

SE/2022/1102

Date: November 2, 2022

To,
National Stock Exchange of India Ltd,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East), Mumbai- 400051
Maharashtra, India.

Scrip: FIDEL

SUB: Outcome of Board Meeting

Dear Sir/Madam,

This is to inform you that the Board of Directors at its meeting held today, i.e. on November 2, 2022 have approved the following

1. Unaudited Standalone Financial Results for the quarter and half year ended 30th September, 2022.
2. 'Nil Report' for statement of deviation or variation for the funds raised by Initial Public Offer, as approved by the audit committee.
3. Appointment of Ms. Neha Amod Joshi as the Company Secretary and Compliance Officer

The results along with the copy of limited review report duly signed by the Auditors of the Company together with a copy of the 'Key Takeaways' and 'Nil Report' for statement of deviation or variation for the funds are enclosed herewith. The aforementioned documents shall also be available on the Company's website at www.fidelsoftech.com.

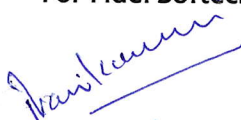
The Board meeting commenced at 11 am and ended at 12.05 pm.

Request you to take this on your record.

Thanking you.

Yours faithfully,

For Fidel Softech Limited


Prachi Kulkarni
Managing Director



Fidel Softech Limited

(Formerly known as Fidel Softech Pvt. Ltd.) CIN - U72200PN2004PLC020061
Unit No. 202, 2nd Floor, West Wing, Marisoft IT Park 3,
Kalyani Nagar, Vadgaon Sheri, Pune - 411014. MH. India.



FIDEL SOFTECH LIMITED
(Formerly known as Fidel Softech Private Limited)
CIN - U72200PN2004PLC020061

Unit No. 202, 2nd Floor, Marisoft 3, West Wing, Pune, Maharashtra 411014

Website - www.fidelsoftech.com; Email : cs@fidelsoftech.com

Statement of Unaudited Financial Results for the half year ended September 30, 2022 Pursuant to regulation 33 of SEBI (LODR) Regulation, 2015

(Rupees In Lakhs except EPS)

	Particulars	Quarter ended 30th Sept 2022	Quarter ended 30th June 2022	Quarter ended 30th Sept 2021	Year till date 30th Sept 2022	Year till date 30th Sept 2021	Year ended 31 March 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	862.51	681.81	640.97	1,544.32	1,167.58	2,631.31
II	Other income	17.25	14.26	12.21	31.18	24.07	55.47
III	Total Income (I+II)	879.76	696.07	653.18	1,575.50	1,191.65	2,686.78
	Expenses						
	Cost of Services	229.19	223.94	204.41	450.53	359.41	716.19
	Employee benefits expense	353.54	346.74	289.80	700.28	571.96	1,169.52
	Finance costs	(0.39)	3.36	4.17	2.97	8.01	15.72
	Depreciation and amortization expense	7.43	1.96	4.80	9.39	9.56	18.22
	Other expenses	63.91	47.85	29.99	114.03	55.70	138.04
IV	Total expenses	653.68	623.86	533.17	1,277.21	1,004.65	2,057.70
V	Profit before exceptional items and tax (III-IV)	226.08	72.21	120.01	298.30	187.00	629.07
VI	Exceptional items:	-	-	-	-	-	-
VII	Profit before tax (V-VI)	226.08	72.21	120.01	298.30	187.00	629.07
VIII	Tax expense						
	Current tax	56.13	20.28	19.27	76.40	30.03	101.03
	Previous Year	0.53	-	-	0.53	-	10.65
	Deferred tax	(0.17)	(1.74)	(1.70)	(1.91)	(4.48)	60.89
IX	Profit after tax (VII-VIII)	169.59	53.68	102.44	223.27	161.45	456.50
X	Paid up Equity Share Capital (Face value of Rs 10 each)	1,375.06	1,375.06	25.26	1,375.06	25.26	1,010.26
XI	Reserves & Surplus						477.93
XII	Earnings per equity share						
	(1) Basic	1.37	0.49	1.01	1.81	1.60	4.52
	(2) Diluted	1.37	0.49	1.01	1.81	1.60	4.52

