



2020 builds hope, 2021 ignites imagination.

**Modernization of  
Digital Payments infrastructure accelerates**



## Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## Contents

2	Payments modernization accelerates
10	RS Software lays foundation for transformation of developed world payment infrastructure
12	RS Software first company globally to build multi-rail payment system
14	Should Nordics be learning payments innovation from India?
18	Surge in global RTP transactions by 41% during the pandemic year
20	Digital payment trends in 2021
22	Chairman's overview
26	RS Software Growth strategy -> Revenue quality transformed -> Higher earning power -> Closer to profitability.
27	RS product suite finding global validation
28	Addressing business risks
30	The connected economy
40	RS Software product suite for the Connected economy
42	Innovation
44	Innovation - Blockchain at RS Software
46	RS Software Continuing to serve the nation in these critical times of Volatility, Uncertainty, Complexity and Ambiguity (VUCA)
48	Management Discussion Analysis
54	Board of Directors
56	Senior Executive Profiles
60	Notice
71	Director's report
123	Standalone Financial statement
210	Consolidated Financial statement



Hope lies in dreams, in imagination, and in the courage  
of those who dare to make dreams into reality.  
*Optimism is the faith that leads to achievements.*



- **There is no sector with a greater opportunity for technological advancement than the payments industry**
- **Existing infrastructure - cash, ACH, instant, cross-border payments, and card networks must converge and get rationalised → payments modernization**
- **RS Software achieves small wins to gain larger wins in this multi-decade opportunity**

## Payments modernization accelerates

Payment products are the connective tissue of financial institutions, serving as a major source of core revenue. But what are the business and technology priorities and market dynamics that drive this array of payment services? This is what payments modernisation achieves, and drives the opportunities for RS Software. Primary focus here is on real-time payments, rationalization of payment flows, digital ledger technology, central bank digital currencies, proximity payments and mobile wallets.

*The pandemic environment for the past year has been particularly favorable to payments modernization, with 79% of surveyed executives by Mercator indicating that payments technology modernization efforts have been boosted by the pandemic. Additionally, the advent of real-time and faster payments is similarly turning up the urgency of infrastructure modernization. If you fast forward to what the world might look like in two-five years, most of the world's payment flows, including B2B, B2C, C2B payments, if they all happen instantly and the efficiency gains across the payments landscape across treasury management, **we think there is seismic shift about to happen.***



This urgency corresponds with rising consumer expectations for new services, which will translate into new revenue streams for financial institutions. For example, most executives agree that real-time payments will drive new revenue streams and that they are already receiving client requests for this service.

Digital transformation continues to alter traditional business models across several industries such as retail, transport, and travel, to name a few. While the financial services industry is yet to experience a sea change of equal measure, **a number of payments processes and business banking touchpoints**

**are indeed undergoing transformation.**

As clients demand speedier transaction processing, convenient access to information and accurate tracking at a low cost, these customer requirements have been a catalyst for banks yearning to explore new ways to create efficiency, manage margin and price compressions better.

Banks, in their current myopia, must deliver an efficient consumer experience for all parties across the entire value chain and determine the core technologies needed to digitally transform their infrastructure, enabling scalability, interoperability and ubiquity.

## The Instant Payments narrative



The instant payments trend has picked up pace, and the narrative around the benefits has evolved. Much has been made of the benefits of instant payments for businesses through incremental liquidity gains – and these are certainly valuable. But today, as we continue to explore the use cases and in the context of an ultra-low-interest-rate environment, many businesses are concluding that the most compelling edge that instant payments offer comes from the ability to significantly improve customer service. As an example in e-commerce which is growing at a very fast pace, especially in the Covid-19 era, online retailers can offer instant refunds, and in insurance, a driver can cover payment of a rental car after an accident, are some great use cases. Request to Pay decreases the time taken for the customer to fish out credit cards or log into various banking portals in favour of giving a simple set of bank details and confirming the transaction.

In years to come, instant payments will be the new normal. The new generation of treasurers will not accept that in an instant world a payment takes one to two days or even longer to reach the beneficiary. This will have an impact on the processes of corporate treasuries

when they are currently not prepared to receive payments on weekends, for example.

So, what should the roadmap to increased uptake of instant payments look like? In terms of the next steps, there is the importance of systematic and measured advancement across the industry: The rails need to be the foundation onto which everything else is built - we can't drive the value in the rails themselves. Yes, we need 24/7, clean settlement, and a ubiquitous reach across the industry, but that is where the instant payment rails themselves need to focus. The financial institutions and the fintechs are the ones that need to create the value on top of those rails. For example, when the rail tracks were built a couple of centuries ago, no one built those tracks for fun. They were built to connect communities, which enabled new ways of conducting trade. That is exactly how we need to look at instant payments. Today, we have the rails, but we need Request to Pay, QR code payments, more merchant engagement, more corporate engagement in instant payments, and so on. That's not going to happen just because the rails are there.

The pandemic deeply entrenched the digital agenda, especially for payments, and financial institutions recognise that **the effects of Covid-19 are likely to have a permanent impact on the industry**. 74% of European banks see an increased need to enhance their digital services, and 65% believe that banks must increase their speed of innovation. **This immense pressure to digitise is being played out across the globe, as regulators and industry bodies scramble to expedite timelines for the modernisation of payments systems.** Currently, the industry runs several types of infrastructure, including automated clearing houses (ACHs), instant, cross-border payments, and card networks, leaving plenty of scope for rationalising the cost base. There is a great case to make one infrastructure serve all the relevant markets.



## Rationalisation with ISO 20222

During a recent panel discussion at an important industry event of European banking association, moderator Tanja Haase, customer engagement lead - transaction management, SWIFT said, **"In a few years we will have similar ISO 20022 formats and processes for mass payments, instant payments, high value payments, and cross border payments all around the world."**

Yes, there will be local flavours, but in the end, this is only a minor issue. ISO 20022 is the common language for financial messaging, I would say it is the lingua franca of payments."

The most fitting word is 'opportunity' for Neil Brady, head of transition and surveillance operations, Deutsche Bank. He explained that ISO 20022 is an opportunity for the industry to rationalise processes and the legacy infrastructure that we have across many of our institutions.

"We can do this as a result of the enriched data, **the more structured data that we'll receive in the future within the payment landscape.** Also, with any opportunity there's going to be risks and challenges, but at the end of the day I think this is basically one opportunity that we all have to embrace."

Daniele Pasqualini head of GTB RFP and onboarding, Intesa Sanpaolo, argued that 'awareness' is the key word here. "This is because we're working in several ISO projects and working groups such as TARGET2 and correspondent banking."

## Do we really need Central Bank Digital Currencies?

Considering the ECB's recent public consultation on the digital euro, Facebook's progress with the Diem Association, El Salvador becoming the first country to adopt Bitcoin, cryptocurrency exchange Binance ordered to cease UK activity, Sweden potentially participating in ICOs, the Bahamas having issued the Sand Dollar and JP Morgan creating digital coin JPM Coin, do we really need central bank digital currencies?



At a recent panel discussion, Led by Robert Bosch, partner at Bearing Point, Marion Laboure, macro-strategist at Deutsche Bank and lecturer in economics and finance, economic faculty at Harvard University addressed these developments and opened the discussion with an exploration around the definitions of cryptocurrencies, stablecoins, and CBDCs. Referring to the Bank of International Settlements' taxonomy of money called 'the money flower', Laboure stated that money can be defined with four different dimensions: demand, accessibility, digital vs. physical and transmission.

Sophia Bantanidis, head of regulatory strategy and policy, TTS innovation, treasury and trade solutions, Citi also referred to the BIS taxonomy: "There is no legal definition of what a CBDC is, there's a taxonomy around it, but there is no clear, precise definition because it could refer to a number of different concepts. The fact is that we could end up with a combination of new forms of central bank money in the form of CBDCs, alongside existing central bank money like we have today."

While it is evident that there is a power play occurring between different types of digital money and there are several approaches across the globe, Naveen Mallela, global head of coin systems, ONYX, JP Morgan draws attention to commercial bank digital currencies, namely JPM Coin. In addition to the four dimensions of the money flower, Mallela said **"it is about creating new infrastructure, creating new rails, providing the ability to have value-added products and services, leveraging programmability, the ability to offer our clients better express ability, especially as we move towards an economy of things and machine to machine payments."**

## Trends in global payments innovation leading to better customer experience, and influencing regulators

Are Open banking and PSD2, pushed by EU regulator key innovations that will transform the customer experience in the payments world? Can these innovations be just as applicable globally? Is the push for real-time/instant payments the innovation that will transform the payments world globally? These are some of the questions that were brainstormed during a recent panel discussion at a global industry event. Sabrina Small, managing consultant of Lipis Advisors set the tone of the session as she stated that what remains important about innovation, is that the best technical solution or flash of inspiration will come to solving a customer problem. Achieving economic success and solving a problem is what innovation should be about, "that is its real goal," she argued.

Yet, the conundrum of global innovation as a concept, Small acknowledged that "the idea that innovation can be global, is often trumped by what the specificities of a given payments environment are, and the banking environment itself.

On the back of this observation, Small posited her first question, asking Michel Vaja, head of payments consulting, Icon Solutions, what he feels is the most interesting payments innovation of the past five years. Vaja responded that the answer is clearly open banking and the PSD2 evolution. Why? "Because the bottom line is, that it pushed banks to rethink their definition of value." He argued that it has encouraged banks to rethink the way they serve their customers and that it has shifted the thinking around what they can do with the data they hold. The bank accounts have become data commodities of sorts.

Jon Levine, co-head of institutional banking, Banking Circle, countered that while Vaja's suggestion was strong it wouldn't make any of Levine's top three choices. For him it's all about instant payments for low value clearing. "To me, this is the seminal event. While it isn't 100% adopted everywhere yet, it is fundamentally such a game changer."

Turning the conversation to regulation, Small asked Adrian Smyth, head of innovation and strategic partnerships, NatWest, about the role regulation should play in promoting innovation.

While banks like regulation, Smyth noted that "we're missing the benefits of customers is where it goes appropriate above that." He explained that open banking in the UK has been a great example of where banks were directed to open up via those API's to accounting details, payment details, service details etc. "What you then see is the innovation above that, which is where they've taken the opportunity to drive different opportunities for customers in the payment acceptance space and the payment disbursement space." "There is a clear view of where banks can just be compliant but need to look at the opportunity to see what you can do better for your customers."

Beyond these examples, Smyth added that regulation around keeping customers safe and secure with Confirmation of Payee to counter push payment scams has been hugely beneficial in terms of leveraging the

open banking regulation, standards and standardisation, and enabling the industry to respond fairly quickly to that threat.

When it comes to considering how this regulation should be rolled out, Christian Schafer, head of global payments, corporate cash manager, Deutsche Bank, commented that the European Commission, has been focused on coming up with a clear, stakeholder-based strategy which sets a clear picture for the next couple of years.

"When it comes to the particular issuance of new regulation, I would feel that a stakeholder-based approach is key, and this approach would take some time. Also, I will say that the EU is fast enough in terms of coming up with new regulation or regulatory change. I also feel, particularly in Europe, the approach of stakeholder engagement and listening to the different interests and coming up with good solutions has gone very well - especially given the complexity we have in Europe."





## Technology that delivers – Cloud technology, data, Artificial intelligence and deep machine learning



How can cloud services and artificial intelligence help PSPs turn their big data into customer insights, and thereby enhance service provisions? How can predictive analytics aid in the fight against financial crime?

These are just some of the questions that came up for major discussion at an industry event. Moderator Kate Pohl, managing director, Senior Advisory, explored with panel speakers Sean Devaney, vice president strategy for banking and financial markets, CGI; Adrian Lovney, CEO, New Payments Platform Australia; Martin Moeller, senior financial services transformation executive, Microsoft; and Jan Pilbauer, CEO, BankservAfrica.

Kicking off proceedings, Devaney commented that cloud technology should be about helping businesses deliver on their core aims, and drive value for shareholders: "Cloud means spending less time on running IT," he said. "Big organisations – especially banks – often have bigger IT shops than most IT suppliers. So, leveraging technology infrastructures to support business aims can only be a good thing. Innovations like robotic process automation (RPA) and artificial intelligence (AI) can free up staff time, enabling them to focus on better and more interesting jobs. Cloud can remove that administrative and bureaucratic element."

Moeller also believes in the efficiency-driving potential of cloud services: "The idea of cloud is to make advanced technology a commodity, so that banks can focus on innovation. For instance, technology has made it cheaper and quicker to build a new bank from the ground up – this is something we have always assumed takes a considerable amount of time, whether it be via the greenfield or brownfield route. Once again, cloud has shifted the game."

Moeller's case study is yet another proof point of cloud technology making processes more streamlined. What's more, thanks to the support of cloud technology, Flowe is already fully data and AI-driven. "Even incumbent banks still struggle to do this," noted Moeller.

Lovney, however, was more cautious in his appraisal of cloud technology: "Yes, cloud makes processes easier and cheaper, but when you're running payments infrastructure projects from end-to-end, does agility really make things faster? We want things to develop in a sequential way. Stakeholders in the ecosystem need to get to certain milestones at the same time."

Agility makes it difficult to synchronise these efforts. While cloud is great for managing data, reinforcing security measures, and streamlining certain areas of DevOps, payments infrastructures are best built in a waterfall manner."

Indeed, many central payments infrastructures are yet to take advantage of cloud technology. Pilbauer, unlike Lovney, feels this is a missed opportunity: "Cloud has the potential to enable us to be much faster. But look around – how many national payments systems and solutions are actually running in the cloud? If they are running in the cloud, are they actually leveraging native cloud technology to deliver value, or have they simply moved into the cloud?"

Pilbauer likened the mindset toward cloud technology to handing the fastest axeman in a felling company a chainsaw. The axeman's felling speed drops, and after investigation, headquarters realises he has not turned the chainsaw on. "Like the axeman, we need to start the engine," he said.

Clearly, financial players need to focus more deeply on the implications of cloud, as opposed to just its implementation. So what exact benefits does cloud technology offer?

Moeller resonated with Pilbauer's analogy: "Cloud spans many different areas in financial services," he said. "For me, data, and the insights you get out of it, is key. Having data alone is like having a barrel of oil in the garage. It's really only valuable if you have an engine to bring horsepower to the road." Indeed, data should be harnessed by cloud technology to create efficiencies, fight fraud, and upscale customer service.

"We are working with shifting goal posts," continued Moeller. "When we talk about breaking down silos, we are often referring to banks, insurers, or PSPs, bringing together the vast amounts of structured data they possess internally. Five years ago, you'd have been in the middle of the pack if you'd managed that. You were at the top of the pack if you could augment that with unstructured data. Our industry is still moving along this line, but in reality, the true goalpost is breaking down even more silos by augmenting internal data with external data."

Yet, this may be one area where technology does not always solve the problem, contested Pilbauer. "Technology makes it possible to get more data – take ISO 20022, for instance," he responded. "But, we are struggling with bigger questions that need to be answered first, and technology cannot help us with them. Who owns the data? Who should be allowed to work with the data? How do we protect consumers' privacy?"

These are the challenges we need to overcome now."

Moeller agreed: "Technology is always just an enabler," he said. "If you want to be truly customer driven, you need to be data driven. Firms need to go above and beyond to really serve customers' needs."

Devaney pointed to the need to open access to data – particularly in the fraud space, where information sharing is lacking. "Banks don't see much benefit in this, because they are already working with a large number of transactions," he said. "But, many smaller organisations don't have access to that volume of data. Opening the space up – and allowing smaller organisations to operate on the same level playing field as large banks – will really help the industry as a whole serve and protect consumers."

Naturally, industry-wide data sharing will facilitate the growth and innovation we all expect from open banking, and regulators will be pivotal in encouraging data sharing going forward.

Diving deeper into the theme of financial crime, Moeller pointed out that further AI adoption is necessary for banks to continue "stepping up" to the high volume and sophistication of cyber criminals. "Some are so sophisticated, they're outplaying many banks," he warned. **The panel agreed that AI and machine learning technologies are a sure-fire way to tackle this rising tide of financial crime with speed, rigour, and cost effectiveness – particularly when compared to more traditional, manual methods.**





## Proximity payments

As the popularity of card and mobile-based proximity payments has increased, so has the POS infrastructure. **Between 2015 and 2019, the POS installed base grew from 47 million to 137 million units, and should keep expanding as Covid-19 pandemic bolstered contactless transactions.** In particular the percentage of mobile POS (mPOS) among total payment terminals shipments rose from 21% to 48%, with a six-fold increase in the number of units deployed per year. And by 2025, the annual volume of mPOS shipments is expected to grow by 50%, to reach 93 million units. **These rising trends in the mPOS infrastructure indicate the rapid migration towards a cashless system in the near future as well as the emergence of new in-person payment experiences.**

## Emerging Use Cases -Mobile first world

While at the table payments at restaurants and bars have been around for quite some time, or more recently in-aisle payments, to shorten the checkout queues in-store, many merchants are moving away from traditional - heavy, non-portable payment terminals with small screens, to provide their customers with a smooth checkout experience. Additionally, many small actors, who heavily relied on cash, such as taxi drivers, doctors, solicitors, etc. are also adapting to the new cashless society often using lightweight POS. Other areas involving mobile payments include click-and-collect, home delivery services, cashless events and on-the-spot fines.

There's a myriad of examples of how the cashless transition is taking place in the most unconventional and fascinating way. In 2019, a sports event at Mercedes Benz Stadium in the USA went completely cashless, resulting in savings of \$350,000 and significantly shorter queues at refreshment kiosks. In London, staff at fashion retailer Zara carry iPads that accept payments, thus creating mobile checkouts throughout the store. At Blue Cross, a UK animal welfare charity incorporated

'Tap Dogs' wearing special fundraising jackets to accept donations.

**Even tech giants are actively driving this transition through NFC wallets such as Apple Pay and Google Pay, and merchant-presented QR codes such as AliPay and WeChat. Some other notable examples include PIX, a government-backed QR code-based instant payment scheme in Brazil, or BHIM in India. Mobile wallets are accelerating in adoption.**



## The Pioneers driving the Innovation



Thanks to these actors leading the innovation, the payment industry is now able to mirror the latest consumption trends, hence providing the best possible payment experience to the merchants as well as the customers.

## Mobile wallets

More than one in two people will use a mobile wallet by 2025, as cash is increasingly displaced, finds a study from mobile payments company, Boku. **This equates to an increase of 2.7 to 4.8 billion wallets in use globally in the next four years.** There are many different types of mobile wallet ranging from dematerialised card containers such as Apple Pay to stored e-money accounts such as PayPal mobile, to telco wallets to crypto wallets.

Although mobile wallets are less obvious in Europe it is easy to see how Google Pay, Apple Pay etc will supersede plastic for card transactions; but look to Asia and Latin America for how the future will look with mass adoption of mobile payments. Following are global leaders.

**Alipay 870m mobile users, Wechat 800m, Paytm 450m, Apple Pay 383m.**

Leading the way in this transition is Southeast Asia, with a 25.5% compound annual growth rate (CAGR) and an expected overall growth of 311% in the next five years. The rise in e-commerce, and the dominance of super-apps like Grab and Gojek – particularly in markets such as the Philippines and Indonesia – are just some of the drivers of wallet adoption in this region.

Following closely behind – in areas where wallets are offering access to financial services for the underbanked – is Latin America, and Africa and the Middle East. These two regions are due to expand their usage of mobile wallets by 166% and 147%, respectively, by 2025. In Africa and the Middle East, adoption is being catalysed by the increasing usage of mobile money services, such as M-Pesa, which are offering improved access to e-commerce.

In Western Europe and North America, however, wallet uptake is moving more slowly – at 65% and 50% by 2025, respectively. This is a result of high levels of card penetration and contactless usage at physical points of sale. Nevertheless, markets such as the UK are seeing a spike in card-based mobile wallets, due to the adoption of contactless spurred on by the pandemic. Thanks to shifts like

## Nordic regulators demonstrate leadership in matching pace between regulation and payments modernisation

P27 initiative presents a situation where the Nordics' biggest banks have come together and tried to build an innovative framework. Navigating this landscape has been no utopia, and during this process it has been obligated to consider a future regulatory regime and account for legacy systems and basic infrastructure. Paul Thomalla, global head of payments at Finastra, argued that rather than regulation following innovation, it should be the other way around. Modernisation may turn regulation on its head. lot of work still to be done, creating significant market opportunities for companies like RS Software.

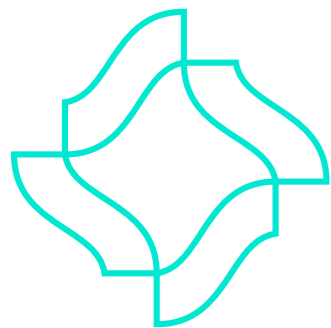


this, Boku predicts that three quarters of Europeans will be using a digital wallet by 2025.

"We are witnessing a paradigm shift in payments driven by mobile wallets," says Jon Prideaux, CEO at Boku. **"Mobile wallets have lowered the barrier to making digital payments and ushered billions of new consumers into e-commerce. These consumers are not in North America or Western Europe, they are in emerging markets, and while they don't have credit cards, they overwhelmingly have mobile wallets.** For global merchants, mobile payment acceptance is not about accepting one type of mobile wallet or another, but ensuring that consumers in every market will have the required selection on payment types in order to monetize transactions."

Boku's report follows an eventful week for the mobile wallets sector in Europe, with the merger of Vipps, MobilePay and Pivo as they look to compete against the likes of Alipay, Apple and Google.





Starting in 2010, RS Software invested in building RS Innovation Lab and RS School of Payments. One of the primary reasons was to **prepare the organization for the decades to follow**. The research identified the need for capabilities to build a mobile-first, API-first, and cloud-first world. Importantly, the vision was to respond quickly to global innovations and regulatory driven changes that followed, like faster payments, open banking, PSD2, GDPR, bill payments network, multi-channel, and fraud and risk management. Essentially, creation of a new world order in payments.

During the last 5 years RS Software has invested a significant amount in building suite of products that comply with international standards across the space of Real-time Payments, Electronic Invoice and Bill Presentment and Payment, Acquiring Platform both for in-premise and cloud-native deployment, Fraud and Risk Management platform with capability for deterministic rule-based detection as well as AI/ML/DL based probabilistic detection and much more.

### Success building hope - strategy and investments coming together

Some of these products have been deployed in building a leadership payment infrastructure that is transforming the lives of a billion+ people, and that country is India. Some products are deployed to help banks and FIs to connect to the payment rails; while other products are powering businesses to launch their services with faster time-to-market. Please read the case studies in this report, in the section RS Software Continuing to serve the nation in these critical times of Volatility, Uncertainty, Complexity and Ambiguity (VUCA). These products are now creating global opportunities, and the most recent success has come where RS Software has designed the real-time payments system for a leading developed world country. This is testimony to the company achieving success on two fronts:

- \* Winning opportunity in developed world against global leaders
- \* Breakthrough in working with global partnerships

The product suite of RS Software is designed to achieve the following:

- \* Modernization of national payment infrastructure
- \* Modernization of banking infrastructure and building value added capabilities
- \* Modernization of acceptance payment infrastructure

The company has demonstrated success in winning both in developing and developed world, and is now engaging in strategic partnerships to expand its global reach on one hand, and at the same time addressing the risk management concerns of central banks implementing national level payment infrastructure. CEOs of major global payment companies recognize that this is a multi-decade opportunity to build a new world of digital payments. China is the first country in the world where Ecommerce/digital retail dominates over physical retail. This is where modernization of acceptance infrastructure is needed.

