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**Walker Chandiook & Co LLP**

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

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

**Opinion**

1. We have audited the accompanying standalone annual financial results ('the Statement') of **SoftTech Engineers Limited** ('the Company') for the year ended **31 March 2021**, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, and;
  - (ii) gives a true and fair view in conformity with the applicable Accounting Standards ('AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the standalone net profit after tax and other financial information of the Company for the year ended 31 March 2021.

**Basis for Opinion**

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

**Emphasis of Matter**

4. We draw attention to Note 5 to the accompanying results, which describes the effects of uncertainties relating to 'COVID-19' pandemic outbreak on the Company's operations and management's evaluation of its impact on the accompanying results as at 31 March 2021, the extent of which is significantly dependent on future developments as they evolve. Our conclusion is not modified in respect of this matter.

**SoftTech Engineers Limited**

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

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

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

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

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

**SoftTech Engineers Limited**

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

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

**Other Matter**

12. The Statement includes the financial results for the half year ended 31 March 2021, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures for the half year ended 30 September 2020, which were subject to limited review by us.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No:001076N/N500013

**SHASHI**

**TADWALKAR**

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**Shashi Tadwalkar**

Partner

Membership No:101797

**UDIN:21101797AAAABG1402**

Place: Pune

Date: 25 June 2021

SoftTech Engineers Limited

Registered Office: SoftTech Towers, 1-Baner, Opp. Royal Enfield Showroom, Baner Road, Pune-411045

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

Statement of Standalone Financial Results for the year ended 31 March 2021

Amount in ₹

Sr. no.	Particulars	Half-year ended			Year ended	
		31 March 2021 (Unaudited) (refer note 4 below)	30 September 2020 (Unaudited)	31 March 2020 (Unaudited) (refer note 4 below)	31 March 2021 (Audited)	31 March 2020 (Audited)
<b>1</b>	<b>Income</b>					
	(a) Revenue from operations	222,493,636	193,242,001	309,422,004	415,735,637	579,470,196
	(b) Other income	6,644,123	3,318,962	6,069,282	9,963,085	9,542,788
	<b>Total income</b>	<b>229,137,759</b>	<b>196,560,963</b>	<b>315,491,286</b>	<b>425,698,722</b>	<b>589,012,984</b>
<b>2</b>	<b>Expenses</b>					
	(a) Purchases of software products	32,129,387	15,408,489	34,975,107	47,537,876	62,190,359
	(b) Employee benefits expense	52,214,371	48,023,109	54,952,757	100,237,480	110,902,823
	(c) Finance costs	12,327,338	11,429,362	9,799,552	23,756,700	16,921,518
	(d) Depreciation and amortisation expense	27,336,085	21,627,970	18,596,859	48,964,055	37,194,677
	(e) Professional fees for technical consultants	61,243,386	32,016,949	73,586,815	93,260,335	160,475,335
	(f) Other expenses	28,960,349	28,155,688	50,643,722	57,116,037	92,779,475
	<b>Total expenses</b>	<b>214,210,917</b>	<b>156,661,567</b>	<b>242,554,812</b>	<b>370,872,484</b>	<b>480,464,187</b>
<b>3</b>	<b>Profit before tax (1 - 2)</b>	<b>14,926,842</b>	<b>39,899,396</b>	<b>72,936,474</b>	<b>54,826,238</b>	<b>108,548,797</b>
<b>4</b>	<b>Tax expense</b>					
	Current tax	1,455,000	11,545,000	21,139,152	13,000,000	33,000,000
	Deferred tax charge/(credit)	3,209,270	(665,466)	(173,779)	2,543,804	(1,516,624)
<b>5</b>	<b>Net profit for the period/year (3 - 4)</b>	<b>10,262,571</b>	<b>29,019,862</b>	<b>51,971,101</b>	<b>39,282,434</b>	<b>77,065,421</b>
<b>6</b>	<b>Paid-up equity share capital</b> (Face value per share, ₹10 each)	94,666,720	94,666,720	94,224,760	94,666,720	94,224,760
<b>7</b>	<b>Reserves (excluding revaluation reserves ₹ Nil)</b>	-	-	-	628,296,641	589,073,567
<b>8</b>	<b>Earnings per share (of ₹10 each)</b> <b>(not annualised):</b>					
	(a) Basic	1.08	3.07	5.52	4.15	8.18
	(b) Diluted	1.08	3.06	5.48	4.14	8.12

