

SoftSol India Limited

Board of Directors	Mr. Srinivasa Rao Madala Mr. Bhaskar Rao Madala Dr. T. Hanuman Chowdary Mr. B.S. Srinivasan Mr. P. Venkatramaiah Mrs. Neelima Thota	Chairman Whole time Director Independent Director Independent Director Independent Director Independent Director
Chief Financial Officer	Mr. Srinivas Mandava	
Company Secretary	Mr. B. Laxman (ACS-20625)	
Statutory Auditors	M/s. JVSL & Associates Chartered Accountants, Hyderabad.	
Internal Auditors	M/s. Balarami & Nagarjuna, Chartered Accountants, Hyderabad.	
Bankers	Axis Bank Limited, Begumpet, Hyderabad. Axis Bank Limited, Madhapur, Hyderabad. Axis Bank Limited, Dwarakanagar, Visakhapatnam. State Bank of India, Madhapur, Hyderabad.	
Registered Office	Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081. Telephone: +91 (40) 30719500 Facsimile: + 91 (40) 30784306 E-mail: cs@softsol.com Website: www.softsolindia.com	
Registrars & Share Transfer Agent	M/s. Karvy Computershare Private Limited, Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 008, Telangana Phone: 040 - 67161519, Contact : Mr. Shastry M.V.N Emails: shastry.mvn@karvy.com, ramesh.desai@karvy.com	

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Letter to Shareholders



Dear members

On behalf of the Softsol Board of Directors, I am happy to welcome you to the 27th Annual General Meeting of your company. Thank you for your presence here today, and for your continued support and goodwill that is critical to the success of our company.

The Indian IT industry is expected to witness a 10-12% annual growth. Over the past couple of years, the Indian Government has been constantly stressing on the importance of providing online services and the resultant benefits. As a result, the Digital India programme was launched and several government services are now being transformed online. The initiative is integrating the government departments and the people of India. The adoption of key technologies across sectors spurred by the “Digital India Initiative” could help boost India’s Gross Domestic Product (GDP) by US\$ 550 billion to US\$ 1 trillion by 2025.

We are developing futuristic, cost-effective and relevant IT processes. As the business takes the quantum leap towards Digitization we help them in executing processes and mitigate the risks innate to the transformation.

We will continue to deepen and widen our knowhow to create differentiated and technology-enabled processes for our discerning clients across geographies. We will continue to work with our clients as strategic partners in their journey towards transformational growth in a largely volatile business landscape. Innovation will remain at the center stage of our global operating strategy to deliver sustainable value, going forward.

During the year under review, your Company recorded consolidated revenues of Rs 38.10 crores and achieved net profit of Rs 3.53 crores for the year.

We hope to review the company situation and determine the best course of action to continue to find ways to improve our financial performance and offer liquidity to our shareholders. We will make conscious efforts to focus on IT market in India and also other opportunities available.

Before I end my note, I would also like to thank on behalf of the Board of Directors and Management—our shareholders, customers and business partners for their loyalty and support. I would also like to express our gratitude to our employees for their trust.

I am confident that our company will do well in the coming years.

Sincerely Yours

Srinivas Rao Madala
Chairman

Notice of the 27th Annual General Meeting

Notice is hereby given that the Twenty Seventh Annual General Meeting of the members of SoftSol India Limited (CIN: L7220TG1990PLC011771) will be held on Friday, the 29th day of September, 2017 at 10.00 a.m., at the registered office of the Company situated at Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081, Telangana to transact the following business:

1. To receive and adopt the Audited Financial Statements of the Company (both standalone and consolidated basis) for the year ended March 31, 2017 and together with the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Srinivasa Rao Madala (DIN 01180342), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modifications(s), the following resolution as ordinary resolution.

“RESOLVED THAT, pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, M/s. JVSL & Associates, Chartered Accountants, Hyderabad (FRN: 015002S) be and are hereby appointed as the Statutory Auditors of the Company to hold office for a term of 5 years from the conclusion of 27th Annual General Meeting until the conclusion of 32nd Annual General Meeting (subject to ratification by the members at every Annual General Meeting held after this Annual General Meeting) at such remuneration, in addition to applicable taxes and reimbursement of out of pocket expenses, as may be mutually agreed between the Board of Directors and the Statutory Auditors.”

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

“RESOLVED THAT pursuant to the provisions of sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Schedule V (as amended from time to time) to the said Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, consent of the members be and is hereby accorded for the re-appointment of Mr. Bhaskara Rao Madala (DIN 00474589) as Whole time Director for a period of three years with effect from 1st November 2017 at the same remuneration (as he has been drawing earlier) as detailed below:

1. Salary: Rs. 92,000 (Rupees eighty thousand only) per month.
2. Perquisites and Allowances not exceeding basic salary per month:
 - a) House Rent Allowance: 40% of the Basic Salary.
 - b) Medical Reimbursement: Expenses incurred for self and family subject to the ceiling of Rs. 15,000/- per annum.
 - c) Leave Travel Allowance: For Self and family once in a year incurred in accordance with the rules of the Company.
 - d) Club Fees: Fees of clubs subject to a maximum of two clubs excluding admission and life membership fees.

- e) Personal Accident Insurance: Personal accident Insurance policy for an amount, the annual premium of which shall not exceed Rs. 20,000/- per annum.
- f) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- g) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- h) Encashment of leave at the end of the tenure.

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by Schedule V to the Act, including any statutory modifications or re-enactment thereof, as may, for the time being, be in force.

“RESOLVED FURTHER THAT Subject to the superintendence, control and direction of the Board of Directors of the Company the Whole Director shall have general conduct and management of the whole of business and affairs of the company except in the matters which may be specifically required to be done by the Board either by the Companies Act, or by the Articles of Association and the Whole time Director shall also exercise and perform such powers and duties as the Board of directors of the company may from time to time determine, and shall also do and perform all other acts and things which may in the ordinary course of business he may consider necessary.

“FURTHER RESOLVED THAT all the directors of the Company be and is hereby severally and jointly authorized on behalf of the company to do all such acts, deeds, matters and things as it may be necessary for the purpose of giving effect to this resolution including filing all forms, papers, documents with Registrar of Companies or any other authority for this purpose.”

On behalf of the Board of Directors

Bhaskar Rao Madala

Whole time Director

Place: Hyderabad

Date: 14-08-2017

Registered Office:

Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081

Bhaskara.Madala@softsol.com, www.softsolindia.com

Notes:

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

be appointed by a shareholder holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

- 2) The Register of Members and the Share Transfer Books of the company will be closed from 25 September 2017 to 29 September 2017 (both days inclusive) in connection with the AGM.
- 3) Shareholders/proxies are requested to bring their copies of the Annual Report to the AGM and the attendance slip duly filled in for attending the AGM. Copies of the Annual Report will not be provided at the AGM.
- 4) M/s. Karvy Computershare Private Limited, Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 008, Telangana is the Registrar and Share Transfer Agent (RTA) for the physical shares of the Company and also the depository interface of the Company with both NSDL and CDSL. Share Transfer documents and all correspondence relating thereto, should be addressed to the RTA.
- 5) Members desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
- 6) SEBI has made it mandatory for every participant in the securities/capital market to furnish details of Income Tax Permanent Account Number (PAN). Accordingly, all members holding shares in physical form are requested to submit their details of PAN, along with a photocopy of the PAN Card, to the R&T agents of the Company.
- 7) The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively), has undertaken a “Green Initiative in Corporate Governance” and allowed companies to share documents with its members in the electronic mode. A recent amendment to the Listing Agreement with the Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their e-mail address for the said purpose. Members are requested to support this green initiative by registering/ updating their e-mail addresses for receiving electronic communications.
- 8) **THE PROCEDURE AND INSTRUCTIONS FOR E-VOTING ARE AS FOLLOWS:**
 - I. Remote e-voting: In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).
 - (A) In case a Member receives an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participants (s)]:
 - i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN

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

- iii. After entering these details appropriately, click on “LOGIN”.
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the “EVENT” i.e., ‘Name of the Company’
 - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
 - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
 - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - x. You may then cast your vote by selecting an appropriate option and click on “Submit”.
 - xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email secretaries@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format “ Corporate Name_Event No.”
- (B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:
- i. E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the Attendance Slip.
 - ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

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

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

- a) In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact Mr. Shastry M. V. N., (Unit: Name of the Company) of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at evoting@karvy.com or phone no. 040 – 6716 1500 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.
- b) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- c) The remote e-voting period commences on 25th September 2017 (9.00 A.M. IST) and ends on 28th September 2017 (5.00 P.M .IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September 2017, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- d) The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. 22nd September 2017.
- e) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., 22nd September 2017, he/she may obtain the User ID and Password in the manner as mentioned below :
- i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may sendSMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
- Example for NSDL:
MYEPWD <SPACE> IN12345612345678
- Example for CDSL:
MYEPWD <SPACE> 1402345612345678
- Example for Physical:
MYEPWD <SPACE> XXXX1234567890
- ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Member may call Karvy's toll free number 1800-3454-001.

iv. Member may send an e-mail request to evoting@karvy.com. However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.

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

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

Item No. 4: Re-appointment of Sri. Bhaskara Rao Madala as whole time Director

As members aware the present 3 years Shareholders appointed period of Sri. Bhaskara Rao Madala as Whole time Director is expiring on 31st October 2017. Board of Directors at their meeting held on 14th August 2017 approved the proposal for re-appointment of Sri. Bhaskara Rao Madala as Whole time Director of the company for a further period of 3 years with effect from 1st November 2017 upon the recommendation of the Nomination and Remuneration Committee of directors and subject to the approval of the shareholders of the company. The said appointment and remuneration are within the stipulations of Sections 196, 197, 203 of the Act and Schedule V thereto. As members aware Sri. Bhaskara Rao Madala is one of the Promoters of the Company and also one of the first Directors of the Company. Also He has been serving the Company as Whole time Director from initial period and is concerned with Accounts, Finance, Secretarial, Legal, Infrastructure Development, Human Resources and Maintenance departments of the Company.

Except Mr. Bhaskara Rao Madala and Mr. Srinivasa Rao Madala, none of the Directors or Key Managerial Personnel (KMP) or relatives of other directors and KMP is concerned or interested in the Resolution at Item No. 4 of the accompanying Notice. Your Directors recommend the resolution for your approval

BRIEF PROFILE OF DIRECTOR SEEKING RE-APPOINTMENT

Item No. 2: Brief Profile of Directors seeking re-appointment at this AGM:

a) Name:	Mr. Srinivasa Rao Madala
b) DIN:	01180342
c) Date of Birth:	01-06-1961
d) Date of Appointment:	27-12-1998
e) Designation:	Director (Non Executive Chairman)
f) Number of Shares held in the Company:	1366099 (8.12%)
g) Directorships & Committee memberships in other companies:	NIL
h) Directorships held in other Listed Companies:	NIL
i) Relationship with other Directors:	Bhaskara Rao Madala
j) Number of Board Meetings attended:	one
k) Experience and expertise in specific functional areas:	

Srini Madala is the Founder of SoftSol Inc. and the SoftSol group of companies. He served as the Chairman and CEO until early 2012, and is currently Chairman of the Board of the SoftSol group of companies. With more than 20 years of experience in the information technology industry, he developed SoftSol's global presence by successfully executing large mission-critical IT projects of well-known corporations and government organizations within and outside the United States.

Srini served on the Board of Directors at KQED, a nonprofit public media organization in San Francisco, and has also served the city of Monte Sereno in the capacity of Site and Architecture Commissioner. Srini is involved in multiple charitable activities, including personal contributions for nonprofits in health, education, and entrepreneurship. Srini has conceived and helped create Center for Community Development (www.madala.org), at Varni, Nizamabad District, Telangana, a rural town in India to act as a catalyst for integrated development targeting a population of 500,000 in a 300 sq. mile area. As a Charter Member of TiE Silicon Valley, he assisted and mentored aspiring entrepreneurs.

1) Educational Qualifications:

An alumnus of the Stanford Graduate School of Business, Srini received his graduate diploma in Industrial Engineering from the National Institute of Industrial Engineering, Mumbai, and a Bachelor's degree in Mechanical Engineering from the National Institute of Technology, Warangal. He now resides in Monte Sereno with his wife and their two children.

On behalf of the Board of Directors

Bhaskar Rao Madala

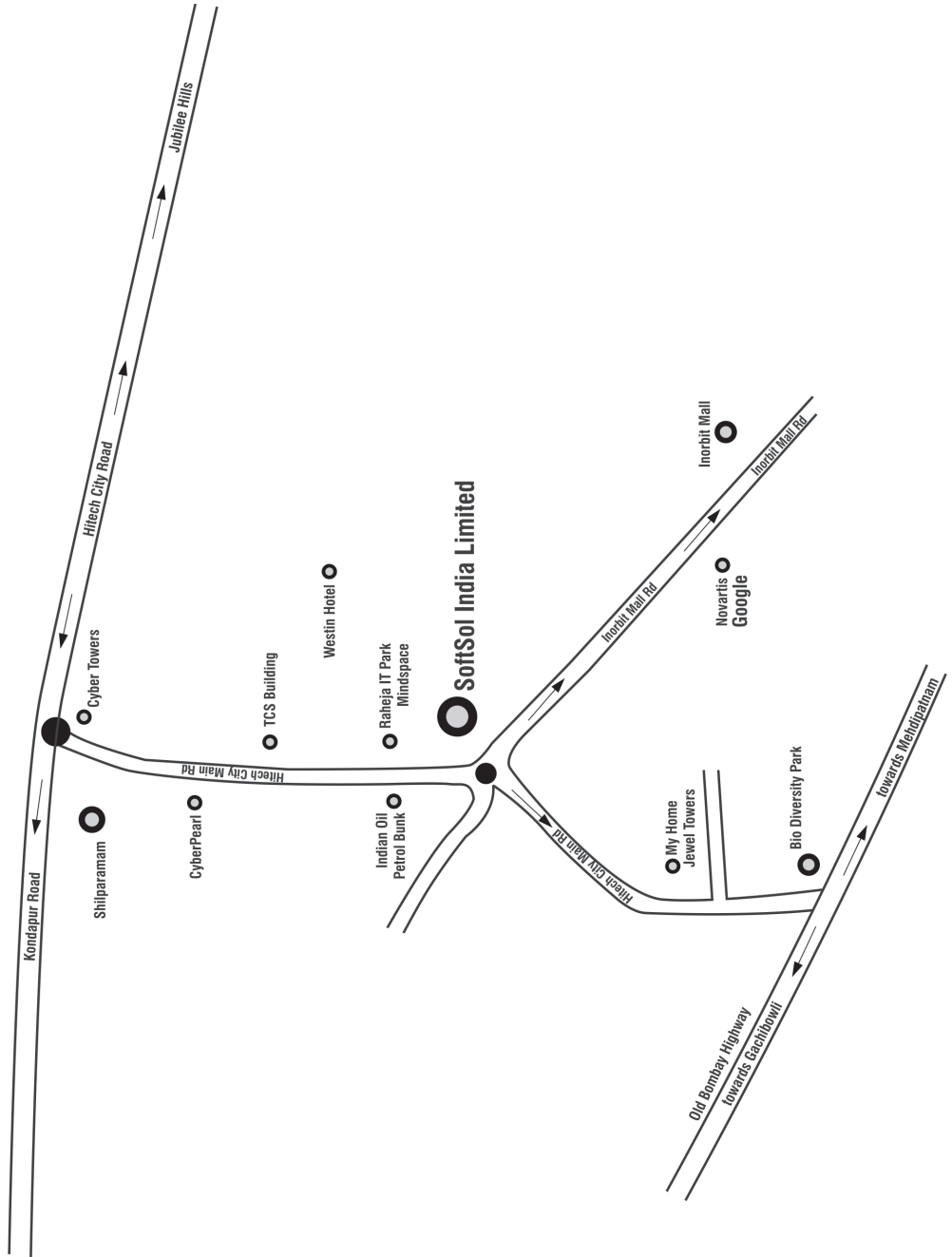
Whole time Director

Place: Hyderabad

Date: 14-08-2017

SoftSol India Limited

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



DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the 27th Directors' Report on the business and operations of your Company, for the year ended March 31, 2017.

Financial Highlights

(Amount in Rs. Lakhs)

	Stand Alone		Consolidated	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Revenue from Operations	250.29	367.69	3,810.93	5,855.16
Other Income	1,126.36	1,075.31	1,202.96	1,116.19
Total Revenue	1,376.65	1,443.00	5,013.89	6,971.36
Profit before Interest, Depreciation & Tax (Before Exceptional Items)	642.82	472.09	764.65	525.04
Depreciation	286.02	336.13	289.13	340.22
Finance Costs	1.03	28.36	4.37	48.62
Profit before Tax (Before Exceptional Items)	355.77	107.60	471.15	136.20
Exceptional Items	-		-	
Current Tax	72.55	22.00	117.70	34.44
Deferred Tax	0	(9.05)	-	(9.04)
Profit after Tax	283.22	94.65	353.45	110.80
Dividend (Interim Dividend)	-	-	-	-
General Reserve	-	-	-	-
EPS (Basic & Diluted) (in Rs.)	1.68	0.56	2.10	0.66

Review of Operations

During the year under review, your Company recorded income of Rs.250.29 lakhs from export of software in comparison with previous year's income of Rs. 367.69 Lakhs. Your company achieved net profit of Rs.283.22 Lakhs for the year in comparison with the previous year's net profit of Rs. 94.65 Lakhs.

Review of operations of Wholly owned subsidiary

SoftSol Resources Inc., (SRI) a wholly owned subsidiary of your Company, recorded total revenue of US\$.5.67 Millions for the year 2017 in comparison with the previous year's revenue of US\$ 8.67 Millions. SRI recoded net profit of US\$ 107,064 for the year 2017 in comparison with the previous year's net profit of US\$ 25060.

Outlook and Business:

Softsol India Limited is an IT services company that focuses on enabling businesses to achieve their strategic objectives.

The tech industry is being reshaped in numerous ways. Disruption is evident in software and services delivery, business models, the vast amount of money being poured into startups of all stripes, the cloud, big data,

entrepreneurialism, and constant innovation. Against that backdrop, companies can no longer rely on one-note value strategies. Analysts indicate which immediate path holds the most chance for short-term success, but over time, both improving margins and finding new revenue streams are critical for success.

The Company is taking planned steps to diversify its revenue sources by changing its strategic growth plan to move to a hybrid outsourcing model with a focus on products and platforms in addition to services offerings. This strategy enables the Company to capitalize on the opportunities as the world transitions to digital commerce. This transition is prone to challenges as well as opportunities which bring potential volatility with it. Fortunately, the Company with its 20+ years of experience has demonstrated success in navigating volatility and achieving a managed transition to strengthen its long-term foundation. The Company is committed to use this opportunity to diversify its business and expand its reach to geographies beyond North America.

The Company's approach to focus on strategic accounts, continue to differentiate its service offerings within its focus area, attracting & retaining top talent, focus towards enhancing operational efficiency and scale-up towards building a delivery capability & excellence has established the Company as a preferred partner for its clients within its focused verticals. The client's response towards its solution offering was encouraging. The Company shall continue to propel further in its area of strength through alliances, developing customer center of excellence and by readying its clients to be prepared for digital age. The Company believes that its efforts in becoming a reliable partner to its clients will make it a leader in digital solution provider in the years to come.

