

BOARD'S REPORT

To
The Members of
SoftTech Engineers Private Limited
Pune

Your directors have pleasure in presenting the Board's Report of your Company together with the Audited Financial Statement and the Auditors' Report of your Company for the financial year ended 31st March, 2017,

1. FINANCIAL RESULTS:

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

(Amount in Rs.)

Particular	Financial Year	
	2016-17	2015-16
Revenue from Operations (Net)	467,182,677.00	439,897,981.00
Other Income	4,633,849.00	4,088,638.00
Total Revenue	471,816,526.00	443,986,619.00
Depreciation and Amortization	37,365,467.00	36,211,910.00
Total Expenses (including Depreciation and Amortization)	398,503,936.00	394,420,895.00
Profit/ (Loss) Before Tax	73,312,590.00	49,565,724.00
Tax Expenses:		
1. Earlier Year Tax	--	--
2. Current Tax	27,296,201.00	19,564,809.00
3. Deferred Tax	(3,159,268.00)	(2,884,441.00)
Net Profit/ (Loss) After Tax	49,175,656.00	32,885,356.00

2. EXTRACT OF ANNUAL RETURN:

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information. **(Annexure: I)**

3. MEETINGS OF THE BOARD OF DIRECTORS:

During the financial year under review, the Board of Directors of the Company has duly met Five (5) times on 30th May, 2016, 28th July, 2016, 21st September, 2016, 30th December, 2016 and 17th January, 2017. The details of the number of meetings attended by each director is summarized as below,

S. No.	Name of director	Number of meetings entitled to attend	Number of meetings attended
1.	Mr. Vijay Gupta	5	5
2.	Ms. Priti Gupta	5	3
3.	Mr. Babulal Patel	4	1
4.	Mr. Girish Gupta	5	4
5.	Mr. Rahul Gupta	5	3

4. 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, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and loss of the Company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) Company being private Company sub clause (e) of section 134(5) is not applicable; and
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

5. STATUTORY AUDITORS

M/s. Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), were appointed as Statutory Auditors of the Company by the members in Annual General Meeting (AGM) held on 26th September, 2016 for a period of five years, subject to ratification in every Annual General Meeting. M/s. Walker Chandiook & Co LLP, Chartered Accountants (Firm Registration No.

001076N/N500013) have shown willingness to continue as the Statutory Auditors of the Company, and hence the Board recommends their ratification for financial year 2017-18 at the ensuing Annual General Meeting.

6. RESERVATIONS / QUALIFICATIONS BY STATUTORY AUDITORS IN AUDIT REPORT:

There are no qualifications/reservations/adverse remarks/disclaimers made by auditors in an audit report.

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

There was no loan or guarantee given by the Company under Section 186 of the Companies Act, 2013 during the year under review. However, the Company has investment in equity shares of The Mahesh Sahakari Bank Limited and The Saraswat Co-operative Bank Limited amounting to Rs. 3,54,800/- and 25,000/- respectively.

8. PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Form AOC-2 is attached herewith for your kind perusal and information (**Annexure: II**).

9. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Company is engaged in the business of providing services related to Information Technology and supporting services.

The revenue of the Company is Rs. 467,182,677/- as compared to Rs. 439,897,981/- in the previous year. The Company has registered a net profit of Rs. 49,175,656/- which was Rs.32,885,356/- in the previous year.

Also the Directors are continuously looking for avenues for future growth in the coming years. The future outlook of the Company and its professional management makes an enterprise of high quality and high efficiency as core competition.

10. 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 31st March, 2017.

11. DIVIDEND:

The directors of the Company has recommended final dividend of Rs. 1 per equity share of Rs. 10/- each i.e total of Rs. 35,25,638/- for the financial year ended 31st March, 2017. The dividend if declared by the members in the Annual General Meeting would involve cash outflow of Rs 42,43,375/- including dividend distribution tax.

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

Since no unclaimed dividend amount is pending with the Company, no amount is required to be transferred to the Investor Education and Protection Fund.

13. REPORTING OF FRAUD BY STATUTORY AUDITORS:

There was no fraud 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.

14. SECRETARIAL AUDIT REPORT:

Provisions of section 204 of the Companies Act, 2013 are not applicable to the Company.

15. COST AUDIT & MAINTENANCE OF COST RECORDS:

During the year under review, your Company does not falls within the provisions of Section 148 of Company's Act, 2013 read with the Companies (Cost records & Audit) Rules, 2014, therefore the maintenance of Cost Records & Cost Audit is not applicable to the Company.

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

The Board has proposed to formulate "SoftTech Employees Stock Option Plan 2017" ("SOFTTECH ESOP 2017") in supersession of earlier Employees Stock Option Plan and to create, offer, issue and allot in one or more tranches under the said "SoftTech Employees Stock Option Plan 2017" ("SOFTTECH ESOP 2017") at any time to or for the benefit of employees and directors (excluding Independent Director, if any) of the Company which would give rise to the issue of equity shares upto 70,000 (Seventy Thousand) of Rs. 10/- each in aggregate. The said matter is placed before the members in the ensuing Annual General Meeting for the approval of the members.

However except as mentioned above, 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.

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

A. 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.

B. TECHNOLOGY ABSORPTION

- (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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO (IN RUPEES)

Earnings	Rs. 477,890.00
Outgo	Rs. 192,488.00

18. RISK MANAGEMENT POLICY:

Periodic assessments to identify the risk areas are carried out and 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 risk, operational risk 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. Till now the Company is not having any Risk which threatens the Company's existence. The Company has formulated a Risk Management Policy to deal, in case any such risks are identified in future.

19. CORPORATE SOCIAL RESPONSIBILITY:

During the year under review, Provisions of Section 135 of the Act pertaining to Corporate Social Responsibility are not applicable to the Company and the Company was not required to frame the CSR Policy.

20. CHANGE IN NATURE OF BUSINESS, IF ANY:

There was no change in the nature of Business during the Financial Year 2016-17.

21. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

During the year under review, Mr. Babulal Patel was appointed as an additional director of the Company and also designated as the Whole Time Director of the Company w.e.f. 28th July, 2016. Further in Annual General Meeting on 26th September 2016 he was regularized as director of the Company. Rajasthan Venture Capital Fund has withdrawn nomination of Mr. Girish Gupta from the Board of the Company w.e.f. 18th February, 2017 as Mr Girish Gupta has retired from RVCF.

Mr. Raja Bhaskar Goru CFO (KMP) has resigned with effect from 7th May, 2016.

The composition of Board of Directors as at 31st March, 2017 consists of the following:

- | | |
|--------------------------------------|---------------------|
| 1. Mr. Vijay Gupta (DIN: 01653314) | Managing Director |
| 2. Ms. Priti Gupta (DIN: 01735673) | Whole Time Director |
| 3. Mr. Rahul Gupta (DIN: 00024732) | Director |
| 4. Mr. Babulal Patel (DIN: 01342839) | Whole Time Director |

22. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS:

The Company being a private company; is not required to appoint Independent Directors. Accordingly statement on declaration by Independent Directors under Section 149(6) of the Act is not applicable.

23. LOAN FROM DIRECTORS AND RELATIVES OF DIRECTOR:

The unsecured loan from directors of the Company as on 31st March, 2017 was as follows,

Sr. No.	Name of Director	Unsecured Loan to the tune of Rs.
1	Mr. Vijay Gupta	11,439,662/-
2	Mrs. Priti Gupta	6,36,975/-

However the Company has not accepted any loan from relatives of the directors.

24. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Company being a private Company, it is not required to formulate a policy on Directors' Appointment and Remuneration.

25. INFORMATION ABOUT SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES:

The Company does not have any Subsidiary / Associate Company / Joint Venture Company.

26. DEPOSITS:

The Company has not accepted any deposits during the year as covered under Chapter V of the Act.

27. 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.

28. CHANGES IN SHARE CAPITAL:

During the year under review, the Authorised Share Capital and Paid up Share Capital of the Company remained unchanged. Further the Company has neither allotted any sweat equity and bonus shares or shares under the employee stock option plan nor has bought back any shares or securities.

29. COMMITTEE OF THE BOARD:

The Company being a private Company is not required to constitute any committees like the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee.

30. 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.

It is to be noted that during the year 2016-17, no grievance / complaint was reported.

31. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has maintained adequate internal controls commensurate with its size and nature of operations. There are suitably monitoring the procedures in place to provide reasonable assurance for the accuracy and timely reporting of the financial information and compliance with the statutory

requirements. There are policies, guidelines and delegation of power issued for the compliance of the same across the Company.

32. VIGIL MECHANISM:

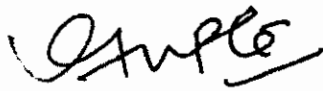
Provisions regarding vigil mechanism are not applicable to the Company.

33. ACKNOWLEDGEMENT:

Your directors like to express their heartfelt grateful to all Bankers, Government Authorities, Customers, Vendors and Business Partners for their continued support and association.

The directors would also like to express their appreciation to the employees of the Company for their dedicated, individual and collective contribution in the overall growth of the Company.

For & on behalf of the Board of Directors
SOFTTECH ENGINEERS PRIVATE LIMITED



(Vijay Gupta)
MANAGING DIRECTOR
DIN: 01653314
DATE: 05.09.2017
PLACE: PUNE



(Priti Gupta)
DIRECTOR
DIN: 01735673
DATE: 05.09.2017
PLACE: PUNE

Enclosure:

1. Annexure I- Extract of Annual Return (MGT-9)
2. Annexure II- AOC-2

**ANNEXURE
FORM NO MGT-9
(EXTRACT OF ANNUAL RETURN)**

As on Financial Year ended on 31st March, 2017

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

I. REGISTRATION AND OTHER DETAILS:

S. NO.	PARTICULARS	DETAILS
(i)	CIN	U30107PN1996PTC016718
(ii)	Registration Date	17/06/1996
(iii)	Name of the Company	SOFTTECH ENGINEERS PRIVATE LIMITED
(iv)	Category/Sub Category of the Company	Company Limited by Shares/ Indian Non Government Company
(v)	Address of Registered Office and Contact Details	The Pentagon Unit No 5A, Near Satara Road, Telephone Exchange, Shahu College Road, Parvati Pune 411009
(vi)	Whether Listed Company	No
(vii)	Name , Address and Contact Details of Registrar and transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S.NO	NAME AND DESCRIPTION OF MAIN PRODUCTS	NIC CODE OF THE PRODUCT SERVICE	% OF TOTAL TURNOVER OF THE COMPANY
1	Computer Consultancy and computer facilities Management Activities	6209	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

S.NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ASSOCI ATE	% OF SHARES HELD	APPLICABLE SECTION
NIL					

b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	-	-	-	-	-	-	-	-	0
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh		575,004	575,004	16.31		575,004	575,004	16.31	0
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)		724,578	724,578	20.38		724,578	724,578	20.38	0
Total public Shareholding (B)=(B)(1)+(B)(2)	-	1,668,476	1,668,476	47.15	-	1,668,476	1,668,476	47.15	0
C) SHARES HELD BY CUSTODIAN FOR GDR & ADRs	NIL				NIL				
GRAND TOTAL (A+B+C)	-	3,525,638	3,525,638	100	-	3,525,638	3,525,638	100	-

ii) Shareholding of Promoters								
Sr. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/encumbered of total shares	No. of shares	% of total shares of the Company	% of shares pledged/encumbered of total shares	
1	Vijay Gupta	1,840,617	52.21	-	1,840,617	52.21	-	0
2	Priti Gupta	16,545	0.47	-	16,545	0.47	-	0
iii) Change in Promoters Shareholding (Please specify if there is no change)								
Sr. No.	Particulars	Shareholding at the beginning of the		Cumulative shareholding during the year				
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company			
Vijay Gupta								
1	At the beginning of the year	1,840,617	52.21%	1,840,617	52.21%			
2	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease(e.g. Allotment/transfer/bonus/sweat equity etc.)	NO CHANGE DURING THE YEAR						
3	At the end of the year	1,840,617	52.21%	1,840,617	52.21%			
Priti Gupta								
1	At the beginning of the year	16,545	0.47%	16,545	0.47%			
2	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease(e.g. Allotment/transfer/bonus/sweat equity etc.)	NO CHANGE DURING THE YEAR						
3	At the end of the year	16,545	0.47%	16,545	0.47%			
iv) Shareholding of top ten Shareholders (other than Directors, Promoters and Holders of GDR & ADR):								
Sr. no	For each of the top ten shareholders	Shareholding at the beginning of the		Cumulative shareholding during the year				
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company			
Rajasthan Trustee Company Pvt. Ltd. A/c SME TECH FUND, RVCF Trust II								
1	At the beginning of the year	943,898	26.77%	943,898	26.77%			
2	Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease(e.g. Allotment/transfer/bonus/sweat equity etc.)	NO CHANGE DURING THE YEAR						
3	At the end of the year	943,898	26.77%	943,898	26.77%			
Covisible Solutions (India) Private Limited								
1	At the beginning of the year	149,574	4.24%	149,574	4.24%			
2	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease(e.g. Allotment/transfer/bonus/sweat equity etc.)	NO CHANGE DURING THE YEAR						
3	At the end of the year	149,574	4.24%	149,574	4.24%			

Ajay Jain					
1	At the beginning of the year	118,410	3.36%	118,410	3.36%
2	Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease(e.g. Allotment/transfer/bonus/sweat equity etc.)	NO CHANGE DURING THE YEAR			
3	At the end of the year	118,410	3.36%	118,410	3.36%
Dhrubjyoti Debchoudury					
1	At the beginning of the year	65,721	1.86%	65,721	1.86%
2	Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease(e.g. Allotment/transfer/bonus/sweat equity etc.)	NO CHANGE DURING THE YEAR			
3	At the end of the year	65,721	1.86%	65,721	1.86%
Devendra Tripathi					
1	At the beginning of the year	65,721	1.86%	65,721	1.86%
2	Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease(e.g. Allotment/transfer/bonus/sweat equity etc.)	NO CHANGE DURING THE YEAR			
3	At the end of the year	65,721	1.86%	65,721	1.86%

v) Shareholding of Director and Key Managerial Person					
Sr No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during	
		No. of shares	% of total of the company	No. of shares	% of total of the company
	For each of Directors & KMP				
a)	Mr. Vijay Gupta_At the beginning of the year	1,840,617	52.21%	1,840,617	52.21%
	Date wise Increase/Decrease in Directors shareholding during the year specifying the reasons for increase/decrease(e.g. Allotment/transfer/bonus/sweat equity etc.)	NO CHANGE DURING THE YEAR			
	At the end of the year	1,840,617	52.21%	1,840,617	52.21%
b)	Ms. Priti Gupta_At the beginning of the year	16,545	0.47%	16,545	0.47%
	Date wise Increase/Decrease in Directors shareholding during the year specifying the reasons for increase/decrease(e.g. Allotment/transfer/bonus/sweat equity etc.)	NO CHANGE DURING THE YEAR			
	At the end of the year	16,545	0.47%	16,545	0.47%
c)	Mr. Babulal Patel_At the beginning of the year	325,152	9.22%	325,152	9.22%
	Date wise Increase/Decrease in Directors shareholding during the year specifying the reasons for increase/decrease(e.g. Allotment/transfer/bonus/sweat equity etc.)	NO CHANGE DURING THE YEAR			
	At the end of the year	325,152	9.22%	325,152	9.22%
d)	Mr. Rahul Gupta_At the beginning of the year	0	0	0	0
	Date wise Increase/Decrease in Directors shareholding during the year specifying the reasons for increase/decrease(e.g. Allotment/transfer/bonus/sweat equity etc.)	NIL			
	At the end of the year	0	0	0	0
e)	Mr. Girish Gupta_At the beginning of the year	0	0	0	0
	Date wise Increase/Decrease in Directors shareholding during the year specifying the reasons for increase/decrease(e.g. Allotment/transfer/bonus/sweat equity etc.)	NIL			
	At the end of the year	0	0	0	0

V. INDEBTEDNESS				
Indebtedness of the company including interest outstanding/accrued but not due for payment				
Particulars	Secured Loans excluding deposit	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginnng of the financial year				
i.) Principal Amount	145,712,858	38,181,744	0	183,894,602
ii.)Interst due but not paid	875,152	396,920	0	1,272,072
iii.) Interest accrue but not due	0	0	0	0
Total(i+ii+iii)	146,588,010	38,578,664	0	185,166,674
Change in Indebtedness during the Financial year				
i.) Addition	0	0	0	0
ii.)Reduction	4,363,923	6,000,000	0	10,363,923
Net Change	4,363,923	6,000,000	0	10,363,923
Indebtedness at the end of the Financial year				
i.) Principal Amount	141,348,935	31,795,665	0	173,144,600
ii.)Interst due but not paid	725,155	245,633	0	970,788
iii.) Interest accrue but not due	0	0	0	0
Total(i+ii+iii)	142,074,090	32,041,298	0	174,115,388