- The above results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 2nd November 2022.
The limited review of the financial results for the quarter ended and half year ended 30th September 2022 have been carried out by the statutory auditors.
- The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, and the relevant provisions of the Companies Act, 2013.
- The previous year's figures have been regrouped/ reclassified, wherever necessary to conform to the current year presentation.
- Company is operating only in one segment, namely Language Technology Services and Consultancy Services
As part of secondary reporting, revenue is attributed to geographical areas based on the location of the customers as per the details below:

(Rupees In Lakhs)

Particulars	Quarter ended 30th Sept 2022	Quarter ended 30th June 2022	Quarter ended 30th Sept 2021	Year till date 30th Sept 2022	Year till date 30th Sept 2021	Year ended 31 March 2022
Domestic Revenue	75.68	96.83	89.68	172.52	199.21	366.04
Export Revenue	786.83	584.97	551.29	1,371.80	968.37	2,265.26
Total	862.51	681.81	640.97	1,544.32	1,167.58	2,631.31

- As the Company has listed on the Emerge platform of the National Stock Exchange of India Limited ("NSE EMERGE") w.e.f 10th June 2022, the Company had not prepared the financial results for the previous year quarters. However, comparative figures of quarter ended September 30, 2021 and half year ended September 30, 2021 have been restated by the Management of the Company and prepared by exercising necessary due diligence to ensure that the Financials reflect true and fair view of Company affairs and these comparative figures have not been subjected to Auditor's review.

For and on behalf of the Board of Directors of
Fidel Softech Limited
CIN: U72200PN2004PLC020061

Prachi Kulkarni
Managing Director
DIN: 03618459
Date: 2nd November 2022
Place: Pune



FIDEL SOFTECH LIMITED

(Formerly known as Fidel Softech Private Limited)

CIN - U72200PN2004PLC020061

Unit No. 202, 2nd Floor, Marisoft 3, West Wing, Pune, Maharashtra 411014

Website - www.fidelsoftech.com; Email : cs@fidelsoftech.com

Statement of Unaudited Financial Results for the half year ended September 30, 2022 Pursuant to regulation 33 of SEBI (LODR) Regulation, 2015**Statement of assets and liabilities as at 30 September 2022**

(Rupees In Lakhs)

Particulars	As at 30 September 2022 UnAudited	As at 31 March 2022 Audited
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	1,375.06	1,010.26
Reserves and surplus	1,549.67	477.93
	2,924.73	1,488.19
Non-current liabilities		
Long Term Provisions	128.45	114.26
	128.45	114.26
Current liabilities		
Short Term Borrowings	-	162.00
<u>Trade payables</u>		
Dues to Micro and Small Enterprises	5.49	3.98
Dues to Creditors other than Micro and Small Enterprises	135.70	69.26
Other current liabilities	150.64	161.03
Short Term provisions	12.76	11.64
	304.58	407.91
TOTAL	3,357.76	2,010.36
ASSETS		
Non-current assets		
Property, Plant and Equipment and Intangible assets		
Property, Plant and Equipment	47.13	14.33
Deferred tax assets (net)	43.21	41.30
Non Current Investments	0.15	0.15
Long term loans and advances	385.20	420.91
Other Non Current Assets	46.84	47.62
	522.53	524.31
Current assets		
Current investments	1,152.02	199.12
Trade receivables	818.38	586.39
Cash & Cash Equivalents	165.77	41.02
Other bank balances	234.84	226.99
Short-term loans and advances	395.47	312.03
Other current assets	68.76	120.50
	2,835.23	1,486.05
Total	3,357.76	2,010.36