The Company will enhance its cutting-edge proposition to address new customers, strengthening its emphasis on marketing to small and medium-sized firms.

Management Discussions and Analysis Report

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

Management Discussions and Analysis Report

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

Dividend

In view of the financial performance of your Company during the year 2016-17, your Directors have not recommended any dividend for this financial year.

Amounts transferred to Reserves:

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

Share Capital

The paid up Equity Share Capital as on March 31, 2017 was 16822513 Equity Shares of Rs. 10 each. During the year under review, the Company has not issued any shares including shares with differential voting rights nor granted stock options nor sweat equity. There is no buyback of Shares conducted during the financial year.

As on March 31, 2017 other than Mr. Srinivasa Rao Madala - Director (1366099 Shares - 8.12%) and Mr. Bhaskara Rao Madala – Whole time Director (269766 Shares - 1.60%) none of the other Directors of the Company held shares of the Company.

Extract of the Annual Return

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

Directors:

None of the directors of the company is disqualified under the provisions of the Companies Act, 2013 or under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the provisions of the Companies Act, 2013 read with Articles of Association of the Company, Mr. Srinivasa Rao Madala, retire by rotation and being eligible offer himself for re-appointment at this Annual General Meeting. Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, brief particulars of the retiring directors who are proposed to be appointed/re-appointed are provided as an annexure to the notice convening the AGM.

The existing composition of the Company's board is fully in conformity with the applicable provisions of the Companies Act 2013 and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 having the following directors as non-executive Independent Director's, namely Dr T. Hanuman Chowdhary, Mr. B. S. Srinivasan, Mr. P. Venkatramaiah and Mrs. Thota Neelima (Woman as well as Independent Director).

The Members at the 24th Annual General Meeting held on September 30, 2014 appointed the existing Independent Directors as said above under the Companies Act, 2013 each for a term of five years.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of sections 196, 197, 203 of the Companies Act, 2013, read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Board of Directors proposed re-appointment of Bhaskara Rao Madala (DIN 00474589) as Whole time Director for a period of three years with effect from 1st November 2017 subject to the approval of the members of the Company. Resolution for members approval is placed in the Notice of AGM.

Key Managerial Personnel

There is no change in the key managerial personnel during the year. Mr. Srinivas Mandava is the CFO of the Company and Mr. B. Laxman (ACS 20625) is the Company Secretary.

Number of meetings of the Board

During the year Six Board Meetings and Five Audit Committee Meetings were convened and held. The details of these are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Board Committees:

Details regarding the composition, terms and references, number of meetings and attendance of respective members of the various committees of board are provided separately in the Corporate Governance Report.

Company's policy on Directors' appointment and remuneration

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration including criteria for determining

qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178 relating to the remuneration for the Directors, key managerial personnel, and other employees.

Explanations or comments by the Board on every qualification, reservation or adverse remark

There is no qualification, reservation or adverse remark or disclaimer made –

(i) by the auditor in his report; and

(ii) by the Company Secretary in practice in her secretarial audit report.

Particulars of Loans, Guarantees or Investment

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

Corporate Governance:

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

WTD and CFO Certification

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

Listing at Stock Exchange:

The Equity Shares of the Company continue to be listed on Bombay Stock Exchange Limited and the annual listing fees for the year 2017-18 have been paid to the Exchange.

Auditors:

In accordance with the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, M/s. JVSL & Associates, Chartered Accountants, Hyderabad (FRN: 015002S) are hereby appointed as the Statutory Auditors of the Company to hold office for a term of 5 years from the conclusion of 27th Annual General Meeting until the conclusion of 32nd Annual General Meeting (subject to ratification by the members at every Annual General Meeting held after this Annual General Meeting).

The Company has obtained necessary certificate under Section 141 of the Companies Act, 2013 from the Auditors conveying their eligibility for the above appointment. The Audit Committee and Board reviewed their eligibility criteria, as laid down in Section 141 of the Companies Act, 2013 and recommended their appointment as auditors for the aforesaid period.

Secretarial Auditors

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

Fixed Deposits

During the year the Company has not accepted any deposit under Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014. As on 31st March, 2017, there are no unclaimed deposits with the Company. Further the Company has not defaulted in repayment of deposits or payment of interest thereon.

Particulars of contracts or arrangements with related parties

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 and same were entered only with SoftSol Resources Inc, USA (a wholly owned Subsidiary Company). The details of related party transactions are provided in the accompanying financial statements and Corporate Governance Report. All transactions entered into with related party (SoftSol Resources Inc, USA, a wholly owned Subsidiary Company) during the year were on an arm's length basis and were in the ordinary course of business. Accordingly, transactions reported in Form AOC-2 is annexed.

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

Conservation of energy, technology absorption, foreign exchange earnings and outgo:**A. Conservation of energy:**

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

B. Technology absorption:

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

C. Foreign Exchange earnings and outgo: Total foreign exchange earnings during the year were Rs. 163.17 Lakhs (Previous year Rs. 198.50 Lakhs) and foreign exchange outgo was: NIL. (previous year: NIL).**Corporate Social Responsibility (CSR) Initiatives**

Pursuant to Section 135 Companies Act, 2013 read with Rules issued the provisions of Corporate Social Responsibility is not applicable to the Company for the financial year 2016-17. Hence allocation of CSR Budget for the financial year 2016-17 is not applicable for the Company and also spending of CSR expenditure not applicable to the company.

Particulars of Employees:

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

Employees Relations

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

Board evaluation

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

Familiarization programme for Independent Directors

The Whole time Director has one to one discussion with all Directors to familiarize them with the Company's operations. Further the Company has put in place a system to familiarize the Independent Directors about the Company, its business and on-going events relating to the Company. The details of such familiarization programmes for Independent Directors are posted on the website of the Company viz. www.softsolindia.com.

Significant and Material Orders passed by the Regulators or Courts

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

Transfer of Unpaid/Unclaimed amounts to IEPF

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

Directors' Responsibility Statement:

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

- a) in the preparation of the annual accounts for the year ended March 31, 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 as at March 31, 2017 and of the profit and loss of the company for that period;

- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

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

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

Vigil Mechanism / Whistle Blower Policy

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

Subsidiaries, Joint Venture or Associate Companies

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

Consolidated Financial Statements

In compliance with the provisions of companies act, 2013 and stipulated under the provisions of the SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, also as the Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards. The audited Consolidated Financial Statements together with Auditors’ Report form part of the Annual Report.

Material changes and commitments affecting the Financial Position

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

Details of Significant and Material Orders passed by the Regulators

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company’s operations in future.

Internal Financial Controls and their adequacy

Your Company’s internal control systems commensurate with the nature and size of its business operations. Your Company has maintained a proper and adequate system of internal controls. This ensures that all Assets

are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorised, recorded and reported diligently.

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

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

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

The summary of complaints received and disposed off up to 31st March 2017 were as under:

Number of complaints received: Nil

Number of complaints disposed off: Nil

Acknowledgements:

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

On behalf of the Board of Directors

Bhaskar Rao Madala

Whole time Director

Place: Hyderabad

Date: 14-08-2017

Registered Office:

Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081

Bhaskara.Madala@softsol.com, www.softsolindia.com

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2017. A report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

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

2. Board of Directors

Composition of the Board:

The Company has an optimum combination of Executive and Non-Executive Directors. The Chairman is a Non-Executive Director. The number of Independent Non-Executive Directors is more than half of the Board's total strength. All Independent Non-Executive Directors comply with the legal requirements of being "Independent."

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

Name of the Director	Director Identification Number	Category	Designation	Board Meetings held	Board Meetings attended	Last AGM
Mr. Srinivasa Rao Madala	01180342	Promoter Director	Chairman	5	1	No
Mr. Bhaskara Rao Madala	00474589	Promoter Director	Whole time Director	5	5	Yes
Dr. T. Hanuman Chowdary	00107006	Independent Non-Executive Director	Director	6	6	Yes
Mr. B.S. Srinivasan	00482513	Independent Non-Executive Director	Director	6	5	Yes
Mr. P. Venkatramaiah	00030102	Independent Non-Executive Director	Director	6	4	Yes
Mrs. Neelima Thota	06938559	Independent Non-Executive Director	Director	6	5	Yes

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

Name of the Director	Board		Committee	
	Chairman	Member	Chairman	Member
Mr. Srinivasa Rao Madala	Nil	Nil	Nil	Nil
Mr. Bhaskara Rao Madala	Nil	Nil	Nil	Nil
Dr. T. Hanuman Chowdary	Nil	2	2	4
Mr. B. S. Srinivasan	Nil	2	Nil	3
Mr. P. Venkatramaiah	Nil	Nil	Nil	Nil
Mrs. Neelima Thota	Nil	Nil	Nil	Nil

Relationship between Directors:

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

Board Procedure:

The calendar of meetings of the Board of Directors is determined well in advance and Notices of the Meetings of the Board are issued by the Company Secretary on the advice and guidance of the Whole time Director. The agenda and notes thereon are finalised by the Whole time Director and circulated sufficiently in advance by the Company Secretary.

During the financial year, Board of Directors of the Company met Six times on 30-05-2016, 12-08-2016, 12-08-2016 (Independent Directors), 31-08-2016, 14-11-2016 and 09-02-2017.

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

Independent Directors Meeting:

In Compliance with the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors Meeting of the Company was held on 12th August 2016. Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board. Dr. T. Hanuman Chowdhary is the Chairman of Independent Directors Meeting.

Code of Conduct:

SoftSol India Limited Code of Conduct laid down by the Board of Directors is applicable to all the Directors and Senior Management of the Company. The Code of Conduct is posted on the Company's website www.softsolindia.com. All the Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2017. A declaration to this effect, duly signed by the Whole time Director is annexed hereto.

Compliance with Code of Conduct

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

Bhaskar Rao Madala

Whole-time Director

Place: Hyderabad

Date: 14-08-2017

3. Audit Committee

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

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

Composition and Attendance:

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

During the financial year 2016-17 Audit Committee of the Board of Directors met Five times on 30-05-2016, 12-08-2016, 31-08-2016, 14-11-2016 and 09-02-2017. Except Mr. P. Venkatramaiah, who has attended 4 out of 5 Committee meetings, all other members of the Committee attended all the meetings.

The Chairman of the Audit Committee was present at the 26th Annual General Meeting (AGM). Representatives of the statutory and internal auditors attended the meetings of the audit committee. The chief financial officer is present at the meetings of the committee.

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of three non-executive independent directors Dr. T.Hanuman Chowdary, Mr. B.S.Srinivasan and Mr. P. Venkatramaiah. Dr. T. Hanuman Chowdary is the Chairman of the Committee. The Committee met once on 12th August 2016 during the financial year and all members present at the meeting.

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

The role of Nomination and Remuneration Committee is –

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

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

Performance Evaluation Criteria for Independent Directors:

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

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

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

Remuneration Policy:

Payment of remuneration to the Whole time Director is as per the terms of his appointment. The terms of his appointment were approved by the Nomination & Remuneration Committee, the Board and the shareholders in the year 2014. The remuneration structure comprises salary, perquisites and contributions to Provident Fund, Superannuation and Gratuity.

The Nomination and Remuneration Policy as approved by the Board of Directors is annexed to the Directors' Report.

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

The details of remuneration and sitting fees paid or provided to each of the Directors during the year 2016-17 are as follows:

(In Rs.)

Name of the Director	Designation	Salary & Perks	Commission	Sitting Fees	Total
Mr. Srinivasa Rao Madala	Director	Nil	Nil	Nil	Nil
Mr. Bhaskara Rao Madala	Whole-time Director	13,17,600	Nil	Nil	13,17,600
Dr. T. Hanuman Chowdary	Director	Nil	Nil	50,000	50,000
Mr. B. S. Srinivasan	Director	Nil	Nil	40,000	40,000
Mr. P. Venkatramaiah	Director	Nil	Nil	30,000	30,000
Mrs. Neelima Thota	Director	Nil	Nil	50,000	50,000

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

Shareholding of the Directors in the Company as on 31 March 2017:

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

5. Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of three non-executive independent directors and one executive director. Mr. Bhaskar Rao Madala, Mr. B. S. Srinivasan, Mr. P. Venkatramaiah and Dr. T. Hanuman Chowdary (Chairman).

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

The role of the committee

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

Status of complaints of shareholders/investors is as under:

Complaints pending as on 1st April, 2016	NIL
Number of complaints received during year ended 31st March, 2017	NIL
Number of complaints attended to/resolved during the year	NIL
Complaints pending as on 31st March, 2017	NIL

The share transfers are processed on behalf of the Company by the Registrar and Transfer Agents viz. Karvy Computershare Private Limited and are placed for approval by the Committee which are noted and ratified in subsequent board meeting.

Number of share transfers pending for approval as on 31st March, 2017

NIL

Compliance Officer: Mr. Baddam Laxman, Company Secretary
Plot No. 4, Software Units Layout, Madhapur, Hyderabad – 500 081
Telephone: + 91 (40) 30719500, Facsimile: + 91 (40) 30784306
E-mail: cs@softsol.com, Website: www.softsolindia.com

6. General Body Meetings

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

Year/Period	Day, Date and Time	Location
2013-2014	Tuesday, 30th September 2014 at 10.00 a.m.,	At the Registered office of the Company at Plot No.4, Software Units Layout, Madhapur, Hyderabad – 500 081.
2014-2015	Wednesday, 30th September 2015 at 10.00 a.m.,	At the Registered office of the Company at Plot No.4, Software Units Layout, Madhapur, Hyderabad – 500 081.
2015-2016	Friday, 30th September 2016 at 10.00 a.m.,	At the Registered office of the Company at Plot No.4, Software Units Layout, Madhapur, Hyderabad – 500 081.

- Whether any special resolutions passed in the previous AGMs: NO.
- Whether any special resolution passed last year through postal ballot: NO.
- Whether any special resolution is proposed to be conducted through postal ballot: NO.
- Procedure for postal ballot: N.A.

7. Means of Communication

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

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

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

8. General Shareholders Information:

a) Company Registration Details:

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

b) Registered Office & address for Correspondence

Plot No. 4, Software Units Layout, Madhapur, Hyderabad – 500 081
Telephone: + 91 (40) 30719500, Facsimile: + 91 (40) 30784306
E-mail: cs@softsol.com, Website: www.softsolindia.com

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

Friday, the 29th day of September 2017 at 10.00 A.M. at the Registered Office of the Company.

d) Financial Calendar

The Company follows April-March as its financial year. The Key Financial Reporting dates for the Financial Year 2017-18 are:

Unaudited Results for the First Quarter ended June 30, 2017	On or before 14th September 2017
Unaudited Results for the Second Quarter ended September 30, 2017	On or before 15th November 2017
Unaudited Results for the Third Quarter ended December 31, 2017	On or before 15th February 2018
Audited Results for the Financial year 2017-18	On or before end 31st May 2018

e) Book Closure

From September 25, 2017 to September 29, 2017 (both days inclusive)

f) Listing of Shares

The Company shares are listed on The Bombay Stock Exchange Limited and the Company has paid listing fees for the financial year 2017-18 to the Stock Exchange.

g) Stock Code/Symbol

The Bombay Stock Exchange Limited - 532344

h) Share Transfer Agent

M/s. Karvy Computershare Private Limited, Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 008, Telangana

Contact Persons: Mr. MVN Shastry, Mr. P. Srikrishna

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

i) Share Transfer System

Equity Shares lodged for transfer in physical mode are normally registered within 15 days from the date of receipt. The Share Transfer Agent is handling all the Share Transfers and related transactions. As on March 31, 2017, no share transfer or complaints were pending.

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

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

j) Dematerialization of shares and liquidity

Dematerialization of shares:

Mode of Holding	Number of Shares	Percentage of holding
NSDL	16629932	98.86
CDSL	123501	0.73
Physical	69080	0.41
Total	16822513	100.00

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

International Securities Identification Number: INE002B01016.

k) Category wise Shareholding as at March 31, 2017

Category	Number of Shareholders	No. of Shares held	Percentage of Shareholding (%)
Promoters (Both Indian & Foreign)	6	12183328	72.42
Mutual Funds and UTI	0	Nil	Nil
Banks, Financial Institutions, Insurance Companies	0	Nil	Nil
FII's	0	Nil	Nil
Private Corporate Bodies	31	11163	0.07
Indian Public	1795	603420	3.59
Non-Resident Indians	7	154640	0.92
Foreign Trusts	2	3869962	23.00
Total	1839	16822513	100

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

Name of the Shareholder	Number of shares held	Percentage
Promoters:		
Durga VLK Madala	9557408	56.81
Sambasiva Rao Madala	918400	5.46
Srinivasa Rao Madala	1366099	8.12
Bhaskar Rao Madala	269766	1.60
Non-Resident Indians		
Radha Krishna Ghanta (Trustee of AAM Trust)	1946762	11.57
Radha Krishna Ghanta (Trustee of SSM Trust)	1923200	11.43

m) Market Price Data:

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

Month	BSE– High	BSE– Low	Volume (number of Shares)	Month	BSE– High	BSE– Low	Volume (number of shares)
April 2016	62.50	54.00	987	October 2016	46.00	40.00	5,249
May 2016	65.10	59.30	1,186	November 2016	41.10	34.35	1,13
June 2016	56.35	51.00	305	December 2016	42.05	36.15	1,985
July 2016	52.00	48.45	772	January 2017	49.40	34.30	3,785
August 2016	54.80	46.55	2,550	February 2017	54.90	47.00	2,231
September 2016	51.45	44.00	2,347	March 2017	48.45	36.00	1,635

n) Distribution of Shareholding as at March 31, 2017.

Number of Equity Shares held	Shareholders (Numbers)	Shareholders (Percentage)	Shares (Numbers)	Shares (Percentage)
1 – 5000	1616	87.87	2626520.00	1.56
5001 – 10000	139	7.56	1165920.00	0.69
10001 – 20000	42	2.28	629530.00	0.37
20001 – 30000	16	0.87	399640.00	0.24
30001 – 40000	3	0.16	110380.00	0.07
40001 – 50000	4	0.22	175270.00	0.10
50001 – 100000	3	0.16	179890.00	0.11
100001 & above	16	0.87	162937980.00	96.86
Total	1839	100.00	168225130.00	100.00

Compliance Officer: Mr. Baddam Laxman, Company Secretary
Plot No. 4, Software Units Layout, Madhapur, Hyderabad – 500 081
Telephone: + 91 (40) 30719500, Facsimile: + 91 (40) 30784306
E-mail: cs@softsol.com, Website: www.softsolindia.com

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

9. Disclosures:

a) Details of Related Party Transactions:

SoftSol India Limited (SIL) holds 100% shareholding of SoftSol Resources Inc., USA (SRI) and hence SRI is a wholly owned subsidiary of SIL. The transactions details of the Company with the SRI as of 31.03.2017 are:

Details	Party Name	31-03-2017 (in Rs.)	31-03-2016 (in Rs.)
Sales	SoftSol Resources Inc.	1,63,17,368	96,89,874

No Loans and Advances to Subsidiary Company have been made in the financial year 2016-17. But the Company has issued guarantees / securities to the Bank for the loans granted to the Subsidiary Company. There is no pecuniary relationship or transactions with non-executive director's vis-à-vis the Company, which has potential conflict with the interests of the Company at large.