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSON**A. Remuneration to Managing Director, Whole Time Director and/or Manager**

Sr. No.	Particulars of Remuneration	MD	WTD	WTD	Manager	Total Amount
		Mr. Vijay Gupta	Ms. Priti Gupta	Mr. Babulal Patel		
1	Gross Salary					
a.	Salary as per provisions contained in Sec 17(1) of Income Tax Act, 1961	4,400,004.00	936,004.00	300,000.00	-	5,636,008.00
b.	Value of perquisites u/s 17(2) income Tax Act, 1961	-	-	-	-	-
c.	Profits in lieu of salary u/s 17(3) Income Tax Act, 1961	-	-	-	-	-
2	Stock option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	as % of Profit	-	-	-	-	-
	Others, please specify	-	-	-	-	-
5	Others, please specify					
	Total(A)	4,400,004.00	936,004.00	300,000.00	-	5,636,008.00
	Ceiling as per the act					-



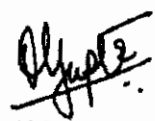
B. Remuneration to other Directors:

Sr. No	Particulars of Remuneration	Name of Directors				Total Amount
3	Independent Directors	NOT APPLICABLE				
i	Fee for attending board committee meeting					
ii	Commission					
iii	Others, please specify					
	Total(1)					
4	Other Non Executive Directors	-	-	-	-	-
i.	Fee for attending board committee meeting	-	-	-	-	-
ii.	Commission	-	-	-	-	-
iii.	Others, please specify	-	-	-	-	-
	Professional fees	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)= (1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall ceiling as per act	-	-	-	-	-

C. Remuneration to Key Managerial personnel other than MD/Manager/WTD

Sr.No	Particulars of Remuneration	Key Managerial Person				
		CEO	Company Secretary		CFO	TOTAL
					Mr. Raja Bhaskar Goru (up to 7th May, 2016)	
1	Gross Salary				395,419.00	
a.	Salary as per provisions contained in Sec 17(1) of Income Tax Act,1961					
b.	Value of perquisites u/s 17(2) income Tax Act,1961					
c.	Profits in lieu of salary u/s 17(3) Income Tax Act,1961					
2	Stock option					
3	Sweat Equity					
4	Commission					
	as % of Profit					
	Others, specify					
5	Others, please specify					
	Total				395,419.00	

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

TYPE	SECTION OF THE COMPANIES ACT	BRIEF DESCRIPTION	DETAILS OF PENALTY/PUNISHMENT/COMPOUNDING FEES IMPOSED	AUTHORITY [RD/NCLT/ COURT]	APPEAL MADE IF ANY (GIVE DETAILS)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					
 (Vijay Gupta) MANAGING DIRECTOR DIN: 01653314 DATE: 05-09-2017 PLACE: PUNE		 SoftTech Empowering Transformation Pune India		 (Priti Gupta) WHOLE TIME DIRECTOR DIN: 01735673 DATE: 05-09-2017 PLACE: PUNE	

NIL

Form No. 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 arms length transactions under third proviso thereto

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

Name(s) of the related party and nature of relationship	Nature of contract/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any:
(a)	(b)	(c)	(d)	(e)	(f)	(g)
			NA			

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

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any:
(a)					(d)	(e)

For & on behalf of the Board of Directors

SOFTTECH ENGINEERS PRIVATE LIMITED

Vijay Gupta

(Vijay Gupta)
MANAGING DIRECTOR
DIN: B185514
DATE: 02.09.17
PLACE:PUNE



Vijay Gupta

(Vijay Gupta)
WHOLE-TIME DIRECTOR
DIN: 01756578
DATE: 02.09.17
PLACE:PUNE

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
3rd Floor, Unit No 309 to 312
West Wing, Nyati Unitree
Nagar Road, Yerwada
Pune 411006 India

Independent Auditor's Report

To the Members of SoftTech Engineers Private Limited

T +91 20 6744 8800
F +91 20 6744 8899

Report on the Financial Statements

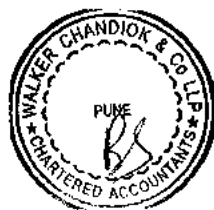
1. We have audited the accompanying financial statements of SoftTech Engineers Private Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

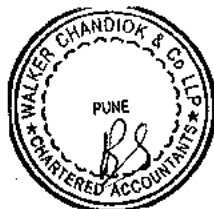
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31 March 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
- we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 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;
 - the financial statements dealt with by this report are in agreement with the books of account;
 - in our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as at 31 March 2017 from being appointed as a director in terms of Section 164(2) of the Act;
 - in our opinion and to the best of our information and according to the explanations given to us, the provisions of Section 143(3)(i) for reporting on the adequacy of internal financial controls over financial reporting and the operating effectiveness of such controls of the Company, are not applicable;
 - 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:
 - the Company does not have any pending litigation which would impact its financial position;
 - the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;



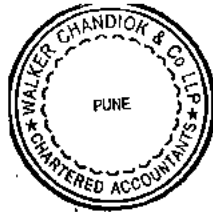
Walker Chandlok & Co LLP

- iv. As detailed in Note 33 to the financial statements, the Company did not have any holdings or dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016. Based on our audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, the disclosure given in Note 33 to the financial statements are in accordance with the books of account maintained by the Company.

Walker Chandlok & Co LLP
For **Walker Chandlok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Bharat Shetty
per **Bharat Shetty**
Partner
Membership No.: 106815

Place: Mumbai
Date: 5 September 2017

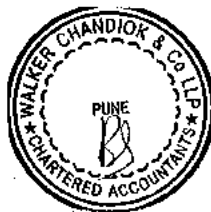


Annexure A to the Independent Auditor's Report of even date to the members of SoftTech Engineers Private Limited, on the financial statements for the year ended 31 March 2017

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (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 during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
 - (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.



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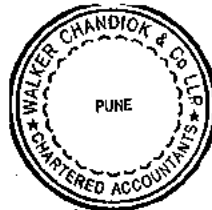
Annexure A to the Independent Auditor's Report of even date to the members of SoftTech Engineers Private Limited, on the financial statements for the year ended 31 March 2017

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under Section 2(71) of the Act. Accordingly, provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Walker Chandiook & Co LLP
For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Bharat Shetty
per **Bharat Shetty**
Partner
Membership No.: 106815

Place: Mumbai
Date: 5 September 2017



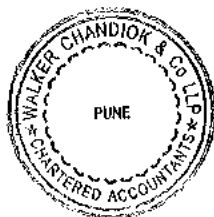
SoffTech Engineers Private Limited
Balance Sheet as at 31 March 2017

	Notes	As at 31 March 2017 In ₹	As at 31 March 2016 In ₹
Equity and liabilities			
Shareholders' funds			
Share capital	3	35,256,380	35,256,380
Reserves and surplus	4	274,322,629	225,146,974
		<u>309,579,009</u>	<u>260,403,354</u>
Non-current liabilities			
Long-term borrowings	5	88,360,106	111,964,665
Other long-term liabilities	6	100,000	50,000
Long-term provisions	7	4,007,572	3,207,680
		<u>92,467,678</u>	<u>115,222,345</u>
Current liabilities			
Short-term borrowings	5	42,683,935	34,269,858
Trade payables - outstanding dues to micro and small enterprises	8	-	-
Trade payables - outstanding dues to other than micro and small enterprises	8	56,200,123	84,699,118
Other current liabilities	9	101,975,894	80,330,580
Short-term provisions	7	1,563,478	9,722,501
		<u>202,423,430</u>	<u>209,022,057</u>
Total		<u>604,470,117</u>	<u>584,647,756</u>
Assets			
Non-current assets			
Property, plant and equipment	10	17,955,656	25,730,804
Intangible assets	11	73,909,968	57,486,583
Intangible assets under development		23,043,991	36,824,499
Non-current investments	12	379,800	379,800
Deferred tax assets (net)	13	3,611,569	453,466
Long-term loans and advances	14	15,348,595	6,345,633
Other non-current assets	15	66,688,464	63,669,758
		<u>200,938,043</u>	<u>190,890,543</u>
Current assets			
Trade receivables	16	177,478,751	236,782,678
Cash and bank balances	17	32,593,950	13,409,578
Short-term loans and advances	14	16,989,794	11,673,408
Other current assets	18	176,469,579	131,891,549
		<u>403,532,074</u>	<u>393,757,213</u>
Total		<u>604,470,117</u>	<u>584,647,756</u>
Significant accounting policies and other explanatory information	1 to 35		