For and on behalf of the Board of Directors of
Fidel Softech Limited

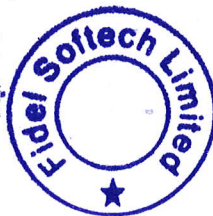
CIN: U72200PN2004PLC020061

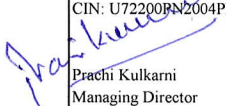
Prachi Kulkarni
Managing Director

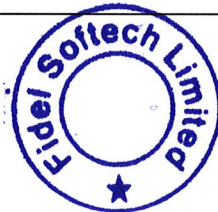
DIN: 03618459

Date: 2nd November 2022

Place: Pune



FIDEL SOFTECH LIMITED (Formerly known as Fidel Softech Private Limited) CIN - U72200PN2004PLC020061 Unit No. 202, 2nd Floor, Marisoft 3, West Wing, Pune, Maharashtra 411014 Website - www.fidelsoftech.com; Email : cs@fidelsoftech.com		
Statement of Unaudited Cash Flow for the half year ended September 30, 2022 Pursuant to regulation 33 of SEBI (LODR) Regulation, 2015		
(Rupees In Lakhs)		
Particulars	Half Year ended 30 September 2022	Year ended 31 March 2022
Cash flow from operating activities :		
Profit before tax	298.30	629.07
Adjustments for:		
Depreciation and amortisation expenses	9.39	18.22
Interest income	(26.41)	(46.59)
Loss / (profit) on sale of investments	(0.55)	(7.25)
Finance cost	2.97	15.72
Bad Debt Expense	9.99	1.33
Sundry Balances written back	(0.16)	(2.44)
CSR Expense	5.06	-
Unrealised Foreign Exchange (Gain)/Loss	(9.82)	(1.51)
Operating (loss)/profit before working capital changes	288.76	606.56
Changes in working capital		
Decrease/(Increase) in Trade receivables	(232.16)	(287.42)
Decrease/(Increase) in Short-term loans and advances	(104.26)	(119.56)
Decrease/(Increase) in Other current assets	54.33	(2.57)
Increase/(Decrease) in Long Term Provisions	14.19	36.36
Increase/(Decrease) in Trade payables	68.10	(35.96)
Increase/(Decrease) in Other current liabilities	(15.45)	(304.31)
Increase/(Decrease) in Short-term provisions	1.12	4.99
Cash (used in) operations	74.63	(101.90)
Tax Expense	(56.12)	(142.90)
Net cash (used in) operating activities	18.50	(244.79)
Cash flow from investing activities :		
Purchase of tangible fixed assets	(42.19)	(7.26)
Interest received on bank deposits	5.76	13.44
Proceeds from sale/(purchase) of investments	(952.89)	160.05
Proceeds from sale/(additions) of Non Current Deposits	(1.80)	101.99
Increase in Current Deposits	(7.85)	(7.11)
(Increase)/Decrease in Loan and Advances given	35.72	(102.41)
Interest received on intercorporate loans	20.64	33.15
Profit earned on sale of investments	0.55	7.25
Net cash (used in) / generated from investing activities	(942.06)	199.10
Cash flow from financing activities :		
Increase/(Repayment) in borrowings	(162.00)	97.07
Finance Cost	(2.97)	(15.72)
Increase in share capital	1,349.76	-
Issue Expenses	(136.49)	-
Net cash (used in) / generated from financing activities	1,048.30	81.35
Net (decrease) / increase in cash and cash equivalents	124.75	35.66
Cash and cash equivalents		
At the beginning of the year	41.02	5.37
At the end of the year	165.77	41.02
Cash & Cash Equivalents Breakup		
Cash on hand	0.10	0.09
Balances with banks	165.67	40.94
For and on behalf of the Board of Directors of Fidel Softech Limited CIN: U72200PN2004PLC020061  Prachi Kulkarni Managing Director DIN: 03618459 Date: 2nd November 2022 Place: Pune		



KIRTANE & PANDIT LLP

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE QUARTERLY AND HALF YEARLY STATEMENT OF UNAUDITED FINANCIAL RESULTS

To the Board of Directors of
Fidel Softech Limited

1. We have reviewed the accompanying statement of unaudited financial results of **Fidel Softech Limited** (the "Company") for the quarter and half year ended September 30, 2022 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of interim financial information consists of making enquiries, primarily of persons responsible for financials and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. **Emphasis of Matter**

Attention is drawn to Note no. 5 of the Results which states that the comparative figures for quarter ended September 30, 2021 and half year ended September 30, 2021 as reported in the accompanying Statement have been prepared and presented by the Management of the Company and have not been subjected to our review. Our conclusion is not modified in respect of this matter.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.105215W/W100057