## RS Software lays foundation for modernization of developed world payment infrastructure

The RS iFinSwitch™ and RS MerchantEdge™ power a US acquirer that specializes in G2C space. RS Test2Pay™(3DS2), a next generation security verification product is in use for the largest payment processor in Japan. RS BillAbhi™ the Electronic Invoice and Bill Presentment and Payment product is competing with global leaders in yet another developed world region, and that is Nordics.

**RS product suite is seeing success across the continents of North America, Asia-Japan, Europe-Nordics, and India. These are initial testimonies, building hope and igniting passion to achieve success in this multi-decade opportunity.**



## RS Software first company globally to build multi-rail payment system

Historically, payment infrastructures were built powered by technologies suitable for single payment rail. Specific technologies and communication networks were chosen to implement the services – be it card based payments, or wire transfer, or cross-border, or electronic cheques, etc. all were specialized services. Banks and FIs had to have specific connectors for each of the services they subscribe to. It is very recently that ubiquitous use of the internet, adoption of standards globally, availability of hyper-personal mobile devices, availability of open-source rugged frameworks, and the like have made it possible to build multi-rail payment systems, where the service differentiations exist, but the access to the services are unified. Hence, banks and FIs will use a single connector to avail different services reducing the overhead for the banks and FIs thus driving down costs. **This is a significant breakthrough to enhance productivity, resulting in significant financial savings.**

### RS Software has demonstrated leadership globally to build multi-rail payment system

RS Software exclusively built the UPI (Unified Payment Interface) rail for Real-time Payments (RTP) for India. This has been recognized globally as a leadership product, and the first of its kind. Recently RS Software earned another first by building multi-rail capability for the UPI rail to connect to other rails like IMPS and AEPS (biometric based payments), thus making UPI a true Unified Payment Interface. This multi-rail has significantly reduced the overhead for the banks in India, so critical and important in a developing country like India in particular. While global players are talking about implementing multi-rail system, RS Software has already built and made it functional.

**RS Software has built yet another multi-rail support, and this one is in the area of fraud and risk management for India,** for all the digital payment channels in the nation (8 online channels and 1 offline channel). There is a single interface which is invoked by any of the multiple payment rails that are run centrally, and the platform can detect the rail, process the message, get it scored for fraud and return the score appropriately to the calling system. The advantage of having this is beyond cost saving. The system applies intelligence on the data associated with payments across the payment rails; this capability does not exist in any other implementation globally today.

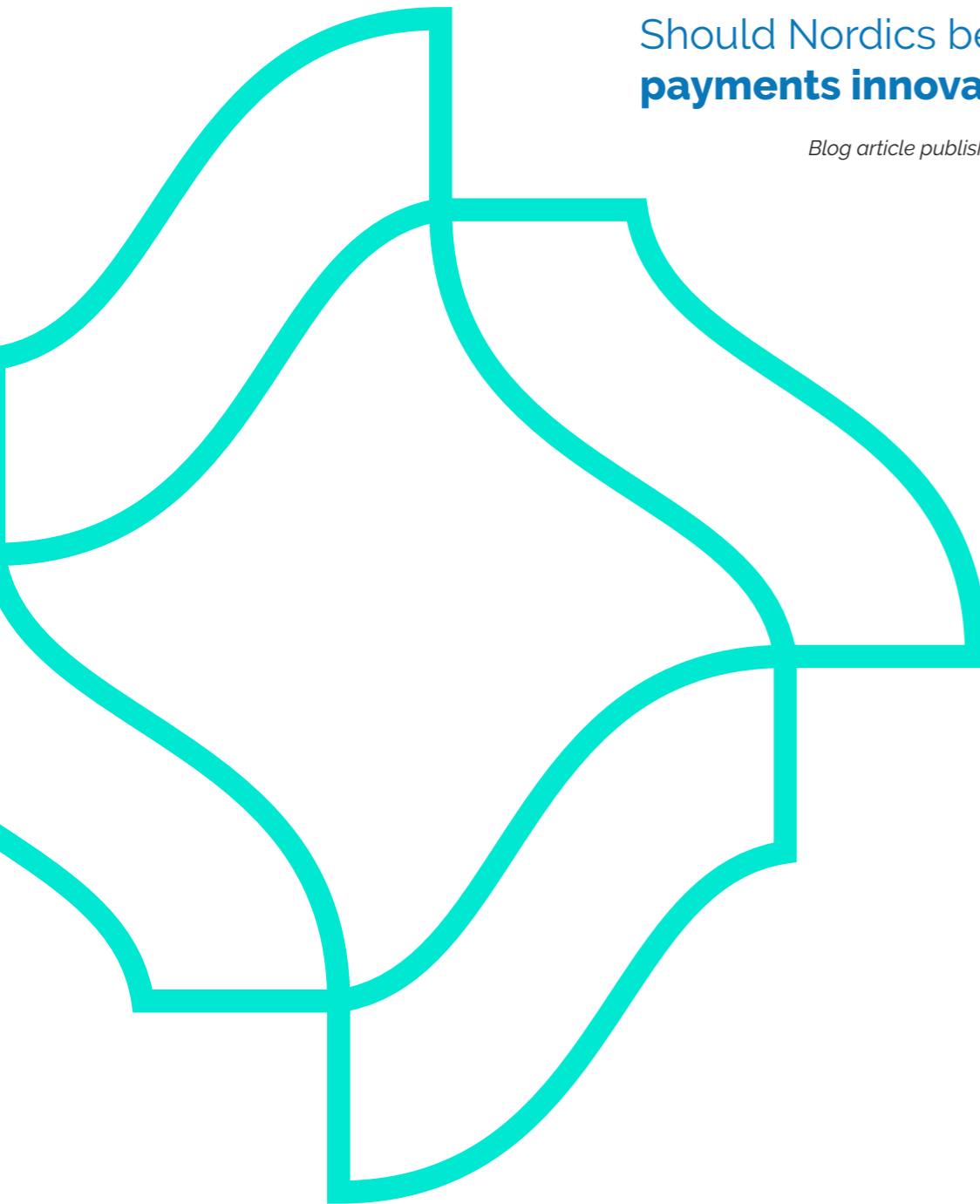
*Note:*

*The difference between omni-channel and multi-rail is that the multi-rail is a feature up in the flow, close to the hub, while omni-channel is an implementation in the downstream. Having it upstream streamlines the access and flows and hence reduces total cost of ownership significantly. Omni-channel helps end-points to connect to the payment service provider (PSP) infrastructure – which is to increase convenience for end-customers.*



## Should Nordics be learning payments innovation from India?

Blog article published in Finextra on January 19, 2021



**India has completely renewed its digital payments infrastructure and created a model which the rest of the world - including the Nordic - could and should learn from when designing the payment services for the future.**



The Nordic countries are the most digitised in the world. This has put the Nordic countries in a first-mover position especially when it comes to financial and payment services (among other digital services like e.g eID). But the first-mover position has also meant that most of the digital payment systems are built on infrastructure that would today be considered legacy systems and long overdue for renewal. This is especially true when it comes to the dominating bill-payment systems currently in operation across the Nordic countries. Our first-mover position should not prevent us from learning from cutting-edge innovation in other geographies, especially when we look to replace our current legacy.

Another factor that shapes the future of payments is the increasing regulation on financial services in recent years. In Europe, PSD2 (the Revised Payment Services Directive) has mandated banks to open their systems to third parties, and the IFR (Interchange Fee Regulation) reduced the transaction-driven revenue from card payments significantly. And most recently the EU's new Retail Payments Strategy is putting account-based real-time payments front and centre. These and similar regulatory initiatives in other countries have forced banks to revisit their strategies for payments while at the same time creating opportunities for banks to re-invent and recapture parts of the payments ecosystem through new and improved bill-payment and other account-based payment solutions.

This new paradigm for payments and the increased strategic focus on payments among the banks is also what has driven a group of the largest Nordic banks to set up the P27 initiative to fundamentally

rebuild the inter-bank payments infrastructure and replace the many legacy systems in the different countries with one common real-time, cross-currency and cross-border system. The P27 Nordic Payments Platform(NPP) project is well underway to deliver the real-time payments platform, and while this in itself will be a major step forward, now it is time for the Nordic banks to make strategic choices as to how to leverage this new infrastructure, and become even stronger in the area of payments. This is especially critical since revenues from payments represent ~ 33% of European banks' total revenue. Nordic banks must consider the strategic and business opportunities that this new platform can enable for their leadership, especially in the area of bill payments, which is key to the banks' overall customer relationship strategy.

To seek inspiration and benefit from the learnings of others, the Nordic banks should have a look at some of the most interesting developments in the payments industry across the globe. While we have, to a certain degree, rested on our "digital laurels", a country like India has leapfrogged generations of legacy payment systems and successfully implemented a full-fledged next-generation digital payments infrastructure with a strong foundation in three major platforms, which together today process 60+ Billion annual transactions and growing in double digits. The three platforms are:

- Real-time payments – Unified Payment Interface (UPI) platform
- Bill payments – Bharat Bill Payments System (BBPS) platform
- Fraud and risk – Enterprise Fraud and Risk Management (EFRM) platform



## Payments innovation in India

I recently had the pleasure of learning more about how India's digital payment infrastructure has earned high appreciation from the global community, and how in a very short time it has demonstrated success in delivering results to transform the lives of a billion+ people. I spoke to Raj Jain, CEO of RS Software, the company that has exclusively built the three platforms for National Payments Corporation of India (NPCI). My conversation with Raj Jain left me thinking about how we in the Nordic financial services industry can learn from the Indian model and the company behind that built it.

When discussing the possible learnings from his company's journey to build UPI for India and enable the Indian banks to benefit from innovative overlay services when connecting to the real-time payments rails, Raj Jain pointed out that he believes real-time payments is not an end in itself, but rather an opportunity for banks to deliver innovative products and services in both consumer and corporate payments, and thereby transforming the customer relationship paradigm and accelerating digital commerce.

While the scale of UPI in itself is very impressive - the underlying architecture is even more interesting from a payments strategy perspective, as the entire setup has been designed with an outside-in approach that factors in the needs of all the user groups - including banks, corporates and even end-consumers. UPI is built from the ground up applying an open and federated design, which is a significant improvement from the standard and more siloed design of the legacy bill payment systems as the ones we know in the Nordics.

The principles and open architecture of India's real-time payments platform UPI are already making headlines in the payments industry. The international tech giants Google, Amazon, Alibaba and Facebook have all taken great interest in UPI and benefited from its design. Google has very successfully used UPI to shift e-commerce payments in India from card-based to account-based. Their success in India has led to Google directly encouraging the United States' Fed to adopt a similar approach when implementing the next generation of payments infrastructure in the US.

The current bill payment solutions active in most countries are owned and operated by third parties. They have provided banks with good revenues, but the solutions have not been to the benefits of the banks' corporate clients who have suffered from the lack of innovation and a related lack of viable alternatives. Electronic bill payments, that is estimated in the US alone at a market size of \$ 4+ Trillion, is transforming itself to be best served with platform architecture. Platforms like marketplaces have innate characteristics to enhance the user experience, improve efficiencies of scale, provide comprehensive fraud and risk management, and trigger innovation through secure yet open interfaces where the ecosystem can contribute. The bill payment platform is no exception. This design and architecture allow the participating banks to focus on developing and strengthening the relationship to their corporate clients by delivering value-driven bill payment solutions tailored to the clients' needs and with the banks in full control of the relationship with the corporate clients rather than a third party with its own commercial agenda.



With account-based payments moving up the strategic ladder, and with an ambitious infrastructure initiative like P27, the Nordic banks can learn how services like bill payments can be reimagined and implemented in a way that delivers value to banks, corporates and consumers alike. They now have a real opportunity to re-engage actively and directly in bill payments, thereby strengthening their relationships with their corporate clients and in the process building completely new transaction-based revenue streams. The banks in the Nordics should seize this opportunity to ensure and strengthen their future role in payments - both retail and bill payments. The alternative will be a continuation of the current paradigm, where most banks have left much of the payments infrastructure and customer dialogues to global payment schemes, consequently leaving the banks with rapidly reducing margins and a higher risk of disintermediation.

The creation of P27 is the most significant development for the Nordic countries to maintain and enhance its leadership in digital payments. From what it appears, P27 is committed to ensuring that the Nordic banks have strategic control allowing the banks the opportunity to pursue a bolder and more ambitious payments strategy and lead from the front in value-added services, starting with bill payments.

(Source: <https://www.finextra.com/blogposting/19775/is-it-time-for-the-nordics-to-learn-payments-innovation-from-india>)







## Digital payment trends in 2021

The global digital payments industry is expected to hit \$6.6 trillion in value in 2021. The sector was valued at \$5.4trn value in 2020. Before Covid-19, the industry was growing at a 16% YOY increase, but once the pandemic hit, the pace expedited to over 22%.



### The Trends

We are only six months into 2021 and some of these trends are already evident.

#### a. A rise in Innovative Payment Products

With everything going around globally, people today are trying to go contactless in every possible area.

According to the National Retail Federation, 67% of the US retailers now accept some form of contactless payment. In Europe, Visa reports that 75% of in-store payments are now contactless. Not only this, but according to Mastercard, In March 2020, UAE recorded 100% growth in contactless payments than last year.



As a result, you would notice a boom in NFC (Near-field communication) EMV, the technology that powers contactless payments. It allows users to wave or tap on their smartphones to make a payment; thus, things like tap and go QR codes and contactless cards would become more popular than ever. Even devices like smartwatches and smart speakers that allow you to execute payments in the same fashion could become widespread. All of this is getting built on top of the modernized payment infrastructure, as value added capabilities. Please read in this annual report the section RS Product suite finding global validation.

Tech companies like Apple, Samsung and Google already have their respective contactless payments, and the same trend may spill over to MENA.

#### b. Focus on stronger security

It is understood that anything on the web is prone to cybersecurity threat; hence now that digital payments seem to be the way to go forward, it's essential that we also focus on security as we embrace it.

Payment companies, in the forthcoming future, will focus significantly on improving their existing cybersecurity framework. In doing so, AI (Artificial Intelligence) and ML (Machine Learning) powered systems may take the lead. 44% of the companies already use these technologies to detect and prevent security intrusions...

Additionally, the CA (Customer Authentication) process may also become critical to add a different layer of security to payments. Facial recognition, biometric and voice-enabled payments being essential factors in ensuring a robust CA process.

#### c. Integrated Payments

Earlier, there was a clear distinction between financial service providers and merchants. Today, merchants are integrating payment services on their platforms.

The entire point of integrated payments is to offer a seamless checkout experience for customers. They do not expect payment to be a separate part of the exchange but rather think of it as a part of the trade and thus want to avoid extra steps for its completion. Please read in this report RS Software product suite for the Connected economy.

Hence Merchants can easily activate PIS (Payment Initiation Services) on their platform. It allows them to directly interact with their customer's bank via open API and execute transactions with prior consent.

According to Accenture, 50% of adults are comfortable letting third party's initiate payments on their behalf.

#### d. B2B Payments Redefined

With all the advances in FinTech and Payments being centred mostly around everyday lives, the B2B payments sector has gotten left behind. We forget that people in B2B are the same people in daily lives with access to top-class financial services and that the fractured B2B experience makes them go irked.

Hence, the payments industry needs to shift gears and bring about the same level of quality, security, and speed to B2B payments. In the forthcoming future, we can expect a significant focus on personalisation, customisation and speed in B2B, especially as the need for it continues to grow.

We may also expect integrated payments to become popular for this set since B2B tech platforms contribute to a significant chunk of B2B transactions every year and still don't make money on them. Integrated payments will allow them to connect with payment facilitators and take a revenue cut from the transaction cost.

#### e. Evolution of P2P payments

Since the pandemic, the audience for P2P payments has broadened from tech-savvy millennials to even the older generation. Platforms like PayPal, Razorpay have grown in popularity and seen a surge in their average transaction volumes.

The next step for them may, however, be to expand their offerings and increase revenue. Many payment platforms already provide additional services like investment and trading, cryptocurrency transactions and debit card offerings. They are heading to become almost like a bank.

The same trend might transcend across platforms as the business opportunity keeps growing because of mass user attention.

Source: <https://www.finextra.com/blogposting/20493/5-digital-payment-trends-in-2021>

“ In the next four years, the digital payments market is set to reach \$10.5trn in value. This steadfast growth results from the need to cater to an evolved consumer behaviour and tech advancements. ”



The war chest we decided to build starting 2016 is indeed being validated and reinforced through some important wins, and equally important is the recognition of our products and platforms. This is creating both hope and excitement, while recognizing clearly that this is a long haul game which represents a huge opportunity. CEOs of major global payment companies confirm that this is a multi-decade opportunity to build a new world of digital payments.

**Wins strengthening our future - reinforcing optimism is the faith that leads to achievements**

The fiscal year 2020-21 is perhaps the most unusual and an exceptional year in the corporate world globally, and for humanity at large. I am pleased to say that our company responded to the challenge with the conviction that 'when the going gets tough, the tough get going'. All of this has been made possible with the foundation of our core values that have helped us to navigate our corporate journey through the ups and downs during the last three decades.

**2020 builds hope, 2021 ignites imagination to win**

The company's strategic move to build products and platforms, at significant investment, has started to generate interest, and is helping to get traction with some powerful opportunities. The big learning during the year is that the products typically take long time to generate revenue, and data confirms that this is true for start-ups and established companies alike. Nevertheless, RS product suite is getting validation in some important markets, which is helping to find appropriate partnerships, while repositioning the company for the long haul. The growth in revenue is unfortunately painstakingly slow, **but the good news is that it is helping to significantly enhance the quality of revenue, getting the company closer to profitability. We also recognize the importance of cash to sustain long cycles of sales. I am pleased to inform that during the fiscal 21 we deployed a cashflow focused financial strategy, saving ~Rs 220 million cash.**

The payments modernization projects are an estimated \$ 300 Billion opportunity, but have long sales cycle. What we are finding is that the central banks have large risk perception for these mission critical projects, and therefore are very careful as to who to award the projects to. This is understandable, and thankfully we have already embarked on working with partners globally who have the credibility and are supported by balance sheets that satisfy the risk concerns. RS Software has demonstrated success in winning both in developing and developed world, and is now engaging in strategic partnerships to expand its global reach on one hand, and at the same time addressing the risk management concerns of central banks implementing national level payment infrastructure.

**The year that brought light through action, despite all darkness**

- ⚙️ Improving the quality of our revenue.
- ⚙️ Identify strategic partnerships to reach global markets.
- ⚙️ Staying focused on our strategy – win the opportunities for payments modernisation, and respond to more.
- ⚙️ Learning to work from remote and face all posed by Covid-19 impact.
- ⚙️ Accept that success is painstakingly slow during turnar especially when impacted by unforeseen events.
- ⚙️ Be ready for payments modernization accelerated.
- ⚙️ Ensure cashflow focused financial strategy to achieve growth.

**Winning and continuing to respond to global opportunities in building and enhancing digital payments infrastructure**

Transforming national level payment infrastructure is a focus across the world, and central banks in all countries are pushing it with multiple objectives in mind.

- ⚙️ Achieve financial inclusion
- ⚙️ Take advantage of synergies that can be created by building inter-regional digital payment infrastructure
- ⚙️ Technology innovation is making available payment products and services that were hitherto unthinkable, helping to increase the productivity of the nation at large, while ensuring sovereign security

During the last year, in partnership with a global player, we successfully won the bid to build the design for real-time payments of a developed world country. This is when several other global players were in consideration. In yet another opportunity in the developed world, RS Software is the only company competing with two major global payment leaders, to build a bill payment network. This itself is a major achievement and testimony to recognition of our capabilities and our product suite, as in each opportunity, success is coming after elimination of several other global players. RS Software featured in FinansWatch, a publication in Denmark with focus in financial sector. The Article was titled "Should Nordics be learning from India", and emphasizes how RS Software have created UPI, a model that rest of the world and Nordics in particular can and should learn from.

We are teaming up with yet another global leader to explore opportunities both in India and international markets for RS IntelliEdge™, the in-house developed fraud and risk management product.

It is important that we ensure that we can work with global partners in all geographies, big and small, in emerging and developed economies, be able to execute our mission of changing the lives of humanity through the power of digital payments. In India we not only built the digital payments infrastructure exclusively, we continue to enhance and take this core set of platforms to global leadership level. We are thankful to NPCI and government of India to repose this critical faith in our capabilities, our products and experience of three decades in building technology for payments. RS Software solutions are now deployed across 12 of top 20 banks in India, besides building the core national payment infrastructure.

The war chest we decided to build starting 2016 is indeed being validated and reinforced through some important wins, and equally important is the recognition of our products and platforms. This builds both hope and excitement, while recognizing clearly that this is a long-haul game which represents a huge opportunity. CEOs of major global payment companies confirm that this is a multi-decade opportunity to build a new

world of digital payments. China is the 1st country in the world where Ecommerce/digital retail dominates over physical retail. This is where modernization of Acceptance infrastructure is needed.

**Wins strengthening our future - reinforcing optimism is the faith that leads to achievements**

*Payments modernization is a focus across the world. We continue to march towards our vision of enabling payments at the speed of thought. In the shortest time period since the launch of UPI, built exclusively by RS Software, we have reengineered and scaled the platform architecture to process billion transactions a day. This feat of engineering is exceptional and is rarely achieved.*

With the adoption acceleration comes the dangers of fraud and risk. Ecommerce is growing rapidly, and China already has more retail sales coming from digital channels, as compared to brick and mortar. According to McKinsey, digital growth during Covid-19 has happened at a pace which would have taken 5 years to happen. No wonder that Ecommerce/ Mcommerce brands have new challenges to deal with. Payment fraud. According to a study by the American Express company Accertify, it reports that, of the 105 respondents at merchant companies in December 2020, it was found that 38% saw an increase in online payment fraud last year. In addition, 31% witnessed more refund/orders-not-received fraud, up from 25% in 2019. And 25% suffered from an increase in identity theft.

India is no exception, and it needs to ensure risk management, especially as the country focuses on financial inclusion. RS Software exclusively built the Enterprise Fraud and Risk Management platform for India, and operates this platform 24/7/365. Please read the case study on RS IntelliEdge in this annual report, in the section RS Software Continuing to serve the nation in these critical times of Volatility, Uncertainty, Complexity and Ambiguity (VUCA.) RS IntelliEdge – Central™ has been implemented for the National Payments Corporation of India (NPCI) as an Enterprise Fraud Risk Management (EFRM), and is now live for all digital payment channels of India, processing more than 75% of India's digital payment landscape. It processed 188+ million transactions each day in March 2021. EFRM sustained peak TPS of 5200 for 2-3 weeks in production pan- India without a single outage and keeping SLA of 99.995% for the last 24 months.

RS Software became the first company globally to build a multi-rail payment system during the fiscal 2020-21 when it achieved a single interface for India's IMPS and AEPS systems, with UPI, and made UPI a true Unified Payment Interface. This will result in large increase in productivity in operations and costs for India's 1200+ banks who serve a billion+ population. This is the best testimony to our mission of transforming the lives of humanity through scalable and easy to use payment systems. While global leaders have on their roadmap the creation of multi-rail capability, RS Software has already executed it successfully.



## Covid-19 impact expands the market opportunity size – secular growth trend

Global Real-Time Payments Transactions Surged by 41 Percent in 2020 as COVID-19 pandemic accelerates shift to digital payments.