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

Amount in ₹

Sr. no.	Particulars	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
<b>A</b>	<b>Equity and liabilities</b>		
<b>1</b>	<b>Shareholders' funds</b>		
	(a) Share capital	94,666,720	94,224,760
	(b) Reserves and surplus	628,296,641	589,073,567
		722,963,361	683,298,327
<b>2</b>	<b>Share application money pending allotment</b>	-	220,980
<b>3</b>	<b>Non-current liabilities</b>		
	(a) Long-term borrowings	196,472,232	167,233,425
	(b) Other long-term liabilities	1,310,590	50,000
	(c) Long-term provisions	11,057,858	8,870,092
		208,840,680	176,153,517
<b>4</b>	<b>Current liabilities</b>		
	(a) Short-term borrowings	105,740,175	108,630,172
	(b) Trade payables		
	Trade Payables - outstanding dues to micro enterprises and small enterprises	687,697	1,096,604
	Trade Payables - outstanding dues to other than micro enterprises and small enterprises	91,970,359	58,840,565
	(c) Other current liabilities	49,858,480	51,162,061
	(d) Short-term provisions	5,666,839	9,391,121
		253,923,550	229,120,523
	<b>Total</b>	<b>1,185,727,591</b>	<b>1,088,793,347</b>
<b>B</b>	<b>Assets</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	41,274,839	9,137,325
	(b) Intangible assets	158,507,601	100,176,541
	(c) Intangible assets under development	30,810,039	60,577,178
	(d) Non-current investments	30,193,335	17,432,080
	(e) Deferred tax assets (net)	10,575,987	13,119,791
	(f) Long-term loans and advances	47,196,926	30,945,663
	(g) Other non-current assets	90,093,300	96,738,365
		408,652,027	328,126,943
<b>2</b>	<b>Current assets</b>		
	(a) Current investments	49,866,746	85,220,553
	(b) Trade receivables	333,676,604	359,860,947
	(c) Cash and bank balances	1,078,092	1,215,898
	(d) Short-term loans and advances	10,371,124	6,738,172
	(e) Other current assets	382,082,998	307,630,834
		777,075,564	760,666,404
	<b>Total</b>	<b>1,185,727,591</b>	<b>1,088,793,347</b>

## SoftTech Engineers Limited

Registered Office: SoftTech Towers, 1-Baner, Opp. Royal Enfield Showroom, Baner Road, Pune-411045

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

## Standalone Cash Flow Statement

Amount in ₹

Particulars	Year ended 31 March 2021 (Audited)	Year ended 31 March 2020 (Audited)
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>54,826,238</b>	<b>108,548,797</b>
<b>Adjustments for:</b>		
Depreciation and Amortisation Expense	48,964,055	37,194,677
Unrealised gain on foreign currency transactions and translations (net)	(113,895)	-
Employees' stock option compensation	161,620	(325,838)
Finance costs	23,501,433	379,762
Bad debts and advances written off	3,689,400	16,773,138
(Reversal of)/Provision for doubtful debts	(1,931,702)	6,156,131
Loss on Sale of Equipment	435,495	(1,197,174)
Dividend income	(2,146,193)	(2,015,388)
Interest income on deposits	(5,096,248)	(5,375,990)
<b>Operating profit before working capital changes</b>	<b>122,290,203</b>	<b>160,138,115</b>
<b>Changes in working capital:</b>		
Increase in trade payables, liabilities and provisions	15,376,350	31,232,456
Decrease/(increase) in trade receivables	24,540,540	(176,266,372)
Increase in loans and advances and other assets	(77,953,355)	(47,609,902)
<b>Cash (used in)/generated from operations</b>	<b>84,253,738</b>	<b>(32,505,703)</b>
Direct taxes paid (net)	(31,953,394)	(19,048,985)
<b>Net cash (used in)/ generated from operating activities</b> (A)	<b>52,300,344</b>	<b>(51,554,688)</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment (including intangible assets and intangible assets under development)	(104,420,379)	(67,763,880)
Investments in subsidiary companies	(12,761,255)	(11,559,706)
Purchase of mutual fund units	-	(110,000,000)
Proceeds from sale of mutual fund units	35,353,807	133,744,588
Fixed deposits including balances in escrow account placed	3,358,523	(12,727,472)
Interest received	7,414,537	1,035,297
Dividend received	2,146,193	2,015,388
<b>Net cash used in investing activities</b> (B)	<b>(68,908,574)</b>	<b>(65,255,785)</b>
<b>Cash flow from financing activities</b>		
Share application money pending allotment	-	220,980
Repayment of long-term borrowings	(10,801,322)	(36,004,543)
Proceeds from long-term borrowings	53,261,428	121,500,000
Dividend paid (including dividend distribution tax paid)	-	(5,659,068)
Proceeds from short-term borrowings (net)	(2,889,997)	37,937,474
Interest paid	(22,063,193)	(13,941,836)
<b>Net cash generated from financing activities</b> (C)	<b>17,506,916</b>	<b>104,053,007</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b> (A+B+C)	<b>898,686</b>	<b>(12,757,466)</b>
Cash and cash equivalents at the beginning of the year	172,421	12,929,887
<b>Cash and cash equivalents at the end of the year</b>	<b>1,071,107</b>	<b>172,421</b>
<b>Cash and cash equivalents comprise of :</b>		
Cash on hand	30,794	5,794
Balances with banks (in current accounts)	1,040,313	166,627
	<b>1,071,107</b>	<b>172,421</b>