As per our report of even date attached

For Walker Chandiook & Co LLP
Chartered Accountants

B. Shetty
Bharat Shetty
Partner



Place : Mumbai
Date : 05 September 2017

For and on behalf of the Board of Directors

Vijay Gupta
Vijay Gupta
Managing Director
DIN: 1653314

P. Gupta
Priti Gupta
Director
DIN: 1735673



Place : Pune
Date : 21 August 2017

SoftTech Engineers Private Limited
Statement of Profit and Loss for the year ended 31 March 2017

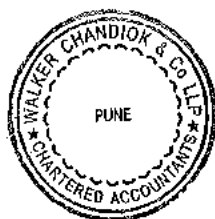
	Notes	Year ended 31 March 2017 In ₹	Year ended 31 March 2016 In ₹
Revenue			
Revenue from operations	20	467,182,677	439,897,981
Other income	21	4,633,849	4,088,638
Total revenue		471,816,526	443,986,619
Expenses			
Cost of materials consumed		934,502	475,126
Purchases of stock-in-trade		71,423,425	136,489,457
Employee benefits expense	22	80,879,619	58,242,567
Finance costs	23	23,700,392	19,812,038
Depreciation and amortisation expense	24	37,365,467	36,211,910
Other expenses	25	184,200,531	143,189,797
Total expenses		398,503,936	394,420,895
Profit before tax		73,312,590	49,565,724
Tax expense			
Current tax		27,295,038	19,564,809
Deferred tax (credit)		(3,158,103)	(2,884,441)
Profit for the year		49,175,655	32,885,356
Earnings per equity share	30		
Basic		13.95	12.63
Diluted		13.95	12.63

Significant accounting policies and other explanatory information 1 to 35

As per our report of even date attached

For Walker ChandioK & Co LLP
Chartered Accountants


Bharat Shetty
Partner

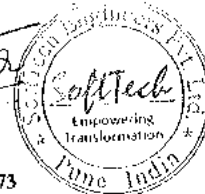


Place : Mumbai
Date : 05 September 2017

For and on behalf of the Board of Directors


Vijay Gupta
Managing Director
DIN: 1653314


Priti Gupta
Director
DIN: 1735673



Place : Pune
Date : 21 August 2017

SoftTech Engineers Private Limited
Cash Flow Statement for the year ended 31 March 2017

	Year ended 31 March 2017 In ₹	Year ended 31 March 2016 In ₹
Cash flow from operating activities		
Profit before tax	73,312,590	49,565,724
Adjustments for:		
Depreciation and amortisation expense	37,365,467	36,211,910
Unrealised loss on foreign currency transactions and translations (net)	230,370	-
Finance costs	23,635,076	19,219,938
Bad debts written off	12,162,661	8,926,199
Provision for doubtful debts	232,328	542,906
Investment written off	-	2,865,000
Dividend income	(50,225)	-
Interest income on deposits	(3,077,048)	(1,671,799)
Operating profit before working capital changes	143,811,219	115,659,878
Changes in working capital:		
(Decrease) / increase in trade payables, liabilities and provisions	(10,093,080)	54,452,999
Decrease / (increase) in trade receivables	52,881,226	(59,009,260)
Increase in loans and advances and other assets	(58,897,378)	(96,551,293)
Cash generated from operations	127,701,987	14,552,324
Direct taxes paid (net)	(33,382,280)	(19,073,255)
Net cash generated from/ (used in) operating activities (A)	94,319,707	(4,520,931)
Cash flow from investing activities		
Purchase of Property, plant and equipment (including intangible assets and intangible assets under development)	(32,233,196)	(41,934,901)
Fixed deposits placed including balance in escrow account	(19,044,272)	(1,828,457)
Interest received / Dividend received	212,309	1,422,421
Net cash used in investing activities (B)	(51,065,159)	(42,340,937)
Cash flow from financing activities		
Repayment of long-term borrowings	(49,164,079)	(26,888,973)
Proceeds from long-term borrowings	30,000,000	87,156,637
Dividend paid	(2,121,687)	(1,864,319)
Proceeds from short-term borrowings (net)	8,414,077	19,459,931
Interest paid	(23,936,359)	(19,976,201)
Net cash (used in)/generated from financing activities (C)	(36,808,048)	57,887,075
Net increase/(decrease) in cash and cash equivalents (A+B+C)	6,446,500	11,025,207
Cash and cash equivalents at the beginning of the year	13,409,578	2,384,371
Cash and cash equivalents at the end of the year	19,856,078	13,409,578
Cash and cash equivalents comprise of :		
Cash on hand	795,081	852,471
Balances with banks	19,060,997	12,557,107
- in current accounts	19,856,078	13,409,578

Notes:

- The above Cash Flow Statement has been prepared under "Indirect Method" as set out in Accounting Standard - 3 on "Cash Flow Statements" notified under Section 133 to the Companies Act, 2013.
- Figures in brackets indicate cash outgo.

As per our report of even date attached

For Walker Chandiook & Co LLP

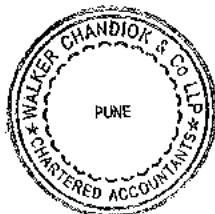
Chartered Accountants


Bharat Shetty

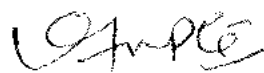
Partner

Place : Mumbai

Date : 05 September 2017



For and on behalf of the Board of Directors



Vijay Gupta
Managing Director
DIN: 1653314

Place : Pune

Date : 21 August 2017



SoftTech Engineers Private Limited
Significant accounting policies and other explanatory information for the year ended
31 March 2017

1. Background of the Company

SoftTech Engineers Private Limited (the "Company") was founded in 1996 and is based out of Pune. The Company is an information technology and software services organisation, delivering end to end solution in Architectural-Engineering-Construction (AEC) space catering to property developers, investors, real estate companies, contractors, architects and consultants.

2. Summary of significant accounting policies

a) Basis of preparation of financial statements

These financial statements have been prepared in accordance with the generally accepted accounting principles (GAAP) in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the Accounting Standards prescribed by the Central Government, in accordance with Rule 7 of the Companies (Accounts) Rules, 2014 and Section 133 of the Companies Act, 2013 (the "Act").

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III to the Companies Act, 2013. Based on nature of products/services, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

b) Use of estimates

The preparation of financial statements in conformity with GAAP requires that the management of the Company make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of property, plant and equipment and intangible assets, provision for doubtful debts/ advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

c) Depreciation

The Company provides pro-rata depreciation on additions and disposals made during the year. Depreciation on property, plant and equipment is provided under the straight line method over the useful lives of assets as prescribed under Part C of Schedule II to the Companies Act, 2013, except in case of service cell system which is depreciated on a useful life of 5 years on straight line method based on internal technical evaluation done by the management.

d) Revenue Recognition

- i) Revenue from software development with respect to time and material contracts is recognised as related costs are incurred and services are performed in accordance with the terms of specific contracts.
- ii) Revenue from fixed price contracts are recognised based on the milestones achieved as specified in the contracts and for interim stages, until the next milestone is achieved, on the basis of proportionate completion method. Provisions for estimated losses on incomplete contracts are recorded in the period in which such losses become probable based on the current estimates.
- iii) Revenue from sale of traded software licenses is recognised on delivery to the customer.
- iv) 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.



SoftTech Engineers Private Limited
Significant accounting policies and other explanatory information for the year ended
31 March 2017

- v) Dividend income is recognized when the right to receive the dividend is established.
- vi) Interest income is recognized on time proportion basis.

e) Property, plant and equipment

Property, plant and equipment (fixed assets) are stated at cost less accumulated depreciation and accumulated impairment (if any). The cost of a property, plant and equipment comprises its purchase price and any attributable cost of bringing it 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 'Service Cell System'.

f) Foreign Currency Transactions

The reporting currency of the Company is Indian Rupee.