- Total number of real-time transactions in 2020 was 7 bn, up 41 percent from 50.0 bn in 2019.
- The real-time share of global electronic tr 2020 was 9.8 percent, up from 7.6 percent predicted to be 17.4 percent by 2025.
- The value of real-time transactions was up by percent from 2019, rising from \$69tn t expected CAGR by 2025 is 12 percent.
- Businesses of every size need all the help they get to bounce back from the impact of Covid-acceleration of the real-time payments rev a crucial piece in the jigsaw. Corporates today have immense funds tied up in the payments syst Always. That is vast sums of cash that are inacc unusable. For large companies that adversely working capital metrics. For smaller c issue is much more critical. A delay in cash flow have far more significant consequences.
- There is no sector with a greater opportunity for technological advancement than the payments industry Digital growth has happened during the Covid-impacted year, what would have otherwise tak years.
- While the efficiencies of this new digital world have been exponential, criminal activity has accelerat giving rise to the need for state-of-the-art fr risk management systems. This is an area wher Software has significant innovation and experience. New forms of crypto assets further complicate the situa especially as regulators attempt to balanc to regulate alongside the need to foster innovation, all the while attempting to protect consumers from new sources of risk and fraud.
- The connected economy (please refer to complet section in this annual report on the connected economy and what payments will look like), building for the last several years, has finally come of age during the Covid-19 impact year, and will grow multi-fold in years to come. In the connected economy the innovations in technology, connected devic software, payments, and cellular technology mak possible for people and businesses to connect each other and do business via any device, and in any digital or physical location safely, securely, and in real-time.
- Existing infrastructure - cash, ACH, instant, cross-border payments, and card networks must converge and ge rationalised Payments modernization.

During the last two years alone, several more countries have embarked on modernising their payment infrastructure, and many more still have to start. There are very few

countries who have 3rd generation and current technology capabilities to fully leverage the value that modern payment infrastructure brings and promises. The 3rd generation payment technology architecture enables access-model that on one hand delivers ease for new industry entrants (fintech, PSPs) to collaborate and innovate with financial institutions and central banks, in turn accelerating the digital economy, and on the other hand allows financial institutions and central banks to gain access to multiple clearing mechanism through a universal layer to achieve multi-rail capability. Implementation of country-level central RTP platforms and their modernization is also creating additional opportunities with Banks/FIs to build/modernise their Payment systems to connect into and leverage the central solutions to increase their participation in RTP/A2A transactions.

Some of the more sought-after value-added services that are becoming an integral part of the payment infrastructure are mandate management, mobile payment app, dispute management, QR code standard, digital identity management, invoice validation and notification, account portability/switching, confirmation of payee, etc. With the focus on modern technology, design and architecture, and emphasis on modular and API-first systems, businesses are seeing the value of additional value-added services such as omni-channel payments, open banking, banking-as-a-service and payment data analytics in order to achieve more efficient financial flows.

There are a number of global solution providers and operators who are aiming to get a significant share of the opportunity in each of the 3 areas – country-level central payment infrastructure, connectivity (banks/FIs), and value-added services. Most major players are very keen to participate in this broader payments ecosystem, as this is a large opportunity. Further, relationships and brand value nurtured in core central infrastructure discussions can also lead to successful cross-selling in the connectivity (banks/FIs) and value-added services areas. Ideally, the intersection of all the three areas is the 'sweetest spot' to go after. RS Software product suite covers each of the three areas of this multi-decade opportunity.

**So the journey continues, and herein lies the multi-decade opportunity, as claimed by all global leaders. Hence multi-billion dollars of investors' money is flowing to the payments industry.**

“Businesses of every size need all the help they can get to bounce back from the impact of Covid-19 and acceleration of the real-time payments revolution – payments modernization is a crucial piece in the jigsaw.”



**RS Software is at the right place at the right time. We have a four-pronged strategy which has its deep foundation in the learning from the past 15 months, particularly during the Covid-19 impacted time.**

- The success of working in the last fiscal year is what forms the major foundation of our go to market for our products and platforms.
- Services capabilities is the glue that will connect our intellectual property with the demands of the market.
- The passion to build payments a part of thought is helping to innovate the differentiation to offer 3rd generation technology products, and this is the market opportunity for us. The digital payments world has grown in one year, what otherwise would have taken 5 years.
- RS Payments Innovation Lab and RS School of Payments have their focus on technologies that are changing the world – API-first, Cloud-first, Mobile-first, Artificial Intelligence, Machine Learning, Digital identity, Digital currencies, Distributed Ledger Technology, Blockchain, and how do they all come together to build trust and enhance execution in payments, and importantly leveraging associated payments data, the creating regulations like and GDPR. The power of data in payments driving the connected economy. Innovation continues to be the strongest pillar of our growth foundation, ever since we set up Payments Innovation Lab. In 2010.

**Raj Jain  
Chairman & Managing Director**



## RS Software Growth strategy → Revenue quality transformed → Higher earning power → Closer to profitability

### RS Software growth strategy

Digital payments – multi-decade, multi-billion \$ opportunity

We have invested in transitioning our competencies to work in digital payments, while leveraging the deep domain knowledge, institutionalized through RS School of Payments, and RS Payments Innovation Lab.

API first, mobile first and cloud first company, with track record of building four major payment platforms globally, and experience of working for 30 years with global leaders in payments.

1. Investing in building digital payment products and platforms – Infrastructure, Request to pay bill payments, Fraud and Risk management, Merchant processing & Data unification.
2. Four products MVP ready.
3. Taken our MVP ready products to global opportunities.
4. Investing in multiple strategic and tactical sales and marketing areas.
5. Current sales team focused primarily on managing and growing services revenue, managing current customers, and lead generation for product sale opportunities. Focus is to enhance the productivity of this team through improved sales management, and marketing support.
6. Decided that strategic partnerships are the best path to go to market.
7. Partnership model tested and success achieved.
8. More strategic partnerships identified, discussions in progress.
9. Engaging with industry experts in payments industry to expand our options of partnership pursuance, and help with implementation of our strategy, including go to market strategy.

### Revenue quality transformed → Higher earning power → Closer to profitability

We have significantly improved our earning power for FY22 and beyond, considering the healthy mix and spread of our revenue and sales pipeline

- a) We have increased our penetration and revenue share from key/strategic accounts – 95% of our revenue is from key/strategic accounts
- b) In FY21, 89% of our revenue came from strategic focus areas within Payments - real-time payments, bill payments, fraud and risk management, acquiring and acceptance and modernization of payments systems - where we have our primary product offerings
- c) 100% of our current sales pipeline is in these strategic focus areas
- d) A dominant portion of our current sales pipeline is at new strategic accounts, and the remaining are cross-sell opportunities at existing large accounts
- e) We successfully closed a strategic partnership with a global player, with a target to win large key accounts in North America

We continue to increase our productivity in the customer project delivery execution as well in the process areas (corporate functions), and therefore expect ongoing improvement in our margins.

## RS product suite finding **global validation**

It is not unusual for companies focused on services business to take multiple years to take their products to global markets, as evidenced by experience of companies like Visa, TCS, Infosys, global product companies like Vocalink, CMA, Montran, Minka and many more. As a contrast to this, we are reaching out to global markets within months of the product being MVP ready. This is heartening to observe, and we have achieved this not for just one product but for four products.



### RS Software is amongst the few companies globally with the product suite for digital payments infrastructure

PRODUCT	STATUS	PLAN - OPPORTUNITIES
RS RTPS™	MVP Ready	Discussion with strategic partner
RS DigitalEdge™	80% MVP	Engineering in progress Discussion with a major prospect in progress. Target US Banks through partners
RS RealEdge™	20% MVP	Engineering in progress. Discussion with strategic partner
RS BillAbhi – Central™	MVP Ready	Central Infra opportunities via partners.
RS BillAbhi – Bank™	40% MVP	Engineering in progress. To be positioned as Request-for-Pay product
RS IntelliEdge – Central™	MVP Ready	Central Infra opportunities via partners
RS IntelliEdge – Banks™	70% MVP	To be positioned as FRM for Real-time products



## Addressing **business risks**

**R**S Software identifies and analyses potential risks to its business, and pursues formal discussions at its executive committee of the board meetings

**The company has been incurring losses for very many quarters now, is the survival and growth of the company at stake?**

- ▶ The management and the board have prioritised cash flow focused financial strategy, and as a result saved Rs 220 million during the fiscal 21. The company is exploring all avenues to strengthen its financial resources to meet its growth strategy.
- ▶ The company's cost structure is now synchronized with its current level of revenue.
- ▶ The company is constantly prioritising and rationalising its investments in building its products and platforms, driven by market demands.
- ▶ The company has adequate cash reserves to meet its growth plan, and with combination of its cashflow focused financial strategy, and its debt free status, is confident of meeting its growth plan and profitability.
- ▶ The company has successfully started with one strategic partnership to expand its global reach, and this has already resulted in one win in a developed country to design the real-time payments system. This will serve as an important collateral, in addition. The India digital payment infrastructure which is getting recognized globally is a strong credential for the company. Both these factors will help to accelerate the revenue growth, leading to profitability.
- ▶ The market opportunity size is increasing as the world is realising the benefits of the payments modernization, and this is further increasing the probability of accelerating the revenue growth for the company. Importantly,

investors are allocating money to payment companies, and payment tech stocks in US and Europe are experiencing ongoing appreciation.

- ▶ The company continues to be debt free for the past 12 years consistently.
- ▶ The valuation of the company's product portfolio is not included in its current net worth.

**Can attrition of talent impact the company's ability to grow?**

The company for decades has been building its knowledge management systems to minimise the impact of attrition of key talent. The quality and benchmarking process provides the governance of this core and strategic practice. The best testimony to this system working is the company winning global RFPs even after its talent base was reduced dramatically in 2016, in response to a strategy change for eliminating the most serious risk of huge dependence on one client. Importantly the company recognizes its people as its key asset, is people focused and has always pursued employee friendly policies.

**Given RS Software's current size, can it qualify to win mission critical projects in the area of payments modernization?**

The company has learnt from its experiences in the past 2 years, and has embarked on a strategy to partner with large global players, who have the market reach, have balance sheets that can address the risk factors, and need the products, domain knowledge, three decades of experience in payments, and technology competencies of RS Software. The company has successfully executed partnerships during the fiscal 20-21. More partnership discussions are in progress.



# RISK MANAGEMENT





## The Connected economy - payments and commerce coming together



There has been no shortage of economies in the payments and commerce business to discuss over the past decade. We have had the internet economy which morphed into the digital economy, which results from the billions of online interactions that happen every day between devices, consumers and businesses. We have the connected economy, coined by PYMNTS, in which the innovations in technology, connected devices, software, payments and cellular technology make it possible for people and businesses to connect with each other and do business via any device, in any digital or physical location safely, securely, and in real-time.

The connected economy is evolving in the U.S., and taking cue from the super apps that have taken root around the globe. Those super apps – in Latin America, Asia and elsewhere – have been able to bring together far-flung daily activities (from ride-hailing to banking) and mass them behind a digital front door that ties together physical and digital channels. There's a real push toward the emerging super apps in the United States and in North America. Ultimately, it will come down to a question of customer experience – who will be able to bring together the different parts of the connected digital commerce and economy in a way that makes it seamless for consumers to meet all their needs.



The omnichannel experience which underpins a super app should be focused on the journey – not the channel. That philosophy stands in stark contrast with the fact that consumers find the physical store to be the least satisfying channel, and that merchants are still investing in buy online, pick up in-store offerings intended to drive foot traffic, with wholly different consumer experiences in each.

There's been a ripple effect that has shocked the merchant services ecosystem and helped online marketplaces emerge into what is described as a central phenomenon to the connected world, where buyers and sellers and consumers come together. **Payments shape significant part of the experience that customers have at the most critical time of engagement – during checkout in the digital world. The payments part of the equation has now become a topic of discussion and consideration not just for the treasurer, the finance department or the CFO, but also for the product development, marketing, the tech team and even the CEO.**

As merchants are re-examining their digital journeys, there is the potential to bring a more eCommerce-like experience to brick-and-mortar retail, so that physical stores function less as a simple destination for foot traffic and more like a center for innovation. The world we live in as 2021 is approaching its halfway mark is objectively not what it used to be – it is now more connected, more digitized, faster-moving and more global than it has ever been. Mastercard, as an example has evolved very much from a company focused on building safe and secure credit and debit networks and card products, to one that's now a multi-rail business. They are focused on bringing separate instances all together in one suite of solutions or one application. **While there are a lot of ways to pay for things in the world we live in – cash, ACH, real-time payments, peer-to-peer (P2P), mobile wallets – the digital consumer is being poorly served as they try to manage multiple tasks separately with different credentials and passwords to access various mechanisms for payment.**

“2021 is now more connected, more global than it has ever been.”



The overall approach for Mastercard as it evolves alongside the connected economy is to bring all of those separate mechanisms together in one easily accessible application, built to work for the needs of the consumer as well as the business payment ecosystem. The idea is to bring all of these options together under a single trusted banner so that users don't have to go to multiple places to make all the transactions happen. That work will certainly be a collaborative effort, involving the innovative financial institutions (FIs) and FinTechs flooding into the market offering new and better digital front doors to the various parts of the connected economy.

**Connections across payments, commerce and banking hinges on cooperation and shared incentives between payment networks, banks, retailers and their customers, in a coordinated model that taps the value and unique delivery conduit of each of those entities.**

With the pandemic era easing in the United States and around the world, and restrictions being lifted, digitization will soon no longer be a matter of necessity for consumers as it becomes safe to go out again.

But the reopening of the real world, and the return of so-called "normalcy" does not mean the era of connectedness that the pandemic helped usher into existence over the last 16 months is going anywhere. While the pandemic will fade, consumer's desire for a series of digital doorways that make it easy to complete tasks by seamlessly moving between channels will remain. How we shop, how we pay, how we interact and transact with each other has changed fundamentally and for the better, as consumers have a range of choices they've never had before and businesses now have an ability to customize and curate user experiences and offerings.



As technology advances and connections become more myriad, the combinations and offers the connected economy will be able to bring to the average customer will grow accordingly, and in ways that are hard to predict — but easy to get excited about from the vantage point of mid-2021.

**What we can know today is that the connected economy was off and running in 2020 and shows no sign of slowing down in 2021 or beyond. If anything, it is likely only going to keep picking up speed as the pace of the race continues to accelerate with more and more players setting out from the starting line.**

FinTechs and traditional firms alike can take a cue from the trends emerging in certain countries (super apps like Grab, for example, or buy now, pay later options), whether they are innovation- or regulatory-led. A decade ago, real-time payments began taking root in Asia and have spread throughout the world, coalescing in a range of different domestic RTP schemes. We Chat and other companies in China, where the evolution has always been mobile first, where connectivity enabled messaging, and online communities took shape. We Chat quickly figured out the transactional element that would make those communities sticky, in part by offering QR codes. The defining factor was when they added in the wallet, merging messaging with finance, and eventually creating what might be called "social money".

To be sure, the ubiquitous layer need not start with finance though it leads in that direction. One need only look at Google to see that, with its dominance in search, or Walmart's

position in brick-and-mortar retail to find evidence of the 'ubiquitous wedge' that bring consumers and SMBs to other adjacent, ancillary services. Search had existed long before Google, but Google did it better than peers and added ads and email before, eventually moving to shopping and to payments and most recently, through Google Play and banking. Walmart has seen its eCommerce initiative explode and has been staking a position in healthcare.

Against that backdrop, any number of Big Tech, FinTech and traditional players are vying for a way to extend their reach and to craft these ecosystems. **There's no real way to pinpoint whether the giant social media firm, the ride-hailing company or the payments platform will be the pivotal player to serve as the epicenter for a connected economy. It is the entity that finds a way to keep consumers or businesses at the center of the transaction that will find success. These are the ones that will ultimately win, because the connected economy is becoming more and more about the experience, and the experience, is enriched by having payments embedded into different applications, evolving as application programming interfaces (APIs) that have come onto the scene and made it easier for developers to innovate. Payments have long been the conduit for new and different experiences in commerce. Look no further than the past year as proof as contactless payments, digital banking and digital wallets gained significant traction. Cryptos, too, of course — and bit by bit, we're seeing the rise of the super app, where transactions are aggregated, secured and presented to the consumer in a more user-friendly mobile fashion.**



Intermediaries are emerging that have made it their mission to make consumer payment interactions across these increasingly connected ecosystems less friction-filled. These intermediaries are in the proverbial driver's seat. To be sure, the role of the intermediary is not a new one. But in the brick and mortar model of commerce, incentivizing consumers to try new payments and rewards options was a bit of a heavy lift. For example, for Walmart and other large retailers, for even those with large installed bases, it was difficult to insert new payments or rewards options at the point of sale without introducing new friction. An impatient queue of shoppers would snake down the aisle while the consumer made up his or her mind at the register. But in the digital age, all stages of the interaction

— pre-, during or post-transaction — incentivizing transactions is marked by broad potential. Amazon, for example, has been bringing buyers and sellers together for a long time through a seamless marketplace, marked, of course, by one-click ordering. **Amazon knew that they needed to own the payment rail, and take the friction out. And that led to a bunch of other really smart things like authentication and understanding the customer.** Along the way, Amazon has put the customer at the center of the equation, through for example, their "A to Z Guarantee" that covers timely delivery. Accepting any card, at least for now, the eCommerce giant has not wanted to incentivize the consumer to shift preference to their own branded payments option or otherwise make

changes at the point of sale to nudge them toward different preferred payment choices. It's an evolution that has prologue. Paypal fashioned a center of gravity in a walled garden known as eBay — gaining the consumer base to break free from eBay and ignite a consumer/merchant network across the web. But with the emergence of buy now, pay later (BNPL) and other options, there comes a point where conversion at the point of sale peaks and clutter can be the unfortunate result.

## Building Trust

In forging new commerce ecosystems, it all boils down to trust, and in many cases, intermediaries can build that trust. With technology at the point of sale, these intermediaries have given merchants new ways to convert sales beyond what might be seen as the classic, clunky point of sale options seen in brick-and-mortar commerce. Of the emergence of the connected economy, people are very impatient when you're in the moment and it takes a while. It took Visa 60 years to get to its current standing as a network of networks. ATMs didn't get connected through switches for 20 years. Debit took 20 years to become mainstream. Give it time; it happens. According to Jim McCarthy, **"Whether you are the marketplace or the super app, you're going to build payments into the heart of what you are doing... you can't have a connected economy without payments at the heart of it."**

Most of the innovation in the last 50 years has been about how I, as a consumer, paid companies. But companies are still mailing me checks, right? The worst time of all, is that B2C and B2SMB payment process that takes weeks, costs a bunch of money and it is just friction, friction, friction, end-to-end. The good news is the jig is mostly up for the most time-consuming payment process out there, as their weeks-long payments processes are cut to seconds in a way that delights recipients as well as senders and offers the potential to create an environment where new business models can come out of it.

One of the challenges in bringing B2C and B2SMB payments into the connected economy fold is the resistance they continue to run into from firms, particularly larger ones, when it comes to being part of a payment ecosystem. They like the idea of transforming how they pay people — but often with the defeating stipulation that their recipients are their recipients. The companies don't want to share them with any other player connected to the system, which is contrary to the real possibilities that this change can enable.

But if there's economics involved, like if a recipient is willing to pay for speed or pay for choices, then you can create reasons for those companies to buy into the ecosystem, because they're going to get more customers or they're going to share in the revenue stream. incentives are also a powerful and persuasive tool. He noted Business payments

are simply the next natural evolution point for the connected economy to take hold — because the conversations that connection enables allow firms to recreate experiences and build new revenue streams. The opportunities exist and we are only starting to see them emerge, but they are still mostly covered up with friction and time-consuming slow processes. This is just a natural place for an ecosystem to evolve.

FIS has developed several platforms that horizontally, encompass banking, investing and eCommerce, interconnected in the cloud. We are in the midst of a sea change in the connected economy. The shift is underway from apps to ecosystems, with a single digital front door as point of access. The app, then, gives rise to the super app, which lets consumers plan, manage, spend and click their way through everyday tasks like spanning money management, commerce, even getting something to eat while hailing a ride. It's all part of a series of first steps on a digital journey that differs from firm to firm as they create platforms that eventually bring together people from around the globe. No more hopscotching between apps, then — to the benefit of consumers and small and medium-sized businesses (SMBs), yes, but also the firms that serve them and endeavor to create sticky relationships.

**As the firms seek to scale those interactions and transactions, the platforms must ask themselves key questions — What are the unique products and services that otherwise in the absence of a platform you wouldn't get, what are the better pricings and products?** Those are among the most immediate and crucial benefits that accrue to the end users; the companies themselves get access to underlying data that can help them craft new, customized, even hyper-targeted offerings. The platforms must be flexible enough, so that people can develop new offerings on top of them in a bid to serve the end user — an open ecosystem, that can give rise to mini-apps.

Forward-thinking, digital-first firms need not strive to own everything in the ecosystem — they can choose instead to forge partnerships with other providers. Walmart has benefitted from the evolution of a "closed garden," but this is a concern because the infrastructure must remain open so that ecosystems can embrace the innovation that's required to benefit end users.

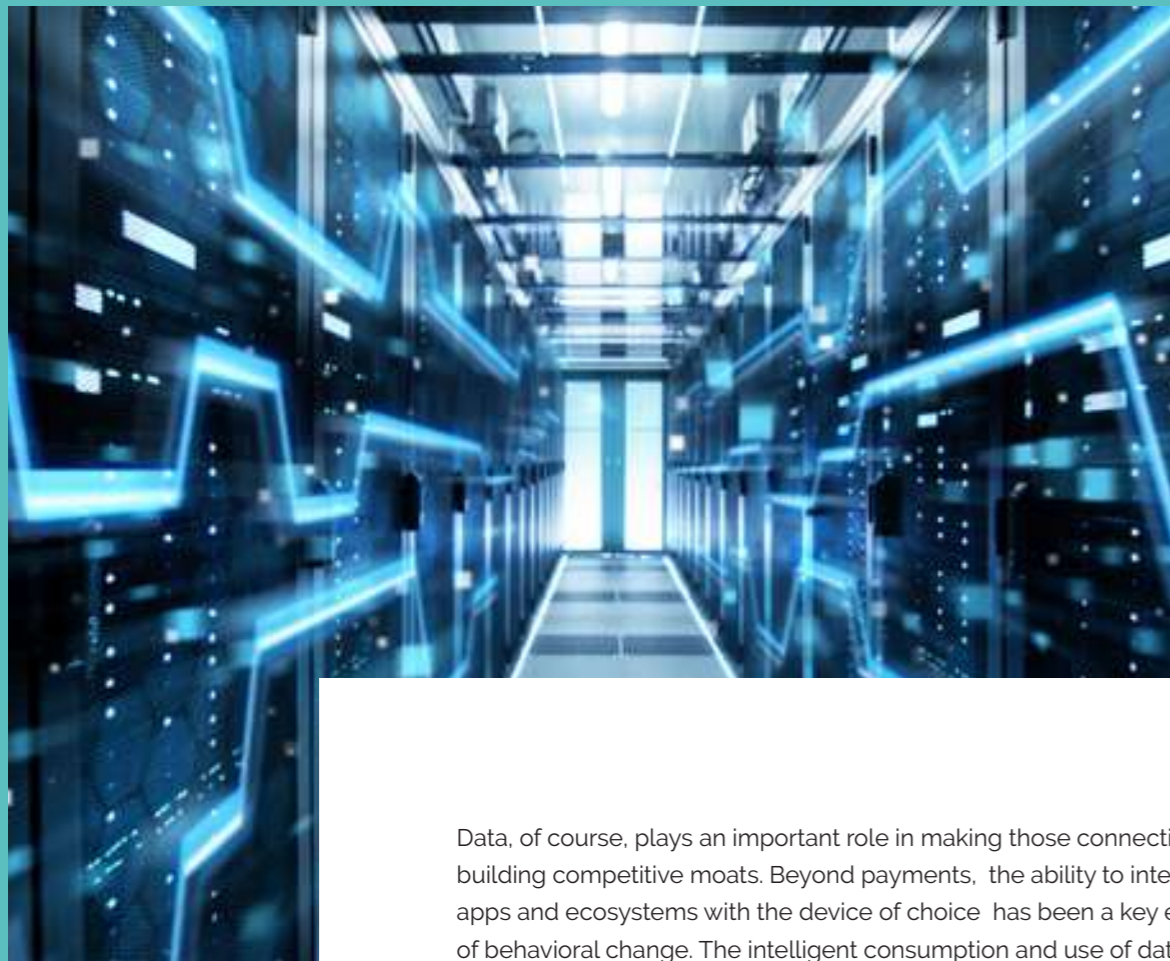


We are starting to see some of the alternatives with real-time payments with cryptocurrencies. Amazon and other intermediaries — armed with the consumer's trust — may start to influence those payment decisions in ways that the incumbents may not like. We're entering a new phase here where the choices are appearing, the tools exist, this mega kind of eCommerce/app players will have a lot of trust and a large consumer base to work with. New networks can take shape, of course, without intermediaries — a key selling point of

decentralized finance and cryptocurrencies. It's a threat, but not existential, like a lot of things that were threats in the past, the incumbents do a good job of at least steering them into a space that works well, or at least cooperatively." The "unknown" buyer/seller relationship without an intermediary is problematic (though stable coins, he said, "are fairly well trusted when they're pegged" to some underlying value). He noted that even with the advent of bitcoin, there had been an explosion of exchanges and wallets that nonetheless use Visa or Mastercard as an on- or off-ramp. We're also seeing announcements where Visa treats crypto akin to just another kind of fiat for settlement purposes. Traditional rails, he said, can help create a connected experience.



