

SOFTTECH ENGINEERS PRIVATE LIMITED

**Regd. Off. : The Pentagon, Unit No 5A, Near Satara Road Telephone Exchange, Shahu College
Road, Parvati, Pune - 411009**

DIRECTORS' REPORT

The Directors have pleasure in presenting the Annual Report and the Audited Accounts of your Company for the year ended 31st March, 2013

1. FINANCIAL RESULTS:

The summarized financial results for the year 2012 - 2013 are as below:-

Particulars	2012-2013	2011-2012
Income from operations	212,663,781	100,178,437
Other Income	2,207,271	3,887,926
TOTAL INCOME	214,871,052	104,066,363
Total Expenditure	203,158,229	82,886,239
Profit (Loss) before tax	11,712,822	21,180,124
Current Tax	3,299,996	3,975,000
Deferred tax	359,078	934,676
Profit After Tax	8,053,748	16,270,448
Transfer to reserves	-	-
Surplus carried to Balance Sheet	48,678,553	42,075,626

2. DIVIDEND:

In the view of profits, the Board of Directors recommended Dividend of Rs. 0.50/- (Fifty paise only) on Equity Share of Rs.10 each for the year 2012-2013.

3. DIRECTORS:

There was no change in the composition of Board of Directors of the Company during the Financial Year 2012-13. The board is duly constituted.

4. DEPOSITS

The Company has not accepted any deposits from the public during the financial year under report.

SoftTech Engineers Pvt. Ltd.

5. **AUDITORS:**

M/s P.G.Bhagwat, Chartered Accountants, Pune retire at the ensuing Annual General Meeting as the Statutory Auditors. Being eligible, they offer themselves for re-appointment; your Board recommends their re-appointment.

6. **AUDITORS COMMENT REMARKS AND OBSERVATIONS:**

Auditors Remark

The company does not have an internal audit system. According to the explanations given to us the management closely monitors the business and the day to day transactions of the company and is in the process of setting up an internal audit system.

Directors Reply

The Auditor's remark is self explanatory.

7. **EMPLOYEES:**

The Particulars of the employees as required under section 217 (2A) of the Companies Act, 1956 are not given as there is no employee covered by the provision.

8. **ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

Statement of particulars to the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 forming part of Directors Report

A. **CONSERVATION OF ENERGY:** Wherever possible steps are being undertaken to conserve the energy.

B. **TECHNOLOGY ABSORPTION:** The Company is making every effort to come out with effective and efficient software solutions.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

	Amount (Rs.)
Earnings in Foreign Exchange:	F.O.B Value of Exports: Rs. 11,172,138/-
Outgo in Foreign Exchange :	CIF Value of Imports : nil
	Other Expenditure : Rs 976,686/-

9. COMPLIANCE CERTIFICATE

The compliance certificates pursuant to the section 383 A (1) of the Companies Act, 1956 by practicing Company Secretary Mr Devesh Tudekar is attached to this Directors' Report.

10. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to provisions contained in section 217 (2AA) of the Companies Act, 1956, the Directors of your Company confirm:

- (i) that in the preparation of the annual accounts for the year ended 31st March, 2013, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended 31st March, 2013 and of the profit of the company for that period;
- (iii) that the directors had taken proper sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) That the directors had prepared the annual accounts for the year ended 31st March, 2013 on a going concern basis.

11. ACKNOWLEDGEMENT

The Board gratefully acknowledges the valuable support given by the bankers, shareholders & the employees of the Company and is looking forward to their continued support in the future.

On Behalf of the Board of directors of
SOFTTECH ENGINEERS PRIVATE LIMITED



(Vijay Gupta)
DIRECTOR



(Priti Gupta)
DIRECTOR



Place: Pune

Date: 27.06.2013

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SOFTTECH ENGINEERS PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of Softtech Engineers Private Limited, which comprise the Balance Sheet as at March 31st, 2013, the Profit and Loss Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31st, 2013; and
- (b) in the case of the Profit and Loss Statement, of the profit for the year ended on that date.

M/s P. G. BHAGWAT

CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet and Profit and Loss Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet and Profit and Loss Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31st, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For M/S P. G. BHAGWAT

Chartered Accountants

Firm's Registration Number: 101118W

Abhijeet Bhagwat

Abhijeet Bhagwat

Partner

Membership Number: 136835

Pune

Date: 27th June, 2013



ANNEXURE

Re: Softtech Engineers Private Limited

Referred to in paragraph 1 under the heading, "Report on Other Legal and Regulatory Requirements" of our report on even date:

- i) a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, discrepancies noticed on physical verification were not material and have been properly dealt with in the books of account.
- c) The company has not disposed off substantial part of fixed assets during the year.
- ii) The company does not have stock of finished goods, raw materials, components, stores and spares. The nature of the business of the company is software development, sale of software and related services. Accordingly, the provisions of clause 4 (ii) (a), (b) and (c) of the Order are not applicable to the company
- iii) a) The company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register to be maintained under section 301 of the Companies Act 1956. Accordingly, the provisions of clause 4 (iii) (b) (c) and (d) of the Order are not applicable to the company
- e) The company has taken unsecured loans in the form of deposits from Directors being covered in the register to be maintained under section 301 of the Companies Act 1956. The details of the loans taken are as under:

Sr. No	No. Of parties	Opening Balance Rs.	Accepted during The year Rs.	Repaid during The year Rs.	Closing balance and maximum Balance during the year Rs.
1	Two	1,13,13,650/-	30,50,000/-	10,00,000/-	1,33,63,650/-

- f) According to the information and explanations given to us, no interest is payable on the unsecured loans taken by the company from the Directors. The terms and conditions of the loan taken are not prejudicial to the company.
- g) According to the information and explanations given to us, there are no specific terms with regard to the repayment of the above mentioned loans.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of fixed assets and for the sale of services. We have not observed any continuing failure or continuing failure to correct major weaknesses in internal control.