**Notes:**

- 1 The financial results are prepared in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other recognised accounting practices and policies, as applicable.
- 2 The above results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at their respective meetings held on 25 June 2021. There are no qualifications in the audit report issued for the year ended 31 March 2021.
- 3 The Company operates in a single reportable business segment, which is business consulting and software implementation and related support activities. Further, the Company operates primarily in India and there is no other significant geographical segment. Accordingly, no segment information has been submitted as a part of these financial results.
- 4 Figures for the half year ended 31 March 2021 and 31 March 2020 as reported in these financial results, are the balancing figures between audited figures in respect of the full financial years and the published/reviewed half-yearly financial results up to 30 September 2020 and 30 September 2019.

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

In March 2020, the World Health Organisations declared Covid-19 a global pandemic. Consequent to this, Government of India declared a nations wide lockdown, which has impacted normal business operations of the Company. In preparation of these financial results, the Company has taken into consideration internal and external sources of information to assess possible impacts of the pandemic, including but not limited to assessment of liquidity, assessment of recoverable and carrying value of certain assets such as property, plant and equipment, intangible assets, impact on revenues and receivables including unbilled revenue. Majority of customer base of the company are governmental authorities and due to delay in sanctioning new proposals, revenue from operations represents the declining trend post imposition of lockdown. The impact of Covid-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare Company's financial results, which may differ from impact considered as the date of approval of these financial results. Based on current indicators, the company has sufficient liquidity and it expects to recover the carrying value of its assets as stated in Statement of assets and liabilities. The Company has resumed its business activities from June 2020, in line with the guidelines issued by the Government authorities and has taken steps to strengthen its liquidity position and initiated cost restructuring exercise. The Company will continue to monitor any material changes to future economic conditions.

**Pune**  
**25 June 2021**

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

VIJAY  
SHANTISWA  
RUP GUPTA

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**Vijay Gupta**  
Managing Director

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**Walker Chandiook & Co LLP**

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

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

**Opinion**

1. We have audited the accompanying consolidated annual financial results ('the Statement') of SoftTech Engineers Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') for the year ended 31 March 2021, attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) includes the annual financial results of the following entities;  
SoftTech Engineers Inc.,  
SoftTech Finland OY,  
SoftTech Government Solutions Inc
  - (ii) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations, and;
  - (iii) gives a true and fair view in conformity with the applicable Accounting Standards ('AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the consolidated net profit after tax and other financial information of the Group, for the year ended 31 March 2021.

**Basis for Opinion**

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

## **SoftTech Engineers Limited**

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

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#### **Emphasis of Matter**

4. We draw attention to Note 5 to the accompanying results, which describes the effects of uncertainties relating to 'COVID-19' pandemic outbreak on the Company's operations and management's evaluation of its impact on the accompanying results as at 31 March 2021, the extent of which is significantly dependent on future developments as they evolve. Our conclusion is not modified in respect of this matter.

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

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

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

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

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

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

**Other Matter**

13. The Statement includes the annual financial information of three subsidiaries, which have not been reviewed/audited, whose annual financial information (before intercompany elimination) reflect total assets of ₹ 26,913,169 as at 31 March 2021, total revenues of ₹ Nil, total net loss after tax of ₹ 11,911,180 and cash flow (net) of ₹ 1,418,384 for the year then ended, as considered in the Statement. These financial information have been furnished to us by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiaries is based solely on such unaudited financial information. In our opinion, and according to the information and explanations given to us by the management, these financial information/ financial results are not material to the Group.