## Data Is Critical



Data, of course, plays an important role in making those connections and building competitive moats. Beyond payments, the ability to interact with apps and ecosystems with the device of choice has been a key enabler of behavioral change. The intelligent consumption and use of data will be key in fostering new consumer behaviors. No matter the ecosystem, trust is critical. Consumers need to be able to trust companies — banks, for example — with how their information is collected and used, in a way that monetizes that data for the provider and makes life simpler for end customers. Understanding data and insights and being able to identify what the natural path is for that super app evolution and then monetizing that and creating different business models on top of that can be extremely powerful and defensible. If you have an unusual or unique business model, that's very hard for others who don't have it to try to replicate. It's incredibly sticky, and the switching costs are high for the consumer or SMB. There can be downside, too, if these same companies are not vigilant about protecting privacy data protection.

## Travel

As the economy has started to reopen and vaccinated global citizens look to scratch their travel itch, the tally of just how much damage the global pandemic caused the travel sector is just now becoming more clear. Across the segment globally, it has been reported that 62 million jobs were lost; in the U.S., that number hit 5.6 million. Contribution to GDP globally was roughly cut in half — from 10.4 percent in 2019 to 5.5 percent in 2020. No corner of the sector was left out. Airbnb CEO Brian Chesky described the early days of the pandemic as “the most harrowing crisis of our lifetime” in an email to employees.

However, to focus only on the outsized impact the coronavirus inflicted on the travel industry would be a mistake. The travel industry has indeed made lots of progress.

The response has actually been amazing and real fast. The fact that they got all this cleaning, turning the planes around, keeping passengers safe, getting these digital tracking features just shows that technology can enable results needed when applied with clarity and commitment. Airlines are looking at all different kinds of ways to partner up for new services to be part of the entire flow, so you create a single process for the traveler to get everything they need.

Bundling in travel is far from new — but what is happening in the connected economy outstrips what we knew before. Being able to book a flight and a meeting space for business at the same time, or being able to attach appropriate cancellation insurance, or arranging to have all of a traveler's

meals prepped and delivered to their hotel room while they are booking the room. It also means being able to access necessary information — what COVID-19 restrictions are in place at a destination, what cleaning protocols are in place and all the other information consumers want and need as they are booking travel that they can still have a very fragmented experience trying to put all together.



The connected future of travel, he said, will put all of these transactions into a single flow, manageable by a consumer in a single place. Instead of a bunch of disparate processes, the connected future of travel will better streamline in to one single process.

In a recent interview, Airbnb CEO Brian Chesky said Consumers have rewired the connective tissue of their lives to better enable them to function — and survive — during a great disruption. They are looking for a different, fundamentally simpler, much more connected ecosystem to exist and transact in.

“**Connected future of travel will better streamline in to one single process**”

## The Power Of Underlying Payments Strength

Powering this shift is payments, something that may not be the “flashy” part of the Airbnb experience, but they are, no doubt, a very critical one. Enabling “pay in” for consumers who are booking properties in more than 200 countries and territories and who use one of more than 40 currencies to do it, expect that payments will work smoothly. Providing a safe, reliable and accurate payout to 4 million hosts across 200 countries, in 40 different currencies is an amazing testimony to the power of what payments modernization can enable.

For a global marketplace such as Airbnb to exist and function efficiently, it needs to inspire trust — in the platform, in the host and the payments experience. In another instance, much before Covid-19 hit us, Uber's real innovation was to recenter the consumer in the transaction — all they had to do was enter an end address and a payment method, and Uber did the rest of the work. This in a nutshell, is the challenge every business must face as the economy is restarting — how to center the consumer in the commerce experience and leverage the technology of the connected economy to do it.



## Technology as enabler

The only thing harder than building new tools is knowing exactly what to do with them once they're actually built. The development of 5G presents an excellent case in point.

For the last several years, we've been hearing 5G is coming, bringing a whole host of capabilities that will forever change our interactions with the digital world.

Well, 5G isn't coming anymore — it's here, at least in its nascent stages, which previous iterations of connectedness came taking care of the original equipment managers

(OEMs) who owned and operated the networks. It was fairly monolithic in its construction. The ending day of LTE and the early days of 5G are qualitatively different than what came before, and they are much more software-driven and user-defined, creating all kinds of opportunities that didn't exist just two or three years ago. 5G won't just allow consumers to move seamlessly between verticals on their increasingly omnichannel journeys so much as it will actually change how they live in those verticals. The biggest thing to go back to is, don't just think outside of the box, try to rebuild it because there are different opportunities now that we didn't have just three or four years ago. We are always looking at things like XR, VR and autonomous robots — and those things are



great and very shiny and exciting. But there are a lot of things that just by changing how your mobile connects provide a big advantage. It may not be flashy, may not be super shiny, but the customer experience gets better.

It is the elevation of that customer experience that should be the "North Star" that guides actions and decisions on a daily basis — a process that is as much tied up in building the right processes as it is in putting the right technology into

place. As powerful an enabler as technology has proven itself to be, it is still only that. It is the infrastructural ground layer upon which iteration and innovation can and will happen. Transformation in the era of 5G and the increasingly super-connected consumer will come in many forms. The flashy expansions and technologies like augmented reality (AR), virtual reality (VR), autonomous robots and the like catch a lot of attention, but the really fundamental change that is blurring the lines between verticals is much more subtle. And it is important to keep in mind just how early we are in a process that will itself be highly interactive going forward.

## India

For Indian consumers, the great shock that forced the digital shift didn't happen in 2020 but in 2016 when in November, demonetization was announced to a population of 1.3 billion people who largely weren't ready for it. The rise of the digital-first economy during the past year in India is a testament to that as new financial business models and payment methods gained traction at a scale and speed that could only be imagined years before.

What made the huge difference and all this possible is the building of the digital payment infrastructure, which was built exclusively by RS Software for the Government of India. But the opportunity beyond the infrastructure — the services and offering that can be built over and on top of it — lies in the true potential of digitization. It is about opening up access to other financial services, like insurance or mutual funds, or giving customers access to a single point where they can shop, buy food, and purchase travel tickets, all in a single

simple format. The connected economy will be supported by the coming changes to the financial sector that will make it possible for consumers to sign on investment accounts with the click of a button from their phones.

**UPI, built by RS Software is being enhanced to meet the demands of consumers and businesses. The most exciting change, although not that much talked about, is the change being made to the Bill Payment Platform, built exclusively by RS Software India Limited, that will open up direct digital payments in 50 or 60 segments nationwide so that even a consumer living in a rural segment will be able to pay for their kids' school, buy insurance and pay their parking tickets all from their phone. Please see the case study on Bill payments transforming billion+ lives in this annual report, in the section RS Software Continuing to serve the nation in these critical times of Volatility, Uncertainty, Complexity and Ambiguity (VUCA).**

## The connected economy – PYMNTS.com

While it's not fair to say the pandemic created the Connected Economy, which has been under construction for the better part of the last decade, it is fair to say that the global crisis created an opportunity to dramatically accelerate its development.



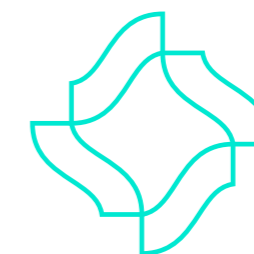
It's an expression we've all heard a lot over the course of the last year. Most commonly attributed to Winston Churchill, reportedly referring to the formation of the United Nations out of the ashes of World War II, it's a reminder in bad times that big problems often beget opportunities to do things differently — and better — next time around. Merchants and business owners worldwide suddenly had a very good reason to raise the level of their digital game about a half-decade ahead of schedule, and the developing Connected Economy has been the beneficiary.

The global rush to better optimize the consumer journey across digital and physical channels has put the Connected Economy into overdrive as it has infiltrated every element of consumers' lives. consumer preferences have simply evolved too far,

and a connected, smooth, multichannel journey isn't just what consumers want — it's what they expect.

The pandemic will fade, but consumers' desire for a series of digital doorways that make it easy to complete their tasks will not, as the appeal of seamlessly moving between channels to get their business done is fully entrenched.

And the exciting part is yet to come. Because the Connected Economy has advanced dramatically in a year. As technology advances and connections become more myriad — the combinations and offers the connected economy will be able to create will evolve and expand in ways that are hard to predict, but easy to get excited about.







## Payabbhi® - Single unified platform to deliver a Connected Financials Ecosystem

28 years of building core payments technology for global leaders have come together to build the Payabbhi® platform. Payabbhi® is a full-spectrum Digital Payments platform that enables creation of a "connected financial ecosystem" via a single unified platform. It will help aggregate services across stakeholders to offer a platform or network of interconnected solutions, allowing customers to access best-of-breed solutions through a frictionless experience. The Connected Financial Ecosystem includes transactions processed on the platform as well as pass-through transactions processed by multiple Payment Gateways or external transactions incorporated into Payabbhi® as the single unified platform.

Payabbhi® provides a full payment stack enabling integrated acceptance, processing and disbursement on a single unified platform. It is architected to act as a "Universalized Payments Data" layer delivering –

- ⚙ Reliability, consistency and near real-time value with single unified payments platform
- ⚙ Unlocking the value of Payments data to provide intelligence from accurate reconciled data that will power decisions at the business/merchant

In an interconnected world, it is almost impossible for any one entity to serve its customers all by itself. Payabbhi® digital platform not only offers a set of features that are ever evolving, but we also provide an infrastructure on which multiple stakeholders can add value for various participants in the value chain. In enabling the same, the Payabbhi® platform can be seen as part of an open ecosystem. Our official API-libraries, SDKs, reference apps and more are public on GitHub, where Payabbhi® can engage meaningfully with the developers to build communities and collaborate for innovation.

Payabbhi® is well positioned to address the different needs for, both, the large enterprises and the small and medium-sized enterprises (SME merchants).

## RS Software product suite for the Connected economy

In the connected economy most businesses are strategizing and enhancing/refining their business models keeping in mind key market drivers such as maintaining customer centric, having a balanced and profitable suite of products/services, therefore maintaining a balanced portfolio mix, with focus on sourcing through multiple channels for faster growth, and optimizing their operating cost structure. Thought leaders in specific countries in most industries are demonstrating a proactive approach to learn from global sources and are taking bold decisions while adopting a digital lead strategy. That digital dive has forced all manner of merchants and businesses to rapidly accelerate their digital journey and recreate their offerings for the era of the connected consumer, with a demand set that has digitized about five years ahead of schedule.

With the pandemic era easing back in the United States and around the world, and restrictions being lifted, digitization will soon no longer be a matter of necessity for consumers as it becomes safe to go out again. But the reopening of the real world, and the return of so-called "normalcy" does not mean the era of connectedness that the pandemic helped usher into existence over the last 16 months is going anywhere. Buoyed by positive macroeconomic fundamentals, advances in technology and increasingly robust digital and non-cash mechanisms, payments businesses are set to add \$1 trillion in new revenue through 2027.

Several industries globally are now at that critical inflection point where more and more businesses are looking at Payments as a strategic asset, be it in offering a seamless, integrated digital experience to their customers, or in rapidly co-innovating with and empowering their distribution partners, or in making the Payments data meaningful and available to drive operational efficiency and revenue growth.

### Payments as strategic asset

Companies world-wide are treating Payments as a strategic asset. The winners are gaining significant leadership by converting the simple payment transaction (hitherto considered a commodity), into an all-powerful asset by focusing on the data embedded in the payment transaction. However, its power is directly correlated to it being reliable, consistent and available.

## Payabbhi®

**Business value-driven unified payment platform, combining an API-enabled open ecosystem with real-time rich data insights capability**

**'True' API Architecture**  
60+ RESTful APIs covering all major commercial data and money flows – Customer, Subscription, Product, Plan, Order, Invoice, Invoice item, Payment, Transfer, Refund, etc.

**User-Experience Led Construct**  
Supports multiple points of interaction including chat-bots, Whatsapp-bot, auto-calling, auto-scheduled reminders/SMS, etc.

**Data-Led Insights**  
Combining inflow and outflow analytics with live dashboards for real-time business intelligence across payment methods, source devices, AR and AP

**Low/No Code Design**  
Auto-abstract any enhancements & upgrades in all integrated gateways or acquirers, making them available to merchants in real-time with no code changes at merchant's end

**Seamless Reconciliation Across 'In-System' & 'Out-of-System' Payments**  
Combines data across all channels, payment methods, payment sources and money flows (inflows/ outflows) in real/near real-time (offline feeds)

**Platform-as-a-Service Model**  
Leverages "Infrastructure as code" paradigms, to provide scalability with high stability, high availability and high resilience

- Minimized leakage in collection, payouts and reconciliation
- Enhanced user-experience ensuring smooth customer and partner journeys
- Smarter and faster DIY customisation and integration capability
- Real-time data-led insights for merchants and operators alike
- Reduced time-to-market
- Enable your own &/or third-party capability
- Auto-scalability at an almost infinite scale



# Innovation at RS Software

## What has been the primary focus during Fiscal 2020-2021?

The innovation and competency building process is both strategic and key to achieving the company's transformation to the new enhanced strategy and its implementation. The fiscal 2021 has validated global interest in all our products that are MVP ready. The Company has focused on building expertise, products and solutions to address the growing demand for payments modernization globally. The focus areas for FY 2020-2021 chiefly centred around Products and the RS Payments Universe portal. Importantly **new initiatives have been added to include work in Digital ledger technology, Blockchain, Digital Identity, Digital Currency or CBDC.**

### Products

Many of the products that have been developed in the RS Payment Innovation Labs are now successfully installed at our global clients, including in India. Many of these are being continuously enhanced and upgraded:

**RS MerchantEdge™ and RS iFinSwitch™** have been deployed at GovPay, U.S. with live transactions integrated with TSYS. The Hosted Payment Page enablement has been completed and certification with Chase Paymentech processor has been completed. A customised version of the product is used in Indian banks to accept UPI payments.

**RS IntelliEdge – Central™** implemented as an Enterprise Fraud Risk Management (EFRM) is already successfully running pan-India. During the year, EFRM has been implemented for all banks across digital

payment channels like ATM, POS, ECOM, UPI, BHIM, IMPS, AEPS (Aadhaar) and for commerce focused channels such as NETC and BBPS with risk scoring of 4.4+ billion transactions per month.

**RS IntelliEdge – Banks™** is getting traction at banks in India and Canada, Particularly as digital payments adoption is accelerating as a result of the pandemic.

**RS BillAbhi – Central™** is now a globally competitive product and further enhancements are being made to create a differentiating proposition for both developed and developing economies

**RS RTPS™** is now ready and upgraded, enabling us to participate in the global faster payments arena where about 60 nations are at some point of their faster payments journey. We are seeing traction in multiple geographies to implement payment modernization for realtime payments.

**RS DigitalEdge™** is a new product of our RS Payment Innovation Lab., focused on combining Digital Overlay Service layer combines with Real-time payment enablement. Our security validation product RS Test2Pay™ (3DS2) continues to be offered as 3DS2 based products that are being built for risk-based-security solutions across the world compliant with EMVCo 2.1 Specifications. Test2Pay has around 1400 test cases that can be run unattended for testing the system under test. This product helps to achieve stronger authentication, being pursued by regulators across the globe

### RS Payments Universe

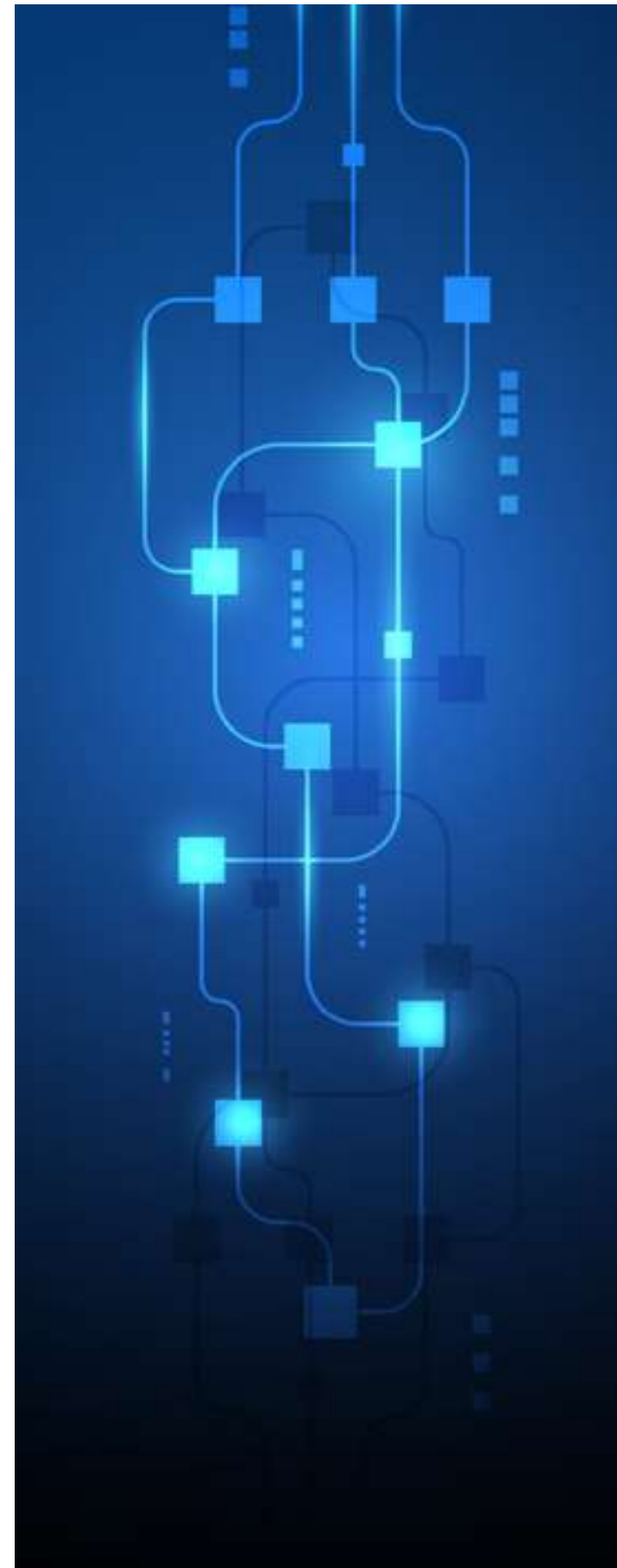
The RS Payments Universe portal from the RS School of Payments continues to serve as a knowledge management and collaboration platform for all RS employees. In addition to providing up-to-date information and trends on the payments domain, technology, regulation and related subjects, there is a White Paper section that features articles containing novel and innovative thoughts and ideas authored by RSites on the various developments in the payments world. These thought leadership articles communicate deep insights and demonstrate the payments domain expertise and know-how that position RS as a leading expert and consultant in the payments world. We have enhanced our coverage on social media and other channels of digital marketing to **share our thought leadership in the payments industry, as it chases payments modernization.**

### Future Plans

We will continue to innovate in the RS Payments Innovation Labs to build faster switching capabilities and will stay focused on Artificial Intelligence (AI), Machine Learning (ML) and Deep Learning (DL) to ensure efficient and effective fraud detection through RS IntelliEdge™, enhance R&D efforts in Digital ledger technology, Blockchain, Digital Identity, Digital Currency or CBDC. The journey continues to pursue our vision of building payments at the speed of thought. Please read the case studies in this report, in the section RS Software Continuing to serve the nation in these critical times of Volatility, Uncertainty, Complexity and Ambiguity (VUCA).



## RS Software investing in **Distributed Ledger Technology (DLT)** as it gains interest among value chain stakeholders



**D**istributed Ledger Technology (DLT), popularly known as blockchain was invented in 2008 by one or more persons under the pseudonym Satoshi Nakamoto. In 2018, Gartner reported that only 1% of CIOs indicated adoption of the technology in their organizations, which, in 2019, rose to 5% of CIOs considering it to be game-changer technology. Bitcoin was an application of blockchain for monetary value which was co-invented with blockchain by Satoshi. The 'permissionless' aspect along with 'privacy' made it a tool in the hands of wrongdoers which resulted in infamous use cases of payments on bitcoin. Furthermore, it needed high power usage which is akin to high carbon footprint. These drawbacks kept out the mainstream payment players from participating in this innovation. However, very recently, variations of blockchain like Litecoin, Ethereum, Concordium, etc. are addressing many of the issues and this is helping adoption of the technology.

At RS we had explored the technology in the RS Payments Innovation Labs. Following were the important findings from a business usage perspective.

1. **User Identity:** The 'user identity' was an important aspect even if the 'privacy' or 'anonymity' aspect is preserved, especially for its usage in electronic payments. Moreover, the permissionless aspect is a great feature, but as it attracted enormous processing power and users had misused anonymity, many 'permissioned' DLTs were gaining ground.
2. **Power Guzzler:** One of the main reasons of high-power usage was how the miners made money while mining. The bane of high-power wastage was because of unbridled mining that used the process of 'Proof-of-Work' (PoW). In contrast 'Proof-of-Stake' (PoS) reduces the incentive for arbitrarily mining of blockchain, thus saving energy.
3. **Smart Contract:** Another important aspect is Smart Contracts that permit trusted transactions and agreements to be carried out among disparate, anonymous parties without the need for a central authority, legal system, or external enforcement mechanism. In many of the matured alternative implementations of blockchain and DLT, production level code samples for Smart Contracts exist in Git for reuse. However, in upcoming solutions, code samples exist for the same but are not field tested at scale.

We had experimented with Ethereum in the past and now we are in talks with Concordium to explore their technology in implementing use cases applicable for payments and related areas.

The use cases that are of interest which may be implemented using Concordium are listed as under.