M/s P. G. BHAGWAT

CHARTERED ACCOUNTANTS

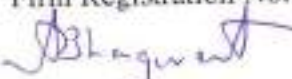
- v) a) According to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us by the management, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public, hence the provisions of sections 58A, 58AA or any other relevant provisions of the Act and the rules framed thereunder and the directives issued by the Reserve Bank of India are not applicable to the company.
- vii) *The company does not have an internal audit system.*
According to the explanations given to us the management closely monitors the business and the day to day transactions of the company and is in the process of setting up an internal audit system.
- viii) Maintenance of cost records has not been prescribed by the Central Government under section 209(1) (d) of the Companies Act, 1956.
- ix) a) According to the records of the company, the company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities.
- b) According to information and explanations given to us, there are no dues of sales tax, income tax, service tax, customs duty and cess which have not been deposited on account of any dispute.
- x) The company has no accumulated losses as at the end of the financial year. The company has not incurred cash losses during the current financial year and in the immediately preceding financial year.
- xi) According to the information and explanations given to us the company has not defaulted in repayment of dues to any financial institution or bank. The company does not have any debenture holders.
- xii) According to information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable to the company.
- xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Accordingly, the provisions of clause 4(xiii) of Order are not applicable to the company.
- xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4(xiv) of the Order are not applicable to the company.



M/s P. G. BHAGWAT
CHARTERED ACCOUNTANTS

- xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) According to the information and explanations given to us by the management, term loans availed by the company were, prima facie; applied for the purpose for which the loans were obtained.
- xvii) According to the information and explanations given to us and on an examination of the financials statements of the company, on an overall basis, the funds raised on short-term basis have, prima facie, not been used for long-term investment.
- xviii) According to the information and explanation given to us, the company has not made any preferential allotment of shares during the year.
- xix) According to the information and explanation given to us, the company has not issued any debentures during the current year.
- xx) According to the information and explanations given to us, the company has not raised money by any public issue during the current year.
- xxi) Based upon the audit procedures performed by us and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For M/S P.G. Bhagwat
Chartered Accountants
Firm Registration No: 101118W



Abhijeet Bhagwat
Partner
Membership No. 136835
Pune
Date: 27th June, 2013



SOFTECH ENGINEERS PRIVATE LIMITED
Balance Sheet as at March 31, 2013

			Rupees	
Particulars		Note No.	Figures as at the end of current reporting period ending on March 31, 2013	Figures as at the end of previous reporting period ending on March 31, 2012
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	A-1	24,966,280	24,966,280
	(b) Reserves and surplus	A-2	50,997,678	44,394,752
	(c) Money received against share warrants		-	-
			74,963,958	69,361,032
2	Share application money pending allotment		-	-
3	Non-current liabilities			
	(a) Long-term borrowings	A-3	81,092,621	54,174,688
	(b) Deferred tax liabilities (Net)	A-4	2,764,226	2,395,142
	(c) Other long term liabilities	A-5	151,008	151,000
	(d) Long-term provisions	A-6	1,176,634	921,238
			85,174,479	57,642,068
4	Current liabilities			
	(a) Short-term borrowings	A-7	10,715,191	30,190,647
	(b) Trade payables	C-7	13,487,375	29,915,010
	(c) Other current liabilities	A-8	34,925,028	40,219,538
	(d) Short-term provisions	A-9	2,462,204	2,014,030
			61,571,478	92,339,225
			222,710,912	219,942,321
II.	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	A-10	19,003,628	13,488,481
	(ii) Intangible assets	A-10	36,184,287	34,833,796
	(iii) Capital work-in-progress		13,894,022	-
	(iv) Intangible assets under development	A-10	10,094,905	14,846,086
	(b) Non-current investments	A-11	3,244,800	3,244,800
	(c) Deferred tax assets (net)	A-4	-	-
	(d) Long-term loans and advances	A-12	6,448,047	6,305,330
	(e) Other non-current assets		-	-
			92,869,687	74,746,493
2	Current assets			
	(a) Current investments		-	-
	(b) Inventories		-	-
	(c) Trade receivables	A-13	91,746,447	102,530,138
	(d) Cash and bank balances	A-14	12,287,504	28,758,518
	(e) Short-term loans and advances	A-15	5,153,840	5,638,762
	(f) Other current assets	A-16	20,673,434	6,295,410
			129,841,234	145,193,828
			222,710,912	219,942,321

Notes to accounts

The notes referred to above and accompanying notes form an integral part of the Balance Sheet.

