is 11.75% p.a. (i.e. Repo rate of 6.5% + 5.25%). The loan of Rs 195 Lakhs disbursed is to be repaid in 36 instalments after 12 months moratorium period starting from the month of July-21.
(iv)	**Axis Bank - ECLGS II**		
	This ECLGS loan has been sanctioned to meet liquidity mismatch arising out of COVID-19. Loan of Rs. 97 lakhs (as at 31st March 2023: Rs. 97 lacs, as at 31st March 2024: Rs.97 lacs). Loan is secured against: i) Extension of charges on existing securities i.e. entire current assets of the Holding Company on second charge basis ii) 100% credit guarantee by National Credit Guarantee Trustee Company		Rate of interest is 5.25% over the Repo rate, which will reset at interval of 3 months. The current rate of interest is 11.75% p.a. (i.e. Repo rate of 6.50% + 5.25%). The loan of Rs 97 Lakhs disbursed is to be repaid in 36 instalments of Rs. 2,69,444 after 24 months moratorium period starting from the month of Oct-22.
(v)	**Axis Bank - Vehicle Loan**		
	Vehicle loan was obtained by the Holding Company in November 2018 at an interest rate of 8.70% p.a., secured against first charge on the underlying vehicle so purchased Loan of Rs. 29.18 lakhs (as at March 31, 2023: Rs 3.99 lakhs, as at 31st March 2024: NIL)		Repaid in 60 monthly instalments of Rs 60,149 with last instalment of Rs 50,427 starting from Nov-18 to Oct-23
	Term loans from financial institutions		
(vi)	**TDB**		
	Total loan amount of 245 lakhs (as at 31st March 2023: Rs. 70 lakhs, as at 31st March 2024: NIL) was obtained to partly finance the development of a new product. Loan is secured against: i) Hypothecation of movable assets of the Holding Company including assets created under the project ranking first pari pasu charge with other		Loan of Rs 245 lakhs was disbursed in 3 instalments, with two instalments of Rs 75 Lakhs and Rs145 lakhs disbursed on 28 March 2017 and 16 February 2019 and third instalment of Rs 25 Lakhs on 4 November 2020. The principal amount was repaid in 7 half-

	holders. ii) Personal guarantee from Vijay Gupta and Priti Gupta pledging 3 Lakh shares of Rs. 10 each having face value of Rs. 30 lakhs of Vijay Gupta. iii) Own corporate guarantee of SoftTech Engineers Limited		yearly instalments, with the last instalment payable in month of March 2024.
(vii)	**Tata Capital Financial Services Limited**		
	Loan obtained of Rs.500 Lacs for General Corporate Purpose / Capex/ Expansion Purposes / WC purposes (as at 31st March 2023: Rs. 375 lakhs, as at 31st March 2024: Rs. 125.01 lakhs). Loan is secured against: Fixed Deposit (FD) of Rs. 25 lakhs with a bank acceptable to TCFSL, duly lien marked on principal and interest in favour of TCFSL.		Rate of interest is Long term lending rate released by Tata Capital Financial Services Limited less 9.05% As at 31st March LTLR is 21.80%-9.05% ie 12.75% Repayment in monthly instalments of Rs.20,83,300 starting from 10th October 2022

(b) Nature of security and terms of repayment of secured loans

(viii) Unsecured loan from RIB ITWO Software Private Limited

The total sanctioned loan amount is Rs 1,400 Lakhs which comprises of committed loan facility of Rs 1,190 Lakhs and uncommitted loan facility of INR 210 Lakhs which is to be disbursed only at the sole discretion of the lender. The committed portion of loan facility was fully disbursed in the month of December 2019. Committed loan facility is carrying the interest rate of 6% p.a. Loan facility amount shall be converted into equity shares of the Holding Company thereby ensuring Lender's shareholding of 10% (ten percent) of the equity shares of the Holding Company, for the full facility amount, subject to the applicable laws in relation thereto. If the uncommitted portion of the facility amount is not disbursed and conversion is effected by the lender, then the committed portion as disbursed, shall be proportionately converted to 8.5% of the company's shareholding. The Conversion can be effected by lender within a period of 18 months from the date of disbursement. The repayment of this loan shall commence after the expiry of 3 years in 6 equal quarterly instalments.

During the financial year 2022 lender RIB ITWO Software Private Limited has expressed non-conversion of loan into equity. The loan amount will be repaid to lender in 6 equal quarterly instalments of Rs 198.33 Lakhs starting from Jan-2023 to April-2024.

(ix) Loans from Directors

These includes loan availed from managing director Mr. Vijay Gupta of Rs 201.09 lakhs as at March 31, 2024 (Rs 201.09 lakhs as at March 31, 2023) and director Mrs Priti Gupta of Rs. 36.24 lakhs as at March 31, 2024 (Rs. 36.24 lakhs as at March 31, 2023). These loans do not have a repayment schedule and carry an interest rate of 10% p.a.

(c) Loan repayable on demand - Current Borrowings

Secured

Working capital loan from banks

(x)	**Axis Bank**	
	Loan is secured against: i) First charge by way of hypothecation over entire current assets of the Holding Company, both present and future along with residual / sub-servient charge with ICICI ii) First pari pasu charge by way of hypothecation over entire movable fixed assets (excluding assets financed by SIDBI) of the Holding Company, both present and future, with TDB and Residual / sub-servient charge with ICICI iii) First charge over all the immovable assets of the Holding Company with residual / sub-servient charge with ICICI iv) Equitable mortgage on flat at Bibewadi, Pune, owned jointly in the name of Vijay Gupta and Priti Gupta v) Equitable mortgage on flat at Wagholi, Pune, owned jointly by Vijay Gupta and Priti Gupta vi) Lien on fixed deposits of Rs 36 lakhs and Rs 243 lakhs to be created. vii) Lien on recurring deposit of Rs 42 lakhs (Rs 1.75 lakhs p.m. for 24 months starting from March 2018) and Rs 120 lakhs (12 monthly instalments of Rs 10 lakhs p.m. started from March 2019) viii) Lien on fixed deposits of Rs. 25 Lakhs in the name of Softtech Engineers Limited as on 15th Jan 2021. ix) Negative lien on the office premises (Unit 5C, 5th Floor, Pentagon) located at Swargate, Pune, owned jointly by Vijay Gupta and Priti Gupta. x) Personal guarantee from Vijay Gupta and Priti Gupta.	Current rate is 10.70% (repo rate + 4.20%)
(xi)	**Axis Bank DLOD**	
	Loan is secured against Primary: i) Hypothecation of entire current assets of the borrower, both present and future on exclusive basis: Collateral: i) Exclusive charge by way of hypothecation on the entire movable fixed assets (Excluding assets financed by TDB) of the holding company - present and future ii) Exclusive charge on the movable fixed assets (excluding those funded out of term loan with ICICI bank) of the borrower, both present and future iii) Residential flat no-503, 5th floor, B-1 wing, Gangavihar Co-op Housing Society Ltd, S.No 612, Hissa No. 7, Plot no 2 to 17, near Gangadham, Bibewadi-Kondhwa road, Bibewadi, Pune standing jointly in the name of Vijay Gupta and Priti Gupta	Rate of interest is repo plus 5.25%