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

**SoftTech Engineers Limited**

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

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14. The Statement includes the consolidated financial results for the half year ended 31 March 2021, being the balancing figures between the audited consolidated figures in respect of the full financial year and the published unaudited year-to-date consolidated figures up to the half year of the current financial year, which were subject to limited review by us.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm Registration No:001076N/N500013

**SHASHI**

**TADWALKAR**

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SHASHI TADWALKAR  
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**Shashi Tadwalkar**

Partner

Membership No:101797

**UDIN:21101797AAAABH2692**

Place: Pune

Date: 25 June 2021

SoftTech Engineers Limited

Registered Office: SoftTech Towers, 1-Baner, Opp. Royal Enfield Showroom, Baner Road, Pune-411045

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

Statement of Consolidated Financial Results for the Year Ended 31 March 2021

Amount in ₹

Sr. no.	Particulars	Half-Year ended			Year ended	
		31 March 2021 (Unaudited) (refer note 4 below)	30 September 2020 (Unaudited)	31 March 2020 (Unaudited) (refer note 4 below)	31 March 2021 (Audited)	31 March 2020 (Audited)
<b>1</b>	<b>Income</b>					
	(a) Revenue from Operations	222,493,636	193,242,001	309,422,004	415,735,637	579,470,196
	(b) Other Income	6,743,972	3,232,125	6,239,094	9,976,097	9,669,247
	<b>Total Income</b>	<b>229,237,608</b>	<b>196,474,126</b>	<b>315,661,098</b>	<b>425,711,734</b>	<b>589,139,443</b>
<b>2</b>	<b>Expenses</b>					
	(a) Purchases of software products	32,129,387	15,408,489	34,975,107	47,537,876	62,190,359
	(b) Employee benefits expense	57,664,756	50,860,392	54,958,392	108,525,148	111,647,256
	(c) Finance costs	12,327,338	11,429,362	9,799,552	23,756,700	16,921,518
	(d) Depreciation and amortisation expense	27,336,085	21,627,970	18,596,859	48,964,055	37,194,677
	(e) Professional fees for technical consultants	64,340,981	29,587,163	79,057,794	93,928,144	165,946,314
	(f) Other expenses	27,380,486	32,858,148	46,973,449	60,238,634	98,825,958
	<b>Total Expenses</b>	<b>221,179,033</b>	<b>161,771,524</b>	<b>244,361,153</b>	<b>382,950,557</b>	<b>492,726,082</b>
<b>3</b>	<b>Profit before tax (1 - 2)</b>	<b>8,058,575</b>	<b>34,702,602</b>	<b>71,299,945</b>	<b>42,761,177</b>	<b>96,413,361</b>
<b>4</b>	<b>Tax expense</b>					
	Current tax	1,455,000	11,545,000	21,139,152	13,000,000	33,000,000
	Deferred tax charge / (credit)	3,209,270	(665,466)	(173,779)	2,543,804	(1,516,624)
<b>5</b>	<b>Net profit for the period/year (3 - 4)</b>	<b>3,394,305</b>	<b>23,823,068</b>	<b>50,334,572</b>	<b>27,217,373</b>	<b>64,929,985</b>
<b>6</b>	Net profit/(loss) attributable to:					
	- Equity Shareholders of the Company	3,396,209	23,856,387	50,287,026	27,252,596	64,908,500
	- Minority Interest	(1,904)	(33,319)	47,546	(35,223)	21,485
<b>7</b>	Paid-up equity share capital (Face value per share, ₹10 each)	94,666,720	94,666,720	94,224,760	94,666,720	94,224,760
<b>8</b>	Reserves (excluding revaluation reserves ₹ Nil)	-	-	-	600,435,963	573,242,727
<b>9</b>	<b>Earnings per share (of ₹10 each) (not annualised):</b>					
	(a) Basic	0.36	2.52	5.34	2.88	6.89
	(b) Diluted	0.36	2.52	5.30	2.87	6.84