- i) Foreign currency transactions are recorded on initial recognition in the reporting currency using the exchange rates prevailing at the date of the transaction.
- ii) Monetary assets and monetary liabilities denominated in foreign currencies are converted at rate of exchange prevailing on the date of the Balance Sheet.
- iii) Exchange differences on settlement/conversion are included in the Statement of Profit and Loss in the period in which they arise.

g) Investments

Investments are classified into current investments and non-current investments. Current investments, i.e. investments that are readily realisable and intended to be held for not more than a year are valued at lower of cost and net realisable value. Any reduction in the carrying amount or any reversal of such provision towards reductions are charged or credited to the Statement of Profit and Loss.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the Management.

h) Employee benefits

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, expected cost of bonus and short term compensated absences 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 and ESIC are its defined contribution plans. The contribution paid/payable under the scheme is recognized during the period in which the employee renders the related service.



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SoffTech Engineers Private Limited
Significant accounting policies and other explanatory information for the year ended
31 March 2017

b) Defined Benefit Plans:

The Company has defined benefit plan in the form of gratuity. The same is determined by actuarial valuation carried out by an independent actuary as at the Balance Sheet date and shortfall/ excess, if any, has been provided for/ considered as prepaid.

The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss as income or expense.

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the compensated absences is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

i) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition/ construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in Statement of Profit and Loss in the period in which they are incurred.

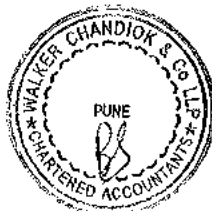
j) Taxes on Income

The provision for current taxation is computed in accordance with the relevant tax regulations. Deferred tax is recognised on timing differences between the accounting and taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as at the Balance Sheet date. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses under tax laws are recognised and carried forward to the extent there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised in future. Where there is no unabsorbed depreciation / carry forward loss, deferred tax assets are recognised only to the extent there is a reasonable certainty of realisation in future. Such assets are reviewed at each Balance Sheet date to reassess realisation.

k) Intangible Assets

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an intangible asset when the Company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete the asset
- Its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of adequate resources to complete the development and to use or sell the asset



SoftTech Engineers Private Limited
Significant accounting policies and other explanatory information for the year ended
31 March 2017

- The ability to measure reliably the expenditure attributable to the intangible asset during development.

During the period of development, the asset is tested for impairment annually. 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 the period of 5 years. Amortisation is recognised in the Statement of Profit and Loss.

Computer Software are amortised on a straight line basis over their estimated useful life of five years.

l) Impairment of assets

Management evaluates at regular intervals, using external and internal sources, the need for impairment of any asset. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its net realisable value on its eventual disposal. Any loss on account of impairment is expensed as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined.

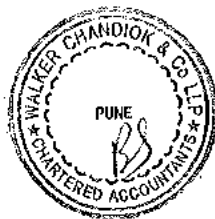
After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

m) Provisions and contingent liabilities

Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to their present value.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.



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SofTech Engineers Private Limited
Significant accounting policies and other explanatory information for the year ended 31 March 2017
(Amount in ₹ except for share data, and if otherwise stated)

	As at 31 March 2017		As at 31 March 2016	
	Number	Amount	Number	Amount
3 Share capital				
Authorised share capital				
Equity shares of ₹ 10 each	3,600,000	36,000,000	3,600,000	36,000,000
Compulsorily convertible cumulative preference shares of ₹ 10 each	1,000,000	10,000,000	1,000,000	10,000,000
	4,600,000	46,000,000	4,600,000	46,000,000
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	3,525,638	35,256,380	3,525,638	35,256,380
	3,525,638	35,256,380	3,525,638	35,256,380

a) Reconciliation of share capital

Equity shares

Balance at the beginning of the year	3,525,638	35,256,380	2,582,623	25,826,230
Add: Issued during the year	-	-	943,015	9,430,150
Balance at the end of the year	3,525,638	35,256,380	3,525,638	35,256,380

Compulsorily convertible cumulative preference shares

Balance at the beginning of the year	-	-	860,867	8,608,670
Less: Converted into equity shares	-	-	(860,867)	(8,608,670)
Balance at the end of the year	-	-	-	-

b) Rights, preferences and restrictions attached to equity shares

The Company has 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.

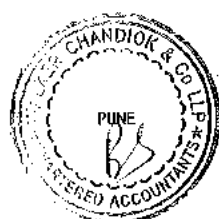
In the event of occurrence of a liquidation event or winding up subject to applicable laws, the total proceeds from such an event will be distributed to the Rajasthan Trustee Company Private Limited (the "Investor") in preference to all other shareholders of the Company (including the Promoters) from the assets, cash and/or property of the Company and/or cash or other consideration payable on the occurrence of the liquidation event, as the case may be, prior and in preference to payment of any dividend or distribution of any of the assets or surplus funds of the Company to the shareholders of the Company by reason of their ownership thereof, so that the Investor receives the higher of (liquidation preference amount) :-

- the investment amount plus all declared but unpaid dividends until the date of such payment plus an IRR of 20% p.a; or
- proportionate share of the valuation as accorded by an independent third party valuer to be mutually appointed by the Investor and Company; or
- proportionate share of actual liquidation proceeds.

Any proceeds remaining after its distribution to the Investor shall be distributed to all the shareholders (excluding the investor), in proportion to their shareholding.

c) Shareholders holding more than 5% of the shares

	Number of shares held	% holding	Number of shares held	% holding
Equity shares				
Vijay Gupta	1,840,617	52.21%	1,840,617	52.21%
Babubhai K. Patel	325,152	9.22%	325,152	9.22%
Rajasthan Trustee Company Private Limited	943,898	26.77%	943,898	26.77%
	3,109,667	88.20%	3,109,667	88.20%



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SoftTech Engineers Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March 2017

(Amount in ₹ except for share data, and if otherwise stated)

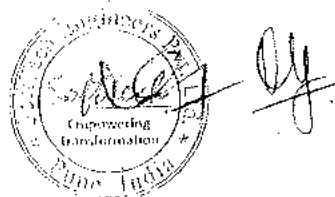
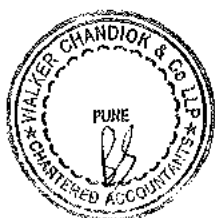
	As at 31 March 2017	As at 31 March 2016
4 Reserves and surplus		
Securities premium account		
Balance at the beginning of the year	99,628,949	100,450,429
Less: Premium on redemption of preference shares	-	821,480
Balance as at the end of the year	99,628,949	99,628,949
Surplus in the Statement of Profit and Loss		
Balance at the beginning of the year	125,518,025	94,754,356
Add: Transferred from Statement of Profit and Loss	49,175,655	32,885,356
Less: Proposed dividend on equity shares	-	1,762,819
Less: Tax on proposed dividend (on equity shares)	-	358,868
Balance at the end of the year	174,693,680	125,518,025
	274,322,629	225,146,974

	As at 31 March 2017		As at 31 March 2016	
	Long-term	Short-term	Long-term	Short-term
5 Borrowings				
Secured				
Term loans				
From others				
Small Industries Development Bank of India (SIDBI)	91,165,000	-	107,123,000	-
Technology Development Board (TDB)	7,500,000	-	4,320,000	-
Loans repayable on demand				
Working capital loan from banks	-	42,683,935	-	34,269,858
	98,665,000	42,683,935	111,443,000	34,269,858
Unsecured				
Term loans				
From banks	7,869,562	-	13,300,638	-
From others	11,849,466	-	18,804,469	-
Loans from related parties	12,076,637	-	6,076,637	-
	31,795,665	-	38,181,744	-
Less: Current maturities of long-term borrowings (refer note 9)	42,100,559	-	37,660,079	-
	88,360,106	42,683,935	111,964,665	34,269,858

a) Details of guarantee for each type of borrowings

Guaranteed by directors (exclusive of interest, which is also guaranteed)

Term loans				
From others	98,665,000	-	111,443,000	-
Loans repayable on demand				
Working capital loan from banks	-	42,683,935	-	34,269,858



SoftTech Engineers Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March 2017

(Amount in ₹ except for share data, and if otherwise stated)

b) Nature of security and terms of repayment

Nature of security

Terms of repayment

Term loans from others

(a) Small Industries Development Bank of India

Loan is secured against:

- i) first charge by way of hypothecation on the assets acquired from loan.
- ii) first charge on the Intellectual Property Right (IPR) of products owned by the Company.
- iii) sub servient charge on movable and current assets.
- iv) residual charge over all the immovable assets of the Company.