- b) There were no materially significant related party transactions (i.e. transactions of the Company of material nature), in potential conflict with interests of the Company at large. Transactions with related parties are disclosed in Notes to the Accounts in Annual Report.
- c) There were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter relating to Capital Market during last three years.
- d) During the year under review, the Vigil Mechanism and Whistle Blower Policy was adopted by the board

of directors to provide a framework to promote responsible and secure reporting of undesirable activities. During the year there was no reporting of any undesirable activity by any person.

- e) The Company has complied with all the mandatory requirements as prescribed in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The following discretionary requirements have been adopted by the Company:
- 1) Auditor's Report does not contain any qualifications.
 - 2) The Company has appointed separate persons to the posts of Chairman and Whole time Director.
 - 3) The Internal Auditors report directly to the Audit Committee.
- f) Management Discussion and Analysis is annexed to the Directors' Report to shareholders and forms part of Annual Report.
- g) As per disclosures received from senior management personnel, they have not entered into any financial or commercial transactions which may have a potential conflict with interests of the Company at large.

Prohibition of Insider Trading:

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

Compliance Report:

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

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

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

10. CEO/CFO Certification:

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

On behalf of the Board of Directors

Bhaskar Rao Madala

Whole time Director

Place: Hyderabad

Date: 14-08-2017

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

To
The Board of Directors of
SoftSol India Limited
Hyderabad.

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

- a) We have reviewed the Financial Statements and the Cash Flow Statements for the financial year ended March 31, 2017 and based on our knowledge and belief, we state that:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of Company's code of conduct.
- c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated, based on our most recent evaluation, wherever applicable, to the auditors and the Audit Committee
 - i. Significant changes, if any, in the internal controls over financial reporting during the year;
 - ii. Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Bhaskar Rao Madala
Whole-time Director

Srinivas Mandava
Chief Financial Officer

Place: Hyderabad
Date: 14-08-2017

Management's Discussion and Analysis

Overview

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

A. Industry structure and developments

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

India IT Industry

With an aspiration to touch USD 350 Billion in revenue by 2025 from the present USD 143 Billion, India's Information Technology and Business Process Management (IT & BPM) sector has continued to record double digit growth despite static growth in global tech spending. An important growth driver, it contributed 9.3% to India's GDP in FY 2015-16. The industry is known for its cost competitiveness and high quality services across the world and has been instrumental in transforming the perception of India in the global economy. This reflects in India's high market share in the global services sourcing industry which stands at 56% (highest in the world).

The industry's revenue is projected to grow by 8% from USD 143 Billion in FY 2016 to USD 154 Billion in FY 2017. The sector contributes 38% of the total services exports from the country. India is also world's biggest BPM destination. The e-commerce industry itself is growing at a CAGR of near 20%. Often referred to as the 'Global Talent Powerhouse', the sector is the largest employer within the private sector, employing 3.7 million people directly. India has more than 15,000 outsourcing firms out of which 1000 are large firms, employing a minimum of 5,000 employees each. As the world's third largest tech-start-up hub, India boasts of over 4,700 start-ups. Additionally, India has over 600 offshore development centres of over 78 countries. Global industry giants from France, Germany, USA and Japan presently operate in the country.

A number of factors have been driving the growth of the sector. With India having captured a sizeable portion of the global technology sourcing business, here is a look at the major catalysts for this accomplishment:

The thrust towards digitization:

India has successfully established itself as a digital economy with 375+ million Internet subscribers. India's

domestic IT-BPM market is growing at an impressive CAGR of 14%. Internet is now closer than ever to the masses. Projects like ‘Smart Cities’ (which will have IT driven systems to deliver urban utilities) coupled with schemes like National Digital Literacy Mission and e-kranti will continue the wave of digitization- a significant boost to the sector in India.

The ‘Digital India’ campaign has put India on the path of becoming a digital economy and outlook for future seems promising. IT megaprojects such as nationwide broadband highways, universal mobile access and public internet access program are in the pipeline under the Digital India initiative. The National Optical Fibre Network aims to connect all 2,50,000 Gram Panchayats in the country with high speed broadband. IT solutions in the domains of education, healthcare, urban planning and financial inclusion are focus areas of the program and this is creating several opportunities for the IT sector. The Digital India initiative will create around half million direct or indirect jobs.

Tech startups driving growth:

Technology based startups are also key growth drivers of IT & BPM products in India with more than 4,700 startups currently operating in the country. India’s startup revolution will benefit verticals such as Internet of Things (IoT), Machine Learning, Artificial Intelligence (AI) and Health Care technology. In BPM segment, a strong annual growth will be fuelled by newly emerging fields such as cloud, mobility and advanced analytics in 2017. By 2020, Social, Mobile, Analytics, and Cloud (SMAC) market, which is helping attract new customer is projected to reach USD 225 billion by 2020. India’s digital workforce comprises over 1,50,000 employees with SMAC skills. ~50,000 employees are skilled in analytics, 30,000 people in enterprise mobility and >50,000 in cloud and social media & collaboration.

The e-Commerce wave:

The domestic industry has substantially benefitted from the e-commerce and mobile-app industry and the addition of e-commerce in specific is the newly emerging sector sub-segment.

India – a hub for digital skills & the innovation wave:

The strength of India’s IT Sector lies in the skill-set of its people. With the right ecosystem for start-ups and the initiative to re-skill people, India has been able retain global leadership in digital skills. USD 1.6 billion is spent annually on training workforce in the sector.¹⁷ Further, Indian IT firms have been innovating around products and services. Innovations are also being made in “tech-dependent” areas such as edu-tech and health-tech. This is being led by start-ups in specific.

Government support:

These significant pillars of growth for India’s IT-BPM sector are complemented by Government support, which is consistently working towards sustaining the growth and performance of the sector. Centre of Excellence for Internet of Things has been set up in Bengaluru. It has a capacity to incubate 40 start-ups and focuses on building solutions for applications such as agriculture, automobile, telecom, healthcare and consumer goods. The Government’s IT/ITeS Sector Skill Council (SSC) is facilitating the expansion of the skill workforce with the help of National Association of Software and Services Companies (NASSCOM). The Government has also been promoting regulatory support to protect intellectual property and strengthen cyber security laws among other things.

India’s IT-BPM sector is a matter of pride for the country and the right steps at the right time have helped India maintain its leadership position in the global tech environment.

Road Ahead

India is the topmost offshoring destination for IT companies across the world. Having proven its capabilities in delivering both on-shore and off-shore services to global clients, emerging technologies now offer an entire new gamut of opportunities for top IT firms in India. Social, Mobility, Analytics and Cloud (SMAC) are collectively expected to offer a US\$ 1 trillion opportunity. Cloud represents the largest opportunity under SMAC, increasing at a CAGR of approximately 30 per cent to around US\$ 650-700 billion by 2020. The social media is the second most lucrative segment for IT firms, offering a US\$ 250 billion market opportunity by 2020. The Indian e-commerce segment is US\$ 12 billion in size and is witnessing strong growth and thereby offers another attractive avenue for IT companies to develop products and services to cater to the high growth consumer segment.

B. Opportunities and threats of Global IT services and Products

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

Every crisis creates new opportunities and there are new possibilities emerging in every segment. Service firms have the opportunity to build wider and deeper relationships with their clients, challenging the assumptions on what work can be done in near shore and offshore locations and identifying new areas to partner to meet the customer's need to preserve profits in difficult times.

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

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

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

Your Company has a Risk Assessment and minimization process, which is monitored on a periodic basis. Various risks that are closely monitored are Business risks i.e. Client concentration risk, geographical risk, competition risk and financial risk mainly in the area of foreign currency fluctuations.

We have a well-defined business contingency plan and disaster recovery plan to address these unforeseen events and minimize the impact on services delivered from our development centre

With solid management practices driven by a stable leadership team, a well diversified service portfolio aligned to market needs, a wide geographic presence, increased levels of productivity through efficiency frameworks and a proven track record through its Innovation, the Company is confident of increased success in the years to come.

C. Outlook

We have made very good progress in deepening the relationship with existing customers. As we are entering in

to the domestic business, we expect to achieve higher growth rates in income and profits during the coming year.

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

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

D. Risks and Concerns:

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

E. Internal Control Systems and their adequacies

The Company has professional and an adequate internal control system and procedure commensurate with the size of organization and nature of business. This provides adequate safeguards and effective monitoring of the transactions. All areas of the Company's operations are covered by such internal control systems.

The company strictly adheres to the internal control systems proven to be effective over the years. The internal audit team carries out extensive audit on all operations at regular intervals. The company implements the policies and procedures so as to safeguard the assets and interests of the company.

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

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

F. Financial Performance of the company

Your company had recorded consolidated revenues of Rs 38.11 crores and achieved net profit of Rs. 3.53crores in the current year. We expect to achieve significant growth in revenue and net income in the coming year.

G. Human Resources

Human resource development is paramount in every organization. The management continues to lay emphasis on identifying and developing talent on organization with a view to retain them and impart further training to

those capable of handling additional responsibilities. This works to increase employee satisfaction within the organization, by providing employees with fresh challenges. Developing people and harnessing their ideas are of high priority for the Company.

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

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

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

Cautionary Statement:

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE AS
STIPULATED UNDER SEBI (LODR) REGULATIONS, 2015

The members of
SoftSol India Limited

1. We have examined the compliance of conditions of Corporate Governance by SoftSol India Limited (the Company) the year ended March 31, 2017 as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as per the Listing Agreement entered into by the Company with the Bombay Stock Exchange Limited.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned listing agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Place: Hyderabad
Date: 14-08-2017

Form AOC-1

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

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

Part "A": Subsidiaries

1	S. No.	01
2	Name of the Subsidiary	SOFTSOL RESOURCES INC, USA
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-03-2017
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	USD
5	Share capital	13120 Ordinary Shares of USD 100 each
6	Reserves & surplus	
7	Total assets	USD 33,31,771
8	Total Liabilities	USD 33,31,771
9	Investments	0
10	Turnover	USD 56,77,407
11	Profit before taxation	USD 1,75,908
12	Provision for taxation	USD 68,844
13	Profit after taxation	USD 1,07,064
14	Proposed Dividend	0
15	% of shareholding	100%

- Names of subsidiaries which are yet to commence operation: NIL
- Names of subsidiaries which have been liquidated or sold during the year: 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: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis:

(` in Lakhs)

Name of the Related Party	Nature of the Relationship	Nature of Contracts / arrangements / transactions	Duration of the Contracts / arrangements / transactions	Date of approval by the Board	Salient terms of the contracts or arrangements or transaction including the value, if any	Amount paid as advances, if any
SOFTSOL RESOURCES INC, USA	Wholly owned Subsidiary to the Company	Rendered Services to the Wholly owned Subsidiary	Continuous	30/05/2016 (Continuous business relationship)	All transactions are on an arm's length basis and were in the ordinary course of business	NIL

SECRETARIAL AUDIT REPORT

Form No. MR-3

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

FOR THE FINANCIAL YEAR ENDED 31-03-2017

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

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

Based on my verification of the SoftSol India Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31-03-2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31-03-2017 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (not applicable during the audit period);
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (not applicable during the audit period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable during the audit period);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable during the audit period); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable during the audit period);
 - i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

- 6) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- 7) Minimum Wages Act, 1948
- 8) Payment of Bonus Act, 1965
- 9) Payment of Gratuity Act, 1972
- 10) Payment of Wages Act, 1936 and other applicable labour laws
- 11) Negotiable Instruments Act, 1881
- 12) Income Tax Act, 1961
- 13) Chapter V of the Finance Act 1994 (Service Tax)
- 14) Professional Tax Act, 1975
- 15) Andhra Pradesh Shops and Establishments Act, 1988
- 16) Other laws generally applicable to the company.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with BSE Limited (SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

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

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

All decisions of the board were unanimous and the same was captured and recorded as part of the minutes.

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

I further report that during the audit period, there were no instances of:

- a) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- b) Redemption / buy-back of securities
- c) Merger / amalgamation / reconstruction, etc.
- d) Foreign technical collaborations

For VBM Rao & Associates
Company Secretaries

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

Place: Hyderabad

Date: 11-05-2017

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

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness and with which the management has conducted the affairs of the Company.

For VBM Rao & Associates
Company Secretaries

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

Place: Hyderabad

Date: 11-05-2017

EXTRACT OF ANNUAL RETURN FORM NO. MGT-9

As on the financial year ended on 31/03/2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies Management and Administration) Rules, 2014]**I. REGISTRATION AND OTHER DETAILS:**

A	CIN	L72200TG1990PLC011771
B	Registration Date	20th September 1990
C	Name of the Company	SOFTSOL INDIA LIMITED
D	Category/Sub-Category of the Company	COMMERCIAL & INDUSTRIAL (C & I)
E	Address of the Registered office and contact details	Plot No. 4, Software Units Layout, Madhapur, Hyderabad - 500 081, Telangana Compliance Officer : Mr. Baddam Laxman, Company Secretary, Tel: +91 (40) 30719500 Facsimile: +91 (40) 30784306 Email: cs@softsol.com, Website: www.softsolindia.com
F	Whether listed company Yes/No	Yes, Listed with BSE Limited
G	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Karvy Computershare Private Limited, Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500008, Telangana Contact Persons: Mr. MVN Shastry, Mr. P. Srikrishna Phone: 040 - 67161519, Emails: shastry.mvn@karvy.com, ramesh.desai@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

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

IV.SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% of Change during the year
(A) Promoters									
(1) Indian									
(a) Individual/HUF	1234521	0	1234521	7.34	1234521	0	1234521	7.34	0
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	-	-	-	-	-	-	-	-	-
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	1234521	0	1234521	7.34	1234521	0	1234521	7.34	0
(2) Foreign									
(a) NRIs - Individuals	10563399	0	10563399	62.79	10948807	0	10948807	65.08	+2.29
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	10563399	0	10563399	62.79	10948807	0	10948807	65.08	+2.29
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	11797920	0	11797920	70.13	12183328	0	12183328	72.42	+2.29

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% of Change during the year
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks/FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt (s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FII's	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(1) Non- Institutions									
(a) Bodies Corp									
i. Indian	10920	0	10920	0.06	11163	0	11163	0.07	+0.01
ii. Overseas									
(b) individuals									
i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	488066	70126	558192	3.32	488276	69026	557302	3.31	-0.01
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	46117	0	46117	0.27	46118	0	46118	0.28	+0.01
(C) Others (Specify)									
NRI's	2653940	54	2653994	15.78	4024548	54	4024602	23.92	+8.14
Foreign Bodies	1755370	0	1755370	10.44	0	0	0	0	-10.43
OCB	0	0	0	0	0	0	0	0	
Clearing Members	0	0	0	0	0	0	0	0	
Sub-Total (B)(2)	4954413	70180	5024593	29.87	4570105	69080	4639185	27.58	-2.29
Total Public Shareholding = (B) (1) + (B) (2)	4954413	70180	5024593	29.87	4570105	69080	4639185	27.58	-2.29
C. Shares held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	16752333	70180	16822513	100	16753433	69080	16822513	100	0

(ii) Shareholding of Promoters:

S. No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% of Change during the Year
1	SAMBASIVARAO MADALA	904715	5.38	0	904715	5.38	0	Nil
2	DURGA V L K MADALA	9557408	56.81	0	9557408	56.81	0	0
3	M BHASKARA RAO	249966	1.49	0	249966	1.49	0	Nil
4	M SRIDEVI	46355	0.28	0	46355	0.28	0	Nil
5	RAJA RAO BOYAPATI	25300	0.15	0	25300	0.15	0	Nil
6	MADALA SRINIVASA RAO	980691	5.83	0	1366099	8.12	0	+2.29
	Total	11797920	70.13	0	12183328	72.42	0	+2.29

(iii) Change in Promoters' Shareholding (please specify, if there is no change): Mr. Srinivasa Rao Madala

S. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	980691	5.83%	980691	5.83%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Transfer of Shares on 23/08/2016 (Promoter acquired 385408 Shares)	-	-	-
	At the End of the year	-	-	1366099	8.12%

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

S.No	For Each of the Top 10 Shareholders	Share holding at the beginning of the year		Increase/decrease in shareholding			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	No. of Shares	Reason	No. of shares	% of total shares of the company
1	Adalat Corporation	1755370	10.43	23/08/2016	1755370	Transfer	0	0
2	The AAM Trust	1250000	7.43	23/08/2016	673200	Transfer	1923200	11.43
3	The SSM Trust	1250000	7.43	23/08/2016	696762	Transfer	1946762	11.57
4	B. Prameela	95369	0.57	0	0	0	95369	0.57
5	N. C. Murthy	58121	0.35	0	0	0	58121	0.35
6	Ramesh P Mehta	25000	0.15	0	0	0	25000	0.15
7	Dasari. V. Rao	20717	0.12	0	0	0	20717	0.12
8	Dr K Vasundhara	20000	0.12	0	0	0	20000	0.12
9	Vatsala Gandhi	10770	0.06	0	0	0	10770	0.06
10	V. Satyanarayana	10531	0.06	0	0	0	10531	0.06

(v) Shareholding of Directors and Key Managerial Personnel:

S. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1250457	7.43%	1230657	7.43%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Transfer of Shares on 23-08-2016 (Promoter acquired 385408 Shares)	-	-	-
	At the End of the year	-	-	1635865	9.72%

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

		Name of MD/WTD/Manager				
S. No	Particulars of Remuneration	Mr. Bhaskara Rao Madala	-	-	-	Total Amount
1	Gross salary					
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,17,600	-	-	-	13,17,600
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	13,17,600	-	-	-	-
	Ceiling as per the Act	60,00,000	-	-	-	-

B. Remuneration to other Directors:

		Name of Directors				Total Amount
S. No	Particulars of Remuneration	Dr. T. H. Chowdhary	Mr. B. S. Srinivasan	Mr. P. Venkatramaiah	Mrs. Neelima Thota	Total Amount
3.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	50000	40,000	30,000	50000	170000
	Total (1)					
4.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	0	0	0	0	0
	Total (2)	50000	40,000	30,000	50000	170000
	Total (B) = (1)+(2)					1487600
	Total Managerial Remuneration					1487600
	Overall Ceiling as per the Act					8400000

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

		Key Managerial Personnel			
S. No	Particulars of Remuneration	CEO	CS	CFO	Total
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	615000	1485000	2100000
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
Total (A)		-	615000	1485000	2100000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Independent Auditor's Report

TO THE MEMBERS OF
SOFTSOL INDIA LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of SOFTSOL INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, 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 Standalone Financial Statements

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 standalone 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

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.

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 the financial statements are free from material misstatement.

