

---

**Walker Chandiook & Co LLP**

16th floor, Tower II,  
Indiabulls Finance Centre,  
SB Marg, Prabhadevi (W)  
Mumbai – 400 013  
India

T +91 22 6626 2699

F +91 22 6626 2601

## **Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

### **To the Board of Directors of SoftTech Engineers Limited**

#### **Opinion**

1. We have audited the accompanying standalone annual financial results ('the Statement') of SoftTech Engineers Limited ('the Company') for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
  - (ii) gives a true and fair view in conformity with the applicable Accounting Standards ('AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the standalone net profit after tax and other financial information of the Company for the year ended 31 March 2020.

#### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Statement* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

## **SoftTech Engineers Limited**

### **Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

---

#### **Responsibilities of Management and Those Charged with Governance for the Statement**

4. This Statement has been prepared on the basis of the standalone annual audited financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other financial information of the Company in accordance with the accounting principles generally accepted in India, including AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
5. In preparing the Statement, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Statement**

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
8. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.

# Walker Chandiok & Co LLP

## SoftTech Engineers Limited

### Independent Auditor's Report on Standalone Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

---

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
  - Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matter

11. The Statement includes the financial results for the half year ended 31 March 2020, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures for the half year ended 30 September 2019, which were subject to limited review by us.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

**BHARAT  
KOCHU  
SHETTY**

Digitally signed by  
BHARAT KOCHU  
SHETTY

Date: 2020.07.10  
18:12:45 +05'30'

**Bharat Shetty**

Partner

Membership No:106815

**UDIN No:20106815AAAABX5284**

**Place:** Mumbai

**Date:** 10 July 2020

SoftTech Engineers Limited

Registered Office: The Pentagon, Unit No. 5A, Near Satara Road Telephone Exchange, Shahu College Road, Parvati, Pune - 411009, Maharashtra.

CIN: L30107PN1996PLC016718, Website: www.softtech-engr.com

Statement of Standalone Financial Results for the year ended 31 March 2020

Amount in ₹

Sr. no.	Particulars	Half-year ended			Year ended	
		31 March 2020 (Unaudited) (refer note 4 below)	30 September 2019 (Unaudited)	31 March 2019 (Unaudited) (refer note 4 below)	31 March 2020 (Audited)	31 March 2019 (Audited)
<b>1</b>	<b>Income</b>					
	(a) Revenue from operations	309,422,004	270,048,192	331,518,315	579,470,196	627,554,789
	(b) Other income	6,069,282	3,473,506	3,910,214	9,542,788	8,013,525
	<b>Total income</b>	<b>315,491,286</b>	<b>273,521,698</b>	<b>335,428,529</b>	<b>589,012,984</b>	<b>635,568,314</b>
<b>2</b>	<b>Expenses</b>					
	(a) Purchases of stock-in-trade	34,975,107	27,215,252	30,422,870	62,190,359	49,229,196
	(b) Employee benefits expense	54,952,757	55,950,066	48,956,210	110,902,823	98,329,133
	(c) Finance costs	9,799,552	7,121,966	8,086,374	16,921,518	16,837,085
	(d) Depreciation and amortisation expense	18,596,859	18,597,818	20,386,992	37,194,677	40,419,359
	(e) Professional fees for technical consultants	73,586,815	81,000,520	116,585,772	154,587,335	223,798,699
	(f) Other expenses	50,643,722	48,023,753	49,489,707	98,667,475	97,709,217
	<b>Total expenses</b>	<b>242,554,812</b>	<b>237,909,375</b>	<b>273,927,925</b>	<b>480,464,187</b>	<b>526,322,689</b>
<b>3</b>	<b>Profit before tax (1 - 2)</b>	<b>72,936,474</b>	<b>35,612,323</b>	<b>61,500,604</b>	<b>108,548,797</b>	<b>109,245,625</b>
<b>4</b>	<b>Tax expense</b>					
	Current tax	21,139,152	11,860,848	19,680,000	33,000,000	35,280,000
	Deferred tax charge/(credit)	(173,779)	(1,342,845)	(1,572,008)	(1,516,624)	(3,969,167)
<b>5</b>	<b>Net profit for the period/year (3 - 4)</b>	<b>51,971,101</b>	<b>25,094,320</b>	<b>43,392,612</b>	<b>77,065,421</b>	<b>77,934,792</b>
<b>6</b>	<b>Paid-up equity share capital</b> (Face value per share, ₹10 each)	94,224,760	94,224,760	94,224,760	94,224,760	94,224,760
<b>7</b>	<b>Reserves (excluding revaluation reserves ₹ Nil)</b>	-	-	-	589,073,567	517,308,252
<b>8</b>	<b>Earnings per share (of ₹10 each)</b> <b>(not annualised):</b>					
	(a) Basic	5.52	2.66	4.61	8.18	8.50
	(b) Diluted	5.48	2.65	4.57	8.12	8.44