	iv) Immovable property situated at Flat number 1211, 12th floor, Building No E-15, IVY Apartment, Gat no 690 to 710, Behind JSPM College, Off Nagar road, Wagholi (Avalwadi), Pune in the name of Vijay Gupta and Priti Gupta v) Liquid Collateral as under: -BG Margin: -25% for Rs.9 cr and 20% for Rs.2.66 cr (Totalling of Rs.2.78 crores) -Recurring Fixed Deposit of Rs.36.00 Lacs -FD of Rs.211 lakhs -FD of Rs. 25 lakhs -FD of Rs. 238 lakhs (For fresh Enhancement) v) Negative Lien and deposition of original Title deeds of property of Office premises at Unit no 5C, 5th Floor, The Pentagon, S.No. 42-A/3/1, F.P.No 477-A, TPS No. 3, CTS No 4616, Near Lotus court, Off Pune Satara Road, Parvati, Pune standing jointly in the name of Vijay Gupta and Priti Gupta	
(xii)	**ICICI Bank CC**	
	Loan is secured against: i) First paripassu charge on current assets ii) personal guarantee by Mr Vijay S. Gupta and Priti V. Gupta. iii) the exclusive charge on fixed deposit of Rs. 107 lakhs upfront iv) the exclusive charge on movable fixed assets upfront	The Repo Rate component of the Interest Rate shall be reset after every 3 months. Current rate is 9.75% (repo rate 6.50% + 3.25%)
(xiii)	**Unsecured loan repayable on demand - from others**	
	Loan of Rs. 162.77 lakhs as at March 31, 2024 (Rs. 119.40 Lakhs as at March 31, 2023) is taken from East India Udyog Limited for the purpose of making immediate payments of tender deposit amounts.	There is no repayment schedule. This is a non-interest bearing loan

Note 17: Trade payables

Particulars	**As At March 31 2024**	**As At** March 31 2023
Trade payables		
total outstanding dues of micro and small enterprises	**96.45**	76.63
total outstanding dues of creditors other than micro and small enterprises	**870.09**	509.53
total outstanding dues of related parties	**56.00**	0.45
Total Trade payables	**1,022.54**	586.61

Particulars	**As At March 31 2024**	**As At** March 31 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year*	**490.24**	76.63
- Principal amount outstanding (whether due or not) to micro and small enterprises.	**47.03**	24.35

- Interest due thereon.	**2.46**	1.47
The amount of interest paid by the Group in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	**-**	-
The amount of payment made to the supplier beyond the appointed day during the year.	**253.05**	102.51
Amount of interest due and payable on delayed payments.	**14.27**	2.21
Amount of interest accrued and remaining unpaid as at year end.	**16.73**	3.67
The amount of further interest remaining due and payable even in the succeeding year.	**21.75**	5.02

To comply with the requirement of The Micro, Small And Medium Enterprises Development Act, 2006 ('MSMED Act'), the Indian Company in the Group requested its suppliers to confirm whether they are Micro, Small or Medium enterprise as defined in the said MSMED Act. Based on the communications received from such suppliers confirming their coverage as such enterprise, the Indian Company in the Group have recognised them for the necessary treatment as provided under the MSMED Act, from the date of receipt of such confirmations.

*Includes capital payable to MSE vendors of Rs. 393.79 lakhs (March 2023: Nil)

Ageing of Trade Payables	**Outstanding for following periods from due date of payment March 31, 2024**					
Particulars	**Not Due**	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed trade payables						
Micro enterprises and small enterprises	**27.68**	**53.60**	**15.17**	**-**	**-**	**96.45**
Others	**-**	**303.30**	**9.17**	**0.48**	**4.49**	**317.45**
Disputed trade payables	**-**	**-**	**-**	**-**	**-**	**-**
Micro enterprises and small enterprises	**-**	**-**	**-**	**-**	**-**	**-**
Others	**-**	**-**	**-**	**-**	**-**	**-**
Unbilled dues	**608.64**	**-**	**-**	**-**	**-**	**608.64**
Total	**636.32**	**356.90**	**24.35**	**0.48**	**4.49**	**1,022.54**

Ageing of Trade Payables	**Outstanding for following periods from due date of payment March 31, 2023**					
Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables						
Micro enterprises and small enterprises	47.26	26.17	3.20	-	-	76.63
Others	-	136.21	14.44	27.99	-	178.63
Disputed trade payables	-	-	-	-	-	-

Micro enterprises and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Unbilled dues	331.35	-	-	-	-	331.35
Total	378.61	162.38	17.63	27.99	-	586.61

Note 18: Provisions

Particulars	**As At**	As At
	March 31 2024	March 31 2023
Non-current		
Gratuity (Refer note 32)	**148.90**	109.87
Compensated absences	**-**	7.16
Non- current employee benefits obligations	**148.90**	117.03
Current		
Gratuity (Refer note 32)	**77.28**	67.84
Compensated absences		4.11
Current employee benefits obligations	**77.28**	71.95

Movement in Provisions for compensated absences

Particulars	Amount
As at 31 March 2022	20.14
Additional provisions recognised	-
Excess amounts reversed/utilised	8.87
As at 31 March 2023	11.27
Additional provisions recognised	**-**
Excess amounts reversed/utilised	**11.27**
As at 31 March 2024	**-**

Note 19: Other current financial liabilities

Particulars	**As At**	As At
	March 31 2024	March 31 2023
Payable to employees	**242.81**	174.29
Interest accrued but not due on borrowings	**27.99**	24.76
Payable towards capital purchases	**1,076.00**	34.62
Unpaid dividend	**0.21**	0.21
Total other current financial liabilities	**1,347.00**	233.88

Changes in liability arising from financing activity

Particulars	**As at March 31 2024**	As at March 31 2023
Non-current borrowings (Refer note 16(a))	**415.96**	880.99
Current borrowings (Refer note 16(a))	**2,721.01**	3,123.19

Interest accrued (Refer note 19)	**27.99**	24.76
Non-current Lease liabilities (Refer note 4(b))	**625.60**	722.62
Current Lease liabilities (Refer note 4(b))	**87.79**	82.31
Total	**3,878.34**	4,833.88

Particulars	**As at March 31 2024**	As at March 31 2023
Non cash adjustments:		
Reduction/ Increase in interest accrued	**3.23**	7.91
Interest on lease liabilities	**72.74**	39.32
Addition on account on new leases	**-12.22**	126.40
Cash flows:		
Lease payment including interest thereon	**-152.07**	-171.19
Proceeds from non- current borrowings	**-**	597.00
Repayment of non- curerent borrowings	**-1,283.42**	-475.12
Net proceeds from current borrowings	**416.20**	696.17
Movement of liabilities arising from financing activities	**-955.54**	820.48

Note 20: Other current liabilities

Particulars	**As At March 31 2024**	As At March 31 2023
Statutory liabilities	**351.50**	97.21
Advance from customers	**53.78**	16.73
Total other current liabilities	**405.28**	113.94

Note 21 (a) - Income tax expense

Particulars	**As at March 31 2024**	**As at** March 31 2023
Current tax	**328.44**	269.72
Less: Deferred tax - Relating to origination and reversal of temporary differences	**(111.26)**	(11.80)
Add: Short tax provision of previous years	**14.74**	23.11
Income tax expense	**231.92**	281.03
Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expenses	**564.37**	642.55
Tax Rate	**25.17%**	25.17%
Tax at the Indian tax rate	**142.04**	161.72
Adjustments:		

Tax effect of amounts which are not deductible in calculating taxable income	**8.95**	85.37
Deferred tax asset not created on carry forward losses and tax rate difference	**84.99**	-
Others	**(18.80)**	10.84
Total	**75.14**	96.21
Add: Short tax provision for previous years	**14.74**	23.11
Net current tax expenses recognised in statement of profit & loss	**231.92**	281.03

Note 21 (b) Deferred Tax (Net)

Particulars	**As at**	**As at**
	March 31 2024	March 31 2023
Net Deferred tax assets/(liabilities)	**180.74**	95.29
Deferred tax assets/(liabilities) of Holding company arise from the following:	**202.36**	95.29
Deferred tax assets		
Gratuity and compensated absences	**56.92**	47.56
Provision for doubtful debts, doubtful deposits and capital advance	**59.68**	25.88
Property, plant & equipment and intangible assets	**80.82**	52.65
MSME Principal outstanding and due	**11.84**	-
	209.27	126.09
Deferred tax liability		
Lease adjustment	**(5.30)**	4.59
Deferred tax on FVOCI gain	**8.29**	19.80
Other	**3.92**	6.40
	6.91	30.80
Deferred tax assets/(liabilities) of Holding company arise from the following:		
Deferred tax on FVOCI gain	**(21.62)**	-