B & C

As per our report of even date attached.
For M/s P.G. Bhagwat
Chartered Accountants

ADHJEET BHAGWAT
Partner

PUNE
Date: June 27, 2013



For and on behalf of the Board
SoftTech Engineers Private Limited

W. Anup
Managing Director



PUNE
June 27, 2013

SOFTTECH ENGINEERS PRIVATE LIMITED
Statement of Profit and Loss for year ended March 31, 2013

Particulars	Note No.	Rupees	
		Figures for current reporting period ending on March 31, 2013	Figures for previous reporting period ending March 31, 2012
I. Revenue from operations	A-17	212,643,781	100,178,437
II. Other income	A-18	2,207,271	3,887,825
III. Total Revenue (I + II)		214,851,052	104,066,263
IV. Expenses:			
Cost of materials consumed		454,470	699,755
Purchases of Stock-in-Trade		123,727,701	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
Employee benefits expense	A-19	34,232,244	32,099,676
Finance costs	A-20	8,720,202	7,973,300
Depreciation and amortization expense		12,334,089	12,813,099
Other expenses	A-21	23,689,523	29,343,410
Total expenses		203,158,229	82,896,239
V. Profit before exceptional and extraordinary items and tax (III-IV)		11,712,822	21,180,124
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		11,712,822	21,180,124
VIII. Extraordinary items		-	-
IX. Profit before tax (VII- VIII)		11,712,822	21,180,124
X. Tax expense:			
(1) Current tax		3,298,896	3,875,000
(2) Deferred tax		358,078	894,676
(3) Short provision of income tax on account of earlier years		-	-
		3,656,974	4,809,676
XI. Profit (Loss) for the period from continuing operations (IX-X)		8,055,748	16,270,448
XII. Profit/(loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV. Profit (Loss) for the period (XI + XIV)		8,055,748	16,270,448
XVI. Earnings per equity share having nominal value of Rs. 10/- per share	C-5		
Basic		3.23	6.52

Notes to accounts

Part- B & C

The notes referred to above and accompanying notes form an integral part of the profit and loss statement.

As per our report of even date attached
For M/s P.G. Bhagwat
Chartered Accountants

ABHJEET BHAGWAT
Partner

PUNE
Date: June 27, 2013



For and on behalf of the Board
SoftTech Engineers Private Limited

Managing Director

Director

June 27, 2013



SoftTech Engineers Private Limited
Notes to Accounts: Part A

Particulars	Rupees	
	Figures as at the end of current reporting period ending on March 31, 2013	Figures as at the end of previous reporting period ending on March 31, 2012
Note : A-1		
Share Capital		
Authorised		
2,600,000 (2,600,000) Equity Shares of Rs.10/- each (Rs.10/-) each	26,000,000	26,000,000
50000 (50000) Optionally Convertible Cumulative Preference Shares of Rs.10/- each (Rs. 10/-) each	500,000	500,000
	26,500,000	26,500,000
Issued, subscribed & fully paid up		
2,496,628 (2,496,628) Equity Shares of Rs.10/- each (Rs.10/-) each	24,966,280	24,966,280
Total	24,966,280	24,966,280

a) Reconciliation of share capital

Particulars	Rupees			
	Figures as at the end of current reporting period ending on March 31, 2013		Figures as at the end of previous reporting period ending on March 31, 2012	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	2,496,628	24,966,280	2,496,628	24,966,280
Shares Issued during the year	-	-	10,000	100,000
Shares outstanding at the end of the year	2,496,628	24,966,280	2,496,628	24,966,280

b) Rights of equity shareholder:

The company has only one class of equity shares, having par value of Rs. 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 shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

For the year ended March 31,2013 the board of directors have proposed dividend of Rs. 0.5/- (Rs. 0.5/-) per share subject to shareholders' approval.

c) Details of share holders holding more than 5% shares

Name of the shareholder	Figures as at the end of current reporting period ending on March 31, 2013		Figures as at the end of previous reporting period ending on March 31, 2012	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Mr. Vijay Gupta	1,774,800	71.09%	1,774,800	71.09%
Mr Babubhai K. Patel	313,200	12.54%	313,200	12.54%
CoVisible Solutions (I) Pvt.Ltd.	149,574	5.99%	149,574	5.99%



SoftTech Engineers Private Limited
Notes to Accounts: Part A

Particulars	Rupees	
	Figures as at the end of current reporting period ending on March 31, 2013	Figures as at the end of previous reporting period ending on March 31, 2012
Note : A-2		
Reserves & Surplus		
(a) Securities Premium Reserve		
Opening Balance	2,319,125	1,419,125
Add Securities premium credited on share issue	-	900,000
Closing Balance	2,319,125	2,319,125
(b) Surplus		
Opening Balance	42,075,626	27,298,000
Add Net Profit for the current year	8,063,748	16,270,448
Add Transfer of Capital Redemption Reserve	-	-
Balance available for appropriation	50,139,374	43,526,448
Less Appropriations :		
Proposed dividend	1,248,314	1,248,314
Dividend Distribution Tax	202,608	202,508
Closing Balance	48,678,553	42,075,626
TOTAL	50,997,678	44,394,752

Note : A-3		
Long Term Borrowings		
Secured		
(a) Term Loans from banks		
(i) SIDBI-Small Industries Development Bank of India	9,310,000	15,530,000
Terms of Loan: Loan is secured against second charge on movable and current assets and personal guarantee by Mr Vijay Gupta & Mrs. Priti Gupta. Rate of interest is 15 % p.a. Loan is repayable in quarterly instalments of Rs. 15,55,000/- starting from June 2012 to September 2015		
(ii) SIDBI-Small Industries Development Bank of India Loan 2	36,000,000	-
Terms: Loan is secured against second charge on movable and current assets and IPR of products. Rate of interest is 15.75% p.a. Loan is repayable in monthly instalments of Rs. 14,59,000/- starting from January 2016 to December 2017.		
(b) Term Loans from other parties		
(i) TDB (Technology Development Board)	21,660,000	26,830,000
Terms of Loan: Loan is secured by personal guarantee from Mr Vijay Gupta & Mrs. Priti Gupta pledging 3 Lakh shares of Rs 10/- each amounting to Rs. 30 Lakhs as a Corporate Guarantee by Company. Loan is borrowed in April 2010 and carries interest rate of 5% p.a. simple interest. Loan is to be repaid by half yearly instalments of Rs. 43,35,000/- starting from September 2012 to September 2018		
Unsecured		
(a) Term Loans from banks		
(i) HDFC Bank Limited	1,759,971	501,039
Terms of Loan: Loan is borrowed in September 2012 and carries interest rate of 16% p.a. Loan is repayable in equated monthly instalments of Rs 105471/- from November 2012 to October 2015.		
(b) Loans and advances from related parties - Refer Note Part C-5		
Mr Vijay S Gupta - Managing director	12,936,850	10,686,650
Mrs Priti Gupta - Director	425,000	425,000
These are interest free loans and do not have a repayment schedule.		
TOTAL	81,093,821	54,174,688