1. **Stored Value or Prepaid Instruments with traceability of fund flow** – today if someone buys a bunch of Gift Cards and gives them out to some people, there is no trace of fund flow possible as the buyer and the users can remain anonymous. This can be addressed by implementing the service to some extent (at least for the buyer of the cards) by using blockchain. The open and permissionless nature of Concordium can help implement the same yet improve the regulatory aspects.
2. **Closed loop payment instruments** – the unit of value in Concordium, called Global Transaction Unit (GTU) can be transferred within entities who are within the closed loop, which is useful for common platforms (like Amazon, Flipkart) or upcoming Super Apps.
3. **Crowdsourced Lending** – with the rise of Buy Now Pay Later (BNPL) schemes, blockchain can be used to build an exchange for lending where micro-lenders may invest and get decent low risk high IRR.
4. **Co-owning High Value Assets** – periodic time or event triggered payment between anonymous parties based on smart contracts. This can be leveraged for owning fractional assets, worth very high value, incrementally using systematic investment plans, like N-number of people owning a software, or a rare oil painting, a sculpture, or a diamond, etc. as an investment option. The item itself can be part of assets in the blockchain.
5. **Cross Border Payments** – As identity is baked into the protocol of Concordium, it can eventually be used for cross border or at least cross regional payments. It may take time for this use case to blossom.

**Overall activities that RS Payments Innovation Lab has laid out are as follows:**

#	Activity
1.	Familiarization <ul style="list-style-type: none"> <li>• Exploring the smart contract space</li> <li>• Connecting to the Testnet/Mainnet</li> </ul>
2.	Use Case Mapping to Technology <ul style="list-style-type: none"> <li>• Study implementation of fungible tokens</li> <li>• Study of the protocol used</li> </ul>
3.	Architecture and Design <ul style="list-style-type: none"> <li>• Implementing APIs</li> <li>• Implementing privacy and security</li> <li>• Implementing the use case</li> </ul>
4.	Engineering
5.	POC Demo

As the market gears up to deploy blockchain technology RS Payments Innovation Lab has built a roadmap to internalise the technology in the organization.

## RS Software Continuing to serve the nation in these critical times of Volatility, Uncertainty, Complexity and Ambiguity (VUCA)



### CASE STUDY

**RS IntelliEdge – Central™** has been implemented for the National Payments Corporation of India (NPCI) as an **Enterprise Fraud Risk Management (EFRM)** that is successfully running pan-India.

EFRM has already crossed **4000 TPS** pan-India leading to potential savings of **~6%** of total transaction value. EFRM has enabled our largest financial messaging client to transfer more than **~\$120 billion** per month. More than **\$8 billion** in fraud is circumvented every month through this system.

EFRM assesses transaction risk within **100 milliseconds** for **1200+ banks** in India across **8 online** and **1 offline** channel – ATM, POS, ECOM, UPI, BHIM, IMPS, NETC (FASTag), BBPS and AEPS (Aadhaar) with risk scoring of **150+ million transactions per day** using business rules, statistical data models and adaptive AI/ML models. Suspected transactions that are usually about **2%** of total volume get reported at runtime with **70%** plus accuracy. The AI model started functioning with **>70%** accuracy using very low labelled data (**±10<sup>-3</sup> %**).

The Rule Editor, an integral part of RS IntelliEdge™ offers an easy-to-use rule creation interface for business users to translate business insights into rules that can be deployed directly in production. This is evident as right now there are over **24,000** rules currently live in the system. Models that leverage Artificial Intelligence and Machine Learning are rolled out for UPI, ATM and ECOM channels and other channels will be rolled out as soon as fraud information for these channels are received.

**The platform achieves savings in fraud valued at \$9 billion in a single month**

### Key statistics

- 1) RS EFRM team displayed commitment and dedication to India during the pandemic when the Prime Minister of India announced PM Cares funding support for Covid-19.
- 2) EFRM sustained peak TPS of 5200 for 2-3 weeks in production pan- India without single OUTAGE and keeping SLA of 99.995% for last 24 months.
- 3) EFRM is now LIVE in all Digital Payment Channels of India processing >75% of Indian Digital Payment landscape.
- 4) ~4 billion transactions worth ₹12 trillion were processed by RS IntelliEdge™ in December 2020 alone, potentially saving banks a whopping ₹470 billion.
- 5) Fraud losses in INR drops by 95% in first half of FY21 compared to first half in FY20 as per RBI data.
- 6) Potential savings attributed to EFRM from Oct'2020 till Mar'2021 is INR 3.2 trillion
- 7) RS Data Science team along with Technology team has ensured EFRM maintained Fraud Detection Ration >70% with False Positive Ration <30% in last 6 months showing RS Analytics Model is strong and adjust automatically for any potential drift in usage pattern.

### CASE STUDY

#### Scalability Transformation

The phenomenal success of UPI since going live resulted in the fastest growing real-time payment platform in the world with close to 15 billion transactions processed annually. But UPI carried the promise of many more transactions in the future as other payment rails like AEPS, IMPS, NETC have started to integrate with UPI. The biggest headache for NPCI was how to increase the processing capability of UPI. Once again, NPCI had engaged RS Software – the original architect of UPI to solve this problem.

The project was named "Billion-A-Day Architecture" because the mission was to build the capability to process one billion transactions every day!! It was an ask of herculean proportions and no payment systems in the world, built on open source technology has ever achieved this till date. RS Software took this challenge and implemented its unique architecture principles like non-blocking architecture, self-sufficient processing units to achieve this milestone of engineering excellence. In the process, we made UPI cloud-ready and deployable in AWS. Ultimately, UPI has been benchmarked in AWS at 15000 TPS, which means UPI can now process more than 1.5 billion transactions per day. UPI is now processing a run rate of ~ 36 billion transactions annually.

### Billion transactions a day architecture

#### RS provides digital payment solution to 12 of 20 major banks and the opportunity ahead

Digital payment is on ascendancy in India with the phenomenal success of digital payment infrastructures like UPI, BBPS and EFRM systems – all three systems are architected and implemented by RS Software. While shaping the digital payment landscape in India, one of our key focus remained on banks in India and how to enable them to become successful in their digital payment journey. As many as 12 of the top 20 banks in India are now using the solution from RS Software to enable their digital payments through UPI or BBPS or payment acceptance. The list is growing further with RS product assets for digital payment

processing, fraud and risk management or payment acceptance.

RS products are now getting further enhanced to provide IMPS payment as well and already caught attention of few more banks who are looking for an integrated UPI and IMPS solution. Enhancements in BBPS central infrastructure with a new mandate management system means bank would also be interested to enhance their systems, creating new opportunities for RS BillAbhi™ product. After the successful implementation of multi-channel fraud solution for NPCI [which is called EFRM]; many banks are

now interested to implement such a robust and advanced machine learning based fraud management solution [RS IntelliEdge – Banks™] from RS Software.

With the forthcoming development in India digital payment space – the advent of NUE [New Umbrella Entity], a new stream of opportunity being created for RS product offerings to the banks. We are confident that in next few years, our list of Indian bank as clientele will grow longer and longer and fulfil one of our mission to provide digital payment solutions for all the major banks in India.

**“RS Software enables transformation of digital payments infrastructure at leading banks”**

### CASE STUDY

#### Bill payments transforming billion+ lives

After the success of Bharat Bill Payment System (BBPS), the next objective was to provide more value added services that simplify Bill Payments in the country. Unified Presentment and Management System (UPMS) would be introduced as Customer (Presentment) Registration & Bill Fetch facility under BBPS. This module assumes more criticality with category expansion on the cusp, as majority of the transactions in the upcoming categories like mutual fund, insurance, school fee payments currently happen through presentment & standing instructions. For e.g. more than 50% of insurance premium payments are processed through Standing Instructions. Additionally, Bill Presentment & Standing Instruction make transactions processing hassle free for any recurring utility bill. This module will act as a catalyst to proliferate transactions under BBPS.

Till date, there are very few banking/non-banking entities offering Presentment & Auto Pay facility. The idea behind developing the solution is to enable all the BBPOUs to extend this facility to their Customers/Corporates with minimal effort with the aid of a centralized infrastructure and application support provided by BBPCU without acquiring the customer or the transaction. This module will act as a catalyst to increase transactions under BBPS. **RS Software, the original architect of Bharat Bill Payment System bagged this project from NPCI and is developing a state-of-the-art system that processes more than 1 million standing instructions every day with the potential to scale up to 50 million. BBPS is processing a run rate of ~ 6 billion annually.**

**45.47 Mn transactions/month**



# Management Discussion Analysis



## ★ What were the key initiatives by the Company, from an HR and employee perspective, and market reach perspective, during FY2020-21?

### Employee focused key initiatives

- ▶ The foremost initiative was to respond to the Covid-19 impact. Quick Adoption of the Work from Home model, keeping employee safety as the top criterion, and ensuring there is no impact on Customer Delivery and Business Operations across all geographies.
- ▶ Enhanced health insurance facilities with added benefits and included Covid-19 coverage.
- ▶ Introduced RS Café, a virtual online social platform for RSites to stay connected with each other while working from home.
- ▶ Effective Risk Management to ensure close to 100% availability of Infrastructure to support Delivery, Operations, and Innovation.
- ▶ Support teams available to all employees who needed the support at any time.
- ▶ HR process enhanced to ensure all elements of human touch, while working from remote.

### Market focused key initiatives

- ▶ Implemented tools and processes for digital marketing and to enable digital sales execution.
- ▶ Increased our digital marketing through social media to promote our products.
- ▶ Launched digital marketing war room where our Sales and Marketing team, Practice team and Executive teams meet on an average twice a week to discuss and brainstorm the various sales and marketing initiatives in progress.

- ▶ Engaged with industry experts to validate our market opportunity, and help in identifying partnerships to expand our global reach.

- ▶ While the company has made significant investments in sales and marketing, approximately \$13 M over the last 5 years, generating revenue of about \$45 M, what has become clear is that the best go to market strategy, especially for the products is to partner with companies that have global reach and are focused on the market segments where our products and capabilities best fit. The company has been in discussions to seek partnership since December 2019, but the efforts intensified during fiscal 21. In spite of the challenges brought about by our inability to meet in person because of Covid-19 impact, we have been successful in closing a partnership that has infact resulted in us winning an important deal in a developed world country. We have some more partnerships in discussion. Such partnership cycles are indeed long and therefore consume significant time and investment.

- ▶ Expansion of the board to enhance availability of marketing expertise.

## ★ What are the principal trends increasing the market opportunity for RS Software?

The key trends in Payments, globally, are in the following areas –

- i. Country-level central real-time payments (RTP) infrastructure for account-to-account (A2A) payments.
- ii. Adoption of RTP at banks/financial institutions (FIs).
- iii. Accelerating adoption of RTP through high-volume use-cases such as bill/invoice payments – therefore, bill/invoice payment solutions (central infrastructure or bank/bill aggregator solutions).
- iv. Fraud and risk management solution at banks or as part of the central payment infrastructure.

v. Modernization of banks' payment systems to offer digital services (through, say, a digital overlay service layer).

vi. Merchant acquiring and value-added services, including combining payments and data.

Before we elaborate on the market opportunity size, it is important to emphasize that RS Software has invested significantly in building products and platforms for each of these opportunities. Economies (countries) are moving away from cash, either gradually (e.g. UK or Germany) or by leapfrogging (e.g. China, India). New digital transactions are increasingly captured by non-card payment methods. E.g. in Sweden, cards have experienced a 25% decline in 'new' transactions between 2015 and 2016, and that trend has continued over the past 4 years in almost all countries that have adopted RTP (account-to-account) payments. The buyers' (central banks of most countries) goal is to shift to digital payments and make them as cheap as possible for merchants. Account to Account (A2A) payments can be cheaper than cards by leveraging "cent rather than %" fee structure. Increasing A2A volumes will enhance the productivity of the nations in the long-term and hence unrelenting focus by regulators across the globe.

The number of central RTP systems in use around the world has increased 35% between 2018 (40 countries) and 2019 (54 countries), and has grown nearly fourfold since 2014. 60+ countries today have implemented central payment infrastructure systems catering to real-time/faster payments, and some of them have included applications and value-added services to accelerate the adoption of RTP. Some of these countries are upgrading to 3rd generation systems, rationalising by complying to standards such as ISO 20022 protocol. Most other countries (mostly developing economies) who do not have a central payment infrastructure for RTP are in the process of planning to implement it basis learnings from the countries who have successfully adopted RTP. Only few G20 countries are yet to modernize or develop their legacy systems (e.g. Canada is expected to go live with their upgraded platform in 2022). On the contrary, emerging markets still need to invest in RTP, with Africa and Middle East being the next opportunity.

Therefore, implementing 3rd generation central payment infrastructure platforms and greater adoption of RTP is clearly one of the key focus areas for most countries and their central banks.

Implementation of country-level central RTP platforms and their modernization also involves connecting banks/FIs to this central infrastructure to be able to participate in the RTP/A2A transactions. Therefore, there is significant opportunity at the banks/FIs to implement solutions to establish this connectivity.

Countries are looking to accelerate the adoption of RTP/A2A payments, and one of the high volume use-cases is bill/invoice payments. There are multiple options to enable bill/invoice payments – country-level central platform with participating entities (banks/FIs and billers/businesses), or individual solutions offered/hosted by banks and fintechs (biller aggregators). Following the EU regulations, invoice payment solutions will now have to adopt the request-for-pay message protocol. Many of the existing solution providers (biller aggregators) will soon have to implement this.

With the accelerated adoption of RTP, fraud and risk management (FRM) becomes a key requirement to be addressed. While most banks globally have FRM solutions for card-based payments and for their core banking transactions, there is a need for a FRM solution for RTP based transactions, and therefore a potential opportunity to have a holistic FRM solution or at least an aggregated view to facilitate controls and actions across all payment channels.

As banks/FIs connect into the central payment infrastructure to leverage RTP/A2A, bill/invoice payments, etc, they are also modernizing their own payment systems and implementing solutions to be able to offer more and more digital services through, say, a digital overlay service layer.

With the opportunity in the digital payments space growing significantly and at a rapid pace, there is an increasing number of payment gateway (merchant acquiring and acceptance) and value-added services providers entering this space.

Some of the more sought-after value-added services that are becoming an integral part of the

payment infrastructure are mandate management, mobile payment app, dispute management, QR code standard, digital identity management, invoice validation and notification, account portability/switching, confirmation of payee, etc. With the focus on modern technology, design and architecture, and emphasis on modular and API-first systems, businesses are seeing the value of additional value-added services such as omni-channel payments, open banking, banking-as-a-service and payment data analytics in order to achieve more efficient financial flows.

Central banks are looking for central infrastructure solutions that also address the needs around cross-border payments and central bank digital currency.

There are a number of global solution providers and operators who are aiming to get a significant share of the opportunity in each of the 3 areas – country-level central payment infrastructure, connectivity (banks/FIs), and value-added services. The opportunity size is also in the same sequence – lowest (central infrastructure) to highest (application areas/value-added services). Although the core central infrastructure services is not the more attractive revenue generator, most major players are very keen to participate in this as it brings 'soft benefits' in the broader payments ecosystem and therefore the larger opportunity. Participating in the core infrastructure space provider exposure to payment regulators, FIs, payment solution/service providers, and other stakeholders (fintechs, etc). Participation in multiple markets boosts a provider's reputation and positions it as a strong contender for the opportunities in the broader payments space. Further, relationships and brand value nurtured in core central infrastructure discussions can also lead to successful cross-selling in the connectivity (banks/FIs) and value-added services areas, which are relatively larger sized opportunity areas. Ideally, the intersection of all the three areas is the 'sweetest spot' to go after.

★ **What/Where has been our primary focus w.r.t. sales and marketing activities during the fiscal 20-21, and what are your plans for fiscal 21-22?**

**The primary focus of our sales execution in 2020-21 was**

- ☉ Accelerating our digital marketing reach
- ☉ Identifying strategic partnerships to expand the global market reach for our products and platforms
- ☉ Improving our direct sales efforts, and complement with channel sales
  - ▶ 70% increase in website traffic as a result of our focus on digital marketing, increased viewership of our products section by 82.28%. Our posts on our products – RS IntelliEdge™, RS DigitalEdge™, RS BillAbhi™ was well accepted by the LinkedIn network and received the highest number of impressions, shares and likes.
  - ▶ Identify and close target partners – (a) large global players with coverage of all opportunity areas, and (b) those with specific market focus – to seal strategic partnerships.
  - ▶ We engaged with large potential partners who were interested in pursuing opportunities in central payment infrastructure (especially RTP), connectivity (banks/FIs), bill/invoice payments, FRM, modernization of banks' payment systems, merchant acquiring and acceptance, and value-added services. We successfully converted one of the partnerships and continue to be in dialog with more. Strategic partnerships are our go to market for our products and platforms.
  - ▶ Direct sales: We created/pursued 7 opportunities – 4 with existing large customers and 2 with new large customers
    - ⚙ RTP
    - ⚙ Bill Payments
    - ⚙ FRM
    - ⚙ Digital Overlay Service Layer

**Our plans for fiscal 2021-22**

- ▶ Cross-sell and grow in all our existing accounts in the areas of RTP, Bill Payments and FRM.
- ▶ Intensify the efforts to grow through partnerships in place.
- ▶ Target 2 additional strategic partnerships for global opportunities in the areas of RTP, Bill Payments and FRM, and through these partnerships, target to win 2 large opportunities in the global markets.
- ▶ Intensify digital marketing reach with a goal to complement our direct sales and channel sale.

★ **As you embark on intensifying your growth, what are your initiatives in the areas of Quality & Benchmarking?**

**Quality & Benchmarking**

**What are the major achievements during fiscal 2020?**

The Q&B process is strategic to the company since its inception, and the company has pursued global benchmarking all thru its existence, of its process architecture.

- ▶ Re-certification of ISO 27001:2013
- ▶ Identifying and mitigating risks across processes and projects
- ▶ Developing a thorough understanding of project dynamics by detecting points of failure and generating alarms
- ▶ Conducting weekly reviews of project reported metrics and customer status reports
- ▶ Conducting defect and root cause analyses
- ▶ Measuring customer satisfaction through independent surveys
- ▶ Process automation
- ▶ Organising training sessions, workshops, planned and unplanned audits, quality weeks and other academic and non-academic seminars
- ▶ Carrying out routine audits of quality systems by third parties
- ▶ Security Standard certification for payment platforms

**What are your plans for FY22?**

As the company is quickly transitioning to offering products and platforms in addition to services, Q&B process will pay particular focus to the following:

- ▶ Re-Certification of ISO 9001:2015
- ▶ Business Process Automation to drive productivity
- ▶ Introduce defect metrics, and causal analysis for products and platforms
- ▶ Benchmark product development to global standards
- ▶ Regular review of company's transition of its business model

HR



**What are the key actions taken by HR during the Fiscal 2021?**

Fiscal 21 has been an exceptional year for people as a result of Covid-19 impact. Even before the fiscal year began, the pandemic had hit and we jumped straight to action. It was like going to an emergency room in the hospital. Immediate actions were:

- ▶ Set up 'war room' for employee safety
- ▶ Arranged supplies of disinfectants and masks at all physical premises of the company
- ▶ Worked with O&S process to arrange frequent Covid-heavy duty cleaning
- ▶ Worked with the Executive team and decided the employees work from home, starting March 23rd, 2020
- ▶ Worked with the Facility process to ensure adequate telecommuting infrastructure be available for all employees, to ensure that no client work is impacted
- ▶ Worked with O&S process to ensure full available to employees who had to come to the physical premises for any mission critical work
- ▶ Put in place frequent employee communication
- ▶ Introduced RS Café, a virtual online social platform for RSites to stay connected with each other while working from home
- ▶ Held counselling sessions on need basis
- ▶ Worked with Finance and O&S processes to enhance health insurance to include expenses on account of Covid-19 impact
- ▶ Detailed feedback to the Board for all Covid-19 related actions, and implemented all suggestions received
- ▶ Frequent status updates and actions taken throughout the fiscal year, based on the developments related to Covid-19
- ▶ Negotiated with hospitals to help employees get vaccinated for Covid-19, as vaccines became available

**What are the key practices in HR that are helping the company to achieve the goals set by the transformation the company is pursuing?**

- ▶ Focus on new competencies building by RS School of Payments new competencies required
- ▶ Performance goals realigned to meet the identified growth areas including product development, and taking the products to the market, responding to RFPs, etc.
- ▶ Performance management system that meets the goals of the individual and that of the organization
- ▶ A people process and performance-oriented culture that recognizes that our human capital are the drivers for our transformative growth

**What are HR's plans/goals in FY22?**

The HR plans/goals for FY22 are defined and measured with key metrics for various HR success parameters or KPIs:

- ▶ Attracting and retaining talent to meet the identified growth areas, product and platform development
- ▶ Ensure Employee morale as new practices emerge as a result of Covid-19 impact
- ▶ Talent management target indices – right hire for right role, employee performance management & feedback, competency development and talent mobility
- ▶ Employee satisfaction index – lower attrition and productive employees
- ▶ Measures aligned to corporate objectives to support organization growth – adherence to process implementation throughout the organization, with human touch



## Risk and Response

### What is the impact of Covid-19 on your company?

The impact of Covid-19 is going to be significant in all markets where the company operates. Fortunately for us the impact is positive as it creates a major growth in going digital, which translates to acceleration in the use of digital payments. For instance China is already starting to see Ecommerce/Mcommerce ahead of physical retail. This trend is likely to accelerate globally in all markets. At the same time we have increased the overall governance of all policies and practices brought about by the impact of Covid-19, especially people focused impact.

### What are the Internal control systems in place and the governance for its implementation?

The Company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The Audit Committee reviews reports presented by the internal auditors on a routine basis and takes corrective actions if and when necessary. It maintains a constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

### People are the largest asset, how do you ensure people being current in their knowledge to contribute to the growth of the company? Are there any technology risks?

The Company is focused to ensure increase in the value of human capital through the development of individual and collective skills and knowledge that remain essential for continuous growth. The Company continues to implement programs for skill development. Knowledge management. RS School of Payments and RS Payments Innovation Lab are the key assets for the growth of our people, and the company is proactive in ensuring that we remain current on adoption of relevant technologies at all times.

### Are there regulatory risks in your industry?

Yes, the payments industry is going through major transformation, which is making the regulators very active, sometimes proactive, and sometimes reactive. Fortunately, all this is positive for the growth of the payments industry, creating a larger market opportunity.

### Can you please explain the Cautionary statement made by the company?

The statement made in this section describes the Company's objectives, projections, expectations and estimations which may be called 'forward looking statements' within the applicable Securities Laws and Regulations. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized by the Company. Actual results could differ materially from those expressed or implied in the statements due to the influence of external factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statement on account of any subsequent development, information or events.



## Board of Directors



**Raj Jain**  
Chairman &  
Managing Director

**Raj Jain** is a visionary entrepreneur in digital payments. He is the founder CEO and Chairman of RS Software, a company engaged for more than 25 years in the core areas of digital payments. The vision of the Company is to help its clients enhance the economic circumstances of individuals, communities and countries through the transformative power of electronic payments, contribute towards achieving financial inclusion, and make life impacting changes through digital technologies in the way humanity conducts and experiences commerce. RS Software works with global leaders in digital payments, and has built India's digital payment infrastructure.

Raj Jain believes in giving back to society and engages in philanthropic activities. He is deeply involved with Veerayatan, an institution focused on making this world a better place, through the principles of compassion, education, religion and charity.