Suhrud Lele

Partner

Membership No.: 121162

UDIN: 22121162BBTDEX5812



Pune, November 2, 2022

2nd November 2022

From the desk of our Managing Director

Fidel is on a strong start with a holistic approach on growth and sustainability:

- Fidel Softech revenue grows 26.50% QoQ and 34.6% YoY for Q2 FY23
- Revenue for H1 of FY 23 grows by 32% vis-à-vis H1 of FY 22.
- PBT for Q2 has grown 3.13 times as against last quarter whereas the PAT has grown 3.15 times
- EPS shows a growth from **0.49 in Q1 FY 23 to 1.37 in Q2 FY 23.**
- Positive Cash Generation from Operations during the half year.

Financial Highlight for July to Sep Quarter 2022-23

This was our first Quarter where we have started utilizing the IPO funds raised for our working capital usage in branding (event participation, advisory appointment), sales and marketing (hiring, increase in event participation, digital marketing), business performance optimization (O365 implementation across the firm).

(Rupees in Lakhs)

Particulars	Q2 FY 22-23
Sales and Marketing Team onboarded	4.18
IT Infra	40.18
Membership and Event Fees	1.40
Certification Charges	2.60

And we can see the results due to the new employees and clients coming onboard.

(Rupees in Lakhs)

Particulars	Q2 FY 22-23	Q1 FY	Q2 FY 21 -22
Revenue	862.51	681.81	640.97
EBITDA	233.12	77.54	128.97
Profit Before Tax	226.08	72.21	120.01
Profit After Tax	169.59	53.68	102.44
EPS	1.37	0.49	1.01

Some of the key wins and strategic insights for the quarter include –

- New esteemed clients added to our customer base thereby increasing the client onboarding velocity.
- Increase in quantum of value from the multi-lingual data creation project received in Q1.
- Increase in number of engineers on the multi-lingual system development for the New Ireland based client.
- Cloud based business queries increased and recently delivered security test for the US client.
- ISO17001 for MTPE (Machine translation post edit) and localization domain achieved thereby establishing thought and quality leadership in India.
- Fidel participated in CITLoB event which helped it increase its reach in the localization clients / community in India.
- Strategy tie-up & MOU with a Japan based boutique consulting firm. The tie-up is in the areas of automation, ServiceNow, SAP based competency creation / support.
- Fidel added advisors like Anil Patwardhan (ex CFO of KPIT) and Deepak Shikarpur (ex Chairman CSI India and ex Executive Committee MCCA) to strengthen the advisory board and get mentorship around finance and branding.
- Directors and Officers Liability Insurance availed for protecting interest of Directors and Senior Management.

Fidel Softech Limited

(Formerly known as Fidel Softech Pvt. Ltd.) CIN - U72200PN2004PLC020061
 Unit No. 202, 2nd Floor, West Wing, Marisoft IT Park 3,
 Kalyani Nagar, Vadgaon Sheri, Pune - 411014. MH. India.



The increase in revenues is due to increase in business with multi-lingual data creation project as well as the multi-lingual system creation for our North Ireland client.

The hiring has been bit slow in this Quarter as there is still a mismatch between the skills and salary requirements. The overall business sentiment is strong and while we see some volatility in currency, spike in resourcing costs, company will better its PAT in coming quarters.

Way Forward –

Overall we have a very positive outlook for the remaining months of the year.

Our Growth is on track. Our order book is strong with around INR 12 CR for H2 with a healthy EBIDTA & PAT margins.

People hiring side pressure hopefully will subside and a wider pool should be available at reasonable salaries. Fidel also plans to focus on talent development, training and re-skilling existing staff. Investment in tool development and automation around data enrichment projects so as to better productivity and go for scale.

We have increased our focus on the US market with local hiring and sales partners appointment. We see some supply side issues for our Arabic localization projects where we are trying to ramp up the scale.

Our Chairman is attending a conference in USA and while we are hearing the recession word from the traditional IT services firms in US, we are seeing a supply side issue in the language engineering, data enrichment, AI-ML market and fairly cautiously confident. We see this as an opportunity to acquire good talent at reasonable salaries.