**SoftTech Engineers Limited**  
**Statement of Standalone Assets and Liabilities**

Amount in ₹

Sr. no.	Particulars	As at 31 March 2020 (Audited)	As at 31 March 2019 (Audited)
<b>A</b>	<b>Equity and liabilities</b>		
<b>1</b>	<b>Shareholders' funds</b>		
	(a) Share capital	94,224,760	94,224,760
	(b) Reserves and surplus	589,073,567	517,308,252
		683,298,327	611,533,012
<b>2</b>	<b>Share application money pending allotment</b>	220,980	-
<b>3</b>	<b>Non-current liabilities</b>		
	(a) Long-term borrowings	167,233,425	56,734,747
	(b) Other long-term liabilities	50,000	50,000
	(c) Long-term provisions	8,870,092	6,463,991
		176,153,517	63,248,738
<b>4</b>	<b>Current liabilities</b>		
	(a) Short-term borrowings	108,630,172	70,692,697
	(b) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	1,096,604	224,112
	Total outstanding dues of creditors other than micro enterprises and small enterprises	19,918,014	16,522,300
	(c) Other current liabilities	90,084,612	89,472,920
	(d) Short-term provisions	9,391,121	3,020,672
		229,120,523	179,932,701
	<b>Total</b>	<b>1,088,793,347</b>	<b>854,714,451</b>
<b>B</b>	<b>Assets</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	9,137,325	10,865,912
	(b) Intangible assets	100,176,541	77,377,080
	(c) Intangible assets under development	60,577,178	51,078,849
	(d) Non-current investments	17,432,080	5,872,374
	(e) Deferred tax assets (net)	13,119,791	11,603,167
	(f) Long-term loans and advances	30,945,663	19,251,651
	(g) Other non-current assets	96,738,365	81,670,934
		328,126,943	257,719,967
<b>2</b>	<b>Current assets</b>		
	(a) Current investments	85,220,553	108,965,141
	(b) Trade receivables	359,860,947	188,227,694
	(c) Cash and bank balances	1,215,898	12,944,533
	(d) Short-term loans and advances	6,738,172	14,039,657
	(e) Other current assets	307,630,834	272,817,459
		760,666,404	596,994,484
	<b>Total</b>	<b>1,088,793,347</b>	<b>854,714,451</b>

**SoftTech Engineers Limited**
**Registered Office: The Pentagon, Unit No. 5A, Near Satara Road Telephone Exchange, Shahu College Road, Parvati, Pune - 411009, Maharashtra.**
**CIN: L30107PN1996PLC016718, Website: www.softtech-engr.com**
**Standalone Cash Flow Statement**

Amount in ₹

Particulars	Year ended 31 March 2020 (Audited)	Year ended 31 March 2019 (Audited)
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>108,548,797</b>	<b>109,245,625</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expense	37,194,677	40,419,359
Loss on sale of equipment	-	39,190
Unrealised gain on foreign currency transactions and translations (net)	(325,838)	(575,486)
Employees' stock option compensation	379,762	1,094,253
Finance costs	16,773,138	16,066,188
Bad debts and advances written off	6,156,131	12,023,608
(Reversal of)/provision for doubtful debts	(1,197,174)	597,239
Dividend income	(2,015,388)	(1,987,818)
Interest income on deposits	(5,375,990)	(3,458,773)
<b>Operating profit before working capital changes</b>	<b>160,138,115</b>	<b>173,463,385</b>
<b>Changes in working capital:</b>		
Increase/(decrease) in trade payables, liabilities and provisions	31,232,457	(74,722,038)
(Increase)/decrease in trade receivables	(176,266,372)	17,754,065
Increase in loans and advances and other assets	(47,609,902)	(31,377,009)
<b>Cash (used in)/generated from operations</b>	<b>(32,505,702)</b>	<b>85,118,403</b>
Direct taxes paid (net)	(19,048,985)	(44,192,579)
<b>Net cash (used in)/ generated from operating activities</b> (A)	<b>(51,554,687)</b>	<b>40,925,824</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment (including intangible assets and intangible assets under development)	(67,763,880)	(54,941,230)
Investments in subsidiary companies	(11,559,706)	(5,492,574)
Purchase of mutual fund units	(110,000,000)	(108,965,141)
Proceeds from sale of mutual fund units	133,744,588	-
Fixed deposits including balances in escrow account placed	(12,727,472)	(26,047,376)
Interest received	1,035,297	2,444,457
Dividend received	2,015,388	1,987,818
<b>Net cash used in investing activities</b> (B)	<b>(65,255,785)</b>	<b>(191,014,046)</b>
<b>Cash flow from financing activities</b>		
Proceeds from shares issued (net of share issue expenses)	-	164,213,143
Share application money pending allotment	220,980	-
Repayment of long-term borrowings	(36,004,543)	(55,537,733)
Proceeds from long-term borrowings	121,500,000	36,918,000
Dividend paid (including dividend distribution tax paid)	(5,659,069)	(5,689,556)
Proceeds from short-term borrowings (net)	37,937,474	25,617,022
Interest paid	(13,941,836)	(15,184,171)
<b>Net cash generated from financing activities</b> (C)	<b>104,053,006</b>	<b>150,336,705</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b> (A+B+C)	<b>(12,757,466)</b>	<b>248,483</b>
Cash and cash equivalents at the beginning of the year	12,929,887	12,681,404
<b>Cash and cash equivalents at the end of the year</b>	<b>172,421</b>	<b>12,929,887</b>
<b>Cash and cash equivalents comprise of :</b>		
Cash on hand	5,794	5,120
Balances with banks (in current accounts)	166,627	12,924,767
	<b>172,421</b>	<b>12,929,887</b>