Movement in deferred tax (assets)/ liabilities:	**As at**	As at
	March 31 2024	March 31 2023
Opening deferred tax (assets) / liabilities	**(95.29)**	(97.73)
Movement in deferred tax (assets)/ liabilities:		
Gratuity and compensated absences	**(9.36)**	(7.32)
Provision for doubtful debts, doubtful deposits and capital advance	**(33.80)**	(8.04)
Property, plant & equipment and intangible assets	**(28.17)**	(14.58)
MSME Principal outstanding and due	**(11.84)**	-
Lease adjustment	**(9.89)**	4.08
Deferred tax on FVOCI gain	**10.10**	19.80
Other	**(2.50)**	8.50
Closing deferred tax (assets) / liabilities	**(180.75)**	(95.29)

Deferred tax expense / (income)	**(85.45)**	2.44
- Recognised in statement of profit and loss	**(111.26)**	(11.80)
- Recognised in statement of other comprehensive income	**25.81**	14.24

Note 22: Revenue from operations

Particulars	**2023-24**	**2022-23**
Revenue from contracts with customers		
Sale of services (refer note 38)	**6,667.53**	5,660.61
Sale of products	**1,210.06**	879.87
Total revenue from operations	**7,877.59**	6,540.48

Note 23: Other income

Particulars	**2023-24**	2022-23
Interest income on bank deposits	**76.91**	60.17
Net gain on sale of investments	**28.64**	9.79
Fair value gain on investment measured at FVTPL	**38.01**	25.44
Total (A)	**143.56**	95.40
Other non-operating income		
Excess provision/credit balances written back	**50.00**	27.35
Unwinding of discount on security deposits	**3.53**	5.54
Interest on Income Tax Refund	**30.52**	-
Foreign currency net gains and losses	**-**	9.02
Miscellaneous Income	**1.61**	5.66
Total(B)	**85.67**	47.57
Total other income	**229.22**	142.97

Note 24: Purchase of stock-in-trade

Particulars	**2023-24**	2022-23
Purchase of traded software	**1,171.61**	883.86
Total purchases of stock-in-trade	**1,171.61**	883.86

Note 25: Employee benefit expenses

Particulars	**2023-24**	2022-23
Salaries, wages and bonus	**2,021.94**	1,578.93
Contribution to provident and other funds	**67.30**	63.46
Gratuity (Refer note 32)	**27.36**	19.32
Staff welfare	**18.28**	9.08
Total employee benefit expense	**2,134.88**	1,670.79

Note 26: Finance cost

Particulars	2023-24	2022-23
Interest cost on borrowings	**356.85**	324.07
Finance charges on lease liabilities (refer note 4(b))	**72.74**	39.32
Interest others	**18.08**	8.63
Other borrowing cost.	**7.95**	20.54
Total finance cost	**455.61**	392.56

Note 27: Depreciation and amortisation expenses

Particulars	2023-24	2022-23
Depreciation on property, plant and equipment	**116.31**	108.56
Depreciation on right-of-use assets [Net of INR 40.31 Lakhs (March 31, 2023: 40.53 lakhs) capitalised during the year]	**78.30**	75.12
Amortization of intangible assets	**1,149.83**	862.52
Total depreciation and amortization expenses	**1,344.42**	1,046.20

Note 28: Other expenses

Particulars	2023-24	2022-23
Electricity charges	**24.79**	23.86
Rent	**3.44**	0.62
Repairs and maintenance	**10.46**	10.23
Insurance	**21.81**	21.66
Rates and taxes	**28.34**	92.78
Travelling and conveyance	**205.60**	195.49
Professional fees for technical consultants	**1,338.47**	945.75
Auditors' remuneration	**18.39**	13.05
Legal and professional expenses	**259.15**	164.67
Bank charges	**14.85**	13.48
Sales promotion expenses	**87.68**	68.62
Printing and stationery	**6.89**	3.12
Office expenses	**24.10**	16.84
Postage and telephone	**15.05**	11.63
Internet charges	**101.49**	91.69
Subscription Charge	**102.47**	49.35
Provision for bad and doubtful debts	**134.31**	3.98
Bad Debts	**4.15**	94.15
Claims receivable written off	**-**	186.61
Expenditure towards Corporate Social Responsibility (CSR) activities	**14.31**	15.24
Exchange Gain Loss	**11.09**	-
Miscellaneous expenses	**9.05**	24.68
Total other expenses	**2,435.92**	2,047.50

Note: 29 Earnings per share

Particulars	2023-24	2022-23
(i) Basic earnings per share (BEPS)		
Profit attributable to equity shareholders of the Company	**357.81**	399.76
Weighted average number of equity shares (Refer note below)	**11,298,397**	10,486,842
Basic earnings per share	**3.17**	3.81
(ii) Diluted earnings per share (DEPS)		
Profit attributable to equity shareholders of the Company	**357.81**	399.76
Weighted average number of equity shares including potential shares (Refer note below)	**11,298,397**	10,582,014
Diluted earnings per share	**3.17**	3.78

Weighted average number of shares used as denominator

Particulars	2023-24	2022-23
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	**11,298,397**	10,486,842
Adjustments for calculation of diluted earnings per share		
Share warrants (refer note 15 C)	-	95,173
Options	-	-
Weighted average number of equity shares and potential shares used as the denominator in calculating diluted earnings per share	**11,298,397**	10,582,014

Note 30: Contingencies and commitments

i) Capital commitments

Particulars	March 31 2024	March 31 2023
Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	-

ii) Contingent liabilities (to the extent not provided for)

Particulars	March 31 2024	March 31 2023
a. Claims against the Holding Company not acknowledged as debts		
Goods & Service Tax demand for FY 2017-18 to 2019-20	**108.43**	-
Income Tax demand for Assessment Year 2018-19	**274.75**	-

b. Other matters for which the Holding Company is contingently liable	**7.62**	7.62
Total	**390.80**	7.62

ai. During the financial year 2019-20, the Holding Company had received communication under section 70 of the CGST Act, 2017 from the DGGI, Zonal Unit, Pune in relation to input tax credit allegedly wrongly availed by the Holding Company. The GST officers had taken the relevant records of the Holding Company for further investigation. The management of the Holding Company based on discussions and frequent meetings with the GST officers, had paid the input tax credit availed of INR 186.61 Lakhs under protest. At the time, the Holding Company had obtained appropriate legal opinion which indicated that they had a case to claim refund of the amount paid under protest and accordingly, the amount paid had been disclosed under the head “Balances with Government Authorities in the financial statements. However, during the previous year 2022-23, the management had decided to not pursue this claim so the entire Rs. 186.61 Lakhs along with penalty and interest has been written off in the statement of profit and loss.

aii. The Assessing officer had filed an appeal with Income Tax Appellate Tribunal ('ITAT') against the order passed by Commissioner of Income Tax (Appeals) under section 143 (3) of the Income tax Act, 1961 for the Assessment Year (A.Y.) 2014 - 2015, resulting in net tax liability of Rs. 201.01 Lakhs. Amount of Rs. 30 Lakhs had been paid under protest for the same (refer note 8). In the current financial year, the ITAT released an order dismissing all appeals of the Revenue and refund is received by the Holding Company.