Our differentiated Lang + Engineering expertise, trusted delivery model and robust client relationships continue to fuel our growth. In addition, we are working with our clients to help them navigate and thrive in the evolving economic environment.

Finally, so far, we continue to see stable demand and requirements from our clients. We are working on a two-fold model - **Sustain and Improve** business performance and then **Grow** the scale of operations. This way, we are protecting the downside as well as opening ourselves for rapid growth.

We have a long-term view and continue to better our performance while navigating through the current business scenario.

Thank You.

Disclaimer

This note may contain "forward-looking statements" – these are statements related to future. In this context forward-looking statements often address our expected future business and financial performance and may contain words such as "expects, anticipates, intends, plans, believes, seeks, should or Will". For us uncertainties may arise from fluctuations in forex, increase in recruitment costs, attrition in key positions and other factors affecting the demand including those of a political, economic, business, competitive or regulatory nature. Actual future results may differ substantially or materially than those expressed in our note.

Statement of Deviation / Variation in utilization of funds raised

Name of listed entity	Fidel Softech Limited
Mode of Fund Raising	Public Issues / ~~Rights Issues~~ / ~~Preferential Issues~~ / QIP / Others
Date of Raising Funds	June 8, 2022
Amount Raised	Rs. 1,349.76 Lakhs.
Report filed for Quarter ended	September 30, 2022
Monitoring Agency applicable / not applicable	Not Applicable
Monitoring Agency Name, if applicable	-
Is there a Deviation / Variation in use of funds raised	Yes/ No
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	-
If Yes, Date of shareholder Approval	-
Explanation for the Deviation / Variation	-
Comments of the Audit Committee after review	Nil Report Approved
Comments of the auditors, if any	-
Objects for which funds have been raised and where there has been a deviation, in the following table	The object of the Initial Public Offer was 1. Funding working capital requirements; and 2. General corporate purposes.

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of Deviation/Variation for the quarter according to applicable object	Remarks if any
1. Funding working capital requirements; and	NA	INR 943.32 Lakhs	NA	INR 47.86 Lakhs	NA	None
2. General corporate purposes	NA	INR 269.95 Lakhs	NA	0	NA	None

Deviation or variation could mean:

- (a) Deviation in the objects or purposes for which the funds have been raised or
- (b) Deviation in the amount of funds actually utilized as against what was originally disclosed or
- (c) Change in terms of a contract referred to in the fund-raising document i.e. prospectus, letter of offer, etc.

For Fidel Softech Limited


Prachi Kulkarni
Managing Director
DIN: 03618459



Fidel Softech Limited

(Formerly known as Fidel Softech Pvt. Ltd.) CIN - U72200PN2004PLC020061
 Unit No. 202, 2nd Floor, West Wing, Marisoft IT Park 3,
 Kalyani Nagar, Vadgaon Sheri, Pune - 411014. MH. India.

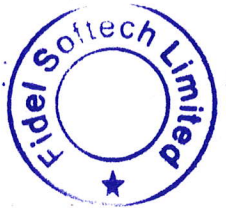


Information as required under Reg 30 SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 09, 2015

Appointment of Company Secretary and Compliance Officer

Reason for Change viz. appointment, ~~resignation, removal, death or otherwise~~	Filling the Vacancy created by resignation of earlier Company Secretary and Compliance Officer
Date of Appointment	November 2, 2022
Brief profile (in case of Appointment)	Mrs. Neha Amod Joshi is a qualified Company Secretary, Associate member of Institute of Company Secretaries of India (Membership Number A24974) and a Law Graduate, having 12+ years of experience in the field of Corporate Laws, SEBI Regulation Compliances and Investor Relations.
Disclosure of relationships between Directors	Not Applicable

Neha Joshi



Fidel Softech Limited

(Formerly known as Fidel Softech Pvt. Ltd.) CIN - U72200PN2004PLC020061
Unit No. 202, 2nd Floor, West Wing, Marisoft IT Park 3,
Kalyani Nagar, Vadgaon Sheri, Pune - 411014. MH. India.