**Notes:**

- 1 The financial results are prepared in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other recognised accounting practices and policies, as applicable.
- 2 The above results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at their respective meetings held on 10 July 2020. There are no qualifications in the audit report issued for the year ended 31 March 2020.
- 3 The Company operates in a single reportable business segment, which is business consulting and software implementation and related support activities. Further, the Company operates primarily in India and there is no other significant geographical segment. Accordingly, no segment information has been submitted as a part of these financial results.
- 4 Figures for the half year ended 31 March 2020 and 31 March 2019 as reported in these financial results, are the balancing figures between audited figures in respect of the full financial years and the published/reviewed half-yearly financial results up to 30 September 2019 and 30 September 2018.
- 5 The Company had made an initial public offering (IPO) of 2,371,200 equity shares of face value ₹ 10 each fully paid up for cash at a price of ₹ 80 per equity share (including share premium of ₹ 70 per equity share) aggregating to ₹ 189,696,000. The aforementioned equity shares were allotted on 9 May 2018. The equity shares of the Company got listed on NSE on 11 May 2018.

The proceeds from IPO were ₹ 189,696,000 and IPO related expenses were ₹ 25,482,857. The utilisation of the net proceeds are as follows:

	Planned as per Prospectus	Utilisation up to 31 March 2020	(₹ in lakhs) Balance as at 31 March 2020
Product development and enhancement costs	662.40	662.40	-
Funding of the domestic and international product penetration and marketing costs	598.12	598.12	-
Repayment/pre-payment of certain unsecured borrowings availed by the Company	203.47	203.47	-
General corporate purposes (excluding transaction costs of IPO)	178.15	178.15	-
	<b>1,642.14</b>	<b>1,642.14</b>	-

**6 Estimation uncertainty relating to the global health pandemic - COVID-19**

In assessing the recoverability of receivables including unbilled receivables, the Company has considered internal and external information up to the date of these financial statements including economic forecasts. The majority of the customers of the Company are municipal corporations and based on the current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from the estimate as at the date of these financial results and the Company will closely monitor any material changes to future economic conditions and respond accordingly.

**Pune**  
**10 July 2020**

**For and on behalf of the Board of Directors**

VIJAY  
SHANTISWARUP  
GUPTA

Digitally signed by VIJAY  
SHANTISWARUP GUPTA  
Date: 2020.07.10  
16:01:38 +05'30'

**Vijay Gupta**  
Managing Director

---

**Walker Chandiook & Co LLP**  
16th floor, Tower II,  
Indiabulls Finance Centre,  
SB Marg, Prabhadevi (W)  
Mumbai – 400 013  
India  
T +91 22 6626 2699  
F +91 22 6626 2601

## **Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

### **To the Board of Directors of SoftTech Engineers Limited**

#### **Opinion**

1. We have audited the accompanying consolidated annual financial results ('the Statement') of SoftTech Engineers Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') for the year ended 31 March 2020, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) includes the annual financial results of the following entities;  
  
SoftTech Engineers Inc.,  
SoftTech Finland OY,  
SoftTech Government Solutions Inc.
  - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, and;
  - (iii) gives a true and fair view in conformity with the applicable Accounting Standards ('AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the consolidated net profit after tax and other financial information of the Group, for the year ended 31 March 2020.

#### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those standards are further described in *the* Auditor's Responsibilities for the Audit of the Statement ' section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

## SoftTech Engineers Limited

### Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

---

#### Responsibilities of Management and Those Charged with Governance for the Statement

4. The Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company's Board of Directors, has been prepared on the basis of the consolidated annual audited financial statements. The Holding Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit after tax and other financial information of the Group in accordance with the accounting principles generally accepted in India, including the AS prescribed under section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of the Statement. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group, covered under the Act, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively, for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results, that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial results have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.
5. In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the respective Board of Directors/ management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
6. The respective Board of Directors/ management of the companies included in the Group, are responsible for overseeing the financial reporting process of the companies included in the Group.

#### Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement, when it exists. Misstatements can arise from fraud or error, and are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
8. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

# Walker Chandniok & Co LLP

## SoftTech Engineers Limited

### Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

---

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial results/ financial information/ financial statements of the entities within the Group, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement, of which we are the independent auditors. For the other entities included in the Statement, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
9. We communicate with those charged with governance of the Holding Company, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
11. We also performed procedures in accordance with SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019, issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

*This space has been intentionally left blank.*

# Walker Chandiook & Co LLP

## SoftTech Engineers Limited

### Independent Auditor's Report on Consolidated Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

---

#### Other Matter

12. The Statement includes the annual financial information of three subsidiaries, which have not been reviewed/audited, whose annual financial information (before intercompany elimination) reflect total assets of ₹ 13,575,092 as at 31 March 2020, total revenues of ₹ Nil, total net loss after tax of ₹ 12,135,438 and cash flow (net) of ₹ 355,406 for the year then ended, as considered in the Statement. These financial information have been furnished to us by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiaries is based solely on such unaudited financial information. In our opinion, and according to the information and explanations given to us by the management, these financial information/ financial results are not material to the Group.

Our opinion is not modified in respect of this matter with respect to our reliance on the financial information/ results certified by the Board of Directors.

13. The Statement includes the consolidated financial results for the half year ended 31 March 2020, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the half year of the current financial year, which were subject to limited review by us.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No:001076N/N500013

**BHARAT  
KOCHU  
SHETTY**

Digitally signed by  
BHARAT KOCHU SHETTY  
Date: 2020.07.10  
18:13:53 +05'30'

**Bharat Shetty**

Partner

Membership No:106815

**UDIN No:20106815AAAABY7409**

Place: Mumbai

Date: 10 July 2020

**SoftTech Engineers Limited**
**Registered Office: The Pentagon, Unit No. 5A, Near Satara Road Telephone Exchange, Shahu College Road, Parvati, Pune - 411009, Maharashtra.**
**CIN: L30107PN1996PLC016718, Website: www.softtech-engr.com**
**Statement of Consolidated Financial Results for the year ended 31 March 2020**