SoftTech Engineers Limited  
Statement of Consolidated Assets and Liabilities

Amount in ₹

Sr. no.	Particulars	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
<b>A</b>	<b>Equity and liabilities</b>		
<b>1</b>	<b>Shareholders' funds</b>		
	(a) Share capital	94,666,720	94,224,760
	(b) Reserves and surplus	600,435,963	573,242,727
		695,102,683	667,467,487
<b>2</b>	<b>Share application money pending allotment</b>	-	220,980
<b>3</b>	<b>Minority interest</b>	27,305	74,166
<b>4</b>	<b>Non-current liabilities</b>		
	(a) Long-term borrowings	196,472,232	167,233,425
	(b) Other long-term liabilities	1,310,590	50,000
	(c) Long-term provisions	11,057,858	8,870,092
		208,840,680	176,153,517
<b>4</b>	<b>Current liabilities</b>		
	(a) Short-term borrowings	105,740,176	108,630,172
	(b) Trade payables:		
	Total outstanding dues of micro enterprises and small enterprises	687,697	1,096,604
	Total outstanding dues of creditors other than micro enterprises and small enterprises	92,340,286	58,894,457
	(c) Other current liabilities	50,062,562	51,162,061
	(d) Short-term provisions	5,666,839	9,391,121
		254,497,560	229,174,415
	<b>Total</b>	<b>1,158,468,228</b>	<b>1,073,090,565</b>
<b>B</b>	<b>Assets</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Property, plant and equipment	41,274,839	9,137,325
	(b) Intangible assets	158,507,601	100,176,541
	(c) Intangible assets under development	30,810,034	60,577,178
	(d) Non-current investments	379,800	379,800
	(e) Deferred tax assets (net)	10,575,987	13,119,791
	(f) Long-term loans and advances	47,037,753	30,896,539
	(g) Other non-current assets	90,093,300	96,738,365
		378,679,314	311,025,539
<b>2</b>	<b>Current assets</b>		
	(a) Current investments	49,866,746	85,220,553
	(b) Trade receivables	333,676,604	359,860,947
	(c) Cash and bank balances	3,791,442	2,510,865
	(d) Short-term loans and advances	10,371,124	6,841,827
	(e) Other current assets	382,082,998	307,630,834
		779,788,914	762,065,026
	<b>Total</b>	<b>1,158,468,228</b>	<b>1,073,090,565</b>

## SoftTech Engineers Limited

Registered Office: SoftTech Towers, 1-Baner, Opp. Royal Enfield Showroom, Baner Road, Pune-411045

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

## Consolidated Cash Flow Statement for the year ended 31 March 2021

Amount in ₹

Particulars	Year ended 31 March 2021 (Audited)	Year ended 31 March 2020 (Audited)
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>42,761,177</b>	<b>96,413,361</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expense	48,964,055	37,194,677
Loss on sale of equipment	435,495	-
Unrealised gain on foreign currency transactions and translations (net)	(113,895)	(448,259)
Employees' stock option compensation	161,620	379,762
Finance costs	23,501,433	16,773,138
Bad debts and advances written off	3,689,400	6,156,131
(Reversal of)/provision for doubtful debts	(1,931,702)	(1,197,174)
Dividend income	(2,146,193)	(2,015,388)
Interest income on deposits	(5,096,248)	(5,375,990)
<b>Operating profit before working capital changes</b>	<b>110,225,142</b>	<b>147,880,258</b>
<b>Changes in working capital:</b>		
Increase/(decrease) in trade payables, liabilities and provisions	15,896,467	32,589,915
(Increase)/decrease in trade receivables	24,540,540	(176,266,372)
Increase in loans and advances and other assets	(77,751,344)	(47,928,025)
<b>Cash (used in)/generated from operations</b>	<b>72,910,805</b>	<b>(43,724,224)</b>
Direct taxes paid (net)	(31,953,394)	(19,048,984)
<b>Net cash (used in)/ generated from operating activities (A)</b>	<b>40,957,411</b>	<b>(62,773,208)</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment (including intangible assets and intangible assets under development)	(104,420,370)	(67,763,880)
Purchase of mutual fund units	-	(110,000,000)
Proceeds from sale of mutual fund units	35,353,858	133,744,588
Fixed deposits (including balances in escrow account) placed	3,358,523	(12,727,472)
Interest received	7,414,537	1,035,297
Dividend received	2,146,193	2,015,388
<b>Net cash used in investing activities (B)</b>	<b>(56,147,259)</b>	<b>(53,696,079)</b>
<b>Cash flow from financing activities</b>		
Proceeds from shares issued to minority interest	-	14,222
Share application money pending allotment	-	220,980
Repayment of long-term borrowings	(10,801,322)	(36,004,543)
Proceeds from long-term borrowings	53,261,428	121,500,000
Dividend paid (including dividend distribution tax paid)	-	(5,659,069)
Proceeds from short-term borrowings (net)	(2,889,996)	37,937,474
Interest paid	(22,063,193)	(13,941,836)
<b>Net cash generated from financing activities (C)</b>	<b>17,506,917</b>	<b>104,067,228</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>2,317,069</b>	<b>(12,402,059)</b>
Cash and cash equivalents at the beginning of the year	1,467,388	13,869,447
<b>Cash and cash equivalents at the end of the year</b>	<b>3,784,457</b>	<b>1,467,388</b>
<b>Cash and cash equivalents comprise of :</b>		
Cash on hand	30,794	5,794
Balances with banks (in current accounts)	3,753,663	1,461,594
	<b>3,784,457</b>	<b>1,467,388</b>