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 control 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. 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.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section-143 of the Act, we give in the Annexure – A a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i). The Company has no pending litigations which would impact its financial position.
 - ii). The Company has no long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii). There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv). The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management (Refer to Note No. 22.9 to the audited Financial Statements)

For J V S L & ASSOCIATES
Chartered Accountants
(Firm Regn No.015002S)

Place: Hyderabad
Date: 30-05-2017

J VENKATESWARLU
Partner
ICAI Ms. No. 022481

**Annexure – A to Independent Auditors’ Report dated 30.05.2017
issued to the Members of SOFTSOL INDIA LIMITED**

**Statement on the matters specified in Paragraphs 3 and 4 of the Companies
(Auditor’s Report) Order, 2016**

- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The company’s fixed assets have been physically verified by the management at reasonable intervals as per a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties of the Company are held in the name of the company.
- (ii) The company has not acquired / handled / dealt in / held any inventory. Hence, Clause (ii) of paragraph 3 of the order is not applicable to the company for the year under report.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained U/s.189 of the Companies Act, 2013. Hence, our comments on sub-clauses (a),(b) and (c) of clause (iii) of paragraph 3 of the order are Nil.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans during the year under audit. In respect of investments made, guarantees given and security provided, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits and hence compliance with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder is not applicable. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against this company in any matter relating to the deposits
- (vi) According to the information and explanations furnished to us, the Central Government has not prescribed maintenance of cost records U/s.148(1)(d) of the Companies Act, 2013 to this company.
- vii) (a) The company is regular in depositing 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 to it to the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts in respect of the above statutory dues are in arrears as at 31/03/2017 for a period of more than six months from the date they became payable.

- (b) (b) According to the information and explanations given to us, there are no material dues of Income Tax, Sales tax, Duty of Customs, Duty of Excise, Value added tax which have not been deposited on account of any dispute. However, according to the information and explanations given to us, the following Service tax amounts have not been deposited on account of disputes:

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

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to financial institution, bank and Government. The company has not issued debentures.
- (ix) During the year under review, the company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). The Company has not availed any Term loans.
- (x) During the year under review, no fraud by the company or on the Company by its officers or employees has been noticed or reported.
- (xi) As per the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- (xii) The Company is not a Nidhi Company and hence our comments on clause (xii) of para 3 of the order are nil.
- (xiii) As per the information and explanations given to us and based on our audit, in our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) During the year under review, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Hence, compliance with the provisions of Section 42 of the Companies Act, 2013 is not applicable.
- (xv) As per the information and explanations given to us and based on our audit, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence, compliance with provisions of Section 192 of Companies Act, 2013 is not applicable.
- (xvi) As per the information and explanations given to us and based on our audit, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For J V S L & ASSOCIATES
Chartered Accountants
(Firm Regn No. 15002S)

Place: Hyderabad
Date: 30-05-2017

J. VENKATESWARLU
Partner
ICAI Ms. No. 022481

**Annexure - B to Independent Auditors' Report dated 30.05.2017
issued to the Members of SOFTSOL INDIA LIMITED**

**Report on the Internal Financial Controls over Financial Reporting in terms of
Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").**

We have audited the Internal Financial Controls over financial reporting of SOFTSOL INDIA LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

1. Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining Internal Financial Controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

2. Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

3. Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

4. Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

5. Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of Internal Financial Control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For J V S L & ASSOCIATES
Chartered Accountants
(Firm Regn No. 15002S)

Place: Hyderabad
Date: 30-05-2017

J. VENKATESWARLU
Partner
ICAI Ms. No. 022481

BALANCE SHEET AS AT 31 MARCH 2017

Particulars	Note No	As at 31-03-2017	As at 31-03-2016
EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	01	172,365,240	172,365,240
(b) Reserves and surplus	02	<u>1,674,925,380</u>	<u>1,646,603,127</u>
		1,847,290,620	1,818,968,367
(2) Non-current liabilities			
(a) Other Long term liabilities	03	33,756,054	36,390,125
(b) Long-term provisions	04	<u>2,648,242</u>	<u>2,266,730</u>
		36,404,296	38,656,855
(3) Current liabilities			
(a) Trade Payables	05	2,880,248	2,880,248
(b) Other current liabilities	06	5,378,454	5,424,971
(c) Short term Provisions	07	<u>1,612,304</u>	<u>796,241</u>
		9,871,006	9,101,460
Total		<u>1,893,565,922</u>	<u>1,866,726,682</u>
II.ASSETS			
(1) Non-current assets			
(a) Fixed assets	08		
(i) Tangible assets		299,720,123	308,978,171
(ii) Intangible assets		2,505	11,188
(b) Non-current investments	09	1,026,141,274	1,182,384,053
(c) Long-term loans and advances	10	22,096,627	27,891,995
(d) Other non-current assets	11	<u>2,521,838</u>	<u>1,405,872</u>
		1,350,482,367	1,520,671,279
(2) Current assets			
(a) Current Investments	12	495,636,121	289,270,172
(b) Trade receivables	13	17,159,724	24,008,707
(c) Cash and Bank Balances	14	11,050,002	15,487,727
(d) Short-term loans and advances	15	2,556,995	3,206,552
(e) Other current assets	16	<u>16,680,713</u>	<u>14,082,245</u>
		543,083,555	346,055,403
Total		<u>1,893,565,922</u>	<u>1,866,726,682</u>

Significant accounting policies and notes on financial statements

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Per our report of even date
for J V S L & Associates
Chartered Accountants
(Firm Regn.No:15002S)

For and on behalf of Board of Directors

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholetime Director

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

Place: Hyderabad
Date: 30.05.2017

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2017

Particulars	Note No	Year ended 31-03-2017	Year ended 31-03-2016
INCOME			
Revenue from operations	17	25,029,222	36,768,992
Other income	18	112,636,062	107,531,103
Total Revenue		137,665,284	144,300,095
EXPENSES			
Employee benefits expense	19	44,193,758	55,136,116
Finance costs	20	103,583	2,836,171
Depreciation and amortization expense	08	28,601,999	33,612,690
Other expenses	21	29,188,690	41,955,024
Total expenses		102,088,030	133,540,001
Profit before exceptional and extraordinary items and tax		35,577,254	10,760,094
Profit before extraordinary items and tax		35,577,254	10,760,094
Profit before tax		35,577,254	10,760,094
Tax expense:			
Current Tax		7,255,000	2,200,000
Prior Period Taxes		-	(904,667)
Profit after tax for the year		28,322,254	9,464,761
Earnings per equity share			
Basic		1.68	0.56
Diluted		1.68	0.56

Significant accounting policies and notes on financial statements

22

Per our report of even date
for J V S L & Associates
Chartered Accountants
(Firm Regn.No:15002S)

For and on behalf of Board of Directors

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholtime Director

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

Place: Hyderabad
Date: 30.05.2017

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	Year ended 31-03-2017	Year ended 31-03-2016
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax and Extraordinary Items	35,577,254	10,760,094
Adjustments for :		
Depreciation	28,601,999	33,612,690
Interest (Net)	(1,907,810)	(815,776)
Provision for Leave Encashment	(951,191)	20,788
Provision for Gratuity	(246,385)	(10,167)
Profit on sale of assets	(150,000)	-
Gain on redemption of units of Mutual Funds	(11,876,602)	(13,111,626)
Excess Provision/Credit Balances Written back	-	(17,078)
Operating Profit before Working Capital changes	49,047,265	30,438,925
Adjustments for Working Capital:		
Increase/(Decrease) in Other Current liabilities	(46,517)	(2,343,918)
Increase/(Decrease) in Short-term provisions	2,013,639	130,219
Increase/(Decrease) in Other Long term liabilities	(2,634,071)	2,642,901
Increase/(Decrease) in Long Term provisions	381,512	(130,218)
(Increase)/Decrease in Trade receivables	6,848,983	21,297,394
(Increase)/Decrease in Short term loan and advances	649,557	7,300,073
(Increase)/Decrease in Other Current assets	(2,309,561)	(3,324,253)
(Increase)/Decrease in Loans and advances	(483,720)	(1,226,131)
(Increase)/Decrease in Other non-current assets	(1,115,966)	-
Net Cash generated from operations	52,351,121	54,784,992
Direct Taxes Paid	(975,912)	(10,154,888)
Net Cash from operating activities(A)	51,375,209	44,630,104
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Interest received	1,618,903	815,776
Purchase of Fixed Assets	(19,335,269)	(2,393,902)
Purchase of Investments	(117,730,631)	(154,879,776)
Sale of Investments	67,607,461	121,020,000
Sale of assets	150,000	-
Gain on redemption of units of Mutual Funds	11,876,602	13,111,626
Dividend paid	-	(20,187,016)
Dividend Tax paid	-	(4,109,602)
Net Cash used in Investing Activities(B)	(55,812,934)	(46,622,894)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Net Cash flow from Financing Activities(C)	-	-
Net Increase in Cash and Cash Equivalents (A+B+C)	(4,437,725)	(1,992,790)
Cash and cash Equivalents as at beginning of the year	15,487,727	17,480,517
Cash and cash Equivalents as at end of the year	11,050,002	15,487,727

Per our report of even date
for J V S L & Associates
Chartered Accountants
(Firm Regn.No:15002S)

For and on behalf of Board of Directors

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholtime Director

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

Place: Hyderabad
Date: 30.05.2017

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

Particulars	As at 31-03-2017		As at 31-03-2016	
	Number of shares		Number of shares	
1.Share Capital				
Authorised:				
Equity Shares of Rs 10/- each.	50,000,000	500,000,000	50,000,000	500,000,000
Issued, subscribed and paid up:				
Equity Shares of Rs 10/- each fully paid up	16,822,513	168,225,130	16,822,513	168,225,130
ADD:				
Equity Shares of Rs.10/-each, Rs.5/-Paid up	28,200	141,000	28,200	141,000
Forfeited shares (amount originally paidup)	799,822	3,999,110	799,822	3,999,110
Closing Balance	17,650,535	172,365,240	17,650,535	172,365,240

a. Details of share holders holding more than 5% of total number of shares

Name of the Share Holder	As at 31-03-2017		As at 31-03-2016	
	Number of Shares held	% to paid up capital	Number of Shares held	% to paid up capital
Durga VLK Madala	9,557,408	56.81%	9,557,408	56.81%
Sambasiva Rao Madala	918,400	5.46%	918,400	5.46%
Srinivasa Rao Madala	1,366,099	8.12%	980,691	5.83%
Adalat Corporation	-	-	1,755,370	10.43%
Radhakrishna Ghanta (Trustee of AAM Trust)	1,946,762	11.57%	1,250,000	7.43%
Radhakrishna Ghanta (Trustee of SSM Trust)	1,923,200	11.43%	1,250,000	7.43%
Total	15,711,869	93.39%	15,711,869	93.39%

b. Reconciliation of Number of Shares of fully paid-up:

	As at 31-03-2017		As at 31-03-2016	
	Number of Equity Shares of Rs. 10 each		Number of Equity Shares of Rs. 10 each	
Shares of fully paid up outstanding at the beginning of the year	16,822,513	168,225,130	16,822,513	168,225,130
Shares outstanding at the end of the year	16,822,513	168,225,130	16,822,513	168,225,130

(c) Calls unpaid on equity shares:

Particulars	As at 31-03-2017		As at 31-03-2016	
	Number of Equity Shares		Number of Equity Shares	
(i) Calls unpaid by Directors and Officers	-	-	-	-
(ii) Others(@Rs.5/- per share)	28,200	141,000	28,200	141,000
Total	28,200	141,000	28,200	141,000

(d) Forfeited Shares (Amount originally paid up):

Particulars	As at 31-03-2017		As at 31-03-2016	
	Number of Equity Shares		Number of Equity Shares	
Equity shares of partly paid Forfeited in earlier Years	799,822	3,999,110	799,822	3,999,110
Total	799,822	3,999,110	799,822	3,999,110

Particulars	As at 31-03-2017	As at 31-03-2016
2. Reserves and Surplus		
(a) Capital Redemption Reserve		
Balance as per last Balance sheet	18,050,950	18,050,950
Closing Balance(a)	18,050,950	18,050,950
(b) Securities Premium Reserve		
Balance as per last Balance sheet	670,113,578	670,113,578
Closing Balance(b)	670,113,578	670,113,578
(c) General Reserve		
Balance as per last Balance sheet	69,690,129	69,690,129
Closing Balance(c)	69,690,129	69,690,129
(d) Surplus in Statement of Profit and Loss		
Balance as per last Balance sheet	888,748,469	903,580,327
Add: Profit for the year	28,322,254	9,464,761
: Interim dividend	-	20,187,016
: Tax on Interim dividend	-	4,109,602
Closing Balance(d)	917,070,723	888,748,470
Total (a+b+c+d)	1,674,925,380	1,646,603,127
3. Other Long Term Liabilities		
Deposits	32,893,660	35,162,426
Liabilities for Capital Goods	862,394	1,227,699
Total	33,756,054	36,390,125
4. Long-term provisions		
Provision for Employee benefits:		
Gratuity	2,015,716	2,086,830
Leave Encashment	632,526	179,900
Total	2,648,242	2,266,730

Particulars	As at 31-03-2017	As at 31-03-2016
5. Trade Payables		
Trade Payables-Unsecured		
(a) Due to Micro, Small and Medium enterprises (Refer sub-note(i) below)	-	-
(b) Others	2,880,248	2,880,248
Total	2,880,248	2,880,248
(i) There are no defaults as on the balance sheet date in repayment of the trade payables.	-	-
(ii) Micor, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprise Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the company	-	-
(iii) Disclosure relating to Micro, Small and Medium Enterprises are as under		
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest Paid	-	-
Payments made beyond the appointment day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due & payable in succeeding years	-	-
6. Other current liabilities		
Other Payables:		
Expenses Payable	4,606,124	4,889,981
Liabilities for other Finance	706,482	464,937
Unclaimed Dividend	65,848	70,053
Total	5,378,454	5,424,971
7. Short-term provisions		
Provision for employee benefits:		
Gratuity	1,076,151	758,652
Leave Encashment	536,153	37,589
Total	1,612,304	796,241

Particulars	As at 31-03-2017	As at 31-03-2016
9. Non-current investments		
Other Investments - (Trade - Unquoted)		
13,120 Common Stock of \$ 100 each fully paid up in Softsol Resources Inc. USA, a Wholly owned subsidiary	953,404,053	953,404,053
Investments in Mutual Funds- (Non trade-quoted)		
Reliance Mutual Fund -5002659.152 Units of Rs.10/- Each	50,026,592	-
L & T Mutual Fund -(Previous year 3755424.24 Units of Rs.13.98 Each)	-	52,500,000
ICICI Prudential Mutual Fund (Previous year 9406568.29 Units OF Rs.16.90 each)	-	159,000,000
Blume Ventures Fund 1447 Units of Fund 1A of Rs10,000/- Each & 82427 Units of Fund II of Rs.100/- each (Prevoius year 1148 units of Fund 1A of Rs.10,000/- each & 60,000 units of Fund II of Rs.100/- each)	22,710,629	17,480,000
Total	1,026,141,274	1,182,384,053
Aggregate amount of Unquoted investments	953,404,053	953,404,053
Aggregate amount market value of quoted investments	88,325,006	253,401,806
Aggregate provision for diminution in value of investments	-	-
10. Long-term loans and advances		
Unsecured, Considered Good		
Capital Advances	33,800	287,360
Earnest Money Deposits	510,000	510,000
Security Deposits	5,986,166	5,248,886
Advance Income Tax(net of provisions)	15,566,661	21,845,749
Total	22,096,627	27,891,995
Note: Due by Directors or other officers of the company or any of them either severally or jointly with any persons or due by firms/ private companies in which any director is a partner or a director or a member.	Nil	Nil
11. Other Non-Current Assets		
Bank Balances		
Fixed Deposits with Banks held as margin money for Bank Guarantees-maturity of more than 12 months	2,521,838	1,405,872
Total	2,521,838	1,405,872

8. FIXED ASSETS

Sl. No	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.2016	Additions	Deletions	As at 31.03.2017	As at 31.03.2016	For the year Life is expired	On Assets Whose Useful 31.03.2017	TOTAL AS AT	AS AT 31.03.2017	AS AT 31.03.2016
A	TANGIBLE ASSETS:										
1	Land :										
	Own	13,918,307	-		13,918,307	-	-	-	-	13,918,307	13,918,307
	Leasehold (see note no.22.10.2)	5,540,142	-		5,540,142	55,961	-	-	503,689	5,036,453	5,092,414
2	Building	355,763,121	3,453,718		359,216,839	13,313,009	-	-	121,654,332	237,562,507	247,421,798
3	Plant & Equipment										
	a) Computers	31,038,592	-		31,038,592	47,118	-	-	30,991,942	46,650	93,768
	b) Others	139,131,602	9,427,746		148,559,348	8,998,853	-	-	117,454,193	31,105,155	30,676,263
4	Furniture & Fixtures	73,753,137	6,386,438		80,139,575	5,873,751	-	-	68,616,025	11,523,550	11,010,863
5	Office Equipment	11,982,542	67,367		12,049,909	29,835	-	-	11,696,206	353,702	316,170
6	Vehicles	9,664,368	-	697,775	8,966,593	274,793	697,775	-	8,792,794	173,801	448,588
7	Library Books	18,592	-		18,592	-	-	-	18,592	-	-
	TOTAL-A	640,810,403	19,335,269	697,775	659,447,897	28,593,320	697,775	697,775	359,727,774	299,720,124	308,978,171
	PREVIOUS YEAR	638,416,501	2,393,902	-	640,810,403	298,258,371	-	-	331,832,229	308,978,171	340,158,129
B	INTANGIBLE ASSETS:										
1	Computer Software	3,109,217	-		3,109,217	8,682	-	-	3,106,712	2,505	11,187
	TOTAL-B	3,109,217	-	-	3,109,217	8,682	-	-	3,106,712	2,505	11,187
	PREVIOUS YEAR	3,109,217	-	-	3,109,217	38,827	-	-	3,098,030	11,187	50,014

Particulars	As at 31-03-2017	As at 31-03-2016
12. Current Investments		
Current Investments - (Quoted)		
Investments in Mutual Funds: (Non trade - quoted)		
Axis Mutual Fund (Previous year 6760746 units of Rs.10/- each)	-	67,607,460
Reliance Mutual Fund (Previous year 5002659.15 Units of Rs.10/- each)	-	50,026,592
L & T Mutual Fund - 13433997 units of Rs.15.4594 each (Previous year: 6893935.81 units of Rs.15.62 each)	207,682,172	107,682,172
Kotak Mutual Fund - 7337325.44 units of Rs.11.4075 each (Previous year: 4295025.99 units of Rs.10.76 each)	83,700,467	46,200,467
ICICI Prudencial Mutual Fund 12226112.4075 Units of Rs.16.7063 Each (Previous year 1168287.65 Units of Rs.15.63 each) (Out of the above 40,82,877 units of ICICI Prudencial Mutual Fund and units 3755424 of L & T Mutual Fund agregating to Rs.10,90,00,000/- under lien to Citi bank agianst Bank Guarantee for arrangement of Loan to M/s Softsol Resources Inc.(Subsidiary)	204,253,482	17,753,482
Total	495,636,121	289,270,172
Aggregate amount market value of quoted investments	591,767,591	330,811,520
Aggregate amount of unquoted investments	-	-
Aggregate provision for diminution in value of investments	-	-

13. Trade Receivables**Unsecured, Considered Good**

Outstanding for a period exceeding six months from the date they are due for payment	8,201,637	4,656,133
Others	8,958,087	19,352,574
Total	17,159,724	24,008,707