Amount in ₹

Sr. no.	Particulars	Half-year ended			Year ended	
		31 March 2020 (Unaudited) (refer note 4 below)	30 September 2019 (Unaudited)	31 March 2019 (Unaudited) (refer note 4 below)	31 March 2020 (Audited)	31 March 2019 (Audited)
<b>1</b>	<b>Income</b>					
	(a) Revenue from operations	309,422,004	270,048,192	331,518,315	579,470,196	627,554,789
	(b) Other income	6,239,094	3,430,153	3,773,700	9,669,247	7,877,011
	<b>Total income</b>	<b>315,661,098</b>	<b>273,478,345</b>	<b>335,292,015</b>	<b>589,139,443</b>	<b>635,431,800</b>
<b>2</b>	<b>Expenses</b>					
	(a) Purchases of stock-in-trade	34,975,107	27,215,252	30,422,870	62,190,359	49,229,196
	(b) Employee benefits expense	54,958,392	56,688,864	50,625,897	111,647,256	99,998,820
	(c) Finance costs	9,799,552	7,121,966	8,086,374	16,921,518	16,837,085
	(d) Depreciation and amortisation expense	18,596,859	18,597,818	20,386,992	37,194,677	40,419,359
	(e) Professional fees for technical consultants	79,057,794	81,000,520	116,585,772	160,058,314	223,798,699
	(f) Other expenses	46,973,449	57,740,509	51,371,407	104,713,958	99,590,917
	<b>Total expenses</b>	<b>244,361,153</b>	<b>248,364,929</b>	<b>277,479,312</b>	<b>492,726,082</b>	<b>529,874,076</b>
<b>3</b>	<b>Profit before tax (1 - 2)</b>	<b>71,299,945</b>	<b>25,113,416</b>	<b>57,812,703</b>	<b>96,413,361</b>	<b>105,557,724</b>
<b>4</b>	<b>Tax expense</b>					
	Current tax	21,139,152	11,860,848	19,680,000	33,000,000	35,280,000
	Deferred tax credit	(173,779)	(1,342,845)	(1,572,008)	(1,516,624)	(3,969,167)
<b>5</b>	<b>Net profit for the period/year (3 - 4)</b>	<b>50,334,572</b>	<b>14,595,413</b>	<b>39,704,711</b>	<b>64,929,985</b>	<b>74,246,891</b>
<b>6</b>	Net profit/(loss) attributable to:					
	- Equity Shareholders of the Company	50,287,026	14,621,474	39,718,693	64,908,500	74,260,873
	- Minority Interest	47,546	(26,061)	(13,982)	21,485	(13,982)
<b>7</b>	Paid-up equity share capital (Face value per share, ₹10 each)	94,224,760	94,224,760	94,224,760	94,224,760	94,224,760
<b>8</b>	Reserves (excluding revaluation reserves ₹ Nil)	-	-	-	573,242,727	513,634,333
<b>9</b>	<b>Earnings per share (of ₹10 each) (not annualised):</b>					
	(a) Basic	5.34	1.55	4.33	6.89	8.10
	(b) Diluted	5.30	1.54	4.30	6.84	8.04

**SoftTech Engineers Limited**  
**Statement of Consolidated Assets and Liabilities**

Amount in ₹

Sr. no.	Particulars	As at 31 March 2020 (Audited)	As at 31 March 2019 (Audited)
<b>A</b>	<b>Equity and liabilities</b>		
<b>1</b>	<b>Shareholders' funds</b>		
	(a) Share capital	94,224,760	94,224,760
	(b) Reserves and surplus	573,242,727	513,634,333
		667,467,487	607,859,093
<b>2</b>	<b>Share application money pending allotment</b>	220,980	-
<b>3</b>	<b>Minority interest</b>	74,166	34,137
<b>4</b>	<b>Non-current liabilities</b>		
	(a) Long-term borrowings	167,233,425	56,734,747
	(b) Other long-term liabilities	50,000	50,000
	(c) Long-term provisions	8,870,092	6,463,991
		176,153,517	63,248,738
<b>4</b>	<b>Current liabilities</b>		
	(a) Short-term borrowings	108,630,172	70,692,697
	(b) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	1,096,604	224,112
	Total outstanding dues of creditors other than micro enterprises and small enterprises	19,983,923	17,368,021
	(c) Other current liabilities	90,072,595	87,733,859
	(d) Short-term provisions	9,391,121	3,020,672
		229,174,415	179,039,361
	<b>Total</b>	<b>1,073,090,565</b>	<b>850,181,329</b>
<b>B</b>	<b>Assets</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	9,137,325	10,865,912
	(b) Intangible assets	100,176,541	77,377,080
	(c) Intangible assets under development	60,577,178	51,078,849
	(d) Non-current investments	379,800	379,800
	(e) Deferred tax assets (net)	13,119,791	11,603,167
	(f) Long-term loans and advances	30,896,539	19,251,651
	(g) Other non-current assets	96,738,365	81,670,934
		311,025,539	252,227,393
<b>2</b>	<b>Current assets</b>		
	(a) Current investments	85,220,553	108,965,141
	(b) Trade receivables	359,860,947	188,227,694
	(c) Cash and bank balances	2,510,865	13,884,093
	(d) Short-term loans and advances	6,841,827	14,059,549
	(e) Other current assets	307,630,834	272,817,459
		762,065,026	597,953,936
	<b>Total</b>	<b>1,073,090,565</b>	<b>850,181,329</b>

## SoftTech Engineers Limited

Registered Office: The Pentagon, Unit No. 5A, Near Satara Road Telephone Exchange, Shahu College Road, Parvati, Pune - 411009, Maharashtra.