"aiii. During current financial year, Holding Company has received the demand order from Dy. Commission of sales tax under The Maharashtra Goods and Services Tax Act, 2017 aggregating to Rs. 108.43 lakhs (including interest and penalty) pertaining to certain delay in filing tax returns and late payment of tax. The Holding Company has filed appeal against the show cause notices stating that the relevant tax, interest and penalty has already been paid by the Holding Company at the time of filing of returns of respective periods."

aiv. During the year Holding Company has received notice u/s. 148A for reopening the assessment for AY 2018-19 by Assessing officer raising demand of Rs. 274.75 lakhs. The Company has filed the appeal to the Joint Commissioner (Appeals)/ Commissioner of Income-tax (Appeals).

Management of the Holding Company is confident that none of the above contingent liabilities will result in material cash outflow.

Note 31 (a) Related party disclosures

Names of related parties and their relationships

Name of the Related party	Nature of Relationship
Key Management Personnel (KMP)	
Vijay Gupta	Managing director
Priti Gupta	Executive Director
Pratik Patel	Executive Director
Kamal Agrawal	Chief Financial Officer
Shalaka Khandelwal	Company Secretary (Appointed w.e.f. 25th May 2023)
Sridhar Pillalamari	Independent Director

Rahul Gupta	Independent Director (Resigned w.e.f 7th November 2023)
Sundararajan Srinivasan	Independent Director
Dr. Rakesh Kumar Singh	Independent Director
Yogeshkumar Mangubhai Desai	Independent Director (Appointed w.e.f 12th February 2024)
Garth Brosnan	Nominee Director (Resigned w.e.f 24th May 2024)
Close members of KMP	
Chirag Gupta	Son of Vijay Gupta
Pawan Gupta	Relative of a Director
Other related parties	
SoftTech Care Foundation	Subsidiary (Section 8 company formed for CSR purpose)

Note 31 (b) Related party transactions

Nature of transactions and amounts

Nature of transactions	**Key Management Personnel (KMP)**		**Relatives of KMP**		**Subsidiaries**		**Entities over which KMP and their relatives are able to exercise significant Influence**	
	March 31 2024	March 31 2023	**March 31 2024**	March 31 2023	**March 31 2024**	March 31 2023	**March 31 2024**	March 31 2023
Salaries and allowances								
Aishwarya Patwardhan	**-**	(5.97)	**-**	-	**-**	-	**-**	-
Kamal Agrawal	**(60.00)**	(50.00)						
Shalaka Khandelwal	**(5.06)**	-						
Directors remuneration								
Vijay Gupta	**(81.00)**	(81.00)	**-**	-	**-**	-	**-**	-
Priti Gupta	**(15.00)**	(15.00)	**-**	-	**-**	-	**-**	-
Pratik Patel	**(14.46)**	(14.46)	**-**	-	**-**	-	**-**	-
Post employee benefit								
Vijay Gupta	**-**	-						
Priti Gupta	**(0.22)**	(0.38)						

Pratik Patel	**(0.26)**	(0.19)						
Kamal Agrawal	**(0.99)**	(0.56)						
Shalaka Khandelwal	**(0.03)**	-						
Other long term benefits								
Vijay Gupta	**0.23**	0.19						
Priti Gupta	**0.14**	0.08						
Pratik Patel	**-**	-						
Kamal Agrawal	**0.15**	0.05						
Shalaka Khandelwal	**-**	-						
Loan obtained								
Vijay Gupta	**50.00**	155.00	**-**	-	**-**	-	**-**	-
Priti Gupta	**10.00**	75.00	**-**	-	**-**	-	**-**	-
Loan repaid								
Vijay Gupta	**(50.00)**	(103.91)	**-**	-	**-**	-	**-**	-
Priti Gupta	**(10.00)**	(78.00)	**-**	-	**-**	-	**-**	-
Services received-Pawan Gupta		-	**-**	(1.50)	**-**	-	**-**	-
Directors sitting fees								
Sridhar Pillalamarri	**(1.00)**	(1.25)	**-**	-	**-**	-	**-**	-
Rahul Gupta	**(0.50)**	(1.00)	**-**	-	**-**	-	**-**	-
Sundararajan Srinivasan	**(1.00)**	(1.25)	**-**	-	**-**	-	**-**	-
Rakesh Kumar Singh	**(1.00)**	(0.75)						
Interest expense								
Vijay Gupta	**(20.50)**	(21.93)	**-**	-	**-**	-	**-**	-
Priti Gupta	**(3.68)**	(4.21)	**-**	-	**-**	-	**-**	-
Purchase of Intangible Assets								
Vijay Gupta	**-**	(140.00)	**-**	-	**-**	-	**-**	-
Non-compete fees								
Vijay Gupta	**(62.22)**	-	**-**	-	**-**	-	**-**	-

Rent expense								
Ritaben S Patel	**-**	-	**(2.70)**	-	**-**	-	**-**	-
Total	**(266.39)**	(289.55)	**(2.70)**	(1.50)	**-**	-	**-**	-

Note: Figures in bracket are outflows.

Outstanding receivable/(payable) balances

Nature of transactions	**Key Management Personnel (KMP)**		**Relatives of KMP**		**Subsidiaries**		**Entities over which KMP and their relatives are able to exercise significant Influence**	
	March 31 2024	March 31 2023	**March 31 2024**	March 31 2023	**March 31 2024**	March 31 2023	**March 31 2024**	March 31 2023
Remuneration payable								
(i) Short term employee benefit								
Vijay Gupta	**(6.75)**	(21.25)		-		-		-
Priti Gupta	**(1.25)**	(0.79)		-		-		-
Pratik Patel	**(8.57)**	(4.87)		-		-		-
Kamal Agrawal	**(5.00)**	(3.42)		-		-		-
Shalaka Khandelwal	**(0.46)**	-		-		-		-
(ii) Post employee benefit								
Vijay Gupta	**(20.00)**	(20.00)						
Priti Gupta	**(3.48)**	(3.26)						
Pratik Patel	**(0.65)**	(0.39)						
Kamal Agrawal	**(1.69)**	(0.70)						
Shalaka Khandelwal	**(0.03)**	-						
(iii) Other long term benefits								
Vijay Gupta	**-**	(0.23)						
Priti Gupta	**-**	(0.14)						
Pratik Patel	**-**	-						
Kamal Agrawal	**-**	(0.15)						
Shalaka Khandelwal	**-**	-						
Loan payable								
Vijay Gupta	**(201.09)**	(201.09)		-		-		-
Priti Gupta	**(36.24)**	(36.24)		-		-		-
Interest payable								
Vijay Gupta	**(19.46)**	(9.18)		-		-		-

Priti Gupta	**(4.18)**	(3.33)		-		-		-
Travelling advance								
Vijay Gupta	**0.10**	0.10						
Expense reimbursement receivable								
SoftTech Care Foundation		-		-	**0.31**	-		-
Directors sitting fees Payable								
Sridhar Pillalamarri	**-**	(0.23)		-		-		-
Sundararajan Srinivasan	**-**	(0.23)		-		-		-
Investment in share capital								
SoftTech Care Foundation		-		-	**0.90**	0.90		-
Security deposits								
Vijay Gupta	**-**	5.53		-		-		-
Priti Gupta	**-**	2.02		-		-		-
Non-Compete Fees								
Vijay Gupta	**56.00**	-	**-**	-	**-**	-	**-**	-
Rent expense								
Ritaben S Patel	**-**	-	**(2.70)**	-	**-**	-	**-**	-

Terms and conditions:

Management is of the view that all transactions with related parties are in ordinary course and on an arm's length basis.

All outstanding balances are unsecured and payable in cash.

Note 32: Employee benefit obligations

A. Defined contribution plans (Refer Note 25)

The Holding Company's state governed provident fund, employee state insurance scheme and labour welfare are defined contribution plan. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the service. During the year, the Holding Company has contributed Rs. 67.30 Lakhs (March 31, 2023 Rs. 63.46 Lakhs) to these schemes.