Repayable in 30 monthly instalments from the end of the reporting period of ₹ 1,459,000 per month and ₹ 845,000 for last month including interest at 15.75% p.a.

(b) Small Industries Development Bank of India

Loan is secured against:

- i) first charge by way of hypothecation on all moveable assets acquired from loan
- ii) first charge by way of hypothecation on all the book-debts arising out of the project of implementing integrated online building permission management system in urban local bodies in the state of Andhra Pradesh
- iii) extension of first charge by way of hypothecation on all IPRs owned by the Company and Mr. Vijay Gupta, both existing and future
- iv) pledge of fixed deposits to the tune of 40% of the loan amount
- v) pledge of fixed deposits of ₹ 1,500,000 towards Debt Service Reserve Account (DSRA)
- vi) lien on contracted future receivables under the project to be deposited in designated escrow account.

Repayable in 22 monthly instalments of ₹ 1,150,000 per month and 17 monthly instalments of ₹ 1,250,000 per month from the end of the reporting period along with interest at the rate ranging from 10.75% to 10.95% p.a.

(c) Technology Development Board (TDB)

Loan is secured against:

- i) Hypothecation of movable assets of the Company including assets created under the project ranking first pari passu charge with other holders.
- ii) Personal guarantee from Vijay Gupta and Priti Gupta pledging 3 Lakh shares of ₹ 10/- each having face value of ₹ 3,000,000.

Loan of ₹ 245,000,000 will be disbursed in 3 instalments, with first instalment of ₹ 7,500,000 being disbursed on 28 March 2017.

The loan is to be repaid in half yearly instalments of ₹ 2,700,000 from April 2019 to October 2019 and ₹ 2,400,000 from April 2020 to April 2023 along with interest at 5% p.a.

Unsecured term loans

Repayable in monthly instalments ranging between ₹ 122,531 to ₹ 205,080 along with interest ranging between 16.00% to 19.84% p.a.

Working capital loan from banks

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 SIDBI
- ii) First pari passu charge by way of hypothecation over entire moveable fixed assets (excluding assets financed by SIDBI) of the Company, both present and future, with TDB and Residual / sub-servient charge with SIDBI
- iii) First charge over all the immovable assets of the Company with residual / sub-servient charge with SIDBI
- 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 Bibewadi, Pune, owned by Neetesh Singhal (employee of the Company)
- vi) Equitable mortgage on flat at Wagholi, Pune, owned jointly by Vijay Gupta and Chirag Gupta (son of Vijay Gupta)
- vii) Pledge on the recurring deposits of ₹ 3,600,000 (₹ 600,000 per month for 6 months)
- viii) Negative lien on the office premises (Unit 5C, 5th Floor, Pentagon) located at Swargate, Pune, owned jointly by Vijay Gupta and Priti Gupta.

Interest rate is 11.65% p.a.

Loans from related parties

These are interest free loans and do not have any repayment schedule. However, as per the terms of the loans, repayment of loans cannot be demanded before 1 April 2018.



SoffTech Engineers Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March 2017

(Amount in ₹ except for share data, and if otherwise stated)

	As at 31 March 2017	As at 31 March 2016
6 Other long-term liabilities		
Dealer deposits	100,000	50,000
	<u>100,000</u>	<u>50,000</u>

	As at 31 March 2017		As at 31 March 2016	
	Long-term	Short-term	Long-term	Short-term
7 Provisions				
Provision for gratuity (refer note (a) below)	3,977,890	1,298,903	3,039,418	1,158,408
Provision for compensated absences	29,682	18,259	168,262	108,848
Proposed dividend	-	-	-	1,762,819
Dividend distribution tax	-	-	-	358,868
Provision for income tax (net of advance tax)	-	246,316	-	6,333,558
	<u>4,007,572</u>	<u>1,563,478</u>	<u>3,207,680</u>	<u>9,722,501</u>

a Gratuity:

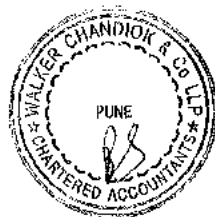
Defined Benefit Plan: - The Company provides for gratuity benefit under a defined benefit retirement scheme (the "Gratuity Scheme") as laid out by the Payment of Gratuity Act, 1972 of India covering eligible employees. The Gratuity Scheme provides for a lump-sum payment to employees who have completed 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.

The following table sets out the status of the Gratuity Scheme in respect of employees of the Company:

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Change in benefit obligation		
Projected Benefit Obligation ("PBO") at the beginning of the year	4,197,826	2,672,717
Service cost	872,234	696,130
Interest cost	303,841	201,575
Actuarial loss	196,105	804,239
Benefits paid	(293,213)	(176,835)
PBO at the end of the year	<u>5,276,793</u>	<u>4,197,826</u>

Net gratuity cost comprises the following components:

Service cost	872,234	696,130
Interest cost	303,841	201,575
Recognised net actuarial loss	196,105	804,239
Net gratuity cost	<u>1,372,180</u>	<u>1,701,944</u>



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SoftTech Engineers Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March 2017

(Amount in ₹ except for share data; and if otherwise stated)

a Gratuity (Continued):

	Year ended 31 March 2017	Year ended 31 March 2016
The actuarial assumptions used in accounting for the gratuity plan were as follows:		
Discount rate	7.50%	7.50%
Rate of increase in compensation levels	10.00%	10.00%
Rate of return on plan assets	NA	NA
Mortality rate	IALM Mortality- Tables (2006-08) Ultimate	IALM Mortality- Tables (2006-08) Ultimate

Details of present value of obligation, plan assets and experience adjustments:

	Year ended 31 March 2017	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2013
Present value of obligation	5,276,793	4,197,826	2,672,717	2,024,523	1,599,096
Fair value of plan assets	-	-	-	-	-
Deficit	5,276,793	4,197,826	2,672,717	2,024,523	1,599,096
Experience Adjustments:					
On plan liabilities: (gain)/loss	62,406	(88,795)	987,350	(126,407)	(214,167)

b Compensated absences

The obligation for compensated absences is recognised in the same manner as gratuity and net credit to the Statement of Profit and Loss for the year is ₹ 2,29,669 (Previous Year: ₹ 70,345).

	As at 31 March 2017	As at 31 March 2016
8 Trade payables		
Dues to micro and small enterprises (refer note below)	-	-
Dues to others	56,200,123	84,699,118
	<u>56,200,123</u>	<u>84,699,118</u>

Micro and Small Enterprises

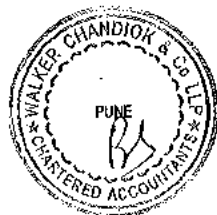
The Company is in the process of obtaining necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the 'Act') and hence disclosures regarding the following have not been made:

- i. Amount due and outstanding to MSME suppliers as at the end of the accounting year.
- ii. Interest paid during the year to MSME.
- iii. Interest payable at the end of the accounting year to MSME.
- iv. Interest accrued and unpaid at the end of the accounting year to MSME.

Management believes that the figures for disclosures, if any, will not be significant.