CIN: L30107PN1996PLC016718, Website: www.softtech-engr.com

## Consolidated Cash Flow Statement for the year ended 31 March 2020

Amount in ₹

Particulars	Year ended 31 March 2020 (Audited)	Year ended 31 March 2019 (Audited)
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>96,413,361</b>	<b>105,557,724</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expense	37,194,677	40,419,359
Loss on sale of equipment	-	39,190
Unrealised gain on foreign currency transactions and translations (net)	(448,259)	(438,972)
Employees' stock option compensation	379,762	1,094,253
Finance costs	16,773,138	16,066,188
Bad debts and advances written off	6,156,131	12,023,608
(Reversal of)/provision for doubtful debts	(1,197,174)	597,239
Dividend income	(2,015,388)	(1,987,818)
Interest income on deposits	(5,375,990)	(3,458,773)
<b>Operating profit before working capital changes</b>	<b>147,880,258</b>	<b>169,911,998</b>
<b>Changes in working capital:</b>		
Increase/(decrease) in trade payables, liabilities and provisions	32,589,915	(75,751,892)
(Increase)/decrease in trade receivables	(176,266,372)	17,754,065
Increase in loans and advances and other assets	(47,928,025)	(31,396,901)
<b>Cash (used in)/generated from operations</b>	<b>(43,724,224)</b>	<b>80,517,270</b>
Direct taxes paid (net)	(19,048,984)	(44,192,579)
<b>Net cash (used in)/ generated from operating activities (A)</b>	<b>(62,773,208)</b>	<b>36,324,691</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment (including intangible assets and intangible assets under development)	(67,763,880)	(54,941,230)
Purchase of mutual fund units	(110,000,000)	(108,965,141)
Proceeds from sale of mutual fund units	133,744,588	-
Fixed deposits (including balances in escrow account) placed	(12,727,472)	(26,047,376)
Interest received	1,035,297	2,444,457
Dividend received	2,015,388	1,987,818
<b>Net cash used in investing activities (B)</b>	<b>(53,696,079)</b>	<b>(185,521,472)</b>
<b>Cash flow from financing activities</b>		
Proceeds from shares issued (net of Share issue expenses)	-	164,213,143
Proceeds from shares issued to minority interest	14,222	48,119
Share application money pending allotment	220,980	-
Repayment of long-term borrowings	(36,004,543)	(55,537,733)
Proceeds from long-term borrowings	121,500,000	36,918,000
Dividend paid (including dividend distribution tax paid)	(5,659,069)	(5,689,556)
Proceeds from short-term borrowings (net)	37,937,474	25,617,022
Interest paid	(13,941,836)	(15,184,171)
<b>Net cash generated from financing activities (C)</b>	<b>104,067,228</b>	<b>150,384,824</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(12,402,059)</b>	<b>1,188,043</b>
Cash and cash equivalents at the beginning of the year	13,869,447	12,681,404
<b>Cash and cash equivalents at the end of the year</b>	<b>1,467,388</b>	<b>13,869,447</b>
<b>Cash and cash equivalents comprise of :</b>		
Cash on hand	5,794	12,037
Balances with banks (in current accounts)	1,461,594	13,857,410
	<b>1,467,388</b>	<b>13,869,447</b>

**SoftTech Engineers Limited**  
**Statement of Consolidated Assets and Liabilities**

Amount in ₹

Sr. no.	Particulars	As at 31 March 2020 (Audited)	As at 31 March 2019 (Audited)
<b>A</b>	<b>Equity and liabilities</b>		
<b>1</b>	<b>Shareholders' funds</b>		
	(a) Share capital	94,224,760	94,224,760
	(b) Reserves and surplus	573,242,727	513,634,333
		667,467,487	607,859,093
<b>2</b>	<b>Share application money pending allotment</b>	220,980	-
<b>3</b>	<b>Minority interest</b>	74,166	34,137
<b>4</b>	<b>Non-current liabilities</b>		
	(a) Long-term borrowings	167,233,425	56,734,747
	(b) Other long-term liabilities	50,000	50,000
	(c) Long-term provisions	8,870,092	6,463,991
		176,153,517	63,248,738
<b>4</b>	<b>Current liabilities</b>		
	(a) Short-term borrowings	108,630,172	70,692,697
	(b) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	1,096,604	224,112
	Total outstanding dues of creditors other than micro enterprises and small enterprises	19,983,923	17,368,021
	(c) Other current liabilities	90,072,595	87,733,859
	(d) Short-term provisions	9,391,121	3,020,672
		229,174,415	179,039,361
	<b>Total</b>	<b>1,073,090,565</b>	<b>850,181,329</b>
<b>B</b>	<b>Assets</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	9,137,325	10,865,912
	(b) Intangible assets	100,176,541	77,377,080
	(c) Intangible assets under development	60,577,178	51,078,849
	(d) Non-current investments	379,800	379,800
	(e) Deferred tax assets (net)	13,119,791	11,603,167
	(f) Long-term loans and advances	30,896,539	19,251,651
	(g) Other non-current assets	96,738,365	81,670,934
		311,025,539	252,227,393
<b>2</b>	<b>Current assets</b>		
	(a) Current investments	85,220,553	108,965,141
	(b) Trade receivables	359,860,947	188,227,694
	(c) Cash and bank balances	2,510,865	13,884,093
	(d) Short-term loans and advances	6,841,827	14,059,549
	(e) Other current assets	307,630,834	272,817,459
		762,065,026	597,953,936
	<b>Total</b>	<b>1,073,090,565</b>	<b>850,181,329</b>