14. Cash and Bank Balances**(a) Cash and Cash Eauivalents**

I. Cash on hand	26,022	74,161
II. Balance with scheduled banks in India		
(i) In Current Accounts	10,958,132	14,418,513

(b) Other Bank Balance

(i) In unpaid dividend accounts	65,848	70,053
(ii) In Fixed Deposits with Banks held as margin money for Bank Guarantees-maturity of less than 12 months	-	925,000

Total	11,050,002	15,487,727
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Particulars	As at 31-03-2017	As at 31-03-2016
15. Short-term loans and advances		
Unsecured, Considered Good		
Advance for Expenses	-	85,711
Prepaid Expenses	989,505	431,519
Advance for Capital Goods	120,183	1,329,452
Balance with Central Government Departments-CENVAT input credit	1,447,307	1,359,870
Total	2,556,995	3,206,552
Note: Due by Directors or other officers of the company or any of them either severally or jointly with any persons or due by firms/ private companies in which any director is a partner or a director or a member.	Nil	Nil
16. Other current assets		
Rent Receivable	15,857,062	13,547,501
Interest Accrued on Deposits	823,651	534,744
Total	16,680,713	14,082,245
17. Revenue from operations		
Sale of Software Products/Services:		
Exports	16,317,368	19,849,735
Domestic:		
Services	8,711,854	16,919,257
Total	25,029,222	36,768,992
18. Other Income		
Interest on Deposits	533,468	295,328
Interest on IT refund	1,374,342	520,448
Rent for premises	98,701,650	91,383,993
Excess Provisions written back	-	17,078
Gain on redemption of Mutual funds	11,876,602	13,111,626
Foreign exchange Fluctuation gain	-	2,157,918
Profit on sale of fixed assets	150,000	-
Miscellaneous Receipts	-	44,712
Total	112,636,062	107,531,103

Particulars	Year ended 31-03-2017	Year ended 31-03-2016
19. Employee Benefits		
Salaries and Wages	41,347,789	51,754,255
Contribution to provident and other funds	1,830,368	2,228,624
Staff welfare expenses	1,015,601	1,153,237
Total	44,193,758	55,136,116
20. Finance Costs		
Loan Processing Charges	103,583	2,836,171
Total	103,583	2,836,171
21. Other Expenses		
Power and fuel	4,578,326	5,687,007
Repairs to:Buildings	2,166,867	8,200,428
: Machinery	5,488,199	7,198,372
: Others	1,331,646	2,616,749
Insurance	320,236	690,349
Rates and taxes	3,225,112	3,222,014
Payments to Auditor for: as auditor	114,875	113,965
: for taxation matters	152,950	148,350
: for other services	-	34,350
Legal and Professional Charges	3,201,819	4,759,213
Director's Sitting Fee	195,350	170,544
Internet & Communication Expenses	1,157,060	1,781,974
Fees and Subscriptions	380,642	333,236
Travelling Expenses	1,954,175	1,966,312
Staff training & Recruitment Charges	5,180	-
Advertisement Charges	48,890	71,635
Foreign Exchange Fluctuation Loss	333,848	-
Commission	-	147,146
STPI Charges	67,850	197,220
Printing & Stationery	209,067	230,082
Security Service Charges	2,215,739	2,380,179
Miscellaneous expenses	2,040,859	2,005,899
Total	29,188,690	41,955,024

21. SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE FINANCIAL STATEMENTS**22.1 Significant Accounting Policies – (AS-1):****A. Basis of Preparation of Financial Statements :**

Financial statements have been prepared and presented under historical cost convention in accordance with the accounting principles generally accepted in India (GAAP). GAAP comprises the mandatory accounting standards as specified U/s 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) rules 2014 and other applicable provisions of the Act. All incomes and expenditures, having a material bearing on the financial statements, are recognized on an accrual basis.

B. Use of Estimates:

The preparation of financial statements in conformity with the GAAP requires that the management make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of incomes and expenses during the reporting year. Such estimates include, estimate of useful life of fixed assets, provision for doubtful debts etc. Actual results could differ from those estimates. Changes in estimates are reflected in financial statements in the year in which changes are made and, if material, their effects are disclosed in the financial statements.

C. Revenue recognition:

- i) Revenue from software services is recognised under proportionate completion method for the services rendered and delivered as per the contracts entered.
- ii) Revenue from sale of products is recognised when significant risks and rewards in respect of ownership of products are transferred to customers. Revenue from products is stated exclusive of sales tax.
- iii) Interest income on deposits with banks is recognized on time proportion basis taking into account the amount outstanding and the rate applicable and interest on IT refund is recognized on receipt basis.
- iv) Rental income is recognised on accrual basis.
- v) Insurance Claims are recognised as and when they are settled / admitted.

D. Fixed Assets:

- i) Fixed assets are carried at cost of construction or acquisition less accumulated depreciation.

Cost includes non-refundable taxes, duties, freight, borrowing costs and other incidental expenses related to the acquisition and installation of the respective assets.

Assets under installation or under construction as at the Balance sheet date are shown as Capital work-in-progress. Advances paid towards acquisition of assets are included under Capital Advances.

Fixed assets which are found to be not usable or retired from active use or when no further benefits are expected from their use are removed from the books of account and the difference if any, between the cost of such assets and the accumulated depreciation thereon is charged to Statement of Profit & Loss.

- ii) Computer software is classified as an “Intangible Asset”.

E. Depreciation:

- i) Depreciation on Tangible assets is provided under Written down value method over the useful lives of assets estimated by the management. Depreciation on additions/deletions during a period is charged on prorata basis from the date of addition or deletion, as the case may be.
- ii) The Management estimated the useful life of fixed assets as follows.

Buildings	60 Years
Plant and Machinery	10 Years
Office Equipment	5 Years
Computers	3 Years
Furniture and Fixtures	10 Years
Vehicles - Motor cars	8 Years

- iii) Intangible assets are amortized over their estimated useful life of asset.
- iv) Leasehold land is amortised equally over the lease period. The lease rentals are charged to revenue.

F. Foreign Currency Transactions:

- i) Initial Recognition: Transactions in foreign currencies are initially recorded at the exchange rates prevailing on the date of the transaction.
- ii) Conversion: Foreign currency monetary items are reported at the closing exchange rates on Balance Sheet date.
- iii) Exchange Differences:
 - a) Exchange differences, arising on reporting of long-term foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of depreciable capital assets, are added to or deducted from the cost of assets and are depreciated over the balance life of the assets.
 - b) Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expense in the year in which they arise

G. Investments:

Investments, which are readily realisable and intended to be held for not more than one year from the date of such investments, are classified as current investments. Current investments are carried at the lower of cost or quoted / fair value, computed category wise and long term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

H. Retirement benefits:

- i) Defined Contribution Plan: Company's contribution paid/payable during the year to Provident Fund and Employees State Insurance Corporation are recognized in the Statement of Profit and Loss.
- ii) Defined Benefit Plan: At each reporting date, company's liability towards gratuity and leave encashment is determined by independent actuarial valuation using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation which is measured at the present value of estimated future cash flows using a discount rate. Actuarial gain/ losses are recognized in the Statement of Profit and Loss as income or expense.

I. Earnings per share:

- i) Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year.
- ii) Diluted earnings per share is calculated by dividing the net profit or loss for the financial year attributable to equity shareholders by the weighted average number of equity shares outstanding including equity shares which would have been issued on the conversion of all dilutive potential equity shares unless they are considered anti-dilutive in nature.

J. Taxes on Income:

Tax expense, comprising of current and deferred tax have been determined and charged to statement of Profit & Loss.

i) Current Tax:

Provision is made for income tax liability estimated to arise on profit for the year at the current rate of tax in accordance with the Income tax Act, 1961.

ii) Deferred Tax:

In accordance with the Accounting Standard – 22 (AS 22) “Accounting for Taxes on income, the company recognizes the deferred tax liability in the accounts, Deferred tax resulting from timing difference between book and tax profits is accounted for at the current rate of tax. Deferred tax asset is recognized only when there is virtual certainty, supported by convincing evidence, that such assets will be realised.

iii) Minimum Alternate Tax (MAT) Credit:

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal tax within the specified period and the MAT credit available can be utilised. Such asset is reviewed at each Balance Sheet date and the carrying amount is written down if considered not recoverable within the specified period.

K. Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generation unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of profit and loss account. If at the balance sheet date there is an indication that if previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost

L. Business / Geographical Segments:

The Company is engaged in the business of Software development and service. Since the inherent nature of development of software and services all types are integrated and govern by the same set of risks and returns and operating in the same economic environment, these are treated as a single Business and Geographical Segment. The said treatment is in accordance with the Accounting Standard – 17, Segment Reporting.

M. Provisions and Contingent Liabilities:

- i) A provision is recognised when the Company has a present obligation as a result of past event it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

- ii) Contingent liabilities are disclosed when there is a probable 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, and such liability that may arise is termed as a contingent liability.

N. Prior Period Expense/Income:

The company follows the practise of making adjustments through “Expenses/Income under/ over provided “in previous years in respect of material transactions pertaining to in that period prior to the current accounting year.

O. General:

Accounting policies not specifically referred to above are in consistent with the generally accepted accounting principles followed in India.

22.2. Employee benefits (AS-15):

The following tables summarizes the components of expense / benefit recognized in the Statement of Profit and Loss and Balance Sheet for the respective employee benefit plans.

a. Statement of Profit and Loss

Particulars	Gratuity		Leave Encashment	
	Current Year	Previous Year	Current Year	Previous Year
Current Service Cost	7,30,350	8,01,431	(3,49,929)	53,279
Interest Cost on benefit obligation	2,02,748	2,04,813	(18,917)	15,343
Net Actuarial (Gain)/Loss Recognized in the year	(1,94,404)	(5,56,724)	22,40,063	(47,834)
Past Service Cost	NIL	NIL	NIL	NIL
Expenses recognized in Statement of Profit & Loss	7,38,694	4,49,520	18,71,217	20,788

b. Balance Sheet

Particulars	Gratuity		Leave Encashment	
	As at Mar 31, 2017	As at Mar 31, 2016	As at Mar 31, 2017	As at Mar 31, 2016
Opening defined benefit obligation	28,45,482	28,55,649	2,17,488	1,96,700
Interest Cost	2,02,748	2,04,813	(18,917)	15,343
Current service cost	7,30,350	8,01,431	(3,49,929)	53,279
Benefits paid	4,92,309	4,59,687	9,20,026	-
Actuarial (Gain)/Loss on obligation	(1,94,404)	(5,56,724)	22,40,063	(47,834)
Closing defined benefit obligation	30,91,867	28,45,482	11,68,679	2,17,488

The principal assumptions used in determining gratuity and leave benefit obligation in the above plans are as under:

Particulars	Current Year	Previous Year
Discount Rate	7.50 %	7.80 %
Employee turnover	NIL	NIL
Further salary rise	7.00 %	7.00 %
Mortality	Indian Assured Lives Mortality(2006-08)Ult	Indian Assured Lives Mortality(2006-08)Ult

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

22.3. Segment Reporting (AS-17):

The Company is engaged in the business of Software. Since the inherent nature of all software jobs are integrated and govern by the same set of risks and returns and operating in the same economic environment, these are treated as a single Business and Geographical Segment. The said treatment is in accordance with the Accounting Standard – 17, Segment Reporting.

22.4. Related Party Disclosures (AS-18):

Names of the related parties and nature of relationships and particulars of transactions with the said related parties during the year are as follows:

a) Name of related parties and description of relationship:

- | | |
|-----------------------------|--|
| i) Key Management Personnel | Sri. Madala Srinivasa Rao, Chairman
Sri.Madala Bhaskara Rao, WTD
Sri. Mandava Srinivas, CFO
Sri . B.Laxman, Company Secretary |
| ii) Subsidiary Comapnay | SoftSol Resources Inc., USA |

Note: Information of related parties and the relationship is as identified by the Company on the basis of information available with them and relied upon by the auditors.

b) Aggregate Related Party transactions

	Key Management Personnel	Holding/ Subsidiaries
Remuneration to Key Management Personnel (Incl. PF Contribution) (Previous year)	29,03,140 (28,21,200)	--- ---
Sales to subsidiary company (Previous year)	---	1,63,17,368 (96,89,874)
Trade receivables from subsidiary company (Previous year)	---	1,19,40,546 (84,49,219)

Note: As the liability for Gratuity is provided on actuarial basis for all the employees of the company as a whole, the amount pertaining to the Key Management Personnel is not ascertainable and therefore not included in the above

22.5. Earnings per Equity Share (AS-20):

	Current Year	Previous Year
Net profit after tax (₹)	2,83,22,254	94,64,761
Weighted average number of equity shares	1,68,36,613	1,68,36,613
Basic Earnings per equity share (₹)	1.68	0.56
Nominal value of shares (fully paid up) (₹)	10	10

22.6. Accounting for Taxes on Income (AS-22):

In terms of Accounting Standard 22, there are no deferred tax liabilities (Prev. year–Nil-) Following prudence, no deferred tax asset has been recognized (Previous year -Nil -).

22.7. Impairment of Assets (AS-28):

	Current Year	Prev. Year
i) Amount of impairment losses recognized in the Statement of Profit & Loss	Nil	Nil
ii) Amount of reversal of impairment losses recognized in the Statement of Profit & Loss	Nil	Nil
iii) Amount of impairment losses recognized directly against revaluation surplus	Nil	Nil
iv) Amount of reversals of impairment losses recognized directly in revaluation surplus	Nil	Nil

22.8. Contingent liabilities and commitments (AS-29):

(to the extent not provided for)

Particulars	As at 31st March 2017	As at 31st March 2016
(i) Claims against the company not acknowledged as debt		
A) Contingent liabilities:		
(i) Guarantees given by the bankers	23,30,812	23,30,812
(ii) Other money for which the company is contingently liable: Guarantee given to Citi Bank, N.A., for giving Stand by letter of credit (SBLC) to the wholly owned subsidiary of the company	NIL	9,60,00,000
B) Commitments:		
Capital commitments for investments in venture funds	67,50,000	1,20,00,000

22.9. Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November,2016 to 30th December,2016 are provided as under:

	SBNs (`)	Other denominations Notes (`)	Total (`)
Closing cash in hand as on 08-11-2016	11,000	14,286	25,286
(+) Permitted receipts	-	1,48,000	1,48,000
(-) Permitted payments		1,42,285	1,42,285
(-) Amount deposited in Banks	11,000	-	11,000
Closing cash in hand as on 30-12-2016	Nil	20,001	20,001

22.10. Other explanatory information:**22.10.1. Additional Information as required under Schedule III to the Companies Act, 2013 to the extent applicable to the company:**

	Current year	Previous year
a) Value of Imports calculated on CIF Basis	Nil	Nil
b) Expenditure in Foreign Currency	Nil	Nil
c) Amount remitted during the year in foreign currency on account of dividends	Nil	1,78,96,964
No of Shares	Nil	1,49,14,137
Year to which dividend paid	Nil	2015-16
d) Earnings in foreign exchange - Export of Software on FOB basis	1,63,17,368	1,98,49,735

22.10.2. During the financial year 2005-06, the Govt. of A.P. allotted a land of one acre to the company, bearing Plot No.6, in Sy.No.408/1, I.T. Industries Layout, Madhurawada Village, Visakhapatnam District on outright sale basis under its ICT policy 2005-10 at a consideration of Rs.10.00 lakhs per acre vide MOU dt.13.06.2005 and Agreement for sale of land dt.23.02.2006. Accordingly, the company has paid the consideration and took possession of the same and started developing the same for its IT facility. Subsequently, on getting the permission from the Govt. of India for developing, operating and maintaining IT / ITES SEZ in the said land, the Govt. of A.P. converted the above sale of land into lease and fixed a one time lease payment of Rs.10.00 lakhs per acre and further fixed an annual lease rental of Rs.1,000/- per acre vide lease deed dated 05.02.2009. As per the above, the GOAP adjusted the amount of Rs.10.00 lakhs paid by the company towards sale consideration for the one time lease premium.

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

As the period of 10 years from the execution of the lease deed is not yet completed, the company is continuing to pay the annual lease rental of Rs.1,000/- and showing the said land as a leasehold land in the fixed asset schedule.

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

22.10.3. Trade Receivables include ` 1,19,40,546/- (Previous year ` 84,49,219/-) due from SoftSol Resources Inc., a wholly owned foreign subsidiary of this company. Maximum amount outstanding at any time during the year is ` 1,31,97,346/-(Prev. Years ` 2,48,65,293/-)

22.10.4. In the opinion of the board, the assets other than fixed assets and non-current investments, have a value on realization in the ordinary course of business of atleast equal to the amount at which they are stated in the balance sheet.

22.10.5. Previous year's figures have been regrouped wherever necessary to conform to the layout adopted in the current year.

Per our report of even date
for J V S L & Associates
Chartered Accountants

(Firm Regn.No:15002S)

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholetime Director

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

Place: Hyderabad
Date: 30.05.2017

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

SoftSol Resources Inc., USA

Board of Directors

Mr. Srinivasa Rao Madala
Dr. Durga V.L.K. Madala

President & CEO
Director

Registered Office

46755, Fremont Blvd.,
Fremont,
California - 94538.
Tel No. (510) 824-2000,
Web site: www.softsolusa.com

Auditors

The Chugh Firm, AAC
An Accountancy Corporation
California, USA.

Board of Director's Report 2017

Dear Members

Your Directors take pleasure in presenting their report for the financial year 2017

The Financial Highlights :

(USD in 000's)

Particulars	2017	2016
Total Revenue	5,677	8,663
Other Income	112	32
Total Operating Expense	5,613	8,650
Provision for Taxation	69	19
Net Profit	107	26

Appreciation:

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

Srinivasa Rao Madala

President and CEO

May 3, 2017

INDEPENDENT AUDITOR'S COMPILATION REPORT

To the Board of Directors and Stockholders
of Softsol Resources, Inc.