9 Other current liabilities

Current maturities of long-term borrowings	42,100,559	37,660,079
Interest accrued but not due on borrowings	988,936	1,290,219
Statutory dues	13,497,117	7,200,816
Advance from customers	1,637,947	3,215,418
Outstanding expenses	43,751,335	30,964,048
	<u>101,975,894</u>	<u>80,330,580</u>



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SoftTech Engineers Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March 2017

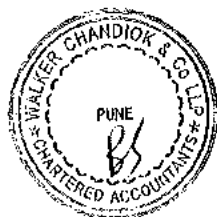
(Amount in ₹ except for share data, and if otherwise stated)

10 Property, plant and equipment

Gross block	Furniture and fixtures	Vehicles	Office equipment	Computers	Service cell system	Total
Balance as at 1 April 2015	7,937,483	1,221,812	2,078,946	20,885,443	34,945,137	67,068,821
Additions	17,509	-	24,056	2,672,879	-	2,714,444
Disposals	-	-	-	-	-	-
Balance as at 31 March 2016	7,954,992	1,221,812	2,103,002	23,558,322	34,945,137	69,783,265
Additions	246,951	-	154,772	1,464,250	-	1,865,973
Disposals	-	-	861,063	6,505,207	-	7,366,270
Balance as at 31 March 2017	8,201,943	1,221,812	1,396,711	18,517,365	34,945,137	64,282,968
Accumulated depreciation						
Balance as at 1 April 2015	5,218,817	873,162	1,319,183	17,414,734	9,051,996	33,877,892
Depreciation charge	427,352	232,223	166,669	2,359,298	6,989,027	10,174,569
Reversal on disposal of assets	-	-	-	-	-	-
Balance as at 31 March 2016	5,646,169	1,105,385	1,485,852	19,774,032	16,041,023	44,052,461
Depreciation charge	557,993	116,427	161,174	2,250,544	6,554,983	9,641,121
Reversal on disposal of assets	-	-	861,063	6,505,207	-	7,366,270
Balance as at 31 March 2017	6,204,162	1,221,812	785,963	15,519,369	22,596,006	46,327,312
Net block						
Balance as at 31 March 2016	2,308,823	116,427	617,150	3,784,290	18,904,114	25,730,804
Balance as at 31 March 2017	1,997,781	-	610,748	2,997,996	12,349,131	17,955,656

11 Intangible assets

Gross block	Computer Software	Internally generated software	Total
Balance as at 1 April 2015	13,314,561	129,763,094	143,077,655
Additions	-	15,317,268	15,317,268
Disposals	-	-	-
Balance as at 31 March 2016	13,314,561	145,080,362	158,394,923
Additions	228,282	43,919,449	44,147,731
Disposals	-	-	-
Balance as at 31 March 2017	13,542,843	188,999,811	202,542,654
Accumulated amortisation			
Balance as at 1 April 2015	10,100,687	64,770,312	74,870,999
Amortisation charge	1,174,474	24,862,867	26,037,341
Reversal on disposal of assets	-	-	-
Balance as at 31 March 2016	11,275,161	89,633,179	100,908,340
Amortisation charge	755,435	26,968,911	27,724,346
Reversal on disposal of assets	-	-	-
Balance as at 31 March 2017	12,030,596	116,602,090	128,632,686
Net block			
Balance as at 31 March 2016	2,039,400	55,447,183	57,486,583
Balance as at 31 March 2017	1,512,247	72,397,721	73,909,968



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SoftTech Engineers Private Limited

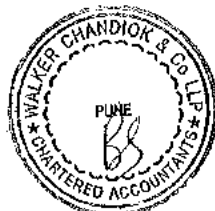
Significant accounting policies and other explanatory information for the year ended 31 March 2017

(Amount in ₹ except for share data, and if otherwise stated)

	As at 31 March 2017		As at 31 March 2016	
12 Non-current investments (Valued at cost unless stated otherwise)				
Trade, Unquoted				
Investments in equity shares				
The Mahesh Sahakari Bank Ltd (14,192 equity shares (Previous year: 14,192 equity shares) of ₹ 25 each fully paid up)	354,800		354,800	
The Saraswat Co-operative Bank Limited (2,500 equity shares (Previous year: 2,500 equity shares) of ₹ 10 each fully paid up)	25,000		25,000	
	379,800		379,800	
Aggregate amount of unquoted investments	379,800		379,800	
13 Deferred tax assets (net)				
Deferred tax liabilities				
On depreciation and amortisation			2,123,257	
Deferred tax assets				
Provision for employee benefits	2,206,867		1,479,548	
Provision for doubtful debts	1,173,990		1,097,175	
On depreciation and amortisation	230,712		-	
	3,611,569		453,466	
Deferred tax assets (net)				
	As at 31 March 2017		As at 31 March 2016	
	Long-term	Short-term	Long-term	Short-term
14 Loans and advances (Unsecured, considered good (unless otherwise stated))				
Security deposits	3,186,995	3,000,000	2,861,865	-
Advances to related parties	768,378	-	768,378	-
Prepaid expenses	1,381,343	6,132,350	1,174,616	1,261,756
Advance to employees and others	-	5,106,287	-	7,394,946
Tender deposits	10,011,879	1,705,650	1,540,774	2,073,777
Balances with government authorities	-	-	-	298,281
Advances recoverable in cash or in kind or for value to be received	-	1,045,507	-	644,648
	15,348,595	16,989,794	6,345,633	11,673,408
	As at 31 March 2017		As at 31 March 2016	
15 Other non-current assets (Unsecured, considered good (unless otherwise stated))				
Bank deposits with maturity of more than 12 months (refer note below)			38,955,682	32,649,282
Interest accrued but not due on fixed deposits and others			5,143,416	2,228,452
Trade receivables			22,589,366	28,792,024
			66,688,464	63,669,758

Details of bank deposits pledged:

- Deposits of ₹ 22,700,000 (Previous year: ₹ 19,500,000) are pledged as security against the long-term borrowings
- Deposits of ₹ 16,255,682 (Previous year: ₹ 13,149,282) are held against bank guarantees.



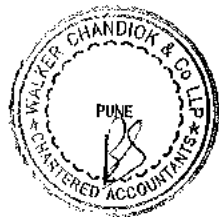
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SoffTech Engineers Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March 2017

(Amount in ₹ except for share data, and if otherwise stated)

	As at 31 March 2017	As at 31 March 2016
16 Trade receivables		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	56,980,266	86,207,976
Doubtful	3,550,765	3,318,437
	<u>60,531,031</u>	<u>89,526,413</u>
Less : Allowances for bad and doubtful debts	<u>(3,550,765)</u>	<u>(3,318,437)</u>
	<u>56,980,266</u>	<u>86,207,976</u>
Other debts		
Unsecured, considered good	120,498,485	150,574,702
	<u>177,478,751</u>	<u>236,782,678</u>
17 Cash and bank balances		
Cash and cash equivalents		
Cash in hand	795,081	852,471
Balances with banks		
- in current accounts	<u>19,060,997</u>	<u>12,557,107</u>
	<u>19,856,078</u>	<u>13,409,578</u>
Other bank balances		
Balances in escrow account (refer note 5(b))	12,737,872	-
	<u>12,737,872</u>	<u>-</u>
	<u>32,593,950</u>	<u>13,409,578</u>
18 Other current assets		
(Unsecured, considered good (unless otherwise stated))		
Unbilled revenue	176,469,579	131,891,549
	<u>176,469,579</u>	<u>131,891,549</u>
19 Commitments and contingencies		
Bank guarantees	67,967,155	53,558,533
	<u>67,967,155</u>	<u>53,558,533</u>



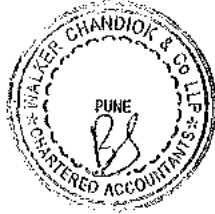
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SoffTech Engineers Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March 2017

(Amount in ₹ except for share data, and if otherwise stated)

	Year ended 31 March 2017	Year ended 31 March 2016
20 Revenue from operations		
Sale of services	387,572,430	296,352,420
Sale of products	79,610,247	143,545,561
	<u>467,182,677</u>	<u>439,897,981</u>
21 Other income		
Interest income		
From fixed deposits in banks	2,863,040	1,671,799
From other deposits	214,008	253,172
Dividend income	50,225	-
Gain on foreign currency transactions and translations (net)	-	1,429,544
Miscellaneous income	1,506,576	734,123
	<u>4,633,849</u>	<u>4,088,638</u>
22 Employee benefits expense		
Salaries, wages and bonus (Refer note 7(a) and 7(b))	77,912,877	56,181,854
Contribution to provident fund and other funds (Refer note below)	2,690,889	1,639,589
Staff welfare expenses	275,853	421,124
	<u>80,879,619</u>	<u>58,242,567</u>
Defined Contribution Plan: The amount recognised as an expense during the year is ₹ 2,673,005 (Previous year: ₹ 1,639,589)		
23 Finance costs		
Interest expense	22,545,076	17,629,400
Other borrowing costs	1,090,000	1,590,538
Interest on delayed payment of statutory dues	65,316	592,100
	<u>23,700,392</u>	<u>19,812,038</u>
24 Depreciation and amortisation expense		
Depreciation of property, plant and equipment (refer note 10)	9,641,121	10,174,569
Amortisation of intangible assets (refer note 11)	27,724,346	26,037,341
	<u>37,365,467</u>	<u>36,211,910</u>