SoftTech Engineers Private Limited
Notes to Accounts: Part A

Particulars	Rupees	
	Figures as at the end of current reporting period ending on March 31, 2013	Figures as at the end of previous reporting period ending on March 31, 2012
Note : A- 4		
Deferred Tax Assets / (Liabilities) (Net)		
(a) Deferred Tax Liabilities		
(i) On depreciation / amortization of fixed assets	(3,273,047)	(2,813,440)
(ii) On other timing differences	-	-
TOTAL	(3,273,047)	(2,813,440)
(b) Deferred Tax Assets		
(i) On provision for employee benefits	518,827	418,298
(ii) On other timing differences	-	-
TOTAL	518,827	418,298
NET	(2,754,220)	(2,395,142)

Note : A-5		
Other Long Term Liabilities		
(a) Others		
(i) Dealer Deposits	151,000	151,000
TOTAL	151,000	151,000

Note : A-6		
Long Term Provisions		
(a) Provision for employee benefits		
(i) Gratuity	1,176,434	921,235
TOTAL	1,176,434	921,235

Note : A-7		
Short Term Borrowings		
Secured		
(a) Loans repayable on demand from banks		
(i) Cash Credit from Saraswat Co-op Bank Ltd Nature of security: Secured against Trade Receivables	10,715,191	17,940,847
(ii) Overdraft from Saraswat Co-op Bank Ltd Nature of Security: Secured against FD receipt of Rs. 25 lakhs	-	2,250,000
TOTAL	10,715,191	20,190,847



SoftTech Engineers Private Limited
Notes to Accounts: Part A

Particulars	Rupees	
	Figures as at the end of current reporting period ending on March 31, 2013	Figures as at the end of previous reporting period ending on March 31, 2012
Note : A-8		
Other Current Liabilities		
(a) Current maturities of long-term debt		
Secured Term Loan from Banks		
Saraswat Bank	74,824	1,384,537
SIDBI	6,220,000	6,220,000
Secured Term Loan from Others		
TDB (Technology Development Board)	8,670,000	8,670,000
Unsecured Term Loan from Banks		
HDFC Bank Limited	903,826	1,082,814
subtotal	15,868,650	17,357,351
(b) Interest accrued but not due on borrowings	4,664,272	3,474,844
(c) Unpaid matured deposits and interest accrued thereon	-	2,000,000
(d) Other Payables		
(i) Advances from customers	30,500	15,000
(ii) Salary, incentive & reimbursements	4,843,347	6,317,249
(iii) Contribution to PF & Superannuation	182,283	154,728
(iv) Statutory dues	5,946,405	8,519,577
(v) Provision for expenses	3,389,571	2,383,781
TOTAL	34,925,029	40,219,535

Note : A-9		
Short Term Provisions		
(a) Provision for employee benefits		
(i) Gratuity	422,462	368,019
(b) Others		
(i) Proposed dividend	1,248,314	1,248,314
(ii) Dividend Distribution Tax	202,500	202,500
(iii) Provision for income tax (net of advance tax) - Refer Note Part C-10	590,000	795,189
TOTAL	2,463,284	2,614,030

Note : A-12		
Long Term Loans and Advances		
(a) Security deposits		
Unsecured, considered good	5,679,882	5,537,165
(b) Loans and Advances to related parties - Refer Note Part C-8		
Unsecured, considered good		
Covisible Solutions I Pvt.Ltd.	2,768,165	2,768,165
TOTAL	8,448,047	8,305,330



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SoftTech Engineers Private Limited
Notes to Accounts: Part A