Raj Jain was acknowledged by Ernst & Young as one of the top 20 Outstanding Entrepreneurs of the Year, and he speaks at various global forums and at universities. He has served on the Executive Council of National Association of Software and Services Companies (NASSCOM), and he is the past Chairman of NASSCOM. He is also a Charter member of TIE (The IndUS Entrepreneurs). TIE is the world's largest global network with a mission is to foster entrepreneurship globally through mentoring, networking, and education. Focus is on generating and nurturing a new generation of entrepreneurs. Raj Jain co-founded the fourth chapter in Silicon Valley of Young Presidents Organisation (YPO). YPO is a global network of young chief executives that connects 24,000 peers and their families in more than 130 countries to learn, exchange ideas and address the challenges leaders face today. Altogether, YPO member run companies employ 20 million people and generate US\$ 9+ trillion in annual revenues.

In 2010, The Confederation of Indian Industry (CII) recognised him with a Life Time Achievement Award for nurturing the Spirit of Entrepreneurship and inspiring and mentoring numerous entrepreneurs. He was the Senior Advisor at Sequoia Capital and is currently Senior Advisor at Elevar Equity. Mr. Ramaraj is the Chairman of Villgro Foundation, an Incubator for social enterprises. He is also a Member of the Board of Governors of the Indian Institute of Management, Calcutta.

He was a member of the Global Board of Trustees of TIE (The Indus Entrepreneurs) and the first Indian to be invited to serve on the Board of Directors of ICANN (Internet Corporation for Assigned Names and Numbers).

He holds a B.Tech in Chemical Engineering from the University of Madras as well as an MBA from the Indian Institute of Management, Calcutta and a Ph.D. from SRM University



**R. Ramaraj**  
Director

**R. Ramaraj** is an icon in his field. His last venture was Sify, where he was the Co-Founder and Chief Executive Officer. He was recognised as the 'Evangelist of the Year' at the India Internet World Convention in September 2000 and voted 'IT Person of the Year' in a CNET.com poll in India that same year.



**Shital Jain**  
Director

**Shital Jain** brings to our Board more than 31 years of experience with Citibank, one of the

world's largest financial services providers. Mr. Jain's assignments with Citibank involved work in Hong Kong, Taiwan, the Philippines, Thailand, and Canada. He played a lead role in establishing the consumer credit practice for Citibank in India.

Currently, he is also on the Board of PNB Housing. Mr. Jain is a Fulbright scholar, receiving his MBA from Indiana University, where he was elected to the Beta Gamma Society, whose membership includes the top-25% of MBAs in the US.



**Richard Launder**  
Director

**Richard Launder** has more than 30 years of experience in the payments industry with strengths in sales, marketing and operations. He is an expert in strategic selling, building

effective sales teams and marketing within diverse markets and cultures. As a Managing Director in Europe, Middle East and Africa for one of the largest software companies in the payments industry, Mr. Launder generated more than US\$ 130 million in revenue by developing a distribution model for the region based on acquisitions, direct operations, joint ventures, distributors and sales agents. His vast experience in payments application software is particularly relevant to RS Software's strategic direction.



**Sarita Jain**  
Director

**Sarita Jain** has been a Director on the RS Software Board since the Company's

inception in 1989. In addition to possessing exemplary administrative, communication and organisational skills, Mrs. Jain holds an undergraduate degree in English Honors, Masters degree in English from Delhi University and an associate degree in Mass Communication.



**Lakshmanan Narayan**  
Director

**Lakshmanan (Lux) Narayan** has joined the board of RS Software India Limited in 2020. He is the co-founder and CEO of WordsWorth.ai, focused on helping online presenters

increase and monetize livestream engagement. In his last role, he was the co-founding CEO of Unmetric, a social media analytics company that was acquired by Cision. He is a serial entrepreneur and has significant expertise in the disciplines of marketing and product management. He is also the co-founder at ShareMyCake Charitable Foundation, a non-profit that was launched to raise a more 'giving' generation of kids. Lux is the author of an Amazon Bestseller, "Name, Place, Animal, Thing - An Inspiring Fable for Grown-Ups about Hope, Positivity, and Living your Best Life". His TED talk on "What I learned from 2,000 obituaries" has made him a well-known speaker. He holds an MBA from IIM Kolkata and a B.Tech. from IIT Madras.



## Senior Executive Profiles



**Raj Jain**  
Chairman & Managing Director

Raj Jain is a visionary entrepreneur in digital payments. He is the founder CEO and Chairman of RS Software, a company engaged for more than 25 years in the core areas of digital payments. The vision of the Company is to help its clients enhance the economic circumstances of individuals, communities and countries through the transformative power of electronic payments, contribute towards achieving

financial inclusion, and make life impacting changes through digital technologies in the way humanity conducts and experiences commerce. RS Software works with global leaders in digital payments, and has built India's digital payment infrastructure.

Raj Jain believes in giving back to society and engages in philanthropic activities. He is deeply involved with Veerayatan, an institution focused on making this world a better place, through the principles of compassion, education, religion and charity.

Raj Jain was acknowledged by Ernst & Young as one of the top 20 Outstanding Entrepreneurs of the Year, and he speaks at various global forums and at universities. He has served on the Executive Council of National Association of Software and Services Companies

(NASSCOM), and he is the past Chairman of NASSCOM. He is also a Charter member of TIE (The IndUS Entrepreneurs). TIE is the world's largest global network with a mission is to foster entrepreneurship globally through mentoring, networking, and education. Focus is on generating and nurturing a new generation of entrepreneurs. Raj Jain co-founded the fourth chapter in Silicon Valley of Young Presidents Organisation (YPO). YPO is a global network of young chief executives that connects 24,000 peers and their families in more than 130 countries to learn, exchange ideas and address the challenges leaders face today. Altogether, YPO member run companies employ 20 million people and generate US\$ 9+ trillion in annual revenues.



**Vijendra Surana**  
CFO and Company Secretary

Vijendra Surana, with 25 years of experience, has garnered expertise in Strategic, Corporate and Financial

Planning while working in varied sectors that includes Merchant Banking, Financial Services, Information Technology, Tea, Power, and International Trade.

At RS he has been engaged in Strategic Management, Corporate Planning and Financial Management, and is accountable for Strategic initiatives, Reporting, Investor Relations, Budgetary management, Due Diligence, Capital structure, taxation, treasury functions, compliances and legal matter. Over the last ten years he has helped build comprehensive strategies

and tactics based on the financial needs of the organization. With diligent financial management through operational efficiencies & process improvement coupled with effective corporate governance, he has ensured business continuity for customers leading to significant improvement in the performance of the Company.

Vijendra is a B. Com (Hons) from St. Xavier's College Kolkata. A qualified MBA (ICFAI), he is an accredited Chartered Accountant (FCA), Company Secretary (ACS) and Cost & Management Accountant (ACMA).



**Milind Kamat**  
Chief Operating Officer

Milind, as the Chief Operating Officer (COO), provides leadership to all the strategic initiatives and business operations of RS. As the executive leader of the organization, he is responsible for sponsoring the successful delivery of the strategic and operational milestones in the annual and long-term business plans of RS. His exemplary corporate track record, spanning almost three decades, has numerous success stories in delivering transformational growth to IT Services business and Payments platform business across international and domestic

geographies. At RS Software, he champions the setting up of new growth engines to deliver top and bottom line growth for the company. Milind's multi-disciplinary leadership skill makes him an inspirational leader and motivates an entrepreneurial organisation like RS to plan and deliver its strategic vision – Payments at the speed of thought. He is similarly committed to deliver transformative payment solutions to RS Software's customers to facilitate their competitive advantages, and enable their market leadership in respective business verticals.

Milind's core strength in IT consulting and Payments, across verticals, enables him to address business challenges and provide long-term sustainable solutions leading to revenue growth, increase in operating margins and enhanced customer satisfaction. He has played significant roles in delivering business results, primarily focused on strategic revenue growth, P&L and key business metrics across Enterprise Solutions, Payment industry, Application Development, and Maintenance, IT Infrastructure Services, and Business Process

Outsourcing (BPO). His forte is delivering overall excellence and exponential growth by successfully managing large teams.

Being a visionary business leader, Milind has the ability to envision, build and drive growth and sales strategies and execute business plans. He has a stellar track record in client acquisition, increasing market and wallet share, managing large client account portfolios, selection-to-deployment of IT solutions and services that involve clients, suppliers and advisory firms. Milind has also been responsible for IT governance, business service management, and enterprise transformation both at a strategic and implementation level. Some of his achievements have been in building a BPO business ground up worth a quarter billion dollars, setting up and winning large business deals in North America in excess of a billion dollars, building and managing a quarter billion dollar worth global account, and driving 20x revenue growth in 5 years for a Payments platform, thereby delivering excellence in sales and operations.



**Sumit Misra**  
Associate Vice President

Sumit Misra has the distinction of serving major companies in the IT

outsourcing industry working as an engineer, project lead and project manager. During a professional career that spans 30 years, he has helped leading companies in the payment industry determine technical strategies to build competencies that best fit the needs of their customers. At RS Software, he strengthens and extends our position as a leader in the payments industry by managing the RS School of Payments and the RS Payments Lab, enhancing our domain expertise by instituting best practices

in knowledge management. Sumit holds a doctoral degree in Engineering.

## Senior Executive Profiles



**Pranjal Chakraborti**  
General Manager

Pranjal Chakraborti has 23+ years of experience in designing and delivering digital payment solutions for a global clientele. He brings in specialized experience in building Faster Payments Platform and high volume,

high throughput digital payment platforms. His area of expertise includes core transaction processing that encompasses switching and authorization, clearing and settlement, dispute management, fraud and risk management.

In his current role, Pranjal is focused on building the in-country digital payment infrastructure, faster digital payments platforms and digital open banking solutions for different geographies. He also leads the development of different payment products and digital assets that includes authorization switch and payment gateway, merchant onboarding and management, and 3DS test simulator to name a few.

Pranjal has executed the role of program and delivery management for core transaction services with the world's largest payment network spanning over a decade and managed delivery across multiple geographies. He had spearheaded the implementation of India's faster payments platform – UPI and the national bill payment platform – BBPS which are the key constituents of Digital India stack catering to 1.2 billion people in India.



**Aniruddha Rai Chaudhuri**  
General Manager - Business Operations

Aniruddha Rai Chaudhuri is Head of Business Operations at RS Software, responsible for overseeing the digital

infrastructure of the Company as well as Enterprise Resource Planning and MIS. He brings more than 24 years of experience driving operational efficiency through a high performance workplace and creating business value for clients in an IT outsourcing industry that continues to evolve. Mr. Chaudhuri is responsible for determining the current and future enterprise infrastructure needs, and oversees the design and implementation of information systems required to support them. With a focus on benchmarking and developing best practices within the organization,

his depth and range of experience encompasses business process efficiency, software development, project management, quality assurance, compliance, and people management.

Mr. Chaudhuri holds a Science degree and is a Certified Quality Analyst from QAI in the United States.





**R S SOFTWARE (INDIA) LIMITED**  
**(CIN: L72200WB1987PLCo43375)**  
**Registered Office & Corporate Office: 'FMC FORTUNA' 1<sup>st</sup> Floor,**  
**A-2, 234/3A, A.J.C. Bose Road,**  
**Kolkata - 700 020**  
**Phone Nos.: 033 22876254 / 6255 / 5746**  
**FAX No.: 033 22876256**  
**Company's website: [www.rssoftware.com](http://www.rssoftware.com)**

### **Notice to Members**

NOTICE is hereby given that the Thirty Third Annual General Meeting of the members of R. S. Software (India) Limited will be held on Tuesday, August 10, 2021 at 5:30 PM through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

#### **ORDINARY BUSINESS**

1. To consider and adopt:
  - a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021 and the Reports of the Board of Directors (the 'Board') and Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 and the Report of Auditors thereon.
2. To appoint a director in place of Mrs. Sarita Jain (holding DIN 00206743), who retires by rotation and, being eligible, seeks re-appointment.
3. To re-appoint M/s Deoki Bijay & Co., Chartered Accountants (Registration No. 313105E) as the Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration and in this connection to pass, with or without modification(s), the following resolution as **an Ordinary Resolution**:

**"Resolved that** pursuant to the provisions of Section 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditor) Rules, 2014, including any statutory enactment or modification thereof, as amended from time to time and pursuant to the recommendations of the Audit Committee of the Board of Directors M/s. Deoki Bijay & Co. Chartered Accountants (Registration No. 313105E) be and are hereby re-appointed as the Statutory Auditors of the Company for the financial year ended 31<sup>st</sup> March, 2022, to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and that the Board of Directors be and are hereby authorized to fix at such remuneration as may be determined by the Audit Committee and as to be agreed upon between the Auditors and the Board of Directors of the Company."

#### **SPECIAL BUSINESS**

4. To appoint Mr. Lakshmanan Narayan (DIN 01582059) as a Director of the Company  
**"Resolved That** pursuant to the provisions of Section 149, 152, 160 and all other applicable provisions of the Companies Act, 2013 ("the Act") and Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), enabling provisions of Articles of Association of the Company and other applicable laws and pursuant to Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to approval of shareholders in the ensuing Annual General Meeting, Mr. Lakshmanan Narayan (DIN 01582059), who was appointed as an Additional Director of the Company with effect from 24<sup>th</sup> September 2020 by the Board of Directors pursuant to Section 161 of the Act based on the recommendation by the Nomination and Remuneration Committee and who holds office only up-to the date of the ensuing Annual General Meeting of the Company, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of director, be and is hereby

appointed as a Non-Executive Independent Director of the Company based on the recommendation of the Nomination and Remuneration Committee to hold office for a term of five consecutive years, with effect from 24<sup>th</sup> September 2020 to 23<sup>rd</sup> September 2025, not liable to retire by rotation, subject to the approval of Shareholders in the ensuing AGM".

"Resolved Further That the Board of Directors have authorized the CFO & Company Secretary of the Company to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to the foregoing resolution".

**By Order of the Board of Directors**  
**For R S Software (India) Limited**

**Registered Office:**

**234/3A, A.J.C. Bose Road**  
**Kolkata – 700 020**  
**May 19, 2021**

Sd/-  
**Vijendra Surana**  
**CFO & Company Secretary**  
**[Membership No. 11559]**

#### **NOTES:**

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide. its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. The Register of Members and Transfer Books of the Company will remain closed from 4<sup>th</sup> August 2021 to 10<sup>th</sup> August 2021 (both days inclusive) for the purpose of Annual General Meeting for Financial Year 2020-21.
3. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route Map of the AGM are not annexed to this Notice.
5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer / Company by email through its registered email address to [goenkamohan@gmail.com](mailto:goenkamohan@gmail.com) and [vijendras@rssoftware.co.in](mailto:vijendras@rssoftware.co.in).
6. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition and re-lodged transfers of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/ CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, CB Management Services Private Limited ("CBMPL") for assistance in this regard.
7. Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with M/s. CB Management Services Pvt. Ltd, the Registrars and Share Transfer Agents, in case the shares are held by them in physical form.

8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.

**To register e-mail address for all future correspondence and update the bank account details, please follow the below process:**

**A. Physical Holding:** Send a request to the Registrar and Transfer Agents of the Company.

- i. To register e-mail address, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN and AADHAR (self-attested scanned copy of both PAN card and Aadhar card)
- ii. To update bank account details, please send the following additional documents / information followed by the hard copies:
  - a. Name of the bank and branch address
  - b. Type of bank account i.e., savings or current,
  - c. Bank account no. allotted after implementation of core banking solutions.
  - d. 9-digit MICR code no., and
  - e. 11-digit IFSC code
  - f. Original cancelled cheque bearing the name of the first shareholder, failing which a copy of the bank passbook / statement attested by a bank.

**B. Demat Holding:** Please contact your DP and follow the process advised by your DP.

9. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [www.rssoftware.com](http://www.rssoftware.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.
10. If your e-mail address is not registered with the Depositories (if shares held in electronic form) / Company's Registrars and Share Transfer Agents (if shares held in physical form), you may register it before Tuesday, August 03, 2021 to receive the Notice of the AGM along with the Annual Report 2020-21.
11. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to M/s. CB Management Services Pvt. Ltd., in case the shares are held in physical form.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or to the Registrars and Share Transfer Agents, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
14. Members desirous of getting any information about the Accounts and/or operations of the Company are requested to write to the Company at least ten (10) days before the date of the Meeting to enable the Company to keep the information ready at the Meeting.
15. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).

16. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

15. Instructions for e-voting and joining the AGM are as follows:

#### **VOTING THROUGH ELECTRONIC MEANS**

- 1) In compliance with the provisions of Section 108 of the Companies Act, 2013 and the relevant rules of the Companies (Management and Administration) amended Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated December 9, 2020, Company is pleased to provide the Members facility of voting by electronic means in respect of business to be transacted at the 33rd Annual General Meeting (AGM) which includes remote e-voting (i.e. voting electronically from a place other than the venue of the general meeting) by using the electronic voting facility provided by Central Depository Services Limited (CDSL). The facility for voting through Ballot (Polling) paper shall be made available at the AGM and Members attending the meeting who have not cast their vote by remote e-voting shall be eligible to exercise their right to vote at the meeting through Polling Paper.
- 2) Persons who have acquired shares and became Members after the dispatch of the Notice of the AGM through e-mail but before the 'Cut-off Date' August 3, 2021 may obtain their user ID and Password for e-voting and Company's Registrars & Transfer Agent, C.B. Management Services (P) Ltd, P-22, Bondel Road, Kolkata 700 019 (Ph. No. 033 - 22806692/4011 6700/22823643/22870263 Fax No. 91 - 033 - 4011 6739).
- 3) The e-voting period commences on Saturday, August 7, 2021 at 9.00 a.m. and ends on Monday, August 9, 2021 at 5.00 p.m. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, he/she shall not be allowed to change it subsequently.

#### **The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Saturday, August 7, 2021 at 9:00 a.m. and ends on Monday, August 9, 2021 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 3, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already cast their votes through electronic mode during the schedule voting period prior to the date of the meeting will not be entitled for online voting as on the date of the AGM.

#### **CDSL e-Voting System – For e-voting and Joining Virtual meetings.**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to 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 Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.



4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.rssoftwatre.com](http://www.rssoftwatre.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- B. The voting period begins on Saturday, August 7, 2021, at 9:00 a.m. and ends on Monday, August 9, 2021, at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Tuesday, August 3, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- C. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- D. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- E. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

F. Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- G. After entering these details appropriately, click on "SUBMIT" tab.
- H. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- I. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- J. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- K. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- L. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- M. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- N. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- O. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- P. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**Q. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz: [goenkamohan@gmail.com](mailto:goenkamohan@gmail.com) and [vijendras@rssoftware.co.in](mailto:vijendras@rssoftware.co.in) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.



3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance at least **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- 11. SINCE SOME BROWSERS ARE NOT OPTIMISED, SHAREHOLDERS ARE REQUESTED TO DOWNLOAD CISCO WEBEX MEETINGS APP FOR BEST RESULTS IN VIEWING THE WEBINAR. IT IS AVAILABLE IN GOOGLE PLAY STORE**

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

- a. The e-voting period commences on August 7, 2021 (9:00 a.m.) and ends on August 9, 2021 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form may cast their vote electronically.
- b. The voting rights of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date of August 3, 2021.

- c. Shri Mohan Ram Goenka, Practicing Company Secretary (Membership No. F4515) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- d. The Scrutinizer shall, immediately after conclusion of voting at the AGM, first count the votes cast at the Meeting by e voting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, forthwith to the CFO & Company Secretary of the Company.
- e. The Results shall be declared within 48 hours of conclusion of the ANNUAL GENERAL MEETING of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.rssoftware.com](http://www.rssoftware.com) and on the website of CDSL immediately after the result is declared by the CFO & Company Secretary and communicate to the Stock Exchanges.
- f. The Chairman shall at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow e-voting with the assistance of the Scrutinizer by use of e-voting platform of CDSL for all those members who have not cast their votes earlier either by remote e-voting.
- g. The Scrutinizer's decision on the validity of the Ballot Paper / Polling Paper form will be final.

**By Order of the Board of Directors  
For R S SOFTWARE (INDIA) LIMITED**

**Registered Office:  
234/3A, A.J.C. Bose Road**

**Kolkata – 700 020  
May 19, 2021**

**Vijendra Surana  
CFO & Company Secretary  
[Membership No.11559]**

**ANNEXURE TO THE NOTICE**

**Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Items of Special Business set out in the Notice convening the 33<sup>rd</sup> Annual General Meeting of the Company to be held on August 10, 2021.**

**Item No. 4:**

The CFO & Company Secretary intimated the Board that pursuant to the provisions of Section 149, 152, 161 read with Schedule IV and the Rules made thereunder and all other applicable provisions of the Companies Act, 2013 (including any modification or statutory re-enactment/(s) for the time being in force thereof) read with Articles of Association of the Company and upon the recommendation of Nomination and Remuneration Committee, Mr. Lakshmanan Narayan (holding DIN: 01582059) had appointed as an Additional and Non-Executive Independent Director, with effect from September 24, 2020 to hold office till the conclusion of next General Meeting of the Company.

The Company has received from Mr. Lakshmanan Narayan (i) consent to act as Director, if appointed, in writing in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) disclosure in Form DIR-8 pursuant to Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013, (iii) Declaration of independence under Section 149 (7) of the Companies Act, 2013.

Your Directors recommend and seek your approval to the said resolution as set out in the Notice.

A brief profile of proposed Director is provided as Annexure to this Notice. Mr. Lakshmanan Narayan does not hold any share in the Company, either in his individual capacity or on a beneficial basis for any other person. Mr. Lakshmanan Narayan and his relatives are interested in this Resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

**By Order of the Board of Directors  
For R S SOFTWARE (INDIA) LIMITED**

**Registered Office:  
234/3A, A.J.C. Bose Road  
Kolkata – 700 020  
May 19, 2021**

**Vijendra Surana  
CFO & Company Secretary  
[Membership No.11559]**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT IN THE ANNUAL GENERAL MEETING**

(Pursuant to Regulation 36 (3) of Listing Regulations, 2015 & Secretarial Standard-2)

Name	Mrs. Sarita Jain	Mr. Lakshmanan Narayan
DIN	00206743	01582059
Date of Birth	7 <sup>th</sup> September, 1957	19 <sup>th</sup> April, 1972
Date of appointment	20 <sup>th</sup> January, 1988	24 <sup>th</sup> September, 2020
Terms and Conditions of Appointment	As per Letter of Appointment	As per Letter of Appointment
Qualification and Expertise in specific functional areas	Mrs. Sarita Jain has been a Director on the R. S. Software Board since the Company's inception in 1988. In addition to possessing exemplary administrative, communication and organizational skills, Mrs. Jain holds a master's degree in English literature from Delhi University. She has an associate degree in Mass Communication also.	Mr. Lakshmanan Narayan has joined R S Software Board in 2020. In his last role, he was the founder of Unmetric, a social media analytics company that works with the world's largest brands and agencies. Unmetric was acquired by Falcon.io, a Cision (now Platinum Equity) company. He is a serial entrepreneur and has significant expertise in the disciplines of marketing, advertising and media. Mr. Narayan holds an MBA from IIM Kolkata and a B.Tech. from IIT Madras.
The Remuneration last drawn by Mrs. Sarita Jain and Mr. Lakshmanan Narayan, if applicable	NA (she is entitled to sitting fees only)	NA (he is entitled to sitting fees only)
Details of Remuneration sought to be paid	NA (she is entitled to sitting fees only)	NA (he is entitled to sitting fees only)
List of Other Public Companies in which Directorship held (excluding foreign Companies)	None	None
List of other listed entities in which Directorship held.	None	None
Chairman/Member of the Committees of the Board of Directors in other Listed Companies	None	None
Chairman/Member of the Committees of Board of Directors of the other public companies in which she/ he is a director (excluding foreign Companies).	None	None
Shareholdings in the Company	366544 Equity Shares	None

Registered Office:  
234/3A, A.J.C. Bose Road  
Kolkata – 700 020  
May 19, 2021

By Order of the Board of Directors  
For R S SOFTWARE (INDIA) LIMITED

Vijendra Surana  
CFO & Company Secretary  
[Membership No.11559]

**DIRECTORS' REPORT 20-21**

Dear Members,

Your Directors have immense pleasure in presenting the Thirty Third Annual Report together with the Audited Statement of Accounts, highlighting the business operations and financial results for the Financial Year ended March 31, 2021.