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SoftTech Engineers Private Limited
Significant accounting policies and other explanatory information for the year ended 31 March 2017
(Amount in ₹ except for share data, and if otherwise stated)

	Year ended 31 March 2017	Year ended 31 March 2016
25 Other expenses		
Electricity charges	1,165,719	753,147
Rent (refer note 29)	3,209,974	2,485,967
Repairs and maintenance	474,567	508,198
Insurance	196,301	184,595
Rates and taxes	363,670	1,250,345
Travelling and conveyance	8,584,310	8,362,613
Sub-contracting expenses	8,534,463	17,850,159
Professional fees for technical consultants	131,028,862	78,214,914
Auditors' remuneration (Refer note (a) below)	562,000	650,000
Legal and professional expenses	5,941,453	9,233,373
Bank charges	1,243,680	856,244
Sales promotion expenses	3,550,111	4,142,680
Printing and stationery	997,295	1,522,584
Office expenses	1,216,293	704,800
Postage and telephone	925,916	696,443
Internet charges	504,677	493,637
Royalty expenses	-	832,845
Brokerage and commission	909,281	728,975
Bad debts and advances written off	12,162,661	8,926,199
Provision for doubtful debts	232,328	542,906
Investment written off	-	2,865,000
Donation	671,000	-
Loss on foreign currency transactions and translations (net)	230,370	-
Miscellaneous expenses	1,495,600	1,384,173
	184,200,531	143,189,797

a. Auditors' remuneration

As auditor		
Statutory audit	550,000	650,000
Reimbursement of expenses	12,000	-
	562,000	650,000

26 Segment Reporting

The Company is primarily an information technology and software services organisation. For the purpose of disclosure of segment information, the Company considers this business as a single business segment. Further, the Company operates primarily in India and there is no other significant geographical segment. In view of the above, both primary and secondary additional reporting disclosures for business / geographical segments as envisaged in Accounting Standard 17, "Segment Reporting" are not applicable to the Company.



SoffTech Engineers Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March 2017

(Amount in ₹ except for share data, and if otherwise stated)

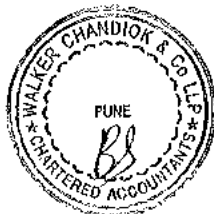
27 Related party disclosures

a) Names of related parties and description of relationship:

Name of the related party	Nature of relationship
SoffTech Engineers (JV)	Enterprise over which key managerial personnel and their relatives exercise significant influence
CoVisible Solutions (India) Private Limited	Enterprise over which key managerial personnel and their relatives exercise significant influence
Vijay Gupta	Managing Director
Priti Gupta	Director
Babubhai K. Patel	Director
Girish Gupta	Director (upto 18 February 2017)
Ravi Mathur	Director
Raja Bhaskar Goru	Chief Financial Officer (upto 5 July 2016)
Pawan Gupta	Relative of Director
Rajasthan Trustee Company Private Limited	Enterprise having significant influence over the Company

b) Transactions with related parties

Nature of transactions / relationship	Year ended 31 March 2017	Year ended 31 March 2016
Loan taken		
Vijay Gupta	17,500,000	15,000,000
Priti Gupta	-	2,000,000
Repayment of loan taken		
Vijay Gupta	11,500,000	15,000,000
Priti Gupta	-	2,000,000
Rent paid		
Priti Gupta	638,769	580,689
Babubhai K. Patel	884,850	804,432
Remuneration paid		
Vijay Gupta	4,400,004	3,600,000
Babubhai K. Patel	300,000	300,000
Priti Gupta	936,004	780,000
Pawan Gupta	480,000	-
Raja Bhaskar Goru	395,419	2,992,000
Commission paid		
Pawan Gupta	-	18,308
Receiving of services		
Pawan Gupta	-	505,556
Dividend paid		
Vijay Gupta	920,309	920,309
Priti Gupta	8,273	8,273
Babubhai K. Patel	162,576	162,576
CoVisible Solutions (India) Private Limited	74,787	74,787
Rajasthan Trustee Company Private Limited	471,949	258,113
Interest income on security deposit		
Babubhai K. Patel	214,008	214,008



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SoffTech Engineers Private Limited

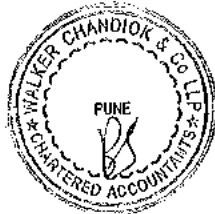
Significant accounting policies and other explanatory information for the year ended 31 March 2017

(Amount in ₹ except for share data, and if otherwise stated)

c) Balances with related parties (as at year end)

Nature of transactions / relationship	As at 31 March 2017	As at 31 March 2016
Amount receivable		
Advance towards purchase of goods		
CoVisible Solutions (India) Private Limited	768,378	768,378
Security deposit		
Vijay Gupta	553,395	553,395
Babubhai K. Patel	1,783,400	1,783,400
Priti Gupta	202,000	202,000
Interest receivable		
Babubhai K. Patel	1,621,848	1,407,840
Amount payable		
Unsecured loan		
Vijay Gupta	11,439,662	5,439,662
Priti Gupta	636,975	636,975
Remuneration payable		
Vijay Gupta	2,254,128	973,453
Babubhai K. Patel	598,888	475,000
Priti Gupta	310,784	298,212
Rent payable		
Babubhai K. Patel	1,485,477	1,687,177
Priti Gupta	838,926	308,607
Consultancy fees payable		
Pawan Gupta	167,728	167,728

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SoftTech Engineers Private Limited

Significant accounting policies and other explanatory information for the year ended 31 March 2017

(Amount in ₹ except for share data, and if otherwise stated)

28 Expenditure in foreign currency (accrual basis):

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Travelling and conveyance	86,893	448,778
Professional fees for technical consultants	105,595	3,122,065

29 The Company has entered into operating lease agreements for office facilities and such leases are basically cancellable in nature.

Lease rental expense recognised in the Statement of Profit and Loss for the year ended 31 March 2017 in respect of operating lease is ₹ 3,209,974 (Previous year: ₹ 2,485,967).

30 Earning per share

The amount considered in ascertaining the Company's earnings per share constitutes the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares which could have been issued on conversion of all dilutive potential shares.

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Net profit after tax attributable to equity shareholders	49,175,655	32,885,356
Weighted average number of shares outstanding during the year - Basic and diluted	3,525,638	2,603,292
Basic earnings per share(₹)	13.95	12.63
Diluted earnings per share(₹)	13.95	12.63
Nominal value per equity share (₹)	10.00	10.00

31 Earnings in foreign currency:

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Export of products on F.O.B basis	477,890	1,223,050

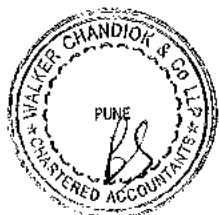
32 The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	Currency	As at 31 March 2017		As at 31 March 2016	
		(₹)	FX	(₹)	FX
		Trade receivables	USD	11,734,945	180,927
Trade receivables	AED	366,684	20,360	549,035	30,485

33 During the year, the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 and the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs*	Other notes	Total
Closing cash on hand as at 8 November 2016	-	710,726	710,726
Add: Permitted receipts	-	-	-
Add: Amount withdrawn from Bank	-	39,000	39,000
Less: Permitted payments	-	39,645	39,645
Closing cash on hand as at 30 December 2016	-	710,081	710,081

* The term 'Specified Bank Notes' shall have the same meaning as provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 08, 2016.



SoftTech Engineers Private Limited


Significant accounting policies and other explanatory information for the year ended 31 March 2017

(Amount in ₹ except for share data, and if otherwise stated)

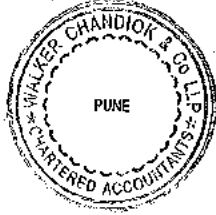
34 The Board of Directors at its meeting held on 21 August 2017 have recommended final dividend of ₹ 1 per equity share. The recommended dividend is subject to shareholders approval.

As per our report of even date attached

For Walker Chandiook & Co LLP
Chartered Accountants



Bharat Shetty
Partner

Place : Mumbai
Date : 05 September 2017



For and on behalf of the Board of Directors


Vijay Gupta
Managing Director
DIN: 1653314


Priti Gupta
Director
DIN: 1735673

Place : Pune
Date : 21 August 2017