Note : A.15 : Tangible and Intangible Assets

Particulars	Tangible Assets						Intangible Assets				
	Furniture & Fixtures	Vehicles	Office equipments	Computer	Service Cell System	Total	Service Cell system - Work in Progress	Computer Softwares	In house / Internally generated computer software	Total	Intangible Assets under development
Cross Block											
At 01.04.2011	7,575,927	2,398,033	1,678,504	16,594,477	-	28,246,941	-	8,658,813	16,524,804	25,183,616	34,449,030
Additions	7,600	-	3,201	1,213,936	-	1,224,737	-	271,258	-	271,258	17,344,552
Capitalised Disposals	58,202	1,178,221	29,400	1,055,736	-	2,319,559	-	-	36,947,496	36,947,496	16,947,696
As at 31.03.2012	7,625,325	1,221,812	1,652,305	16,752,677	-	27,252,119	-	8,480,835	53,472,269	61,953,134	14,846,088
Additions	-	-	94,213	287,030	8,076,105	8,417,353	13,894,022	1,062,041	-	1,062,041	6,999,150
Capitalised Disposals	-	-	-	-	-	-	-	-	11,760,332	11,760,332	11,750,332
As at 31.03.2013	7,625,325	1,221,812	1,746,518	16,999,712	8,076,105	35,669,672	13,894,022	9,482,876	65,322,631	74,705,508	18,094,905
Depreciation/ Amortisation											
At 01.04.2011	1,888,186	656,075	442,781	8,643,252	-	11,890,294	-	2,887,465	14,467,365	17,354,831	-
Charge for the year	480,321	124,950	80,079	2,263,327	-	2,948,677	-	3,364,860	7,599,562	9,864,422	-
Depreciation on disposal	11,645	322,228	4,401	516,857	-	855,132	-	140,915	-	140,915	-
At 31.03.2012	2,368,862	406,796	518,459	10,389,721	-	13,683,839	-	5,002,411	22,066,928	27,069,339	-
Charge for the year	480,660	116,072	182,392	2,064,210	119,483	2,862,207	-	1,474,866	7,977,018	9,451,882	-
At 31.03.2013	2,849,522	524,868	610,850	12,453,932	119,483	15,569,646	-	6,477,277	30,043,944	36,521,319	-
Net Block											
At 31.03.2012	5,156,663	813,016	1,133,847	6,362,956	-	11,469,481	13,894,022	3,478,424	31,405,371	34,883,796	14,846,088
At 31.03.2013	4,678,613	696,944	1,135,668	4,545,750	7,956,622	15,003,636	13,894,022	3,005,599	35,178,637	38,184,287	18,094,905



SoftTech Engineers Private Limited
Notes to Accounts: Part A

Note : A.11 : Non Current Investments

Particulars	Figures as at the end of current reporting period ending on March 31, 2013	Figures as at the end of previous reporting period ending on March 31, 2012
I Long term investments - at cost		
A Trade Investments (Refer A below)		
(a) Investment in Equity Instruments	3,244,800	3,244,800
Total (A)	3,244,800	3,244,800

Particulars	As at 31 March 2013	As at 31 March 2012
Aggregate amount of unquoted investments	3,244,800	3,244,800

A. Details of Trade Investments	Sr. No.	Name of the Body Corporate	Subsidiary / JV Others	No. of Shares / Units		Face Value per share	Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount	
				2013	2012				2013	2012	2013	2012
(1)			(B)	(A)	(B)	(A)		(C)	(D)	(E)	(F)	(G)
(a)		Investment in Equity Instruments										
1		SoftTech Software TR LLC	Associate	10,000	10,000	10,000 Dirhms	Unquoted	Fully Paid	4%	25%	2,865,000	2,865,000
2		The Saraswat Co-op Bank Ltd.	Others	2,800	2,800	Rs. 10/-	Unquoted	Fully Paid	NA	NA	25,000	25,000
3		The Mahesh Sahasra Blank Ltd	Others	14,192	14,192	Rs. 25/-	Unquoted	Fully Paid	NA	NA	354,800	354,800
		Total									3,244,800	3,244,800

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SoftTech Engineers Private Limited
Notes to Accounts: Part A

Particulars	Rupees	
	Figures as at the end of current reporting period ending on March 31, 2013	Figures as at the end of previous reporting period ending on March 31, 2012
Note : A-13		
Trade receivables		
(i) Trade receivables outstanding for a period exceeding six months Unsecured, considered good	41,906,069	58,620,899
(ii) Trade receivables outstanding for a period less than six months Unsecured, considered good	49,840,378	43,900,299
TOTAL	91,746,447	102,521,198
Note : A-14		
Cash & Bank Balances		
(a) Cash & Cash Equivalents		
(i) Balances with banks	10,971,961	344,392
(ii) Fixed deposit in Bank	-	25,000,000
(iii) Cash on hand	342,350	30,933
subtotal	11,314,311	25,375,324
(b) Other Bank Balances		
(i) Margin Money	31,680	31,680
(ii) Security against the borrowings	921,513	3,351,513
subtotal	953,193	3,383,193
TOTAL	12,267,504	28,758,517
Note : A-15		
Short term loans and advances		
(a) Security Deposits Unsecured, considered good	2,632,446.00	1,417,659
(b) Others		
(i) Advance to supplier Unsecured, considered good	893,729	-
(ii) Advance to employees Unsecured, considered good	615,033	1,341,299
(iii) Prepaid expenses Unsecured, considered good	311,728	345,361
(iv) Claims Receivable Unsecured and considered good	700,906	2,534,444
TOTAL	5,153,840	5,638,762
Note : A-16		
Other current assets		
(i) Interest accrued on fixed deposits Unsecured considered good	355,133	1,941,770
(ii) Unbilled Revenue Unsecured considered good	20,318,301	6,324,840
TOTAL	20,673,434	8,266,410



SoftTech Engineers Private Limited
Notes to Accounts: Part A

Particulars	Rupees	
	Figures for the current reporting period ending on March 31, 2013	Figures for the previous reporting period ending on March 31, 2012
Note : A-17		
Revenue from operations		
Sale of products	143,707,691	16,357,657
Sale of services	54,962,429	51,613,654
Sale of Structural unit	-	54,422,528
	198,670,120	122,393,839
Less: Opening balance of Unbilled Revenue	6,324,640	28,540,038
	192,345,480	93,853,757
Add: Closing balance of Unbilled Revenue	20,318,301	6,324,640
TOTAL	212,663,781	100,178,437