We have audited the accompanying financial statements of Softsol Resources, Inc. (a California corporation), which comprise the balance sheet as of March 31, 2017, and the related statements of income, stockholder's equity, and cash flows for the year then ended, and related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Softsol Resources, Inc. as of March 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Chugh CPAs, LLP
Cerritos, CA
May 3, 2017

BALANCE SHEET AS OF MARCH 31, 2017

	As of 31.03.2017 in USD	As of 31.03.2017 in Rs.	As of 31.12.2016 in USD
1USD = 64.84			
Assets			
Current Assets			
Cash and Cash equivalents	1,474,191	95,586,544	1,063,188
Accounts Receivable	849,138	55,058,108	1,174,797
Less: Allowance for doubtful Accounts	(84,591)	(5,484,880)	-
Employee Advances	48,550	3,147,982	25,050
Receivable from related party	898,536	58,261,074	1,388,670
Prepaid Expenses	57,750	3,744,510	3,393
Deffered tax asset	38,034	2,466,125	59,153
Total Current Assets	3,281,608	212,779,463	3,714,251
Noncurrent Assets			
Property and Equipment	261,074	16,928,038	289,374
Less: Accumulated Depreciation	(258,221)	(16,743,050)	(283,772)
Total Property & Equipment	2,853	184,989	5,602
Other Assets			
Intangible assets	30,000	1,945,200	30,000
Less: Accumulated Amortisation	(11,000)	(713,240)	(9,000)
Deferred Tax Assets-Non Current	13,310	863,020	12,736
Refundable Deposits	15,000	972,600	16,965
Total Non Current Assets	50,163	3,067,580	56,303
Total Assets	3,331,771	216,032,032	3,770,554
Liabilities and Stock Holders equity			
Current Liabilities			
Bank Line of credit	-	-	750,000
Account Payable	266,249	17,263,585	190,311
Account Payable-Related parties	184,158	11,940,805	127,376
Income Tax Payable	31,169	2,020,998	2,201
Accrued Expenses and Other Liabilities	80,822	5,240,498	38,357
Total Current Liabilities	562,398	36,465,886	1,108,245
Total Liabilities	562,398	36,465,886	1,108,245
Stockholders Equity			
Common Stock, \$ 100 par, 1,000,000 shares authorised, 13,120 shares issued and outstanding	1,312,000	85,070,080	1,312,000
Retained Earnings	1,457,373	94,496,065	1,350,309
Total Stockholders Equity	2,769,373	179,566,145	2,662,309
Total Liabilities and Stockholders Equity	3,331,771	216,032,032	3,770,554

**STATEMENT OF INCOME FOR THE YEAR ENDED
MARCH 31, 2017**

	As of 31.03.2017 in USD	As of 31.03.2017 in `	As of 31.12.2016 in USD
	1USD = 65.59		
Revenue			
Consulting Income	5,677,407	372,381,125	8,663,314
Total Revenue	5,677,407	372,381,125	8,663,314
Cost of Sales			
Analysis of Cost of Sales-See Schedule I	(5,009,820)	(328,594,094)	(7,541,193)
Gross Profit	667,587	43,787,031	1,122,121
Operating Expenses			
Selling Expenses-See Schedule II	(159,841)	(10,483,971)	(245,993)
General & Administrative Expenses-See Schedule III	(443,530)	(29,091,133)	(863,771)
Total operating expenses	(603,371)	(39,575,104)	(1,109,764)
Income from operations	64,216	4,211,927	12,357
Other Income (Other Expenses)			
Interest Income	-	-	26,588
Rental Income	42,959	2,817,681	36,840
Other Income	73,820	4,841,854	-
Interest Expense	(5,087)	(333,656)	(31,422)
Total Other Income	111,692	7,325,878	32,006
Income from Operations before Income Taxes	175,908	11,537,806	44,363
Provision for Income Taxes			
Provision for Income Taxes	(68,844)	(4,515,478)	(19,303)
Total Provision for Income Tax	(68,844)	(4,515,478)	(19,303)
Net Income	107,064	7,022,328	25,060

Statement of Retained Earnings

	Common Stock	Retained Earnings	Common Stock	Amount Rs.
Retained Earnings, March 31, 2016	1,312,000	1,350,309	2,662,309	174,620,847
Net Income		107,064	-	7,022,328
Retained Earnings, March 31, 2017	1,312,000	1,457,373	2,662,309	181,643,175

SoftSol Resources Inc., USA

Schedule-I Cost of Services

	As of 31.03.2017 in USD	As of 31.03.2017 in `	As of 31.12.2016 in USD
Consulting Outsourced	1,467,921	96,280,938	1,255,745
Salaries & Wages -Consultants	3,097,787	203,183,849	5,322,020
Taxes-Payroll-Consultants	238,944	15,672,337	403,662
Per Diem - consultant	-	-	1,929
Insurance Medical & Dental	83,804	5,496,704	437,472
Rebate Charges	17,845	1,170,454	39,988
Training	13,800	905,142	-
Relocation Expenses	-	-	1,812
Professional Developments	1,024	67,164	-
Leagal & Immigration-Consultants	55,250	3,623,848	45,498
Travel-Consultancy	33,445	2,193,658	33,067
Total Cost of Sales	5,009,820	328,594,094	7,541,193

Schedule-II Selling Expenses

	As of 31.03.2017 in USD	As of 31.03.2017 in `	As of 31.12.2016 in USD
Salaries & Wages	54,453	3,571,572	161,911
Taxes-Payroll	3,117	204,444	11,521
Recruiting	75,295	4,938,599	46,782
Conference and Meetings	-	-	309
Travel -Sales	11,681	766,157	7,725
Insurance Medical & Dental	12,851	842,897	-
Business Development	2,444	160,302	17,745
Total Selling Expenses	159,841	10,483,971	245,993

Schedule-III

General & Administrative Expenses

	As of 31.03.2017 in USD	As of 31.03.2017 in `	As of 31.12.2016 in USD
Auto Expenses	6,654	436,436	4,150
Advertising & Promotion	4,142	271,674	-
Bad debt Expenses	-	-	56,894
Bank Charges	1,579	103,567	3,435
Depreciation & Amortisation	4,749	311,487	6,349
Dues & Publication	12,302	806,888	28,923
Finance and Accounts	-	-	71,500
Frieght & Postage	1,234	80,938	3,130
Internet Access & Web Hosting	-	-	2,830
Insurance	45,853	3,007,498	79,017
Janitorial	2,698	176,962	7,590
Meals & Entertainment	6,695	439,125	2,037
Miscellaneous Expenses	3,924	257,375	7,884
Office Expenses	2,810	184,308	-
Officers Salariaies & Wages	69,231	4,540,861	181,385
Outside Services	45,718	2,998,644	64,425
Professional Fees	47,219	3,097,094	51,033
Repairs & Maintenance	-	-	1,242
Rent	66,702	4,374,984	98,380
Salariaies & Wages	51,770	3,395,594	101,863
Staffwelfare	-	-	5,505
Supplies	13,771	903,240	16,377
Taxes, Permits & Licenses	14,030	920,228	12,955
Taxes Payroll	10,974	719,785	10,182
Telephone	18,101	1,187,245	35,450
Travel	4,542	297,910	-
Utilites	8,832	579,291	11,235
Total General & Administrative Expenses	443,530	29,091,133	863,771

Statement of Cash Flow for the Year ended March 31, 2017

	Year Ended 31.03.2017 in USD	Year Ended 31.03.2017 in `	Year Ended 31.12.2016 in USD
Cash Flows from Operating Activities			
Net Income	107,064	6,942,030	25,060
Adjustments to reconcile Net Income to Net Cash provided by Opertaions :			
Amortisation and Depreciation	4,749	307,925	6,350
Accounts written off	16,800	1,089,312	38,120
Provision for Bad and Doubtful Accounts	29,788	1,931,454	18,774
Deferred Taxes	20,545	1,332,138	(7,974)
Decrease/(Increase) in operating assets and liabilities:			
Accounts Receivable	363,661	23,579,779	1,574,512
Accounts Receivable related	490,134	31,780,289	(1,288,670)
Prepaid Expenses	(54,356)	(3,524,443)	71,527
Accrued expenses and other liabilities	42,465	2,753,431	(33,158)
Income Taxes	28,968	1,878,285	1,826
Employee Advances	(23,500)	(1,523,740)	(17,285)
Accounts Payable	75,938	4,923,820	(409,963)
Accounts Payable related parties	56,782	3,681,745	127,376
Net Cash Provided by (used in) Operating Activities	1,159,038	75,152,024	106,495
Cashflow from Financing activities			
Refundable Deposits	1,965	127,411	-
Payments of line of credit	(750,000)	(48,630,000)	-
Net cash used in Finanacing activities	(748,035)	(46,819,511)	-
Net Increase in Cash and Cash Equivalents	411,003	28,332,513	106,495
Cash and cash equivalents at the Beginning of the Year	1,063,188	68,937,110	956,693
Cash and cash equivalents at the end of the Year	1,474,191	97,269,623	1,063,188
Supplementary Disclosure			
Interest paid during the Year	5,087	329,841	21,812
Income Tax paid during the Year	3,098	200,874	5,715

Notes to Financial Statements (March 31st, 2017)

Note - 1 - Nature of Business

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

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The Company uses the accrual method of accounting for both financial and income tax reporting.

Use of Estimates

The preparation of financial statements and related disclosures in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Actual results could differ from those estimates. Estimates are used in accounting for, among other things, allowances for uncollectible receivables, depreciation, employee benefits, taxes, restructuring reserves and contingencies. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the Financial Statements in the period they are determined to be necessary.

Cash and Cash Equivalents

For purposes of reporting cash flows, the Company considers all highly liquied debt instruments purchased with an original maturity of three months or less, Cash and cash equivalents consist of cash in Bank. Occasionally, the Company had cash deposited in a financial institution more than federally insured limits.

Accounts Receivable

The company uses the aging of the accounts receivable method for valuation of allowance for bad debts. Accordingly, accounts receivable represents the net realizable value.

Property and Equipment

Property and Equipment are stated at cost. Depreciation is provided on a straight-line method over the estimated useful lives of the assets. Estimated useful lives are as follows:

Furniture & Fixtures	7 years
Office Equipment	5 years
Automobile	5 years

The cost of significant additions and replacement of components is capitalized and depreciated while expenditures for maintenance and repairs are charged to expense as incurred. When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the books and the resulting gain or loss is reflected in the determination of net income or loss. Depreciation expense for the year ended March 31, 2017 was \$ 2,749.

Long-Lived Assets

The Company accounts for the impairment and disposition of long-lived assets in accordance with FASB ASC No. 360, "Accounting for the Impairment or Disposal of Long-Lived Assets". ASC No. 360 requires that long-lived assets be reviewed for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable.

Intangible Assets

Intangible assets consist of the cost to acquire the domain name "SoftSol.com" registered to a third party. It is being amortized on a straight-line basis over the estimated useful lives of 15 years. Amortization expense for the year March 31, 2017 was \$ 2,000.

Revenue Recognition

The Company derives revenues from consulting projects which are billed by actual time and expenses incurred. Revenues are recognized on the accrual basis as services are rendered.

For Fixed price projects, the Company recognizes revenue and cost of contracts on the percentage-of-completion method, measured by the percentage of cost incurred to date to estimated total cost for each contract. Management considers total cost to be the best available measure of progress on the contracts.

The asset, costs and estimated earnings in excess of billings on uncompleted contracts, represents revenues recognized in excess of amounts billed. The liability, billings in excess of cost and estimated earnings on uncompleted contracts, represents billings in excess of revenues recognized.

There were no fixed price projects during the year ended March 31, 2017.

Deferred Revenue

Advance payment received for services to be provided under contract agreements are deferred until the requisite service is provided and accepted, at which time revenue is considered earned and recognized. There is no deferred revenue as of March 31, 2017.

Income Taxes

The Company accounts for income taxes in accordance with FASB ASC No. 740 "Accounting for Income Taxes", which requires an asset and liability approach to financial accounting and reporting of income taxes. Deferred income tax assets and liabilities are computed annually for differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in future based on the enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowance is established when necessary to reduce deferred tax assets to the amount expected to be realized.

Financial Accounting Standards Boards issued FIN 48 now known as ASC No. 740-10 "Accounting for Uncertainty in Income Taxes" recognizes the tax benefits from uncertain tax positions only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such positions are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement.

The Company's income tax filings are subject to audit by various taxing authorities. The Company's open audit periods are 2013-2015. In evaluating the Company's tax provisions and accruals, future taxable income, and the reversal of temporary differences, interpretations and tax planning strategies are considered. The Company believes their estimates are appropriate based on current facts and circumstances

Advertising Costs

The cost of advertising is charged to expense as incurred.

Subsequent Events

Subsequent events have been evaluated through May 3, 2017 which is the date the financial statement were available to issued.

Note 3 - Concentration of Risk

Cash

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

Accounts Receivable and Sales

The Company performs ongoing credit evaluations of its customers and maintains allowances for potential uncollectible accounts as deemed necessary. The Company generally does not require collateral to secure its accounts receivable. It estimates credit losses based on management's evaluation of historical experience and current industry trends. Although the Company expects to collect amounts due, actual collections may differ from the estimated amounts.

The Company's sales to its four major customers, totaled \$3.9 million that accounts for 69% of the Company's total revenue for the year. Accounts receivable from these four customers as of March 31, 2017 was approximately \$551,145 which is 59% of total accounts receivable.

Note 4 - Employee Advances

The advances given to employees are for expenses which employees are required to present documentation and any amount not substantiated is refunded to the Company. As of March 31, 2017, the employee advances balance was \$ 48,550.

Note 5 - Related Party Transactions

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

Softsol Technologies, Inc. (known as STI) a Nevada Corporation is owned by Mrs. Durga Madala, spouse of Mr. Srinivasa Rao Madala, the Company CEO. The Company has entered into professional services agreement with Softsol Technologies, Inc., and Softsol India Limited. The Company also subleases it office space to STI. The sublease income referred to as rental income and other income are included in the other income account.

Details of transactions between the Company and its related parties for the year ended March 31, 2017 are as follows:

Softsol Technologies Inc.	Amount
Consulting Income	\$ 266,663
Accounts Receivable	94,305
Receivable - nontrade	804,232
Rental Income	42,959
Other Income	45,992

SoftSol Resources Inc., USA

Softsol India Limited	Amount
Consulting Outsourced	\$ 243,658
Accounts Payable	184,158

Note 6 - Line of Credit

In February 2014, the Company was granted a line of credit (“LOC”) from Citibank NA of a maximum of \$750,000. and renewable every year. The line of credit bears an interest of greater of Citibank NA Prime Rate or minimum interest rate plus margin of 0% per annum. As at March 31, 2017, there was no outstanding balance under this LOC.

Note 7 - Accrued Expenses and other Liabilities

Accrued expenses and other liabilities at March 31, 2017 consisted of the following

	Amount
Flexible spending	\$ 29,494
Reimbursed employee contribution	1,896
Credit card payable	22,512
Accrued expenses	26,920
Total	\$ 80,822

Note 8 - Employee Pension Plan

The Company had a 401 (K) plan known as the SoftSol Resources & MedSoft, Inc. 401 (K) plan (the “Plan”) which was terminated on December 31, 2001. Total accumulated contribution as of March 31, 2017 was \$1,896 and is payable to participants.

A new 401 (k) plan known as Softsol Resources Inc. 401(k) Plan (Plan no. 7113353) was adapted effective October 1, 2005. The Plan is available to eligible employees through payroll deductions within statutory and plan limits. There was no matching contribution from the employer for the year ended March 31, 2017.

Note 9 - Flexible Spending

The Company has a voluntary flexible spending plan wherein a certain amount of money opted by the employee at the beginning of the plan year to be deducted from employee’s payroll every month. The contributed amount will be used to reimburse the employees for their eligible medical expenses and childcare expenses. As of March 31, 2017 the accumulated contributions was \$29,494. This account is included in the accrued expenses and other liabilities account.

Note 10 - Vacation Leave

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

Note 11 - Income Taxes

The company accounts for income taxes under the provisions of FA SB ASC 740, “Accounting for Income Taxes”. Under ASC 740, deferred taxes are required to be classified based on the financial statement classification of the related assets and liabilities which give rise to temporary differences. Deferred taxes result from temporary differences between the financial statement carrying amounts and the tax bases of assets and liabilities.

All of the income before tax as shown in the Statement of Income for the year ended March 31,2017 is derived in the United States.

SoftSol Resources Inc., USA

The components of income tax expense (benefit) relating to earning from operations for the year ended March 31, 2017 are as follows:

	Current	Deferred	Total
State	\$ 12,693	\$ 4,126	\$ 16,819
Federal	35,606	16,419	52,025
Total	\$ 48,299	\$ 20,545	\$ 68,844

The components of deferred tax assets as at March 31, 2017 are as follows:

Deferred tax assets - Current	
Bad debt	\$ 32,990
State income tax - current	3,808
State income tax - deferred	1,237
	<u>38,035</u>
Deferred tax assets - Noncurrent	
Depreciation - Federal	9,255
Depreciation - State	4,055
	<u>13,310</u>
Less: Valuation Allowance	-
Net deferred tax asset	<u>\$ 51,345</u>

Note 12 - Commitments Under Operating Lease

In September 2016, the Company had amended its lease agreement with Prologis Limited Partnership I for its office located at 46755 Fremont Boulevard, Fremont, California. The new lease has term beginning October 1, 2016 to May 31, 2018. The future minimum lease payments under this operating lease are as follows:

<u>Year</u>	<u>Amount</u>
2018	\$22,728
2019	\$3,806

In addition to the above base rent, the Company is responsible for the payment of monthly common area maintenance and operating expenses of \$885. The rent expense for the year ended March 31, 2017 totaled \$66,702.

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

Note 13 - Stockholders' Equity

The Company is authorized to issue upto 1,000,000 shares of its common stock, of which 13,120 shares were issued and outstanding. Softsol India Limited owns all these 13,120 shares.

Note 14 - Contingencies

There are no pending legal actions, including arbitrations, class actions and other litigation, arising in connection with the Company's activities as IT consultants. Legal reserves will be established in accordance with FASB ASC 450 "Accounting for Contingencies". Once established, reserves are adjusted when there is more information available or when an event occurs requiring a change. There are no legal reserves in the financial statements as of March 31, 2017.

Independent Auditor's Report on Consolidated Financial Statements

TO THE MEMBERS OF
SOFTSOL INDIA LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Softsol India Limited ('the Holding Company') and its subsidiary company (the Holding Company and its subsidiary company together referred as 'the Group'), which comprise the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Company and its subsidiary company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of these consolidated financial statements by the Board of Directors of the Holding Company.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, 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.

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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors referred to in the 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2017 and its consolidated profit and its consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of Softsol Resources Inc., subsidiary, whose financial statements reflect total assets of Rs.21,60,32,029/- as at March 31, 2017, total revenues of Rs. 38,00,40,659/- and net cash inflows amounting to Rs.2,50,65,284/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates the aforesaid subsidiary is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2017, taken on record by the Board of Directors of the Holding Company, none of the Directors of the Group companies, incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary company.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) There were no pending litigations which would impact the consolidated financial position of the Group.
 - ii) The Group did not have any material foreseeable losses on long term contracts including derivative contracts.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
 - iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management (Refer to Note No. 22.10 to the audited Financial Statements)

For J V S L & ASSOCIATES
Chartered Accountants
(Firm Regn No. 15002S)

Place: Hyderabad
Date: 30.05.2017

J. VENKATESWARLU
Partner
ICAI Ms. No. 022481

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Softsol India Limited ('the Holding Company') and its subsidiary company as at March 31, 2017 in conjunction with our audit of the consolidated financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, are responsible for establishing and maintaining internal financial controls based on the respective internal control over financial reporting criteria established by the Company and its subsidiary company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls over financial reporting. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company and its subsidiary company considering the essential components of internal control stated in the Guidance Note.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to subsidiary company, is based on the corresponding reports of the auditors of such subsidiary company.