**1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY (STANDALONE AND CONSOLIDATED)**

The summarized standalone and consolidated results of your Company and its subsidiaries are given in the table below:

**On the basis of standalone financial statements, the performance of the Company appears as follows:**

(Rupees in Lacs)

Particulars	2020-21	2019-20
Total Revenue	3715.09	7191.28
Profit before Finance Charges, Tax, Depreciation/Amortization (PBITDA)	(1039.49)	(3270.90)
Less: Finance Charges	27	44.42
Profit before Depreciation/Amortization (PBTDA)	(1066.49)	(3315.34)
Less: Depreciation	380.91	303.40
Profit before Taxation (PBT)	(1447.40)	(3618.74)
Profit/(Loss) after Taxation (PAT) from Continuing operation	(1446.18)	(6293.17)

**On the basis of Consolidated Financial Statements, the performance of the Company appears as follows:**

(Rupees in Lacs)

Particulars	2020-21	2019-20
Total Revenue	3726.42	7,261.11
Profit before Finance charges, Tax, Depreciation/Amortization (PBITDA)	(1607.17)	(4,048.46)
Less: Finance Charges	27.00	44.42
Profit before Depreciation/Amortization (PBTDA)	(1634.17)	(4,092.88)
Less: Depreciation	483.28	411.58
Profit before Taxation (PBT)	(2117.45)	(4,504.46)
Profit/(Loss) after Taxation (PAT)	(1995.88)	(7,231.23)



## 2. STATE OF COMPANY'S AFFAIRS

The company has achieved a significantly better performance as compared to the previous fiscal year. The cashflow focused financial strategy has helped to achieve Rs 220M in cash savings. The revenue quality has improved hugely, resulting in much improved margins during the fiscal 21 as compared to the previous fiscal year. The Company was able to improve its Contribution Margin by 28% on its core business. The management discussion analysis section of the annual report provides a complete commentary o the performance of the company, including assessment of business risks for the company.

### • Revenue Analysis

The standalone net revenue for the financial year 2020-21 stood at Rs 3715.09 Lacs as compared to the previous financial year, which was Rs. 7191.28 Lacs. The Business Revenue in 2019-20 was Rs. 5996 Lacs compared to Rs. 3538 Lacs in 2021. The consolidated net revenue for the financial year 2020-21 was Rs 3726.42 Lacs as compared to the net consolidated revenue for the last financial year which was Rs. 7261.11 Lacs. The Other Income in the Previous year included Dividend Received from Singapore Subsidiary Rs 1014 Lacs. The Treasury operations during the fiscal 21 yielded higher returns with effective treasury management.

### • Margins analysis

On a standalone basis, the Company's Standalone profit/(loss) after tax stood at Rs. (1446.18) Lacs in the financial year 2020-21, vis-à-vis Rs. ((6293.17) Lacs in the previous year. On a consolidated basis, the Company's profit/ (loss) after tax stood at Rs. (7231.23) Lacs in the financial year 2019-20, vis-à-vis Rs. (1995.88) Lacs in the fiscal year 2020-21.

### • Reserves

The Reserves of The Company are Rs.7361 Lacs as on 31st March 2021.

### • Key Highlights of the fiscal can be summarised as

- The Domestic Revenue in the current Fiscal was up by 44%
- The cost optimisation strategy helped reduce Employee cost by 18%, Sales, Marketing Cost by 63% & Process Cost 39%
- The Cost Management Strategy led to improve contribution by 28%
- The Financial Management Strategy could effectively restrict the cash burn to 1/3rd of Previous year.

### • Economic Scenario, outlook and strategy

The current market outlook and positioning of your Company has been explained at length in the management discussion analysis section of this annual report.

The company is in the business of building technology for digital payments, and building of digital payments infrastructure is a multi-decade opportunity. The growth strategy of the company is explained in a section following the chairman's overview. The company is committed to leverage the growth potential.

### COVID-19 pandemic

The world continues to reel under the global pandemic of the Novel Coronavirus disease (COVID-19). The first wave of the pandemic across the Country forced governments to enforce lockdowns on economic activities. The country is now experiencing a deadlier second wave. The Company continues to exercise its Business Continuity Plan (BCP) wherein all its employees are able to Work from Home and ensure Continuity of Operations. The management of the Company is absolutely committed to the health and safety of our employees, and hence the reopening of our offices will be based on the assessment of the safety of the environment, and availability of public transportation. We continue to track the productivity to deliver the work to all our clients. The Company being a Technology driven entity has the ability to continue its operations remotely. As such all its employees can access the IT infrastructure from their homes and ensure continuity of operations

## 3. TRANSFER TO RESERVES

The Directors do not propose to transfer any amount to the General Reserves.

## 4. CHANGES IN SHARE CAPITAL

The Company's paid up equity share capital remained at Rs. 12, 85, 41,590.00 (Rupees Twelve Crore Eighty-Five Lacs Forty One thousand Five Hundred Ninety only) comprising of 2, 57, 08,318 equity shares of Rs. 5/- each.

There was no change in the Company's paid up share capital during the year under review and there was no Issue of sweat equity shares and equity shares with differential rights as to dividend, voting or otherwise.

## 5. CHANGE IN NATURE OF BUSINESS, IF ANY

During the year, there was no change in the nature of business of the Company and the Company continues to concentrate on its own business.

## 6. DIVIDEND

Due to absence of profit the Board of directors of the Company could not recommended any dividend for the Financial Year ended 2020-21.

## 7. DETAILS OF BOARD MEETING

During the Financial Year five Board Meetings were held through Videoconferencing, details of which are given below:

Date of the meeting	No. of Directors attended the meeting
24.06.2020	5
28.07.2020	5
31.08.2020	4
15.10.2020	6
23.01.2021	6

The maximum time gap between any two consecutive meetings did not exceed 120 (One Hundred Twenty) days. In view of the Covid-19 pandemic all these Board meeting held in Video conferencing / other audio-visual mode as allowed under MCA circular No. 20/2020 dated 5<sup>th</sup> May, 2020 and SEBI SEBI/HO/CFD/CMD1/CIR/P/2020/79 12<sup>th</sup> May, 2020.

## 8. COMMITTEES OF THE BOARD

The Audit Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI Listing Regulations, 2015. The details of composition of the Committees of the Board of Directors are as under:-

### a. Audit Committee

S l . No.	Name	DIN	Category
1.	Mr. Shital Kumar Jain	00047474	Non Executive & Independent Director
2.	Mr. Rajnit Rai Jain	00122942	Executive Director
3.	Mr. Rajasekar Ramaraj(Chairman)	00090279	Non- Executive & Independent Director
4	Mr. Richard Nicholas Launder	03375772	Non- Executive & Independent Director

The Company Secretary of your Company acts as the Secretary to the Audit Committee. The terms of reference of the Audit Committee have been provided in the Corporate Governance Report forming part of this Report. During the Financial Year, the committee had met five times as on June24, 2020, July 28, 2020, August31, 2020 October 15, 2020, and January 23, 2021.

#### Recommendation by audit committee:

There were no such instances where the recommendation of audit committee has not been accepted by the Board during the financial year under review.

#### Vigil Mechanism/Whistle blower Mechanism

Your Company is serious about its adherence to the Codes of Conduct and to achieve at par with the highest standards of ethical, moral, and legal conduct of business operations and henceforth encourage its employees to bring ethical and legal violations they are aware of to an internal authority without fear of punishment or unfair treatment so that action can be taken immediately to resolve the problem. A Vigil (Whistle Blower) Mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy. The mechanism also provides for adequate safeguards against victimization of Directors or employees or any other person to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. Thus, minimization of organization's exposure to the damage that can occur when employees circumvent internal mechanisms is the main objective which neither release employees from their duty of confidentiality in the course of their work, or can it be used as a route for raising any malicious allegations against people in authority and / or colleagues in general. Your company has given affirmation that no personnel have been denied access to the Audit Committee.

Your Company has formulated a codified Whistle Blower Policy incorporating the provisions relating to Vigil Mechanism in terms of Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations, 2015. Further, no complaints were reported under the Vigil Mechanism during the year.

The Company's Whistle Blower Policy is available on the company's website [www.rssoftware.com](http://www.rssoftware.com) and a link to the said policy has been provided elsewhere in this Annual Report.

#### b. Nomination & Remuneration Committee

Sl. No.	Members	DIN	Category
1.	Mr. Rajasekar Ramaraj	00090279	Non -Executive & Independent Director
2.	Mr. Rajnit Rai Jain	00122942	Executive Director
3.	Mr. Shital Kumar Jain	00047474	Non- Executive & Independent Director
4.	Mr. Richard Nicholas Launder (Chairman)	03375772	Non-Executive & Independent Director

The Board of Directors of your Company has constituted a Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI Listing Regulations, 2015. The terms of reference of the Committee has provided in the Corporate Governance Report forming part of this Report. During the financial year, the Committee met three times as on June 23, 2020, July 28, 2020 and October 15, 2020.

#### c. Stakeholders Relationship Committee

Sl. No.	Members	DIN	Category
1.	Mr. Shital Kumar Jain (Chairman)	00047474	Non-Executive & Independent Director
2.	Mr. Rajnit Rai Jain	00122942	Executive Director
3.	Mr. Rajasekhar Ramaraj	00090279	Non-Executive & Independent Director

The terms of reference of the Committee have been provided in the Governance Report forming part of this Report. During the financial year, the Committee met three times as on June 23, 2020, July 28, 2020, and October 15, 2020.

#### d. Corporate Social Responsibility Committee

Sl. No.	Members	DIN	Category
1.	Mr. Rajnit Rai Jain (Chairman)	00122942	Executive Director
2.	Mr. Shital Kumar Jain	00047474	Non-Executive & Independent Director
3.	Mr. Rajasekar Ramaraj	00090279	Non- Executive & Independent Director

#### e. Executive committee

Sl. No.	Members	DIN	Category
1.	Mr. Rajnit Rai Jain (Chairman)	00122942	Executive Director
2.	Mr. Shital Kumar Jain	00047474	Non-Executive & Independent Director
3.	Mr. Rajasekar Ramaraj	00090279	Non-Executive & Independent Director
4.	Mr. Richard Nicholas Launder	03375772	Non-Executive & Independent Director
5.	Mr. Lakshmanan Narayan	01582059	Non-Executive & Independent Director

During the financial year, the Committee met three times as on June 23, 2020, July 28, 2020, and October 15, 2020

#### 9. EMPLOYEE STOCK OPTION SCHEME

##### ESOP Scheme 2019

Your Directors have recommended a new Employees Stock Option Scheme effective from 1st April 2019 for a further period of 3 years and the Shareholders of the Company at the Annual General Meeting held on 26<sup>th</sup> July 2019 have approved the Company's new ESOP Scheme 2019. The Nomination and Remuneration Committee also designated as ESOP Compensation Committee, is empowered to formulate detailed terms and conditions of the ESOP Scheme 2019, administer, and supervise the same. The specific employees to whom the Options would be granted, and their eligibility criteria would be determined by the Nomination and Remuneration Committee at its sole discretion. Further, the Nomination and Remuneration Committee is empowered to determine the eligible employees of the Subsidiary Companies as well whether existing or future, from time to time within the validity period of the scheme for the entitlement ESOP Option grant.

The aforementioned scheme is in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014

#### 10. TRANSFER OF UNPAID AND UNCLAIMED DIVIDEND AMOUNTS TO IEPF

Pursuant to the provisions of Section 124 of the Act, the dividend amounts which have remained unpaid or unclaimed for a period of seven years from the date of declaration 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 Act. The details of unpaid / unclaimed dividend that will be transferred to IEPF in subsequent years are given in the Corporate Governance Report. Further, according to the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), the shares in respect of which the dividend has not been claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. Accordingly, the Company will transfer the corresponding shares for which the unpaid and unclaimed dividend has been transferred, as per the requirements of the IEPF Rules. The details of such shares are available on the website of the Company at <https://www.rssoftware.com/investors>.

Further, in accordance with guidelines, the Company has appointed Nodal Officer for the purposes of verification of claims and coordination with Investor Education and Protection (IEPF) Authority and the requisite details are available on the Company's website <https://www.rssoftware.com/investors>.



## 11. DISCLOSURE RELATING TO MATERIAL VARIATIONS

As per Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, there are no such material variances in the Company.

## 12. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There are no material changes or commitments affecting the financial position of the Company, which have occurred between the end of the financial year and the date of this Report.

## 13. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by any Regulators / Courts / Tribunals, which impacts the going concern status of the Company or will have any bearing on Company's Operations in future.

## 14. RISK MANGEMENT POLICY

In terms of the requirement of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has taken adequate measures to mitigate various risk encountered. In the opinion of the Board there is no such risk which may threaten the present existence of the Company. Your Company see a positive impact to our business as a result of Covid-19 impact. This is because the demand for digital and contact less payment technologies is expected to be on the increase. However, since all risks emerging from the impact of Covid-19 are not known, the company will continue to monitor the same closely.

## 15. INTERNAL CONTROL SYSTEMS

Your Company has an adequate system of internal controls procedures commensurate with its size and the nature of its business. The company has documented its policies, controls and procedures, covering all financial and operating functions, designed to provide a reasonable assurance with regard to reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations, prevention and detection of fraudulent activities etc.

The internal control systems of the Company are monitored and evaluated by the Internal Auditors. Your Company manages and monitors the various risks and uncertainties that can have adverse impact on the Company's business. Your Company is giving major thrust in developing and strengthening its internal audit so that risk threat can be mitigated.

The Audit Committee of the Board of Directors, comprising of Independent Directors, regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with accounting standards as well as reasons for changes in accounting policies and practices, if any.

The CEO and CFO certification as provided in the Annual Report discusses the adequacy of the Company's Internal Control System and Audit.

## 16. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Pursuant to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rule, 2014, the statement containing the salient features of the financial statement and performance of a company's subsidiaries, is given in AOC-I which forms a part of this Annual Report.

The Consolidated Financial Statements are prepared in line with Section 129(3) of the Act read with the aforesaid Rules, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and in accordance with the Indian Accounting Standards ("IND AS"). Consolidated Financial Statements and other applicable provisions include financial information of its subsidiary companies.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company [www.rssoftware.com](http://www.rssoftware.com).

During the year, R S Software (Asia) Pte. Limited is ceased to be the subsidiary of the Company w.e.f. 23<sup>rd</sup> September 2020. Further, the Company has no Joint Venture and Associate during the financial year ended 31<sup>st</sup> March 2021.

## 17. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT

A report on the performance and financial position of each of the Subsidiaries included in the consolidated financial statements prepared by your company as per Rule 8(1) of the Companies (Accounts) Rules, 2014, forms part of the audited annual accounts of each of the subsidiary companies which have been placed on the website of your company <https://www.rssoftware.com/investors> and also forms part of Form AOC-1 pursuant to Rule 5 of the Companies (Accounts) Rules, 2014, which are set out as an **Annexure- A** to the Directors' Report and forms a part of this Annual Report.

## 18. DEPOSITS

The Company has not accepted any kind of deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

## 19. AUDITORS

### Statutory Auditors

M/s. Deoki Bijay & Co., Chartered Accountants (Registration No. 313105E), the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting, and have confirmed their eligibility and willingness to accept the office of Auditors, if re-appointed. The Company has also received a confirmation that their appointment, if made will be within the limit as prescribed under Section 139 of the Companies Act, 2013 and the rules therein.

Their reappointment for a further term is recommended by the Audit Committee and the Board of Directors at such remuneration as mutually decided. The Members are requested to confirm the re-appointment of M/s. Deoki Bijay & Co., Chartered Accountants as the Statutory Auditors from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company. The same has approved by the Audit Committee and the Board of Directors in their convened meetings as well.

The Statutory Auditor Deoki Bijay & Co. has submitted an un-qualified Audit Reports for the financial year 2020-21 and no frauds were detected by the Auditor during the financial year.

## 20. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. MR & Associates, a firm of Company Secretaries in Practice to conduct the said Audit of the Company.

The Secretarial Auditors' Report, in the prescribed format, for the year ended March 31, 2021 is annexed to this Directors' Report as Annexure B and forms part of the Annual Report.

The remarks in the Secretarial Audit Report for the financial year ended March 31, 2021, is self-explanatory. The Report of the Secretarial Audit is annexed herewith as "**Annexure B**" to the Directors Report.

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

## 21. COST RECORDS AND AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

## 22. EXTRACT OF THE ANNUAL RETURN

In accordance with the Companies Act, 2013, the annual return in the prescribed format can be accessed at <https://www.rssoftware.com/investors#>

## 23. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report, in terms of Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been covered in the initial segment of the Annual Report.

## 24. PARTICULARS OF EMPLOYEES AND MANAGERIAL REMUNERATION

Disclosure pertaining to remuneration and other details as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report as "Annexure C".

The Statement containing particulars of employees as required under section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is available for inspection in terms of Section 136 of the Act, any member interested may write to the Company Secretary and the same will be furnished on request.

## 25. CORPORATE SOCIAL RESPONSIBILITY

The concept of Corporate Social Responsibility has gained prominence from all avenues. Organizations have realized that Government alone will not be able to get success in its endeavour to uplift the downtrodden of Society. With the rapidly changing corporate environment, more functional autonomy, operational freedom etc. our company has adopted CSR as a strategic tool for sustainable growth. Pursuant to Section 135 of the Companies Act, 2013 read with Schedule VII and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company has in place a Corporate Social Responsibility (CSR) Policy. The CSR policy is uploaded on Company's website i.e. on <https://www.rssoftware.com/investors>. However, due to loss in the last three financial years the company is not required to spend money for CSR activity. The Report on CSR Activities/ Initiatives along with other relevant disclosures are annexed to this report as "Annexure D".

## 26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under sub-section (3)(m) of the Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are given which forms a part of the Annual Report and attached as "Annexure E".

## 27. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mrs. Sarita Jain, Non-Executive Director of the company who is liable to retire by rotation and offers herself for reappointment, based on the recommendation of Nomination and Remuneration Committee, subject to the approval of the members at the ensuing Annual General Meeting.

Your Company has received declaration from each of the Independent Directors under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of SEBI Listing Regulations, 2015 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI Listing Regulations, 2015 and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge their duties with an objective independent judgment and without any external influence. All the declarations were placed before the Board.

In terms of SEBI Listing Regulations, 2015, your Company identified the list of core skills/expertise/competencies as is required in the context of your Company's Business(es) and Sector(s) for it to function effectively and those which are actually available with the Board and mapped such skills to the Individual Directors of your Company. Details of such skills/expertise/competencies as identified were reviewed by the Nomination and Remuneration Committee and the Board of Directors and are furnished in the Corporate Governance Report and forms part of this Annual Report.

The Board of Directors of your Company re-appointed Mrs. Sarita Jain as the Non-executive Director of your Company, she is liable to retire by rotation, on the existing terms and conditions based on the recommendation of the Nomination and Remuneration Committee of your Company and subject to approval of Members at the ensuing Annual General Meeting (AGM) of your Company.

The Board of Directors of your Company appointed Mr. Lakshmanan Narayan (DIN: 01582059) as Additional Independent Director (Non-Executive, Independent) on the Board of the company with effect from 24th September 2020 by circulation to hold office till conclusion of next General Meeting as per the provisions of the Act and subject to the approval of the members in the ensuing Annual General Meeting, for appointment as an Independent Director to hold office for a term up-to five consecutive years.

The brief resume / details relating to Director who is proposed to be re-appointed are furnished in the Notice of the ensuing AGM. The Board of Directors of your Company recommends his reappointment in the Board.

The following directors/executives of your Company are whole-time Key Managerial Personnel (KMPs) as on March 31, 2021, in accordance with the provisions of Section 203 of the Companies Act, 2013

Mr Rajnit Rai Jain - Chairman & Managing Director

Mr Vijendra Surana – Chief Financial Officer and Company Secretary.

## 28. REMUNERATION POLICY

Remuneration policy of the RS Software (India) Ltd comprising members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel (SMP or "LT") of the Company.

The objective of the remuneration policy is to enable the Company to attract, motivate, and retain qualified industry professionals for the Board of Management and other executive level in order to achieve the Company strategic goals. The remuneration policy acknowledges the internal and external context as well as the business needs and long-term strategy. The policy is designed to encourage behaviour that is focused on long-term value creation, while adopting the highest standards of good corporate governance. The Company's Remuneration Policy is available on the company's website <https://www.rssoftware.com/investors>.

## 29. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the notes of the Financial Statements for the year ended 31st March 2021 and form a part of this Annual Report.

## 30. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and are in compliance with the applicable provisions of the Companies Act 2013 and SEBI Listing Regulations, 2015.

There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc., which may have potential conflict with the interest of the Company at large. Hence no disclosure in Form AOC-2 is required. All related party transactions are presented to the Audit Committee and the Board for approval.

The Related Party Transaction Policy has been devised by your company for determining the materiality of transactions with related parties and dealings with them and the same is hosted on the website of the Company at <https://www.rssoftware.com/investors> and a link to the said policy has been provided elsewhere in this Annual Report.

## 31. ANNUAL EVALUATION OF BOARD'S PERFORMANCE

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, an Annual Performance evaluation is to be made by the Board of its own performance and that of the Committees and individual Directors. The exercise was carried out covering various aspects of the Boards functioning such as composition of the Board & committees, qualification, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of Non-Independent Directors.

The performance of Independent Directors has been evaluated based on the guidelines as provided under Schedule IV of the Act. In terms of SEBI Listing Regulations, 2015, the company has identified the list of core skills/expertise/competencies as is required in the context of company's business and sector for it to function effectively and those which are actually available with the Board.

The evaluation of the Independent Directors was carried out by the entire Board except by the Director being evaluated. The directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.



### 32. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS (IDs)

In terms of Regulation 25(7) of SEBI Listing Regulations, 2015, your Company endeavours to familiarize the Independent Directors (IDs) about your Company including nature of industry in which your Company operates business model of your Company, roles, rights and responsibilities of IDs and any other relevant information.

In addition to the above, the Board of Directors are continuously encouraged to participate in various external training sessions to ensure that the Board members are kept up to date.

### 33. PREVENTION OF INSIDER TRADING

The Company has adopted / re-framed the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Immediate Relatives of Designated Persons In terms of Regulation 8 and 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time (the "Regulations").

The Board is responsible for implementation of the Code.

All Board of Directors and the designated employees have confirmed compliance with the applicable Code during the financial year.

### 34. CORPORATE GOVERNANCE

The Corporate Governance which form an integral part of this Report as "**Annexure F**", together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, 2015.

### 35. POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT

Your Company is committed to provide and promote safe, healthy, and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. Your company has complied with provisions relating to the constitution of Internal Complaints Committee and has put in place a "Policy on Prevention of Sexual Harassment" as per The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no cases filed / disposed of under prevention of sexual harassment.

### 36. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(5) of the Companies Act, 2013, your Board of Directors confirms that:

(i) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(iii) They have 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;

(iv) They have prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2021 on a going concern basis;

(v) They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;

(vi) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 37. COMPLIANCE WITH SECRETARIAL STANDARDS

Your Company has complied with all applicable provisions of the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) on Board Meetings and General Meetings.