Note : A-18		
Other Income		
(a) Interest Income		
(i) from bank fixed deposits	662,965	2,512,337
(b) Dividend Income from long term investments		
(i) from others	6,000	42,900
(c) Other non-operating income (net of expenses directly attributable to such income)		
(i) Profit on Sale of Asset	-	6,400
(ii) Credit balances written back	1,137,660	745,334
(iii) Foreign Exchange Gain (Net)	293,108	528,912
(iv) Miscellaneous income	118,317	54,042
TOTAL	2,207,271	3,887,926

Note : A-19		
Employee benefits expense -		
Salaries, wages and bonus	30,150,322	29,845,002
Director's remuneration	3,000,000	1,700,000
Contribution to provident fund - Refer Note Part C-6	672,162	842,261
Contribution to ESIC - Refer Note Part C-6	42,067	73,013
Gratuity	178,593	-827,608
Welfare expenses	189,100	358,976
TOTAL	34,232,244	32,089,676



SoftTech Engineers Private Limited
Notes to Accounts: Part A

Particulars	Rupees	
	Figures for the current reporting period ending on March 31, 2013	Figures for the previous reporting period ending on March 31, 2012
Note : A-20		
Finance cost		
Interest expense		
On long term loans from banks	8,231,973	7,868,515
Other borrowing costs	488,229	104,785
TOTAL	8,720,202	7,973,300

Note : A-21		
Other expenses		
Power & fuel	464,723	873,832
Repairs and maintenance		
Plant and machinery	226,908	515,727
Rent	1,565,811	2,367,350
Rates and taxes	12,058	83,178
Travel and conveyance	4,840,828	4,342,543
Postage and telephone	470,274	572,408
Insurance		
Vehicle	53,220	58,090
Key Managerial	109,378	316,585
Brokerage and commission	5,078,129	1,475,837
Bad debts and advances written off	2,804,527	4,599,107
Auditor's remuneration - Refer Note Part C-3	100,000	106,483
Legal & Professional charges	1,281,390	5,335,174
Bank charges	179,792	159,357
Internet charges	231,527	464,393
Office expenses	278,745	317,838
Printing & Stationary	266,203	216,614
Sales Promotion	2,126,318	2,849,313
Contracting expenses	3,182,633	4,292,299
Other miscellaneous expenses	417,081	378,399
TOTAL	23,689,523	29,343,410



PART B: NOTES FORMING PARTS OF ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements

- a) The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India. The financial statements have been prepared to comply in all material respects with The Companies (Accounting Standards) Rules, 2006 that are applicable to Small and Medium Sized Company (SMC) and the relevant provisions of the Companies Act, 1956.
- b) The financial statements have been prepared under the historical cost convention on an accrual basis.
- c) The accounting policies applied by the Company are consistent with those used in the previous year.

2. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumption 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 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 amount of assets or liabilities in future periods.

3. Cash and cash equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4. Depreciation

Depreciation on fixed assets has been provided on Straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 except in case of Service cell system which is depreciated at the rate of 20 percent on Straight line method.

5. Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

- a) Sale of services is recognized when services are rendered.
- b) The project related revenue is recognised by proportionate completion method under which; revenue in the Profit and Loss Statement is accrued proportionately with the degree of completion of services under a contract.
- c) Where the ability to assess the ultimate collection with reasonable certainty is lacking at the time of raising any claim, revenue recognition is postponed to the extent of uncertainty involved. In such cases revenue is recognized only when it is reasonably certain that the ultimate collection will be made.

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PART B: NOTES FORMING PARTS OF ACCOUNTS

- d) Interest accrues on the time basis determined by the amount outstanding and the rate applicable.
- e) Dividend from investments in shares is not recognized in the Profit and Loss Statement until a right to receive payment is established in the reporting period

6. Tangible Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment (if any). The cost of a fixed asset comprises its purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The cost of internally generated computer software developed for providing services by integrating it with computer system is recognized as tangible asset. The cost of computer and computer software for providing such services are grouped as 'Computer and Computer Software-Service Cell System'.

7. Foreign Currency Transactions

- a) Initial Recognition: A foreign currency transaction is recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- b) Conversion: At the year end, monetary items denominated in foreign currencies are converted into rupee equivalents at the year-end exchange rates.
- c) Exchange Differences: All exchange differences arising on settlement/conversion on foreign currency transactions are included in the Profit and Loss Statement.

8. Investments

Investments are classified as trade when investment is made in the shares or debentures of another company, for the purpose of promoting the trade or business of the company.

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investment is made are classified as current investments. All other investments are classified as long-term investments.

- a) Current investments are carried at lower of cost and fair value determined on an individual investment basis.
- b) Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of such investments.

9. Employee Benefits

The company falls under category "b" of the revised accounting standard, AS 15 on Employee benefits.

The actuarial valuations in respect of post-employment defined benefit plans as at the balance sheet date are measured using Projected Unit Credit Method.

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PART B: NOTES FORMING PARTS OF ACCOUNTS

I. 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, incentives etc. are recognized in the period in which the employee renders the related service.

II. Post-Employment Benefits:

a) Defined Contribution Plans:

The Company's, state governed provident fund is its defined contribution plan. The contribution paid/payable under the scheme is recognized during the period in which the employee renders the related service.

b) Defined Benefit Plans:

The employees' gratuity fund scheme is the Company's defined benefit plans. It is un-funded. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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 plan, 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.

Actuarial gains and losses are recognized immediately in the Profit & Loss Statement

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.

10. Earnings Per Share

Basic earnings per share

For the purpose of calculating basic earnings per share, the net profit or loss for the period attributable to equity shareholders after deducting any attributable tax thereto for the period is divided by weighted number of equity shares outstanding during the period.