**Notes:**

- 1 The financial results are prepared in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other recognised accounting practices and policies, as applicable.
- 2 The above results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at their respective meetings held on 10 July 2020. There are no qualifications in the audit report issued for the year ended 31 March 2020.
- 3 The Group operates in a single reportable business segment, which is business consulting and software implementation and related support activities. Further, the Group operates primarily in India and there is no other significant geographical segment. Accordingly, no segment information has been submitted as a part of these financial results.
- 4 Figures for the half year ended 31 March 2020 and 31 March 2019 as reported in these financial results, are the balancing figures between audited figures in respect of the full financial years and the published/reviewed half-yearly financial results up to 30 September 2019 and 30 September 2018.
- 5 The Company had made an initial public offering (IPO) of 2,371,200 equity shares of face value ₹ 10 each fully paid up for cash at a price of ₹ 80 per equity share (including share premium of ₹ 70 per equity share) aggregating to ₹ 189,696,000. The aforementioned equity shares were allotted on 9 May 2018. The equity shares of the Company got listed on NSE on 11 May 2018.

The proceeds from IPO were ₹ 189,696,000 and IPO related expenses were ₹ 25,482,857. The utilisation of the net proceeds are as follows:

(₹ in lakhs)

	Planned as per Prospectus	Utilisation up to 31 March 2020	Balance as at March 31, 2020
Product development and enhancement costs	662.40	662.40	-
Funding of the domestic and international product penetration and marketing costs	598.12	598.12	-
Repayment/Pre-payment of certain unsecured borrowings availed by the Company	203.47	203.47	-
General corporate purposes (excluding transaction costs of IPO)	178.15	178.15	-
	<b>1,642.14</b>	<b>1,642.14</b>	-

#### 6 Estimation uncertainty relating to the global health pandemic - COVID-19

In assessing the recoverability of receivables including unbilled receivables, the Group has considered internal and external information up to the date of these financial statements including economic forecasts. The majority of the customers of the Group are municipal corporations and based on the current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from the estimate as at the date of these financial statements and the Group will closely monitor any material changes to future economic conditions and respond accordingly.

**For and on behalf of the Board of Directors**

VIJAY SHANTISWARUP GUPTA  
Digitally signed by VIJAY SHANTISWARUP GUPTA  
Date: 2020.07.10 16:05:03 +05'30'

**Vijay Gupta**  
Managing Director

**Pune**  
**10 July 2020**

Date: 10<sup>th</sup> July, 2020

To,  
National Stock Exchange of India Limited  
Bandra-Kurla Complex  
Bandra (East)  
Mumbai – 400 051

Dear Sir/ Madam,

Scrip Code: SOFTTECH

Subject: Declaration Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, we hereby declare and confirm that the Statutory auditors of the Company, M/s. Walker Chandiook & Co LLP, Chartered Accountants have issued the Audit Report with unmodified opinion, in respect of Financial Results of the Company for the financial year ended 31<sup>st</sup> March, 2020.

We request you to take above information on your record.

Thanking You,

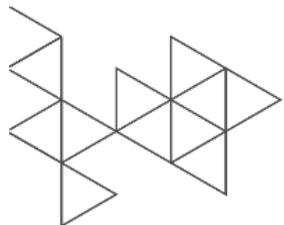
**For SoftTech Engineers Limited**


**Vijay Gupta**  
**Chairman and Managing Director**

**SoftTech Engineers Limited**  
(Formerly known as SoftTech Engineers Pvt. Ltd.)  
CMMi / 3, ISO 9001: 2015  
CIN: L30107PN1996PLC016718

Registered office: The Pentagon - 5A, 5<sup>th</sup> Floor, Shahu College Road, Pune - 411 009, Maharashtra, India.  
T: +91 20 2421 7676 / 2421 8747 | E: sepl@softtech-engr.com | www.softtech-engr.com



Date: 10<sup>th</sup> July, 2020

To,  
National Stock Exchange of India Limited  
Bandra-Kurla Complex  
Bandra (East)  
Mumbai – 400 051

Dear Sir/ Madam,

Scrip Code: SOFTTECH

Subject: Declaration Pursuant to Regulation 33(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

Pursuant to Regulation 33(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, we hereby declare and confirm that the financial results do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

We request you to take above information on your record.