B. Defined benefit plans

The Holding Company provides for gratuity benefit under a defined benefit retirement scheme (the "Gratuity Scheme") as laid out by the Payment of Gratuity Act, 1972 of India covering eligible employees. The Gratuity Scheme provides for a lump-sum payment to employees who have completed at least five years of service with the Holding Company, based on salary and tenure of employment. Liabilities with regard to the Gratuity Scheme are determined by actuarial valuation carried out using the Projected Unit Credit Method by an independent actuary. The Gratuity Scheme is a non-funded scheme and the Holding Company intends to discharge this liability through its internal resources.

(a) Movements in the present value of the defined obligation are as follows:

Particulars	**Year ended March 31 2024**	Year ended March 31 2023
Obligation at the beginning of the year	**177.71**	139.75
Current service cost	**24.67**	19.39
Interest expense	**12.78**	7.65
Benefits paid	**(5.28)**	(11.20)
Actuarial losses (gains) arising from experience adjustments	**16.29**	22.12
Liability at the end of the year	**226.18**	177.71

(b) The Plan has not been funded as on the balance sheet date.

(c) The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	**Year ended March 31 2024**	Year ended March 31 2023
Present value of funded obligations	**226.18**	177.71
Fair value of plan assets	**-**	-
Deficit of Gratuity Plan	**226.18**	177.71
Current / Non Current Bifurcation		
Current liability	**77.28**	67.84
Non Current liability	**148.90**	109.87
Total	**226.18**	177.71

(d) Expenses recognized in the Statement of Profit and Loss under employee benefit expenses.

Particulars	**Year ended March 31 2024**	**Year ended March 31 2023**
Service cost	**24.67**	19.39
Net interest (income)/expense	**12.78**	7.65
Past Service Cost	**-**	-
Expected return on plan assets	**-**	-
Settlement cost/(credit)	**-**	-
Less: Capitalised during the year in Intangible asset under development	**(10.09)**	(7.72)
Net gratuity cost	**27.36**	19.32

(e) Expense recognized in statement of other comprehensive income:

Remeasurement	Year ended March 31 2024	Year ended March 31 2023
Remeasurement for the year - obligation (Gain)/Loss	**16.29**	22.12
Total Remeasurement Cost/(Credit) for the year recognised in OCI	**16.29**	22.12

(f) "Significant estimates: actuarial assumptions and sensitivity"
The significant actuarial assumptions were as follows:

Particulars	**Year ended March 31 2024**	**Year ended March 31 2023**
Mortality rate	**Indian Assured Lives Mortality (2012-14) Ult.**	Indian Assured Lives Mortality (2012-14) Ult.
Discount rate	**7.20%**	7.30%
Rate of growth in compensation level	**10.00%**	10.00%
Expected average remaining working lives of employees (in years)*	**3.26**	3.16
Retirement Age	**58.00**	58.00
Withdrawal Rate:	**30.00%**	31.00%

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

(g) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Change in Assumption	**Defined benefit obligation**	
	2023-24	2022-23
(i) 1% decrease in discount rate	**6.69**	4.86
(ii) 1% increase in discount rate	**(6.29)**	(4.60)
(iii) 1% increase in rate of salary escalation	**4.43**	3.26
(iv) 1% decrease in rate of salary escalation	**(4.32)**	(3.18)
(v) 1% increase in rate of withdrawal	**(0.84)**	(0.59)
(vi) 1% decrease in rate of withdrawal	**0.87**	0.60

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by 1%, keeping all other actuarial assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis does not change compared to the prior period.

The following payments are expected contributions to the defined benefits plan in future year if the Holding Company decides to invest in these funds:

Particulars	**Year ended March 31 2024**	Year ended March 31 2023
Year 1	**77.28**	67.84
Year 2	**47.97**	35.45
Year 3	**41.65**	32.37
Year 4	**35.75**	28.33
Year 5	**35.36**	24.23
Year 6 to 10	**116.18**	86.15

(i) Average Duration

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate and interest rate) is 3.63 years

(j) Risk Exposure And Asset Liability Matching

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1. **Liability Risks**

   a. **Discount Rate Risk**
   Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

   b. **Future Salary Escalation and Inflation Risk**
   Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

Note 33: Fair value measurements

i) Financial instruments by category

Particulars	**March 31 2024**			**March 31 2023**		
	Fair value through Profit & Loss	**Fair Value through Other Comprehensive income**	**Amortised cost**	Fair value through Profit & Loss	Fair Value through Other Comprehensive income	Amortised cost
Financial assets						
Non- current financial assets						
Non-current investments*	**3.83**	**554.66**	**-**	3.83	298.50	-

Other non-current financial assets						
Term deposits with maturity more than 12 months from reporting date	**-**	**-**	**974.36**	-	-	1,127.02
Interest accrued but not due on bank deposits and others	**-**	**-**	**250.12**	-	-	198.25
Security deposits	**-**	**-**	**40.20**	-	-	41.19
Tender deposits	**-**	**-**	**1.50**	-	-	-
Retention money	**-**	**-**	**20.64**	-	-	38.63
Current financial assets						
Trade receivables	**-**	**-**	**4,578.63**	-	-	2,615.20
Current investments	**980.64**	**-**	**-**	869.00	-	-
Cash and cash equivalents	**-**	**-**	**140.49**	-	-	85.67
Bank balance other than above			**0.21**			0.21
Other current financial assets	**-**	**-**	**133.10**	-	-	92.20
Total financial assets	**984.47**	**554.66**	**6,139.27**	872.83	298.50	4,198.37
Financial liabilities						
Non-current financial liabilities						
Non-current borrowings	**-**	**-**	**415.96**	-	-	880.99
Lease liabilities	**-**	**-**	**625.60**	-	-	722.62
Other financial liabilities	**-**	**-**	**-**	-	-	-
Current financial liabilities						
Current borrowings	**-**	**-**	**2,721.01**	-	-	3,123.19
Lease liabilities	**-**	**-**	**87.79**	-	-	82.31
Trade payables	**-**	**-**	**1,022.54**	-	-	586.61
Other current financial liabilities	**-**	**-**	**1,347.00**	-	-	233.88
Total financial liabilities	**-**	**-**	**6,219.89**	-	-	5,629.61

***Note:**

Equity instruments designated as measured at fair value through OCI.

a) These are designated as such upon initial recognition in accordance with paragraph 5.7.5 of Ind AS 109. This presentation is required as the asset is a strategic non-held for trading investment and fails the SPPI test.

b) There are no dividends recognised during the period for this investment.

c) There have been no transfer of cumulative gain/loss within equity during the period for this investment.

The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables, investments in equity shares of others at FVTPL and other current financial assets and liabilities approximate their carrying amounts, largely due to the short term nature of these balances.

The fair value of the financial assets and liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
The management assessed that the carrying amounts of its financial instruments are reasonable approximations of fair values.

ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at March 31, 2024

Financial assets and liabilities measured at fair value	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial Investments at Fair value through Profit & Loss				
Non-current investments	**-**	**-**	**3.83**	**3.83**
Current investments	**980.64**	**-**	**-**	**980.64**
Financial Investments at Fair value through Other Comprehensive Income				
Non-current investments	**-**	**-**		
Current investments	**-**	**-**	**554.66**	**554.66**
Total financial assets	**980.64**	**-**	**558.48**	**1539.12**

As at March 31, 2023

Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total
Financial assets				
Financial Investments at Fair value through Profit & Loss				
Non-current investments	-	-	3.83	3.83
Current investments	869.00	-	-	869.00
Financial Investments at Fair value through Other Comprehensive Income				
Non-current investments	-	-		
Current investments	-	-		
Total financial assets	869.00	-	302.32	1171.33

There are no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2024, March 31, 2023.