11. Taxes on Income

- a) Tax on income for the current period is determined on the basis of taxable income after considering the various deductions available under The Income Tax Act, 1961.
- b) Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year. The tax effect is calculated on the accumulated timing differences at the end of the accounting period based on prevailing enacted or subsequently enacted regulations.
- c) Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent there is reasonable certainty



PART B: NOTES FORMING PARTS OF ACCOUNTS

that sufficient future taxable income will be available against which such deferred tax assets can be realized. At each reporting date the company reassesses the unrecognized deferred tax assets and reviews the deferred tax assets recognized.

12. Intangible Assets

Internally generated Intangible asset: They are amortized over a period of 5 years on straight line method.

Acquired Intangible asset: The Company has computer software as acquired intangible asset. It is amortized over a period of 5 years on straight line basis. In case of software having specific license period the amortization is over the period of the license.

Research and development costs are expensed as incurred, except for development costs which relate to the design and development of new or improved internally developed software which are recognized as an intangible to the extent that it is expected that such intangible will generate future economic benefits.

13. Impairment Policy:

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.

14. Provisions

A Provision is recognized when an enterprise 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. Provisions are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

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SoftTech Engineers Private Limited
PART - C NOTES TO ACCOUNTS

	2013 Rupees	2012 Rupees
C-1 Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
C-2 Contingent liability	-	-
C-3 Remuneration to Auditors		
a) Audit Fees	80,000	80,000
b) Tax Audit Fees	20,000	20,000
C-4 Expenditure in foreign currencies.		
i) Foreign Travel Expenses	968,751	409,479
ii) Bank Charges	7,935	10,450
iii) Legal Expenses	-	57,766
iv) Publicity and Advertising Expenses	-	861,093
C-5 Earning per Share (Basic)		
I - Basic		
a) Profit for the year before tax	11,712,822	21,180,124
Less : Attributable Tax thereto	3,659,074	4,909,676
Profit after Tax	8,053,748	16,270,448
b) Weighted average number of equity shares used as denominator	2,496,628	2,496,628
c) Basic earning per share of nominal value of Rs 10/- each	3.23	6.52



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PART - C NOTES TO ACCOUNTS

C-6 Employee Benefits :

i Defined Contribution Plans:

Amount of Rs 7,14,229/- (Rs.10,15,304 /-), is recognised as an expense and included in "Employee Benefits Expense" (Refer Note A-19) in the Profit and Loss Statement.

ii Defined Benefit Plans:

a) The amounts recognised in Balance Sheet are as follows:

Particulars	Amount - Rupees	
	As at 31-03-2013	As at 31-03-2012
	Gratuity Plan (Unfunded)	Gratuity Plan (Unfunded)
A. Amount to be recognised in Balance Sheet Present Value of Defined Benefit Obligation	1,599,096	1,289,254
Less: Fair Value of Plan Assets	-	-
Amount to be recognised as liability or (asset)	1,599,096	1,289,254
B. Amounts reflected in the Balance Sheet		
Liabilities	1,599,096	1,289,254
Assets	-	-
Net Liability/(Assets)	1,599,096	1,289,254

b) The amounts recognised in Profit and Loss Account are as follows:

Particulars	Amount - Rupees	
	As at 31-03-2013	As at 31-03-2012
	Gratuity Plan (Unfunded)	Gratuity Plan (Unfunded)
1 Current Service Cost	389,960	346,819
2 Interest Cost	109,587	90,830
3 Expected Return on Plan Assets	-	-
4 Actuarial Losses/(Gains)	189,705	302,920
5 Past Service Cost	-	-
6 Effect of any curtailment or settlement	-	7,957
7 Actuarial Gain not recognised in books	-	-
8 Adjustment for earlier years	-	-
Total included in Note A -19	309,842	142,686
Actual Return on Plan Assets	-	-

c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Amount - Rupees	
	As at 31-03-2013	As at 31-03-2012
	Gratuity Plan (Unfunded)	Gratuity Plan (Unfunded)
1 Balance of the present value of Defined benefit Obligation as at 01-04.2012	1,289,254	2,116,860
2 Add: Current Service Cost	389,960	346,819
Add: Interest Cost	109,587	90,830
3 Add/(less): Actuarial losses / (gains)	(189,705)	(302,920)
4 Settlement Costs / (Credit)	-	(962,335)
5 Balance of the present value of Defined Benefit Obligation as at 31-03-2013	1,599,096	1,289,254



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PART - C NOTES TO ACCOUNTS

Basis used to determine the overall expected return:

Life Insurance Corporation (LIC) manages the investments of Employee Gratuity Scheme. Expected rate of return on investments is determined based on the assessment made by the LIC at the beginning of the year on the return expected on its existing portfolio.

d) Principal actuarial assumptions at the balance sheet (expressed as weighted averages)

- 1 Discount rate as at 31-03-2013 - 7.80%
- 2 Expected return on plan assets as at 31-03-2013 - Nil
- 3 Salary growth rate : For Gratuity Scheme - 8%
- 4 Expected Average remaining working lives of employees (years) - 2.49

e) The amounts pertaining to defined benefit plans are as follows:

Particulars	Amount - Rupees	
	Gratuity	Gratuity
	Plan (Funded)	Plan (Funded)
	31.03.2013	31.03.2012
Defined Benefit Obligation	15,99,096	12,89,254
Plan Assets	-	-
Surplus/(Deficit)	(15,99,096)	(12,89,254)

f) General descriptions of defined plans:

Gratuity Plan:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service, or retirement, whichever is earlier.