**Notes:**

- 1 The financial results are prepared in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other recognised accounting practices and policies, as applicable.
- 2 The above results were reviewed by the Audit Committee and were thereafter approved by the Board of Directors at their respective meetings held on 25 June 2021. There are no qualifications in the audit report issued for the year ended 31 March 2021.
- 3 The Group operates in a single reportable business segment, which is business consulting and software implementation and related support activities. Further, the Group operates primarily in India and there is no other significant geographical segment. Accordingly, no segment information has been submitted as a part of these financial results.
- 4 Figures for the half year ended 31 March 2021 and 31 March 2020 as reported in these financial results, are the balancing figures between audited figures in respect of the full financial years and the published/reviewed half-yearly financial results up to 30 September 2020 and 30 September 2019.

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

In March 2020, the World Health Organisations declared Covid-19 a global pandemic. Consequent to this, Government of India declared a nations wide lockdown, which has impacted normal business operations of the Company. In preparation of these financial results, the Company has taken into consideration internal and external sources of information to assess possible impacts of the pandemic, including but not limited to assessment of liquidity, assessment of recoverable and carrying value of certain assets such as property, plant and equipment, intangible assets, impact on revenues and receivables including unbilled revenue. Majority of customer base of the company are governmental authorities and due to delay in sanctioning new proposals, revenue from operations represents the declining trend post imposition of lockdown. The impact of Covid-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare Company's financial results, which may differ from impact considered as the date of approval of these financial results. Based on current indicators, the company has sufficient liquidity and it expects to recover the carrying value of its assets as stated in Statement of assets and liabilities. The Company has resumed its business activities from June 2020, in line with the guidelines issued by the Government authorities and has taken steps to strengthen its liquidity position and initiated cost restructuring exercise. The Company will continue to monitor any material changes to future economic conditions.

**For and on behalf of the Board of Directors  
SoftTech Engineers Limited**

VIJAY  
SHANTISWARU  
P GUPTA

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**Vijay Gupta**  
Managing Director

Place : Pune  
Date : 25 June 2021

Date: 25.06.2021

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

Dear Sir/ Madam,

Scrip Code: SOFTTECH

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

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

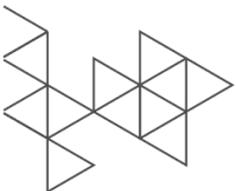
We request you to take above information on your record.

Thanking You,

**For SoftTech Engineers Limited**



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



**SoftTech Engineers Limited**

CMMi/3, ISO 9001: 2015

CIN: L30107PN1996PLC016718

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

T : +91 20 67183711 | enquiries@softtech-engr.com | www.softtech-engr.com

Date: 25.06.2021

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

Dear Sir/ Madam,

Scrip Code: SOFTTECH

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

Pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, we hereby declare and confirm that the Statutory auditors of the Company, M/s. Walker Chandiook & Co LLP, Chartered Accountants have issued the Audit Report with unmodified opinion, in respect of Financial Results of the Company for the half year and Financial year ended 31<sup>st</sup> March, 2021.

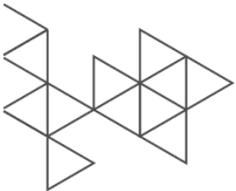
We request you to take above information on your record.

Thanking You,

**For SoftTech Engineers Limited**



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



**SoftTech Engineers Limited**

CMMi/3, ISO 9001: 2015

CIN: L30107PN1996PLC016718

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