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of derivatives is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

iii) Valuation inputs used in Level 3 and sensitivity of inputs to fair value:

Particulars	As at 31st March 2024	As at 31st March 2023	Valuation technique adopted	Significant unobservable inputs	As at March 2024	As at March 2023	Sensitivity of Input to FV
Non Current Investments - Investment in equity shares of others at FVTPL	**3.83**	3.83	Purchase cost	NA	**NA**	NA	NA
Non Current Investments - Investment in equity shares of QI Square Pte. Ltd. Singapore at FVOCI	**460.13**	298.46	DCF technique	Discounting factor	**Increase by 10% : (Rs. 95.98 Lakhs) Decrease by 10% : Rs. 130.60 Lakhs**	Increase by 10% : (Rs. 35.30 Lakhs) Decrease by 10% : Rs. 39.16 Lakhs	Increase/ (decrease) in the rate would decrease/ (increase) the fair value.
Non Current Investments - Investment in equity shares of others at FVOCI	**94.52**	0.04	DCF technique	Discounting factor	**Immaterial impact if change in discounting factor by 10%**	Immaterial impact if change in discounting factor by 10%	Increase/ (decrease) in the rate would decrease/ (increase) the fair value.

iv) Fair value of financial assets and liabilities measured at amortised cost

The fair value of all financial instruments carried at amortised cost are not materially different from their carrying amounts, since they are either short-term in nature or the interest rate applicable are equal to the current market rate of interest.

Note 34: Financial risk management

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management ensures 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

"The Group is exposed to credit risk from counterparties defaulting on their obligations, primarily related to trade receivables and unbilled revenue. To manage this risk, the Group regularly monitors and limits exposure, focusing on the financial reliability of its customers, which are mostly state government bodies, thus having a low inherent risk of payment default.

To manage this risk, the Group periodically reviews the financial reliability of its customers, taken into account their financial conditions, current economic trends, analysis of historical bad debts and ageing of trade receivables.

The Group uses the simplified approach to calculate expected credit losses for impairment on trade receivables and other financial assets, providing for them where necessary. All of the Groups's other financial assets measured at amortized cost and the loss allowance recognised during the period was therefore limited to 12 months' expected losses. Management considers instruments to be low credit risk when there is a low risk of default and the issuer has a strong capacity to meet its obligations. Refer to Notes 10 and 12 for the ageing of receivables, contract assets, and movement in loss allowance."

(b) Liquidity Risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. The Group's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Group closely monitors its liquidity position and maintains adequate source of financing, if required, through the use of short-term bank deposits. Processes and policies related to such risks are overseen by senior management.

Exposure to liquidity risk

The table below analyzes the Group's financial liabilities into relevant maturity groupings based on their contractual maturities:

March 31 2024	**Current**	**1 year to 3 years**	**More than 3 years**	**Total**
Non-current financial liabilities				
Non-current borrowings	**-**	**399.17**	**16.79**	**415.96**
Lease liabilities	**-**	**202.57**	**423.03**	**625.60**
Other non-current financial liabilities	**-**	**-**	**-**	**-**
Current financial liabilities				**-**
Current borrowings	**2,721.01**	**-**	**-**	**2,721.01**
Lease liabilities	**87.79**	**-**	**-**	**87.79**
Trade payables	**1,022.54**	**-**	**-**	**1,022.54**
Other current financial liabilities	**1,347.00**	**-**	**-**	**1,347.00**
Total	**5,178.33**	**601.75**	**439.82**	**6,219.89**

March 31 2023	Current	1 year to 3 years	More than 3 years	Total
Non-current financial liabilities				
Non-current borrowings	-	800.48	80.52	880.99
Lease liabilities	-	93.33	629.30	722.62

Other non-current financial liabilities	-	-	-	-
Current financial liabilities				
Current borrowings	3,123.19	-	-	3,123.19
Lease liabilities	82.31	-	-	82.31
Trade payables	586.61	-	-	586.61
Other current financial liabilities	233.88	-	-	233.88
Total	4,026.00	893.80	709.81	5,629.61

(c) Market risk

"Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk.

i) Foreign currency exchange rate risk:

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Group transacts majority of it's business in local currency INR and therefore has minimal foreign currency exposure from trade payables and trade receivables. However, the Holding Company has significant investments in overseas subsidiaries. These investments are long term in nature and won't be impacted for any short term fluctuation in the currency. The Group has not hedged it's foreign currency exposure by derivative instruments as on 31 March, 2024. There are no forward contracts outstanding as on 31 March, 2024."

Details of foreign currency exposures

Particulars	Currency	Amount in Foreign Currency		Amount in Rs.*	
		31 March 2024	31 March 2023	**31 March 2024**	31 March 2023
Financial liabilities					
Trade Payables	EURO	**40,013**	871	**3,605,361**	77,760
	USD	**33,625**	17,476	**2,802,529**	1,434,934
	SGD	**3,151**	8,918	**194,647**	550,659
	AED	**379**	-	**8,603**	-
Other Financial liabilities	SGD	**9,814**	-	**606,294**	-
	AED	**27,500**	-	**624,107**	-
Financial assets					
Trade receivable	USD	**69,588**	5,400	**5,799,922**	443,394
	MYR	**700,000**	700,000	**12,350,672**	12,992,000
	SGD	**109,600**	192,861	**6,770,989**	11,909,181
	AED	**148,962**	-	**3,380,660**	**-**
Other Financial Assets	USD	**4,150**	4,150	**345,888**	**340,757**
	AED	**38,631**	-	**876,728**	**-**

Currency wise net exposure (Assets-Liabilities)

Currency	Amount in Foreign Currency		Amount in Rs*	
	31 March 2024	31 March 2023	**31 March 2024**	31 March 2023
USD	**40,113**	(7,926)	**3,343,282**	(650,783)
EURO	**(40,013)**	(871)	**(3,605,361)**	(77,760)
MYR	**700,000**	700,000	**12,350,672**	12,992,000
AED	**159,714**	-	**3,624,679**	-
SGD	**96,635**	183,944	**5,970,048**	11,358,522

Currency wise details of Hedged exposure

Currency	Amount in Foreign Currency	
	31 March 2024	31 March 2023
USD	-	-
EURO	-	-
MYR	-	-
SGD	-	-

Currency wise net Unhedged exposure

Currency	Amount in Foreign Currency		Amount in Foreign Currency	
	31 March 2024	31 March 2023	**31 March 2024**	31 March 2023
USD	**40,113**	(7,926)	**3,343,282**	(650,783)
EURO	**(40,013)**	(871)	**(3,605,361)**	(77,760)
MYR	**700,000**	700,000	**12,350,672**	12,992,000
AED	**159,714**	-	**3,624,679**	-
SGD	**96,635**	183,944	**5,970,048**	11,358,522

* These amounts are whole numbers

Sensitivity Analysis

The following tables demonstrate the sensitivity to a reasonably possible change in above exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

Particulars	31 March 2024	31 March 2023
Net unhedged exposure in INR		
USD	**3,343,282**	(650,783)
EURO	**(3,605,361)**	(77,760)
MYR	**12,350,672**	12,992,000

SGD	**5,970,048**	11,358,522
AED	**3,624,679**	-
Sensitivity		
USD-change by 2.63 % (4.45% in 2022-23)	**2.19**	3.65
EURO-change by 2.09 % (3.58% in 2022-23)	**1.88**	3.20
MYR-change by 0.30 % (2.28 % in 2022-23)	**0.05**	0.42
SGD- change by 3.97 % (5.09 % in 2022-23)	**2.45**	3.14
AED-change by 2.63 % (2.28 % in 2022-23)	**0.60**	0.51
Impact on profit after tax or equity (INR Weakens)		
USD	**65,759**	(17,794)
EURO	**(56,462)**	(1,860)
MYR	**27,383**	41,141
SGD	**177,253**	267,155
AED	**71,226**	-
Impact on profit after tax or equity (INR Strengthens)		
USD	**(65,759)**	17,794
EURO	**56,462**	1,860
MYR	**(27,383)**	(41,141)
SGD	**(177,253)**	(267,155)
AED	**(71,226)**	-