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PART - C NOTES TO ACCOUNTS

C-7 As per the information available with the Company till date none of the suppliers have informed the company about their having registered themselves under the "Micro, Small and Medium Enterprises Development Act, 2006". As such, information as required under this Act, cannot be compiled and therefore, not disclosed for the year.

C-8 Related Party Disclosures

(A) Names of the related party and nature of relationship where control exists

Sr No	Name of the related party	Nature of relationship
1	SoftTech Software TR LLC	Associate
2	SoftTech Engineers (JV)	Joint Venture
3	Vijay Gupta	Substantial Interest/ Key management personnel

(B) Disclosure of related parties transactions:

Sr No	Nature of transactions / relationship	Rupees	
		2012-2013	2011-2012
1	Loan Taken / received		
	Key Management Personnel		
	Mr Vijay Gupta	2,050,000	1,800,000
	Relatives of Key Management Personnel		
	Mrs Priti Gupta	1,000,000	-
2	Repayment of loan taken		
	Key Management Personnel		
	Mr Vijay Gupta	-	136,350
	Relatives of Key Management Personnel		
	Mrs Priti Gupta	1,000,000	1,000,000
3	Rent Paid		
	Relatives of Key Management Personnel		
	Mrs Priti Gupta	436,290	199,851
4	Remuneration Paid		
	Key Management Personnel		
	Mr Vijay Gupta	2,400,000	1,400,000
	Relatives of Key Management Personnel		
	Mrs Priti Gupta	600,000	300,000
5	Commission Paid		
	Relatives of Key Management Personnel		
	Mr Pawan Gupta	1,121,573	112,600
6	Receiving of Services		
	Relatives of Key Management Personnel		
	Mr Pawan Gupta	330,000	440,000
7	Dividend Paid		
	Mr Vijay Gupta	887,400	887,400
	Mrs Priti Gupta	8,000	3,000
	CoVisible Solutions (India) Private Ltd	74,787	74,787



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(C) Amount due to / from related parties

Sr No	Nature of transactions / relationship	Rupees	
		2012-2013	2011-2012
1 Amount Receivable			
Sundry Debtors			
	SoftTech Engineers (JV)	3,853,278	6,514,769
	SoftTech Software TR LLC	1,004,198	1,061,453
Advance Receivable			
	CoVisible Solutions (India) Pvt Ltd	2,768,165	2,768,165
2 Amount Due			
Mr Vijay Gupta			
	Unsecured Loan Due	12,938,650	10,888,650
	Remuneration Payable	6,814	792,925
	Dividend Payable	887,400	887,400
Mrs Priti Gupta			
	Unsecured Loan Due	425,000	425,000
	Remuneration Payable	41,891	400,840
	Dividend Payable	8,000	8,000
	Rent Payable	372,599	290,551
Mr Pawan Gupta			
	Remuneration Payable	356,826	275,826
CoVisible Solutions (India) Pvt Ltd			
	Dividend Payable	74,787	74,787

(D) Names of related parties with whom transactions have been entered into:

Sr No	Name of the related party	Nature of relationship
1	SoftTech Software TR LLC	Associate
2	SoftTech Engineers (JV)	Joint Venture
3	CoVisible Solutions (India) Pvt Ltd	Enterprise over which key managerial personnel and their relatives exercise significant influence
4	Mr Vijay Gupta	Substantial interest/Key Management Personnel
5	Mrs Priti Gupta	Spouse of Key Management Personnel
6	Mr Pawan Gupta	Brother of Key Management Personnel



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PART - C NOTES TO ACCOUNTS

C-9 a) Details of Derivative Instruments (for hedging)
None

b) Details of foreign currency exposures that are not hedged by a derivative instrument or otherwise

Particulars	Amount in FCY		Equivalent amount in
Liability			
Sundry Debtors	USD	145,773	7,912,566

C-10 Details of provisions and movements in each class of provisions.

Particulars	As at 31st March, 2013 (Rs.)	As at 31st March, 2012 (Rs.)
	Income Tax	Income Tax
Carrying amount at the beginning of the year	15,840,000	11,865,000
Additional provision made during the year	3,300,000	3,975,000
Amount used during the year	-	-
Unused amounts reversed during the year	-	-
Carrying amount at the end of the year	19,140,000	15,840,000

C-11 FOB Value of Exports

Particulars	As at 31st March, 2013 (Rs.)	As at 31st March, 2012 (Rs.)
Sale of Software Products	11,172,138	8,226,644



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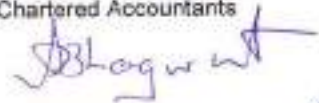


PART - C NOTES TO ACCOUNTS

C-12 The Company has entered into a new model of business for providing Software as a Service (SaaS). Under this model the Company establishes Service Cell Systems. The Service cell system comprises of Computer Servers and desktop based computers with in-built internally generated application software and system software to provide desired services. The system along with peripherals is used to generate revenue based on transactions done through the system. In accordance with Company accounting policies the Company considers such systems as part of its tangible fixed assets and has accordingly grouped and disclosed the same in the financial statements.

C-13 Figures of the previous year have been regrouped wherever necessary. Figures in bracket relate to the previous year.

As per our report of even date attached
For M/s P.G. Bhagwat
Chartered Accountants


ABHIJEET BHAGWAT
Partner



PUNE
June 27, 2013

For and on behalf of the Board
SoftTech Engineers Private Limited



Managing Director



Director



PUNE
June 27, 2013