For J V S L & ASSOCIATES
Chartered Accountants
(Firm Regn No. 15002S)

Place: Hyderabad
Date: 30.05.2017

J. VENKATESWARLU
Partner
ICAI Ms. No. 022481

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2017

Particulars	Note No	As at 31-03-2017	As at 31-03-2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	01	172,365,240	172,365,240
(b) Reserves and surplus	02	1,778,594,796	1,747,297,352
		1,950,960,036	1,919,662,592
(2) Non-current liabilities			
(a) Other Long term liabilities	03	33,756,054	36,390,125
(b) Long-term provisions	04	2,648,242	2,266,730
		36,404,296	38,656,855
(3) Current liabilities			
(a) Trade payables	05	20,144,092	15,503,208
(b) Other current liabilities	06	12,639,954	57,862,683
(c) Short-term provisions	07	1,612,304	796,241
		34,396,350	74,162,132
Total		2,021,760,682	2,032,481,579
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	08	299,905,112	309,349,748
(ii) Intangible assets		878,741,792	878,911,444
(b) Non-current investments	09	72,737,221	228,980,000
(c) Deferred tax assets (net)		3,329,145	4,768,397
(d) Long-term loans and advances	10	23,069,230	29,017,286
(e) Other non-current assets	11	2,521,838	1,405,872
		1,280,304,338	1,452,432,747
(2) Current assets			
(a) Current Investments	12	495,636,121	289,270,172
(b) Trade receivables	13	113,053,477	185,594,251
(c) Cash and Bank Balances	14	106,636,546	86,008,987
(d) Short-term loans and advances	15	9,449,487	5,093,176
(e) Other current assets	16	16,680,713	14,082,245
		741,456,344	580,048,832
Total		2,021,760,682	2,032,481,579

Significant accounting policies and notes on financial statements

22

Per our report of even date
for J V S L & Associates
Chartered Accountants
(Firm Regn.No:15002S)

For and on behalf of Board of Directors

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholtime Director

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

Place: Hyderabad
Date: 30.05.2017

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2017

Particulars	Note No	Year Ended 31.03.2017	Year Ended 31.03.2016
Revenue from operations	17	381,092,979	585,516,338
Other income	18	120,295,597	111,619,672
Total Revenue		501,388,576	697,136,010
Expenses			
Employee benefits expense	19	295,830,580	500,430,373
Finance costs	20	437,239	4,861,633
Depreciation and amortization expense	08	28,913,486	34,021,947
Other expenses	21	129,092,211	144,202,325
Total expenses		454,273,516	683,516,278
Profit before exceptional and extraordinary items and tax		47,115,060	13,619,733
Profit before extraordinary items and tax		47,115,060	13,619,733
Profit before tax		47,115,060	13,619,733
Tax expense:			
(1) Current tax		11,770,478	3,444,271
(2) Prior Period Taxes		-	(904,667)
Profit / (Loss) after tax for the year		35,344,582	11,080,128
Earnings per equity share			
(i) Basic		2.10	0.66
(ii) Diluted		2.10	0.66
Significant accounting policies and notes on financial statements	22		

Per our report of even date
for J V S L & Associates
Chartered Accountants
(Firm Regn.No:15002S)

For and on behalf of Board of Directors

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholetime Director

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

Place: Hyderabad
Date: 30.05.2017

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	Year ended 31-03-2017	Year ended 31-03-2016
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax and Extraordinary Items	47,115,060	13,619,733
Adjustments for :		
Profit for the switch over period gap	-	1,960,976
Depreciation	28,913,486	34,021,947
Interest (Net)	(1,907,810)	(2,529,638)
Provision for Leave Encashment	(951,191)	20,788
Provision for Gratuity	(246,385)	(10,167)
Gain on redemption of units of Mutual Funds	(11,876,602)	(13,111,626)
Excess Provision/Credit Balances Written back	-	(17,078)
Foreign exchange fluctuation gain	(4,011,063)	9,787,573
sale of assets	(150,000)	-
Interest Expenses	-	2,025,462
Operating Profit before Working Capital changes	56,885,495	45,767,969
Adjustments for Working Capital:		
Increase/(Decrease) in Trade payables	4,640,884	(19,126,679)
Increase/(Decrease) in Other Current liabilities	(45,222,729)	(7,894,079)
Increase/(Decrease) in Short term provisions	2,013,639	56,290
Increase/(Decrease) in Other Long term liabilities	(2,634,071)	2,659,979
Increase/(Decrease) in Long term provisions	381,512	(56,289)
(Increase)/Decrease in Trade receivables	72,540,774	42,676,048
(Increase)/Decrease in Short term loans and advances	(4,356,311)	9,538,443
(Increase)/Decrease in Other current assets	(2,309,561)	(4,879,888)
(Increase)/Decrease in Loans and advances	(331,032)	(1,289,581)
(Increase)/Decrease in Deferred tax asset	1,439,252	(767,895)
Increase/Decrease in Other non-current assets	(1,115,966)	-
Net Cash generated from operations	81,931,887	66,684,318
Direct Taxes Paid	(5,491,394)	(11,399,160)
Net Cash from operating activities(A)	76,440,493	55,285,157
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Interest received	1,618,903	4,085,274
Purchase of Fixed Assets	(19,335,269)	(2,393,902)
Purchase of Investments	(117,730,630)	(154,879,776)
Sale of Investments	67,607,460	121,020,000
Gain on redemption of units of Mutual Funds	11,876,602	13,111,626
Sale of assets	150,000	-
Dividend paid	-	(20,187,016)
Dividend Tax paid	-	(4,109,602)
Net Cash used in Investing Activities(B)	(55,812,934)	(43,353,396)
C. CASH FROM FINANCING ACTIVITIES		
Interest paid	-	(2,025,462)
Net Cash flow from Financing Activities(C)	-	(2,025,462)
Net Increase in Cash and Cash Equivalents (A+B+C)	20,627,559	9,906,300
Cash and cash Equivalents as at beginning of the year	86,008,987	76,102,687
Cash and cash Equivalents as at end of the year	106,636,546	86,008,987

The above Cash flow statement have been prepare under indirect method in accordance AS-3 Cash Flow Statements

Per our report of even date
for J V S L & Associates
Chartered Accountants
(Firm Regn.No:15002S)

For and on behalf of Board of Directors

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholtime Director

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

Place: Hyderabad
Date: 30.05.2017

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

Particulars	As at 31-03-2017		As at 31-03-2016	
	Number of shares	Amount	Number of shares	Amount
1.Share Capital				
Authorised:				
Equity Shares of Rs 10/- each.	50,000,000	500,000,000	50,000,000	500,000,000
Issued, subscribed and paid up:				
Equity Shares of Rs 10/- each fully paid up	16,822,513	168,225,130	16,822,513	168,225,130
ADD:				
Equity Shares of Rs.10/-each, Rs.5/-Paid up	28,200	141,000	28,200	141,000
Forfeited shares (amount originally paidup)	799,822	3,999,110	799,822	3,999,110
Closing Balance	17,650,535	172,365,240	17,650,535	172,365,240

(a) Details of share holders holding more than 5% of total number of shares

Name of the Share Holder	As at 31-03-2017		As at 31-03-2016	
	Number of Shares held	% to paid up capital	Number of Shares held	% to paid up capital
Durga VLK Madala	9,557,408	56.81%	9,557,408	56.81%
Sambasiva Rao Madala	918,400	5.46%	918,400	5.46%
Srinivasa Rao Madala	1,366,099	8.12%	980,691	5.83%
Adalat Corporation	-	-	1,755,370	10.43%
Radhakrishna Ghanta (Trustee of AAM Trust)	1,946,762	11.57%	1,250,000	7.43%
Radhakrishna Ghanta (Trustee of SSM Trust)	1,923,200	11.43%	1,250,000	7.43%
Total	15,711,869	93.39%	15,711,869	93.39%

(b) Reconciliation of Number of Shares fully paid up:

Particulars	As at 31-03-2017		As at 31-03-2016	
	No. of Equity Shares Rs. 10/- each		No. of Equity Shares Rs. 10/- each	
Shares of fully paid up outstanding at the beginning of the year	16,822,513	168,225,130	16,822,513	168,225,130
Shares outstanding at the end of the year	16,822,513	168,225,130	16,822,513	168,225,130

(c) Calls unpaid on equity shares:

Particulars	As at 31-03-2017		As at 31-03-2016	
	Number of Equity Shares		Number of Equity Shares	
(i) Calls unpaid by Directors and Officers	-	-	-	-
(ii) Others	28,200	141,000	28,200	141,000
Total	28,200	141,000	28,200	141,000

(d) Forfeited Shares (Amount originally paid up):

Particulars	As at 31-03-2016		As at 31-03-2015	
	Number of Equity Shares		Number of Equity Shares	
Equity shares of partly paid Forfeited in earlier Years	799,822	3,999,110	799,822	3,999,110
Total	799,822	3,999,110	799,822	3,999,110

Particulars	As at 31-03-2017	As at 31-03-2016
2. Reserves and Surplus		
(a) Capital Redemption Reserve		
Balance as per last Balance sheet	18,050,950	18,050,950
Closing Blance(a)	18,050,950	18,050,950
(b) Securities Premium Reserve		
Balance as per last Balance sheet	670,113,578	670,113,578
Closing Blance(b)	670,113,578	670,113,578
(c) General Reserve		
Balance as per last Balance sheet	69,690,129	69,690,129
Closing Blance(c)	69,690,129	69,690,129
(d) Foreign Currency Transilation Reserve		
Balance as per last Balance sheet	46,169,786	36,370,182
Add: Additions/(Deductions)during the year	(4,047,138)	9,799,604
Closing Blance(c)	42,122,648	46,169,786
(e) Surplus in Statement of Profit and Loss		
Balance as per last Balance sheet	943,272,909	954,528,423
Add: Profit for the switch over period gap	-	1,960,976
Add: Profit for the year	35,344,582	11,080,128
Less: Interim Dividend	-	20,187,016
: Tax on Interim dividend	-	4,109,602
Closing Blance(e)	978,617,491	943,272,909
Total (a+b+c+d+e)	1,778,594,796	1,747,297,352
3. Other Long Term Liabilities		
Deposits Payable	32,893,660	35,162,426
Liabilities for Capital Goods	862,394	1,227,699
Total	33,756,054	36,390,125
4. Long-term provisions		
Provision for :		
Employee retirement benefits:		
Gratuity	2,015,716	2,086,830
Leave Encashment	632,526	179,900
Total	2,648,242	2,266,730

Particulars	As at 31-03-2017	As at 31-03-2016
5. Trade Payables		
Trade Payables-Unsecured		
(a) Due to Micro, Small and Medium enterprises (Refer sub-note(i) below)		
(b) Others	20,144,092	15,503,208
Total	20,144,092	15,503,208
(i) There are no defaults as on the balance sheet date repayment of the trade payables.	-	-
(ii) Micor, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprise Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the company	-	-
(iii) Disclosure relating to Micro, Small and Medium Enterprises are as under		
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest Paid	-	-
Payments made beyond the appointment day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due & payable in succeeding years	-	-
6. Other current liabilities		
Other Payables:		
Expenses Payable	9,846,626	7,434,201
Liabilities for Other Finance	706,482	464,937
Unclaimed Dividend	65,848	70,053
Bankline Credit	-	49,747,500
Income Tax Liability	2,020,998	145,992
Total	12,639,954	57,862,683
7. Short-term provisions		
Provision for employee benefits:		
Gratuity	1,076,151	758,652
Leave Encashment	536,153	37,589
Total	1,612,304	796,241

8. FIXED ASSETS

Sl. No	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK			
		As at 01.04.2016	Additions	Deletions	Foreign exchange adjustment	As at 31.03.2017	For the year	On Deductions	Amortisation During the year	Foreign exchange adjustments	TOTAL AS AT 31.03.2017	AS AT 31.03.2017	AS AT 31.03.2016
A	TANGIBLE ASSETS:												
1	Land :												
	Own	13,918,307	-	-	-	13,918,307	-	-	-	-	-	13,918,307	13,918,307
	Leasehold (see note no.22.11.1)	5,540,142	-	-	-	5,540,142	55,961	-	-	-	503,689	5,036,453	5,092,414
2	Building	355,763,121	3,453,718	-	-	359,216,839	13,133,009	-	-	-	121,654,332	237,562,507	247,421,798
3	Plant & Equipment												
	a) Computers	31,038,592	-	-	-	31,038,592	47,118	-	-	-	30,991,942	46,650	93,768
	b) Others	139,131,602	9,427,746	-	-	148,559,348	8,998,853	-	-	-	117,454,191	31,105,157	30,676,264
4	Furniture & Fixtures	73,753,137	6,386,438	-	-	80,139,575	5,873,751	-	-	-	68,616,025	11,523,550	11,010,863
5	Office Equipment	11,982,542	67,367	-	-	12,049,909	29,835	-	-	-	11,696,207	353,702	316,170
6	Vehicles	9,664,368	-	697,775	-	8,966,593	274,793	697,775	-	-	8,792,803	173,790	448,583
7	Library Books	18,592	-	-	-	18,592	-	-	-	-	18,592	-	-
8	Subsidiary's Assets	19,194,177	-	1,877,139	(389,000)	16,928,038	180,307	1,877,139	-	(382,723)	16,743,041	184,996	371,581
	TOTAL-A	660,004,580	19,335,269	2,574,914	(389,000)	676,375,935	28,773,627	2,574,914	-	(382,723)	376,470,822	299,905,112	309,349,748
	PREVIOUS YEAR	656,528,420	2,393,902	-	1,082,258	660,004,580	33,854,199	-	-	1,121,210	350,654,832	309,349,748	340,848,998
B	INTANGIBLE ASSETS:												
1	Computer Software	3,109,217	-	-	-	3,109,217	8,682	-	-	-	3,106,712	2,505	11,187
2	Goodwill	877,507,327	-	-	-	877,507,327	131,180	-	-	(14,910)	-	877,507,327	877,507,327
3	Subsidiary's Assets	1,989,900	-	(44,700)	(44,700)	1,945,200	596,970	-	-	-	713,240	1,231,960	1,392,930
	TOTAL-B	882,606,444	-	(44,700)	(44,700)	882,561,744	139,862	-	-	(14,910)	3,819,952	878,741,792	878,911,444
	PREVIOUS YEAR	882,494,244	-	-	112,200	882,606,444	167,747	-	-	61,215	3,695,000	878,911,444	879,028,206

Foreign exchange adjustments represents exchange differences resulting from translation of fixed assets relating to non-integral foreign operations.

Particulars	As at 31-03-2017	As at 31-03-2016
09.Non-current investments		
Investments in Mutual Funds-(Trade-quoted) :		
Reliance Mutual Fund 5002659.15 Units of Rs.10/- each	50,026,592	-
L & T Mutual Fund -(Previous year 3755424.24 Units of Rs.13.98 Each)	-	52,500,000
ICICI Prudential Mutual Fund (Previous year 9406568.29 Units OF Rs.16.90 each)	-	159,000,000
Blume Ventures Fund 1447 Units of Fund 1A of Rs10,000/- Each & 82427 Units of Fund II of Rs.100/- each (Prevoius year 1148 units of Fund 1A of Rs.10,000/- each & 60,000 units of Fund II of Rs.100/- each)	22,710,629	17,480,000
Total	72,737,221	228,980,000
Aggregate amount of market value of quoted investments	88,325,006	253,401,806
Aggregate provision for diminution in value of investments	-	-
10.Long-term loans and advances		
(a) Unsecured, Considered Good		
Capital Advances	33,800	287,360
Earnest Money Deposits	510,000	510,000
Security Deposits	6,958,768	6,374,176
Advance Income Tax(Net of provisions)	15,566,661	21,845,749
Total	23,069,229	29,017,285
Note: Due by Directors or other officers of the company or any of them either severally or jointly with any persons or due by firms/ private companies in which any director is a partner or a director or a member	NIL	NIL
11.Other Non-Current Assets		
(a) Secured, Considered Good		
Fixed Deposits with Banks held as margin money for Bank Guarantees-maturity of more than 12 months	2,521,838	1,405,872
Total	2,521,838	1,405,872

Particulars	As at 31-03-2017	As at 31-03-2016
12.Current Investments		
Investments in Mutual Funds: (Non Trade-quoted)		
Axis Mutual Fund (Previous year 6760746 units of Rs.10/- each)	-	67,607,460
Reliance Mutual Fund (Previous year 5002659.15 Units of Rs.10/- each)	-	50,026,592
L & T Mutual Fund - 13433997 units of Rs.15.4594 each (Previous year: 6893935.81 units of Rs.15.62 each)	207,682,172	107,682,172
Kotak Mutual Fund - 7337325.44 units of Rs.11.4075 each (Previous year: 4295025.99 units of Rs.10.76 each)	83,700,467	46,200,467
ICICI Prudential Mutual Fund 12226112.4075 Units of Rs.16.7063 Each(Previous year 1168287.65 Units of Rs.15.63 each)	204,253,482	17,753,482
 (Out of the above units 40,82,877 of ICICI Prudential Mutual Fund and units 37,55,424 of L & T Mutual Fund aggregating to Rs.10,90,00,000/- under lien to Citi bank against Bank Guarantee for arrangement of Loan to M/s Softsol Resources Inc.(Subsidiary)		
Total	495,636,121	289,270,172
Aggregate amount of market value of quoted investments	591,767,591	330,811,520
Aggregate provision for diminution in value of investments	-	-
13.Trade Receivables		
Unsecured, Considered Good		
Outstanding for a period exceeding six months from the date they are due for payment	8,201,637	4,656,133
Others	110,336,720	180,938,118
	118,538,357	185,594,251
Less: Allowance for bad and doubtful debts	5,484,880	-
Total	113,053,477	185,594,251
14.Cash and Bank Balances		
(a) Cash and Cash Equivalents		
I. Cash on hand	26,022	74,161
II. Balance with scheduled banks in India		
(i) In Current Accounts	106,544,676	84,939,773
(b) Other Bank Balance		
(i) In unpaid dividend accounts	65,848	70,053
(ii) In Fixed Deposits with Banks held as margin money for Bank Guarantees-maturity of less than 12 months	-	925,000
Total	106,636,546	86,008,987
15.Short-term loans and advances		
Unsecured, Considered Good		
Staff Advances	3,147,982	1,661,567
Prepaid Expenses	4,734,015	656,577
Advance for Capital Goods	120,183	1,329,452
Balance with Central Government Departments-CENVAT input credit	1,447,307	1,359,870
Advance for Expenses	-	85,711
Total	9,449,487	5,093,176
Note: Due by Directors or other officers of the company or any of them either severally or jointly with any persons or due by firms/private companies in which any director is a partner or a director or a member		
	NIL	NIL

Particulars	As at 31-03-2017	As at 31-03-2016
16. Other current assets		
Rent Receivable	15,857,062	13,547,501
Interest Accrued on Deposits	823,651	534,744
Total	16,680,713	14,082,245
Particulars	Year ended 31-03-2017	Year ended 31-03-2016
17. Revenue from operations		
Sale of Software Products/Services:		
Exports	372,381,125	568,597,081
Domestic:		
Services	8,711,854	16,919,257
Total	381,092,979	585,516,338
18. Other Income		
Interest Income	533,468	2,009,190
Interest on IT refund	1,374,342	520,448
Rental Income	101,519,331	93,758,699
Excess Provision written back	-	17,078
Gain on redemption of Mutual funds	11,876,602	13,111,626
Foreign exchange gain(net)	-	2,157,918
Profit on sale of fixed assets	150,000	-
Other non-operating income	4,841,854	-
Miscellaneous receipts	-	44,712
Total	120,295,597	111,619,672
19. Employee Benefits		
Salaries and Wages	292,081,371	495,992,851
Contribution to provident and other funds	1,830,368	2,228,624
Staff welfare expenses	1,918,841	2,208,898
Total	295,830,580	500,430,373
20. Finance Costs		
Loan Processing Charges	437,239	4,861,633
Total	437,239	4,861,633

Particulars	Year ended 31-03-2017	Year ended 31-03-2016
21. Other Expenses		
Power and fuel	4,578,326	5,687,007
Rent	4,374,984	6,341,575
Repairs to: buildings	2,166,867	8,200,428
: machinery	5,924,635	7,545,940
: Others	1,331,646	2,616,749
Consulting Outsource	79,963,570	71,255,449
Insurance	3,327,734	5,783,785
Rates and taxes	4,865,124	4,713,425
Payments to Auditor : as auditor	114,875	113,965
: for taxation matters	152,950	148,350
: for other services	-	34,350
Legal and Professional Charges	9,297,557	12,201,636
Director's Sitting Fee	195,350	170,544
Internet & Communication Expenses	2,425,243	4,451,263
Fees and Subscriptions	380,642	333,236
Travelling Expenses	2,252,085	1,966,312
Staff training & Recruitment Charges	5,180	-
Advertisement Charges	320,564	71,635
Foreign Exchange Fluctuation Loss	333,848	-
Commission	-	147,146
Printing & Stationery	209,067	230,082
STPI Charges	67,850	197,220
Security service Charges	2,215,739	2,380,179
Bad Debts	-	3,667,387
Miscellaneous expenses	4,588,375	5,944,663
Total	129,092,211	144,202,325

22. SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22.1. Consolidated Financial Statements have been prepared to meet the requirements of Clause 32 of the Listing Agreement with the Stock Exchange.

i) Basis of Consolidation:

The Consolidation of accounts is done in accordance with the requirements of Accounting Standard (AS 21) "Consolidation of financial Statements" notified under Sec.133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Financial statements of subsidiary were prepared for the year ended 31st March 2017 and the same have been adopted for consolidation.

ii) Companies included in Consolidation:

The Consolidated Financial Statements include the financial statements of SoftSol India Limited as at 31.03.2017 and SoftSol Resources Inc. USA, A wholly owned subsidiary, incorporated in United State of America as at 31.03.2017.

iii) Principles of Consolidation:

The Consolidated Financial statements have been prepared based on a line by line consolidation of Statement of profit and loss and balance sheet. All inter-company balances and transactions have been eliminated on consolidation.