Thanking You,

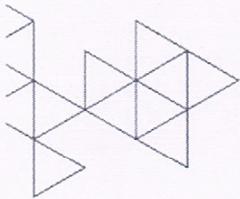
**For SoftTech Engineers Limited**



**Vijay Gupta**  
Chairman and Managing Director



**Piranvez Irani**  
Chief Financial Officer



**SoftTech Engineers Limited**

(Formerly known as SoftTech Engineers Pvt. Ltd.)

CMMi/3, ISO 9001: 2015

CIN: L30107PN1996PLC016718

Registered office: The Pentagon - 5A, 5<sup>th</sup> Floor, Shahu College Road, Pune - 411 009, Maharashtra, India.

T: +91 20 2421 7676 / 2421 8747 | E: [sepl@softtech-engr.com](mailto:sepl@softtech-engr.com) | [www.softtech-engr.com](http://www.softtech-engr.com)

### Statement of Deviation / Variation in utilization of funds raised

<b>Name of listed entity</b>	SoftTech Engineers Limited
<b>Mode of Fund Raising</b>	Initial Public Offer(IPO)
<b>Date of Raising Funds</b>	9 <sup>th</sup> May, 2018
<b>Amount Raised</b>	Rs. 1896.96 Lakh
<b>Report filed for Half year ended</b>	31 <sup>st</sup> March,2020
<b>Monitoring Agency</b>	NA
<b>Monitoring Agency Name, if applicable</b>	NA
<b>Is there a Deviation / Variation in use of funds raised</b>	No
<b>If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders</b>	NA
<b>If Yes, Date of shareholder Approval</b>	NA
<b>Explanation for the Deviation / Variation</b>	NA
<b>Comments of the Audit Committee after review</b>	Noted
<b>Comments of the auditors, if any</b>	No
<b>If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders</b>	No
<b>If Yes, Date of shareholder Approval</b>	NA
<b>Explanation for the Deviation / Variation</b>	NA

### Objects for which funds have been raised and where there has been a deviation, in the following table

The proceeds from IPO were ₹ 189,696,000 and IPO related expenses were ₹ 25,482,857. The utilization of the net proceeds are as follows:

(Rs. In lakhs)

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilized (Rs.)	Amount of Deviation/Variation for the quarter according to applicable object	Remarks if any
Product development and enhancement costs	NA	662.40	NA	662.40	Nil	-
Funding of the domestic and international product penetration and -marketing costs	NA	598.12	NA	598.12	Nil	-
Repayment/Pre-payment of certain unsecured borrowings availed by the Company	NA	203.47	NA	203.47	Nil	-
General corporate purposes and IPO related expenses (excluding	NA	178.15	NA	178.15	Nil	-

**SoftTech Engineers Limited**

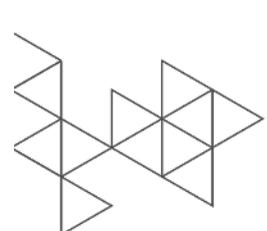
(Formerly known as SoftTech Engineers Pvt. Ltd.)

CMMi /3, ISO 9001: 2015

CIN: L30107PN1996PLC016718

Registered office: The Pentagon - 5A, 5<sup>th</sup> Floor, Shahu College Road, Pune - 411 009, Maharashtra, India.

T: +91 20 2421 7676 / 2421 8747 | E: sepl@softtech-engr.com | www.softtech-engr.com



Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilized (Rs.)	Amount of Deviation/Variation for the quarter according to applicable object	Remarks if any
transaction costs of IPO)						
<b>Total</b>		<b>1642.14</b>		<b>1642.14</b>		

**For SoftTech Engineers Limited**

**Vijay Gupta**  
**Managing Director**

**SoftTech Engineers Limited**

(Formerly known as SoftTech Engineers Pvt. Ltd.)

**CMMi /3, ISO 9001: 2015**

**CIN: L30107PN1996PLC016718**

Registered office: The Pentagon - 5A, 5<sup>th</sup> Floor, Shahu College Road, Pune - 411 009, Maharashtra, India.

T: +91 20 2421 7676 / 2421 8747 | E: [sepl@softtech-engr.com](mailto:sepl@softtech-engr.com) | [www.softtech-engr.com](http://www.softtech-engr.com)