Backup of standard deviation

Currency	31-Mar-20	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24
USD	75.36	73.16	75.90	82.11	**83.35**
EURO	83.08	85.92	84.21	89.27	**90.10**
MYR	17.47	17.66	18.05	18.56	**17.64**
SGD	53.01	54.42	56.06	61.75	**61.78**
AED	20.52	19.92	20.67	22.36	**22.69**

Currency	% Change 2020-21	% Change 2021-22	% Change 2022-23	% Change 2023-24	**Average change**
USD	-3%	4%	8%	2%	**2.63%**
EURO	3%	-2%	6%	1%	**2.09%**
MYR	1%	2%	3%	-5%	**0.30%**
SGD	3%	3%	10%	0%	**3.97%**
AED	-3%	4%	8%	2%	**2.63%**

ii) Interest rate risk

Interest rate exposure: The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	31 March 2024	31 March 2023
Variable rate borrowings		
Term loan from banks	**287.30**	453.39
Term loan from financial institutions	**125.01**	375.00

Sensitivity analysis:

Profit or loss due to higher/lower interest rate expense from borrowings as a result of changes in interest rates

Particulars	31 March 2024	31 March 2023
If interest rates -		
Increase by 1%	**(3.09)**	(6.20)
Decrease by 1%	**3.09**	6.20

iii) Price risk

The Group's exposure to equity securities price risk arises from investments in mutual fund held by the Group and classified in the balance sheet at fair value through profit or loss. At the reporting date the exposure to quoted equity securities is Rs. 980.64 lakhs. A decrease of 100 bps on the NAV would decrease the profit and loss or equity attributable to the group by approximately Rs. 9.81 lakhs. On the other hand, an increase of 100 bps in the value of the quoted securities would increase the profit and loss and equity of the group.

Note 35: Capital Management

For the purpose of the group's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the group. The primary objective of the group's capital management is to ensure that it maintains a strong credit rating in order to support its business activities and maximize brand value.

The Group monitors capital gearing ratio, which is net debt divided by total capital. Net debt comprises of long term and short-term borrowings less cash and bank balances, equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting period was as follows.

Particulars	March 31 2024	March 31 2023
Total Borrowings	**3,136.96**	4,004.19
Cash and bank balances	**(140.70)**	(85.88)
Net debt	**2,996.26**	3,918.31
Shareholders' funds		
Equity share capital	**1,281.91**	1,015.48

Instruments entirely equity in nature	**-**	828.90
Reserves and surplus	**11,326.84**	8,522.01
Total equity	**12,608.75**	10,366.39
Net debt to equity ratio	**0.24**	0.38

Note 36: Issue of equity shares on preferential allotment basis

On October 8, 2021 and October 5, 2022, Holding Company had made private placement by way of equity shares, compulsory convertible debenture and share warrants the proceeds of which are Rs 1000 lakhs, 828.90 lakhs and 2500 lakhs respectively for expanding its business and general corporate purpose. During the year, compulsory convertible debenture and share warrants are converted into shares.

Following are the details of utilization of proceeds from private placement raised on October 8, 2021 and October 5, 2022 done till March 31, 2024.

Particulars	**March 31 2024**	March 31 2023
Received from private placement as on reporting date	**4,328.90**	2,453.90
Less: Utilised as on reporting date	**(3,418.83)**	(1,488.90)
Closing unutilised	**910.07**	965.00
Purpose for which proceeds are used		
1. To support the expansion of business in Indian and Overseas market	**2,290.38**	1,094.30
2. General corporate purposes	**1,128.45**	394.60
Total	**3,418.83**	1,488.90

There is no deviation in use of proceeds from the objects stated in the resolution done till year end. The remaining funds of Rs. 910.07 lakhs have been invested in mutual funds during the year (Refer note 9)

Note 37: Segment Information

The business segment have been identified on the basis of the nature of products and services, the risks and returns, internal organisation and management structure and the internal performance reporting systems.

In accordance with Indian Accounting Standard 108 - Segment Reporting, the Group has determined its single business segment as "design, development, installation and servicing of information technology related resource". Operating segments are reported in a manner consistent with the internal reporting provided to the board of directors based in India regarded as the Chief Operating Decision Maker (“CODM”). Since the entire Group’s business is from information technology related resource there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation and amortisation during the year are all as reflected in the financial statements as at and for the year ended March 31, 2024 and March 31, 2023.

Information about products and services:

(a) Refer note 38 to the financial statement for products and services
Information about geographical areas:

(a) Revenue as per geographical areas:

Revenue from operations	**2023-24**	2022-23
India	**7,538.37**	6,441.71
Outside India	**339.22**	98.77
Total	**7,877.59**	6,540.48

(b) The Group does not have any material non-current assets located in any foreign country.

There are no revenues transactions with a single external customer exceeding 10% of total revenue.

Note 38: Disclosure pursuant to Ind AS 115 "Contracts with Customer"

a. Disaggregation of revenue

Revenue Break-Up	**March 31 2024**	March 31 2023
One Time License Model	**4,266.55**	4,091.40
Pay Per Use / SaaS	**2,131.90**	1,445.36
BIM / GIS Services	**261.06**	126.49
Others	**1,218.07**	877.22
Total	**7,877.59**	6,540.48

The Group is an information technology and software services organisation, delivering end to end solution in Architectural-Engineering-Construction (AEC) space, catering to Government bodies, municipalities, property developers, investors, real estate companies, contractors, architects and consultants.

1. Background:

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services. To recognise revenues, the Group applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognise revenues when a performance obligation is satisfied. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

2. Performance Obligations:

At contract inception, the Group assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Group applies judgement to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised product or service is combined and accounted as a single performance obligation. A performance obligation is typically satisfied as services are rendered and in some cases upon the completion of service.

The Group allocates the transaction price to separately identifiable performance obligations based on their relative stand-alone selling price. In cases where the company is unable to determine the stand-alone selling price the Group uses expected cost-plus margin approach in estimating the stand-alone selling price.

The billing schedules agreed with customers include periodic performance-based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

3. Revenue Recognition

1) Fixed-price contracts: Revenue for fixed-price contracts is recognised over the period of time using percentage-of-completion method. The percentage of completion is determined by the Group using output method, which is measured by the number of units/plan approved by the customer, the number of transactions processed from the software etc.

2) Operation and maintenance contract: Revenue related to these contracts is recognised based on time elapsed mode and revenue is straight-lined over the period of performance.

3) Sale of licenses: Revenue from licenses where the customer obtains a "right to use "the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Revenue from sale of traded software licenses is recognised on delivery to the customer. Cost and earnings in excess of billings are classified as unbilled revenue while billings in excess of cost and earnings are classified as unearned revenue.