The excess / deficit of cost to the parent company of its investment in the subsidiaries over its portion of equity at the respective dates on which investment in such entities were made is recognized in the financial statements as goodwill / capital reserve. The parent company's portion of equity in such entities is determined on the basis of the book values of assets and liabilities as per the financial statements of such entities as on the date of investment and if not available, the financial statements for the immediately preceding period adjusted for the effects of significant transactions, up to the date of investment.

The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent company for its separate financial statements.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

22.2 Significant Accounting Policies – (AS-1):**A. Basis of Preparation of Financial Statements :**

Financial statements have been prepared and presented under historical cost convention in accordance with the accounting principles generally accepted in India (GAAP). GAAP comprises the mandatory accounting standards as specified U/s 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) rules 2014 and other applicable provisions of the Act. All incomes and expenditures, having a material bearing on the financial statements, are recognized on an accrual basis.

B. Use of Estimates:

The preparation of financial statements in conformity with the GAAP requires that the management make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of incomes and expenses during the reporting year. Such estimates include, estimate of useful life of fixed assets, provision for doubtful debts etc. Actual results could differ from those estimates. Changes in estimates are reflected in financial statements in the year in which changes are made and, if material, their effects are disclosed in the financial statements.

C. Revenue recognition:

- i) Revenue from software services is recognised under proportionate completion method for the services rendered and delivered as per the contracts entered.
- ii) Revenue from sale of products is recognised when significant risks and rewards in respect of ownership of products are transferred to customers. Revenue from products is stated exclusive of sales tax.
- iii) Interest income on deposits with banks is recognized on time proportion basis taking into account the amount outstanding and the rate applicable and interest on IT refund is recognized on receipt basis.
- iv) Rental income is recognised on accrual basis.
- v) Insurance Claims are recognised as and when they are settled / admitted.

D. Fixed Assets:

- i) Fixed assets are carried at cost of construction or acquisition less accumulated depreciation. Cost includes non-refundable taxes, duties, freight, borrowing costs and other incidental expenses related to the acquisition and installation of the respective assets. Assets under installation or under construction as at the Balance sheet date are shown as Capital work-in-progress. Advances paid towards acquisition of assets are included under Capital Advances. Fixed assets which are found to be not usable or retired from active use or when no further benefits are expected from their use are removed from the books of account and the difference if any, between the cost of such assets and the accumulated depreciation thereon is charged to Statement of Profit & Loss.
- ii) Computer software is classified as an "Intangible Asset".

E. Depreciation:

- i) Depreciation on Tangible assets is provided under Written down value method over the useful lives of assets estimated by the management. Depreciation on additions/deletions during a period is charged on prorata basis from the date of addition or deletion, as the case may be.
- ii) The Management estimated the useful life of fixed assets as follows.

Buildings	60 Years
Plant and Machinery	10 Years
Office Equipment	5 Years
Computers	3 Years
Furniture and Fixtures	10 Years
Vehicles - Motor cars	8 Years

- iii) Intangible assets are amortized over their estimated useful life of asset.
- iv) Leasehold land is amortised equally over the lease period. The lease rentals are charged to revenue

F. Foreign Currency Transactions:

- i) Initial Recognition: Transactions in foreign currencies are initially recorded at the exchange rates prevailing on the date of the transaction.
- ii) Conversion: Foreign currency monetary items are reported at the closing exchange rates on Balance Sheet date.
- iii) Exchange Differences:
 - a) Exchange differences, arising on reporting of long-term foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of depreciable capital assets, are added to or deducted from the cost of assets and are depreciated over the balance life of the assets.
 - b) Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expense in the year in which they arise.

G. Investments:

Investments, which are readily realisable and intended to be held for not more than one year from the date of such investments, are classified as current investments. Current investments are carried at the lower of cost or quoted / fair value, computed category wise and long term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

H. Retirement benefits:

- i) i) Defined Contribution Plan: Company's contribution paid/payable during the year to Provident Fund and Employees State Insurance Corporation are recognized in the Statement of Profit and Loss.
- ii) ii) Defined Benefit Plan: At each reporting date, company's liability towards gratuity and leave encashment is determined by independent actuarial valuation using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation which is measured at the present value of estimated future cash flows using a discount rate. Actuarial gain/ losses are recognized in the Statement of Profit and Loss as income or expense.

I. Earnings per share:

- i) i) Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year.
- ii) ii) Diluted earnings per share is calculated by dividing the net profit or loss for the financial year attributable to equity shareholders by the weighted average number of equity shares outstanding including equity shares which would have been issued on the conversion of all dilutive potential equity shares unless they are considered anti-dilutive in nature.

J. Taxes on Income:

Tax expense, comprising of current and deferred tax have been determined and charged to statement of Profit & Loss.

i) Current Tax:

Provision is made for income tax liability estimated to arise on profit for the year at the current rate of tax in accordance with the Income tax Act, 1961.

ii) Deferred Tax:

In accordance with the Accounting Standard – 22 (AS 22) "Accounting for Taxes on income, the company recognizes the deferred tax liability in the accounts, Deferred tax resulting from timing difference between book and tax profits is accounted for at the current rate of tax. Deferred tax asset is recognized only when there is virtual certainty, supported by convincing evidence, that such assets will be realised.

iii) Minimum Alternate Tax (MAT) Credit:

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal tax within the specified period and the MAT credit available can be utilised. Such asset is reviewed at each Balance Sheet date and the carrying amount is written down if considered not recoverable within the specified period.

K. Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generation unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of profit and loss account. If at the balance sheet date there is

an indication that if previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

L. Business / Geographical Segments:

The Company is engaged in the business of Software development and service. Since the inherent nature of development of software and services all types are integrated and govern by the same set of risks and returns and operating in the same economic environment, these are treated as a single Business and Geographical Segment. The said treatment is in accordance with the Accounting Standard – 17, Segment Reporting.

M. Provisions and Contingent Liabilities:

- i) A provision is recognised when the Company has a present obligation as a result of past event it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
- ii) Contingent liabilities are disclosed when there is a probable 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, and such liability that may arise is termed as a contingent liability.

N. Prior Period Expense/Income:

The company follows the practise of making adjustments through “Expenses/Income under/ over provided “in previous years in respect of material transactions pertaining to in that period prior to the current accounting year.

O. General:

Accounting policies not specifically referred to above are in consistent with the generally accepted accounting principles followed in India.

22.3. Employee benefits (AS-15):

The following tables summarizes the components of expense / benefit recognized in the Statement of Profit and Loss and Balance Sheet for the respective employee benefit plans.

a. Statement of Profit and Loss

Particulars	Gratuity		Leave Encashment	
	Current Year	Previous Year	Current Year	Previous Year
Current Service Cost	7,30,350	8,01,431	(3,49,929)	53,279
Interest Cost on benefit obligation	2,02,748	2,04,813	(18,917)	15,343
Net Actuarial (Gain)/Loss Recognized in the year	(1,94,404)	(5,56,724)	22,40,063	(47,834)
Past Service Cost	NIL	NIL	NIL	NIL
Expenses recognized in Statement of Profit & Loss	7,38,694	4,49,520	18,71,217	20,788

b. Balance Sheet

Particulars	Gratuity		Leave Encashment	
	As at Mar 31, 2017	As at Mar 31, 2016	As at Mar 31, 2017	As at Mar 31, 2016
Opening defined benefit obligation	28,45,482	28,55,649	2,17,488	1,96,700
Interest Cost	2,02,748	2,04,813	(18,917)	15,343
Current service cost	7,30,350	8,01,431	(3,49,929)	53,279
Benefits paid	4,92,309	4,59,687	9,20,026	-
Actuarial (Gain)/Loss on obligation	(1,94,404)	(5,56,724)	22,40,063	(47,834)
Closing defined benefit obligation	30,91,867	28,45,482	11,68,679	2,17,488

The principal assumptions used in determining gratuity and leave benefit obligation in the above plans are as under:

Particulars	Current Year	Previous Year
Discount Rate	7.50 %	7.80 %
Employee turnover	NIL	NIL
Further salary rise	7.00 %	7.00 %
Mortality	Indian Assured Lives Mortality(2006-08)Ult	Indian Assured Lives Mortality(2006-08)Ult

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

22.4. Segment Reporting (AS-17):

The Company is engaged in the business of Software. Since the inherent nature of all software jobs are integrated and govern by the same set of risks and returns and operating in the same economic environment, these are treated as a single Business and Geographical Segment. The said treatment is in accordance with the Accounting Standard – 17, Segment Reporting.

22.5. Related Party Disclosures (AS-18):

Names of the related parties and nature of relationships and particulars of transactions with the said related parties during the year are as follows:

- a) Name of related parties and description of relationship:
 - i) Key Management Personnel
 - Sri. Madala Srinivasa Rao, Chairman
 - Sri.Madala Bhaskara Rao, WTD
 - Sri. Mandava Srinivas, CFO
 - Sri . B.Laxman, Company Secretary
 - ii) Subsidiary Comapnay
 - SoftSol Resources Inc., USA

Note: Information of related parties and the relationship is as identified by the Company on the basis of information available with them and relied upon by the auditors.

b) Aggregate Related Party transactions

	Key Management Personnel	Previous Year
Remuneration to Key Management Personnel (Incl. PF Contribution) (Previous Year)	29,03,140 (28,21,200)	---- ----
Sales to Subsidiary Company (Previous Year)	---- ----	1,63,17,368 (96,89,874)
Trade receivables from Holding Company (Previous Year)	---- ----	1,19,40,546 (84,49,219)

Note: As the liability for Gratuity is provided on actuarial basis for all the employees of the company as a whole, the amount pertaining to the Key Management Personnel is not ascertainable and therefore not included in the above.

22.6. Earnings per Equity Share (AS-20):

	Current Year	Previous Year
Net profit after tax (₹)	3,53,44,582	1,10,80,128
Weighted average number of equity shares	1,68,36,613	1,68,36,613
Basic Earnings per equity share ₹	2.10	0.66
Nominal value of shares (fully paid up) (₹)	10	10

22.7. Accounting for Taxes on Income (AS-22):

In terms of Accounting Standard 22, there are no deferred tax liabilities (Prev. year–Nil-) Following prudence, no deferred tax asset has been recognized (Previous year -Nil -).

22.8. Impairment of Assets (AS-28):

	Current Year	Prev. Year
i) Amount of impairment losses recognized in the Statement of Profit & Loss	Nil	Nil
ii) Amount of reversal of impairment losses recognized in the Statement of Profit & Loss	Nil	Nil
iii) Amount of impairment losses recognized directly against revaluation surplus	Nil	Nil
iv) Amount of reversals of impairment losses recognized directly in revaluation surplus	Nil	Nil

22.9. Contingent liabilities and commitments (AS-29):

(to the extent not provided for)

Particulars	As at 31st March 2017	As at 31st March 2016
(i) Claims against the company not acknowledged as debt		
A) Contingent liabilities:		
(i) Guarantees given by the bankers	23,30,812	23,30,812
(ii) Other money for which the company is contingently liable: Guarantee given to Citi Bank, N.A., for giving Stand by letter of credit (SBLC) to the wholly owned subsidiary of the company	NIL	9,60,00,000
B) Commitments:		
Capital commitments for investments in venture funds	67,50,000	1,20,00,000

22.10 Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November,2016 to 30th December,2016 are provided as under:

	SBNs (`)	Other denominations Notes (`)	Total (`)
Closing cash in hand as on 08-11-2016	11,000	14,286	25,286
(+) Permitted receipts	--	1,48,000	1,48,000
(-) Permitted payments		1,42,285	1,42,285
(-) Amount deposited in Banks	11,000	--	11,000
Closing cash in hand as on 30-12-2016	Nil	20,001	20,001

22.11. Other explanatory information:

22.11.1. Additional Information as required under Schedule III to the Companies Act, 2013 to the extent applicable to the company:

	Current year	Previous year
a) Value of Imports calculated on CIF Basis	Nil	Nil
b) Expenditure in Foreign Currency	Nil	Nil
c) Amount remitted during the year in foreign currency on account of dividends	Nil	1,78,96,964
No of Shares	Nil	1,49,14,137
Year to which dividend paid	Nil	2015-16
d) Earnings in foreign exchange - Export of Software on FOB basis	1,63,17,368	1,98,49,735

22.11.2. 22.11.2. During the financial year 2005-06, the Govt. of A.P. allotted a land of one acre to the company, bearing Plot No.6, in Sy.No.408/1, I.T. Industries Layout, Madhurawada Village, Visakhapatnam District on outright sale basis under its ICT policy 2005-10 at a consideration of Rs.10.00 lakhs per acre vide MOU dt.13.06.2005 and Agreement for sale of land dt.23.02.2006. Accordingly, the company

has paid the consideration and took possession of the same and started developing the same for its IT facility. Subsequently, on getting the permission from the Govt. of India for developing, operating and maintaining IT / ITES SEZ in the said land, the Govt. of A.P. converted the above sale of land into lease and fixed a one time lease payment of Rs.10.00 lakhs per acre and further fixed an annual lease rental of Rs.1,000/- per acre vide lease deed dated 05.02.2009. As per the above, the GOAP adjusted the amount of Rs.10.00 lakhs paid by the company towards sale consideration for the one time lease premium.

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

As the period of 10 years from the execution of the lease deed is not yet completed, the company is continuing to pay the annual lease rental of Rs.1,000/- and showing the said land as a leasehold land in the fixed asset schedule.

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

22.11.3. In the opinion of the board, the assets other than fixed assets and non-current investments, have a value on realization in the ordinary course of business of atleast equal to the amount at which they are stated in the balance sheet.

22.11.4. Previous year's figures have been regrouped wherever necessary to conform to the layout adopted in the current year.

Per our report of even date
for J V S L & Associates
Chartered Accountants
(Firm Regn.No:15002S)

For and on behalf of Board of Directors

J. Venkateswarlu
Partner
ICAI Ms.No.022481

Bhaskara Rao Madala
(DIN : 00474589)
Wholetime Director

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

Place: Hyderabad
Date: 30.05.2017

B. Laxman
Company Secretary

Srinivas Mandava
Chief Financial Officer

SOFTSOL INDIA LIMITED
(CIN: L7220TG1990PLC011771)

Regd. Off.: Plot No. 4, Software Units Layout, Madhapur, Hyderabad – 500 081.
Telephone: +91 (40) 30719500, Facsimile: + 91 (40) 30784306
E-mail: cs@softsol.com, Website: www.softsolindia.com

Share Transfer Agent: M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad - 500 032
CIN : U74140TG2003PTC041636

ATTENDANCE SLIP

27th Annual General Meeting

I hereby state that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company held on Friday, 29th day of September, 2017 at 10.00 a.m. at the Registered Office of the Company at Plot No. 4, Software Units Layout, Infocity, Madhapur, Hyderabad – 500 081, Telangana, India, or/any adjournment thereof.

Name of the attending Shareholder:.....
(in block letters)

Name of the Proxy:.....
(to be filled in if proxy attends)

Signature of Shareholder:.....

Signature of Proxy:.....

Registered Folio Number: or DP / Client ID No.
.....

Number of Shares held:

Note:

1. Shareholders/proxy holders are requested to bring the Attendance Slips with them duly completed when they come to the meeting and hand them over at the entrance, affixing their signature on them.
2. Members are informed that no duplicate attendance slips will be issued at the venue of the meeting.

SOFTSOL INDIA LIMITED

(CIN: L7220TG1990PLC011771)

Regd. Off.: Plot No. 4, Software Units Layout, Madhapur, Hyderabad – 500 081.

Telephone: +91 (40) 30719500, Facsimile: + 91 (40) 30784306

E-mail: cs@softsol.net, Website: www.softsolindia.com

Share Transfer Agent: M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032
CIN : U74140TG2003PTC041636

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Shareholder(s):.....
 Address of the Shareholder(s):.....
 E-mail Id:.....
 Folio No. / DP id & Client id:

I /We being the member(s) of Shares of SoftSol India Limited, hereby appoint:

1. Name:.....
 Address:.....
 E-mail Id:.....
 Signature:..... or failing him:
2. Name:.....
 Address:.....
 E-mail Id:.....
 Signature:..... or failing him:
3. Name:.....
 Address:.....
 E-mail Id:.....
 Signature:.....

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the company at Friday, the 29th day of September, 2017 at 10.00 a.m. at the Registered Office of the Company at Plot No. 4, Software Units Layout, Infocity, Madhapur, Hyderabad – 500 081, Telangana, India, or/ any adjournment thereof in respect of such resolutions as are indicated below:

1. To receive and adopt the audited financial statements of the Company (both standalone and consolidated) for the financial year ended on 31 March 2017 and together with the reports of the board of directors and auditors thereon.
2. To appoint a Director in place of Mr. Srinivasa Rao Madala (DIN: 01180432), who retires by rotation and does not, offer him for re-appointment.
3. To appoint M/s. JVSL & Associates, Chartered Accountants (FRN: 015002S), as auditors of the company.
4. To re-appoint Mr. Bhaskara Rao Madala as whole time Director at the company.

Signed this.....day of September 2017 (Affix Revenue Stamp)

Signature of Shareholder.....Signature of Proxy holder(s).....

Note: The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.