4. Contract Assets

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

Note 39: Additional information pursuant to Schedule III of the Companies Act, 2013

Statement of Net Assets and Profit or Loss Attributable to Owners and Non-controlling Interests

For the year ended 31 March 2024

Name of Entities	Net Assets		Share in profit or loss		Other comprehensive income (OCI)		Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated P&L	Amount	As % of consolidated OCI	Amount	As % of consolidated Total comprehensive Income	Amount
Parent								
SoftTech Engineers Limited	**107.37%**	**13,430.06**	**209.70%**	**697.14**	**18.58%**	**15.45**	**171.46%**	**712.59**
Subsidiaries								
Indian								
SoftTech Finland OY	**-0.43%**	**(53.53)**	**0.02%**	**0.08**	**-0.59%**	**(0.49)**	**-0.10%**	**(0.42)**

SoftTech Engineers Inc.	**-0.01%**	**(1.59)**	**-0.54%**	**(1.81)**	**-0.12%**	**(0.10)**	**-0.46%**	**(1.91)**
SoftTech Government Solutions Inc.	**-5.55%**	**(694.25)**	**-52.50%**	**(174.55)**	**-10.79%**	**(8.97)**	**-44.16%**	**(183.52)**
AmpliNxt Private Limited	**0.44%**	**55.17**	**-7.99%**	**(26.57)**	**87.63%**	**72.86**	**11.14%**	**46.30**
SofTech Digital Pte Ltd.	**0.60%**	**75.22**	**-13.12%**	**(43.60)**	**-1.80%**	**(1.50)**	**-10.85%**	**(45.10)**
SoftTech Digital Software LLC	**-0.55%**	**(69.20)**	**-27.44%**	**(91.23)**	**-0.68%**	**(0.56)**	**-22.09%**	**(91.80)**
	-5.50%	**(688.18)**	**-101.57%**	**(337.68)**	**73.65%**	**61.24**	**-66.52%**	**(276.45)**
Non-controlling interests in all subsidiaries	**-0.80%**	**(100.46)**	**-7.63%**	**(25.36)**	**-1.57%**	**(1.30)**	**-6.41%**	**(26.66)**
Adjustment arising out of Consolidation	**-0.31%**	**(38.66)**	**-0.49%**	**(1.65)**	**9.34%**	**7.77**	**1.47%**	**6.12**
Total after elimination on account of consolidation	**100.00%**	**12,508.28**	**100.00%**	**332.45**	**100.00%**	**83.15**	**100.00%**	**415.60**

For the year ended 31 March 2023

Name of Entities	**Net Assets**		**Share in profit or loss**		**Other comprehensive income (OCI)**		**Total comprehensive income**	
	As % of consolidated net assets	Amount	As % of consolidated P&L	Amount	As % of consolidated OCI	Amount	As % of consolidated Total comprehensive Income	Amount
Parent								
SoftTech Engineers Limited	106.07%	10,917.47	160.38%	579.82	135.96%	50.21	6.12%	630.03
Subsidiaries								
Indian								
SoftTech Finland OY	-0.52%	(53.12)	-0.09%	(0.31)	-7.42%	(2.74)	-0.77%	(3.05)
SoftTech Engineers Inc.	0.00%	0.33	-0.24%	(0.85)	-1.18%	(0.43)	-0.32%	(1.29)
SoftTech Government Solutions Inc.	-4.97%	(511.09)	-44.01%	(159.10)	-102.48%	(37.85)	-49.43%	(196.95)
AmpliNxt Private Limited	0.09%	8.87	-7.29%	(26.37)	0.00%	-	-6.62%	(26.37)

SofTech Digital Pte	0.02%	2.08	-1.09%	(3.95)	-0.72%	(0.27)	-1.06%	(4.21)
	-5.37%	(552.92)	-52.72%	(190.58)	-111.79%	(41.28)	-58.19%	(231.87)
Non-controlling interests in all subsidiaries	-0.72%	(73.80)	-10.58%	(38.24)	-14.90%	(5.50)	-10.98%	(43.74)
Adjustment arising out of Consolidation	0.04%	1.96	2.91%	10.52	90.72%	33.50	11.05%	44.03
Total after elimination on account of consolidation	100.00%	10,292.71	100.00%	361.52	100.00%	36.93	100.00%	398.45

Note 40: Group Information

Particulars of subsidiaries and joint operation which have been considered in the preparation of the Consolidated Financial Statements:

Entity name	Country of incorporation	Nature of business	% Equity interest	
			March 31 2024	March 31 2023
SoftTech Finland OY	Finland	Delivering end to end solution in Architectural-Engineering Construction (AEC) space, catering to property developers, municipal corporations, investors, real estate companies, contractors, architects and consultants.	**100.00%**	100.00%
SoftTech Engineers Inc.	United States of America		**92.00%**	92.00%
SoftTech Government Solutions Inc.*	United States of America		**93.00%**	93.00%
SoftTech Care Foundation	India		**100.00%**	100.00%
SoftTech Digital Pte. Ltd.	Singapore		**100.00%**	100.00%
AmpliNxt Private Limited	India		**100.00%**	100.00%
SoftTech Digital Solutions Limited	United Kingdom		**100.00%**	Nil
SoftTech Digital Software LLC**	Dubai		**100.00%**	Nil

SoftTech Digital Pte Ltd (wholly owned subsidiary) has incorporated one wholly owned subsidiary, SoftTech Digital Software LLC on 8th April 2023.

The Group has not consolidated its subsidiary, SoftTech Care Foundation as it is a Section 8 company formed for CSR purpose and SoftTech Digital Solutions Limited since the company has not started its operations.

SoftTech Digital Solutions Limited (United Kingdom) was incorporated on November 14, 2023 and share capital has not been introduced and operations have not been started in the said company as on the reporting period.

*Held by SoftTech Engineers Inc.
** Held by SoftTech Digital Pte Ltd

Material partly owned subsidiaries:

Following is the summarized financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations:

Proportion of equity interest held by non-controlling interests (NCI):

Name	Country of operation	March 31 2024	March 31 2023
SoftTech Engineers Inc.	United States of America	**8.00%**	8.00%
SoftTech Government Solutions Inc.	United States of America	**14.44%**	14.44%

Summarized Balance Sheet

Particulars	SoftTech Engineers Inc.		SoftTech Government Solutions Inc.	
	March 31 2024	March 31 2023	**March 31 2024**	March 31 2023
Non current assets	**6.43**	6.43	**11.62**	3.79
Current assets	**756.27**	418.42	**50.36**	1.32
Total assets	**762.70**	424.85	**61.98**	5.11
Non current liabilities	**764.29**	424.52	**(0.00)**	-
Current liabilities	**-**	-	**774.51**	516.20
Total liabilities	**764.29**	424.52	**774.50**	516.20
Net assets	**(1.59)**	0.33	**(712.52)**	(511.09)
Accumulated NCI	**(0.13)**	0.03	**(100.34)**	(73.83)

Summarised statement of profit and loss

Particulars	SoftTech Engineers Inc.		SoftTech Government Solutions Inc.	
	March 31 2024	March 31 2023	**March 31 2024**	March 31 2023
Revenue from operations	**-**	-	**53.61**	-
Profit for the year	**(1.81)**	(0.65)	**(192.47)**	(264.41)
Other comprehensive income	**(0.10)**	(0.43)	**(8.97)**	(37.85)
Total comprehensive income	**(1.91)**	(1.08)	**(201.44)**	(302.26)
Total comprehensive income allocated to NCI	**(0.15)**	(0.09)	**(26.51)**	(43.66)
Dividend paid to NCI	**-**	-	**-**	-

Summarised statement of cashflows

Particulars	SoftTech Engineers Inc.		SoftTech Government Solutions Inc.	
	March 31 2024	March 31 2023	**March 31 2024**	March 31 2023
Cash flow from operating activities	**(1.81)**	(0.85)	**(228.71)**	(75.76)
Cash flow from investing activities	**(292.53)**	(147.46)	**(0.00)**	(0.04)
Cash flow from financing activities	**339.77**	146.31	**286.73**	110.78

Note 41: Other notes

1. As per the information available with the Indian companies in the group, no transactions have been entered with any company struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year.

2. The Holding Company and Indian Subsidiaries does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
   The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration No.: 101118W/W100682

Vijay Gupta
Managing Director
DIN: 01653314

Priti Gupta
Director
DIN: 01735673

Abhijeet Bhagwat
Partner
Membership No.: 136835
Place: Pune
Date: 24 May 2024

Shalaka Khandelwal
Company Secretary
Membership No. A62774
Place: Pune
Date: 24 May 2024

Kamal Agrawal
Chief Financial Officer

Notes