### 38. ACKNOWLEDGEMENTS

Your Directors' place on record their deep appreciation of the continued assistance and co-operation extended to the Company by its customers, investors, bankers, Government agencies and its dedicated band of employees. Above all, the Board expresses a deep sense of gratitude to the Members of the Company who have reposed faith in their Board and the Management.

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

**Registered Office:**

**234/3A, A.J.C. Bose Road  
Kolkata – 700 020**

**Place: Kolkata  
Date: May 19, 2021**

**Sd/-  
Rajnit Rai Jain  
CHAIRMAN AND MANAGING DIRECTOR  
(DIN: 00122942)**

**ANNEXURE 'A' TO DIRECTORS' REPORT****Form AOC-I**

(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 or Associates or Joint Ventures

**PART "A": SUBSIDIARIES****INFORMATION IN RESPECT OF RESPONSIVE SOLUTIONS, INC. TO BE PRESENTED WITH AMOUNTS IN US \$**

1.	Sl. No	1
2.	Name of the subsidiary	Responsive Solutions, INC.
3.	The date since when subsidiary was acquired	22.08.2003
4.	Reporting period for the subsidiary concerned	April 1, 2020 to March 31, 2021
5.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	
6.	Share capital	US\$ 500,000
7.	Reserves & surplus	US\$ 540,711
8.	Total assets	US\$ 10,46,711
9.	Total Liabilities	US\$ 10,46,711
10.	Investments	0
11.	Turnover	0
12.	Profit/Loss before taxation	US\$ 32,590
13.	Provision for taxation	0
14.	Profit/Loss after taxation	US\$ 32,590
15.	Proposed Dividend	0
16.	Extent of shareholding	100%

**INFORMATION IN RESPECT OF PAYPERMINT PVT.LTD. TO BE PRESENTED WITH AMOUNTS IN RUPEES (Rs.)**

1.	Sl. No	2
2.	Name of the subsidiary	Paypermint Private Limited
3.	The date since when subsidiary was acquired	24th August, 2016
4.	Reporting period for the subsidiary concerned	April 1, 2020 to March 31, 2021
5.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
6.	Share capital	Rs.1000 lacs
7.	Reserves & surplus	Rs.(409.84)lacs
8.	Total assets	Rs.642.20 lacs
9.	Total Liabilities	Rs.642.20 lacs
10.	Investments	Rs. 6.43 lacs
11.	Turnover	Rs.7.65 lacs
12.	Profit/Loss before taxation	Rs.(575.60)lacs
13.	Provision for taxation	NIL
14.	Profit/Loss after taxation	Rs. (568.16) lacs
15.	Proposed Dividend	0
16.	Extent of shareholding	80%

**Notes:**

The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations – Not Applicable
- Names of subsidiary which has been closed during the year. – R S SOFTWARE(ASIA) PTE.LTD

**PART "B": ASSOCIATES AND JOINT VENTURES**

The Company does not have any Associate or Joint Venture during the Financial Year 2020-21.

For and on behalf of the Board of Directors

For DEOKI BIJAY & CO  
CHARTERED ACCOUNTANTS  
(Reg. no: 313105E )

Sd/-  
CA D.N.AGRAWAL  
PARTNER,  
M No. 55117

Sd/-  
V. Surana  
CFO & Company Secretary  
M NO. 11559

Sd/-  
R. Ramaraj  
Director  
DIN: 00090279

Sd/-  
R. R. Jain  
Chairman & Managing Director  
DIN: 00122942

Place: Kolkata

Date: May 19, 2021



*MR & Associates*  
Company Secretaries  
46, B. B. Ganguly Street,  
Kolkata-700012  
Mobile No: 9831074332  
Email :[goenkamohan@gmail.com](mailto:goenkamohan@gmail.com)

**ANNEXURE 'B' TO DIRECTORS' REPORT**

**Form No. MR - 3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

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

To,  
The Members,  
**R S SOFTWARE (INDIA) LTD.**  
234 3A Acharya Jagadish Chandra Bose Road  
Kolkata 700020  
West Bengal

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **R S SOFTWARE (INDIA) LTD** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021 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<sup>st</sup> March, 2021 according to the provisions of:

- i) The Companies Act, 2013 (the Act), amendment and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time;
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

I further report that, there were no actions/ events in pursuance of;

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2016;
- vi) The Company had identified following other laws as specifically applicable to the Company namely:
- a) The Information Technology Act 2000
  - b) The Copyright Act, 1957
  - c) The Patents Act, 1970
  - d) The Trademarks Act, 1999 etc.

We further report that having regard to the compliance system prevailing in the Company, we have relied upon the representation made by the Management, for compliance with the other applicable laws.

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

- (i) Secretarial Standards as mandated and issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered by the Company with BSE Limited and National Stock Exchange Limited.

**We 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. There had been changes in the composition of Board of directors during the period under review and the composition of Board of directors of the Company is in conformity with the provisions of the Act as on 31.03.2021.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally 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 at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We 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.

We further report that, as stated by the management, due to the spread of COVID-19 pandemic, compliances had been made considering the various relaxations granted, from time to time, by the Securities and Exchange Board of India and the Ministry of Corporate Affairs and other Regulatory authorities, as applicable except for disclosure under Regulation 31(4) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 which had been delayed due to Covid-19 pandemic situation and the disclosure of Related Party transactions required under Reg. 23(g) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 had been made from half year ended September 30, 2020.

We further report that during the period under review, the Company had received notice from Stock Exchanges for compliance with Reg. 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which had been duly replied by the Company with request to condone the delay and waiver of penalty.

**We further report that** during the audit period the Company had obtained approval of shareholders by way of Special Resolution for re-appointment and revision of remuneration of Mr. Rajnit Rai Jain as Chairman and Managing Director of the Company for a period of three (3) years w.e.f. 1st October 2020 and to revise his remuneration.

This Report is to be read with our letter of even date which is annexed "**ANNEXURE - A**" and forms an Integral Part of this Report.

**For M R & Associates  
Company Secretaries**

[Tanvee]  
Partner  
ACS No.: A34974

C P No.: 13573  
UDIN: A034974C000342006

**Place: Kolkata**

**Date: 19.05.2021**

*Note: In view of the situation emerging out of the outbreak of second wave of COVID-19 Pandemic, physical documents, records & other papers of the Company for the year ended March 31st, 2021 required by us for our examination were obtained from the Company through electronic Mode only and verified to the extent possible.*

*MR & Associates*  
**Company Secretaries**  
46, B. B. Ganguly Street,  
Kolkata-700012  
Moblie No: 9831074332  
Email :[goenkamohan@gmail.com](mailto:goenkamohan@gmail.com)

**"ANNEXURE - A"**

**(TO THE SECRETARIAL AUDIT REPORT OF R S SOFTWARE (INDIA) LTD. FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021)**

To,  
The Members,  
R S SOFTWARE (INDIA) LTD.  
234 3A Acharya Jagadish Chandra Bose Road  
Kolkata 700020

West Bengal

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

1. Maintenance of Secretarial Records 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 where 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 and standards is the responsibilities of the 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 with which the management has conducted the affairs of the Company.

**For M R & Associates  
Company Secretaries**

[Tanvee]  
Partner  
ACS No.: A34974

C P No.: 13573  
UDIN :A034974C000342006

**Place : Kolkata**

**Date : 19.05.2021**

*Note: In view of the situation emerging out of the outbreak of second wave of COVID-19 Pandemic, physical documents, records & other papers of the Company for the year ended March 31st, 2020 required by us for our examination were obtained from the Company through electronic Mode only and verified to the extent possible.*



**ANNEXURE 'C' TO DIRECTORS' REPORT**

**Statement pursuant to Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016**

i. The ratio of the remuneration of each director to the median remuneration of all the employees of the company for the financial year 2020-21 is as follows:

Sl. No.	Name of the Directors	Remuneration (Rs. In lacs)	Median Remuneration of Employees (Rs. In Lacs)	Ratio
1.	RAJNIT RAI JAIN	59.33	10.02	5.92:1

ii. The percentage increase in remuneration of each Director, Chief Financial Officer & Company Secretary in the financial year 2020-21:

Sl. No.	Name	Designation	Remuneration of previous year (Rs. in lacs)	Remuneration of Current year (Rs. in lacs)	% increase / (decrease) in remuneration
1	RAJNIT RAI JAIN	CHAIRMAN & MANAGING DIRECTOR	60.39	59.33	(1.76)
2	MR. VIJENDRA KUMAR SURANA	CFO & COMPANY SECRETARY	73.06	78.91	8.01

iii. The percentage increase in the median remuneration of employees in the financial year:

Median remuneration of previous year (Rs. In lacs)	Median remuneration of current year (Rs. In lacs)	% Increase
10.00	10.02	0.2

iv. The number of permanent employees on the rolls of company as on 31.03.2021 is 150.  
v. Average percentiles increased in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Sl. No.	Particulars	Average % increase/ (decrease)
1	Increase/ (decrease) in salary of KMP	3.13
2	Increase/ (decrease) in salary of employee (other than KMP)	6.74

vi. Affirmation that the remuneration is as per the remuneration policy of the company:  
It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel, and other employees, adopted by the Company.

**STATEMENT PURSUANT TO SECTION 197(12) READ WITH RULE 5(2) AND (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016**

Sl. No.	Name	Designation / Nature of Duties	Remuneration Received (INR Lacs)	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held	Percentage of Equity Shares held by the employee in the Company
1.	Mr. Milind Kamat	COO	215.57	Master Of Science	31	55	25-Jan-19	Ingenico	-
2.	Mr. Vijendra Kumar Surana	CFO & CS	78.91	MBA, FCA, ACS, AICMA	26	49	02-Nov-07	Visa International	-
3.	Mr. Sumit Misra	Associate VP	60.07	M.E.	29	54	21-Apr-08	Praxis Softek Solutions	-
4.	Mr. Pranjal Chakraborti	General Manager	59.24	B.Tech, MBA	24	48	03-May-18	Indepay Network Pvt Ltd.	-
5.	Mr. Rajnit Rai Jain	Chairman & MD	59.33	B.S., MBA	33	64	02-Dec-87	-	39.25
6.	Mr. Chinmoy Das	Principal Consultant	48.29	B.E.	26	49	28-Jan-08	CTS	-
7.	Mr. Aniruddha Rai Chaudhuri	General Manager	47.29	B.Sc, PGCACS	27	49	03-May-99	Globsyn Technologies	-
8.	Mr. Souvik Dutta Ray	DGM	40.13	B.E.	23	48	15-Feb-99	Air Conditioning Corp Ltd.	-
9.	Mr. Swarup Saha	Technical Consultant	32.11	B.Tech	13	38	15-Sep-16	CTS	-
10.	Mr. Sujit Shankar Banerjee	Senior Manager	31.34	B.Tech	21	50	07-Nov-11	Mphasis	-

**Notes:**

- In terms of the proviso to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of employees posted and working in a country outside India, not being Directors or their relatives, have not been included in the above statement.
- None of the Employees listed above is a relative of any director of the Company.
- The nature of employment is contractual in all the above cases.
- None of the Employees listed above owns 2% or more of the paid-up equity share capital of the Company.
- The above statement covers the remuneration paid by the Company and not by any subsidiary/ies.

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

**Place: Kolkata  
Date: May 19, 2021**

**Sd/-  
Rajnit Rai Jain  
(Chairman & Managing Director)  
DIN: 00122942**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/ INITIATIVES FOR THE FY 2020-21**

**[Pursuant to Section 135 of Companies Act, 2013 read with Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014]**

**1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

This policy which lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large along with the company's philosophy for delineating its responsibility as a corporate citizen is titled as the '**R S SOFTWARE CSR Policy**'.

The Company had proposed to undertake the activities relating to social welfare, which includes activities eradicating poverty and malnutrition, providing safe drinking water and other social welfare.

The CSR policy functions as a built-in, self-regulating mechanism whereby a business monitors and ensures its active compliance with the spirit of the law, ethical standards, and international norms. It is placed on the Company's website and the weblink for the same: <http://www.rssoftware.com>.

**2. The composition of the CSR Committee:**

S. No.	Name	Designation
1.	Mr. Rajnit Rai Jain	Chairman, CSR Committee
2.	Mr. Shital Kumar Jain	Member
3.	Mr. RajasekarRamaraj	Member

**3. Average Net profit of the Company for last three Financial Years: The Company is having losses in the previous three consecutive financial years, i.e. for the financial year ending 31.03.20, 31.03.19 & 31.03.2018, hence CSR Expenditure during the financial year ending March 31 2021 is Not Applicable as per Section 198.**

**4. Prescribed CSR Expenditure at 2%:** Not applicable in view of losses

**5. Details of CSR spent during the Financial Year:**

**(a) Total amount to be spent for the financial year:**Not Applicable

**(b) Amount unspent, if any:** Not Applicable

**(c)Manner in which the amount is spent:**Not Applicable

**6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount:**

Not Applicable

**7. CSR committee Responsibility statement:**

We hereby confirm that the implementation of the Policy and monitoring of the CSR projects and activities is in compliance with CSR objectives and CSR Policy of the Company.

**For and on behalf of**

**Corporate Social Responsibility Committee**

-  
Date: May 19, 2021  
Place: Kolkata

Sd/-  
**Mr. Rajnit Rai Jain**  
DIN:00122942  
Chairman of CSR Committee  
(Chairman & Managing Director)

Sd/-  
**Mr. R. Ramaraj**  
DIN: 00090279  
Member of CSR Committee  
(Director)

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

**A. Details of Conservation of Energy:**

The Company uses electric energy for all its equipment such as air conditioners, computer terminals, lighting and utilities in the work premises. All possible measures have been taken to conserve energy.

- Through periodic energy audits to identify potential areas for saving
- By incorporating energy-efficient equipment
- By leveraging energy efficient cloud-based services
- Through automation i.e., using timers, automatic level controllers etc.

**B. Technology Absorption**

: The details are given below:

**a) Research & Development**

1. Specific area in which R & D work

has been done by the Company :

Technology research was done in the RS Payments Lab on Ultra Scalable Transaction Processing. Scalable Transaction processing is required to scale India's faster payments channel UPI (Unified Payments Interface) to process 1 billion transactions per day which requires 30,000 transactions per second (TPS).

Major research was undertaken to package the payment gateway components of UPI into self-sufficient units called PoDs (Processing of Data). Kubernetes, an open-source tool, was used to automatically decide scale-up, scale-down, spawn or shut down of PoDs depending on the flow of transactions, resulting in optimal utilization of computing resources.

A major transformative move was made towards development of digital products and platforms for payment processors and aggregators in India and global markets.

2. Benefits expected from the R & D :

The competencies built are helping the company gain mileage to win large end-to-end multi-year engagements, acquire new customers and assure value added services to all customers. The digital products and platforms are gaining market traction. The company prepared itself to generate revenue from transaction processing such as Fraud and Risk platform, Real-time Payments (RTP) Switch, Digital Overlay Service Layer, Bill Payment Platform etc. These assets work as door openers to acquire new customers for services businesses as well.



2. Future plan of action : Continue technology exploration on Faster Payments, API-zation of Platform Data Lake, Fraud and Risk Management, Artificial Intelligence and Machine Learning, Machine Data Ingestion and Customer Segmentation, Digital Commerce, Targeted Loyalty, Digital Payments Platform, Cloud Computing, Blockchain and Open-Source software across solution areas. We will continue to invest in leading edge technology architecture decisions such as micro-service architecture; dockerization, cloud-ready, cloud-agnostic and use of open-source technology. We plan to increase the number of self-service courses so that it can be administered without trainer, location, and time constraint.

#### b) Technology Absorption, Adaptation and Innovation

1. Efforts made towards technology

absorption, adaptation, and innovation : Technology exploration and absorption was done in the RS Payments Lab on Cassandra and Solr to utilize the NoSQL index Columnar database to search from terabytes of data in less than 20 seconds. Detailed and deep research done on Machine Learning technique and Model building using statistical models to increase Fraud detection ratio and decrease false positive ratio.

2. Benefits derived as a result of the above efforts :

The efforts are translating to transforming Indian society towards adoption of digital payments. These are translating to business growth with existing customers as well as build a rich service portfolio for new customer accounts. Going ahead the company plans to actively acquire new customers using the knowledge and competency acquired. The effort is effective in launching RS in the platform business and data analytics-based engagements. It helps change the market perception of RS branding from technology services provider to business service provider.

#### X. Earnings and Expenditures in Foreign Currency

1. Initiatives like increasing exports,

Development of new export markets etc. : Nil

to earnings in foreign currency.

2. Earning in Foreign Currency (INR in Lacs) : Rs. 1659.57

3. Expenditure in Foreign Currency (INR in Lacs) : Rs. 1994.87

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

Sd/-

**Rajnit Rai Jain**  
**Chairman & Managing Director**  
**(DIN: 00122942)**

**Place: Kolkata**

**Date: May 19, 2021**

## ANNEXURE "F" TO DIRECTORS' REPORT

### CORPORATE GOVERNANCE AND DISCLOSURES

*Good governance facilitates efficient, effective and entrepreneurial management that can deliver stakeholder value over the longer term. It is about commitment to values and ethical business conduct. It is a set of laws, regulations, processes and customs affecting the way a company is directed, administrated, controlled or managed.*

Good corporate governance underpins the success and integrity of the organizations, institutions and markets. Corporate Governance is a combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Good Corporate Governance leads to long term Shareholder value and enhances interest of other Stakeholders. It is one of the essential pillars for building an efficient and sustainable environment.

The Company recognizes that good Corporate Governance is a continuous exercise and always acts as a good corporate citizen which is inherent in the culture of the Organization. The Company believes in good and ethical Corporate Governance practices and follows the same by adopting fairness, transparency and accountability in all its operations as an on-going exercise. The Company believes that these aspects by and large set out for adequate, appropriate and timely corporate disclosures on relevant matters consistent with ethical business conduct by the Corporate Management so as to turn out performance which is fair, true and transparent and takes as much care of the interests of the Corporate Management as of its various stakeholders including shareholders, employees, debtors and creditors and is equally responsive to the requirements of various governmental and regulatory agencies.

#### A. MANDATORY DISCLOSURES

##### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Corporate Governance philosophy of the Company is as follows:

- Follow the spirit of the law and not just the letter of the law. Corporate Governance standards should go beyond the law.
- Be transparent and maintain high degree of disclosure levels. When in doubt, disclose it.
- Make a clear distinction between personal convenience and corporate resources.
- Communicate externally, in a truthful manner, about how the Company is running internally.
- Have a simple and transparent corporate structure driven solely by business needs.
- Comply with the laws in all the countries in which the Company operates.
- Management is the trustee of shareholders' capital and not the owner.

Corporate Governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal control, and promotion of ethics at workplace have been institutionalized. The Company recognizes that good governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all its stakeholders.

##### 2. THE BOARD OF DIRECTORS

The Board of Directors determines the purpose and values of the Company. The primary role of the Board is that of trusteeship so as to protect and enhance stakeholders' value through the strategic supervision of the Company and its subsidiaries.

## BOARD SIZE AND COMPOSITION

The Board of Directors ("Board") of the Company has an optimum combination of Executive and Non-Executive Directors with a Woman Director and Independent Directors, and not less than Fifty percent of the Board of Directors comprising Non-Executive Directors who have in-depth knowledge of the business. Your Company has 6 (Six) Directors consisting of 1 (One) Promoter Directors which is an Executive Director who is designated as Chairman & Managing Director, 1(One) Women Director who is Non-Executive Non-Independent Director and three Non-Executive Independent Directors and 1 (one) Additional Director (Non-Executive Independent Director). During the fiscal year the Board met on 5 (Five) times on June 24, 2020, July 28, 2020, August 31, 2020, October 15, 2020 and January 23, 2021 and as per the statutory requirements. During the year, all meetings held through Video Conference.

The maximum time gap between any consecutive meetings did not exceed 120 (One Hundred Twenty) days.

None of the Directors on the board hold directorship in more than 20 (Twenty) companies at the same time with the directorship in public companies not exceeding 10 (Ten). The Director on the Board serving as a Whole time Director/Managing Director in a listed company is not serving as an Independent Director of any equity listed company across all companies in which he is a Director. The Company does not have any alternate Director on its Board for any Independent Director in accordance with Regulation 25(1) of SEBI Listing Regulations, 2015. Further, in compliance with Regulation 26 of SEBI Listing Regulations, 2015, none of the Directors on the Board is a member of more than 10 (Ten) committees or Chairman of more than 5 (Five) committees across all public limited companies (whether listed or not) in which he/she is a Director. For assessment of these criteria, the membership/chairmanship of the Audit Committee and the Stakeholders Relationship Committee alone has been considered. All the Directors have made necessary disclosures regarding directorship/committee positions occupied by them in other listed entities / public limited companies (Whether listed or not) in accordance with Regulation 25 and 26 of SEBI Listing Regulations, 2015.

The Composition of the Board of Directors as on March 31, 2021 is in conformity with the provision of Section 149 of the Companies Act, 2013 and Regulation 17(1) of the SEBI Listing Regulations, 2015. As per the Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 every listed entity having Executive Chairperson shall have at least half of the board members as Independent Directors. The details of the Board of Directors as on March 31, 2021 are as under:

Sl. No.	Name of Directors	DIN	Category
1.	Mr. RAJNIT RAI JAIN (Chairman & Managing Director)	00122942	Executive Director
2.	Mr. SHITAL KUMAR JAIN	00047474	Independent Director
3.	Mr. RAJASEKAR RAMARAJ	00090279	Independent Director
4.	Mrs. SARITA JAIN	00206743	Non-Executive
5.	Mr. RICHARD NICHOLAS LAUNDER	03375772	Independent Director
6.	Mr. LAKSHMANAN NARAYAN	01582059	Additional Director

Mr. Lakshmanan Narayan (holding DIN: 01582059) had appointed as an Additional and Non-Executive Director, with effect from September 24, 2020 by circulation to hold office till the conclusion of next General Meeting of the Company. Mrs. Sarita Jain is presently liable to retirement by rotation. Further, the Board of Directors of the Company at its meeting held on May 19, 2021 approved re-appointment of Mrs. Sarita Jain as the Non-Executive of the Company, liable to retire by rotation, for a period of one year with effect from 1<sup>st</sup> April 2021 on the existing terms and conditions including remuneration, subject to approval of the Members of the Company at the ensuing Annual General Meeting of the Company.

All the Independent Directors of the Company had furnished a declaration at the time of their appointment/reappointment as also annually that they qualify the tests of their being independent as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations, 2015. All the requisite declarations were placed before the Board. In the opinion of the Board, all the existing Independent directors as well as those who are proposed to be appointed through the said postal ballot, fulfills the condition specified in SEBI Listing regulations and are independent of the management.

The Board has various Committees viz. Audit committee, Nomination and Remuneration committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee in addition to few internal committees. All observations, recommendations and decisions of the committee are placed before the Board for information or approval as the case may be. Further, during the year, the Board of Directors has accepted all the recommendation of the Board Committees.

## COMPOSITION, CATEGORY AND OTHER RELEVANT DETAILS OF DIRECTORS ALONGWITH ATTENDANCE OF EACH DIRECTOR AT THE MEETING OF THE BOARD OF DIRECTORS AND THE LAST ANNUAL GENERAL MEETING

The table below gives the details of Directors attendance at the Board Meetings and at the last Annual General Meeting and information regarding Directorship, Committee Membership and Chairmanship in other Companies:

Name of the Directors	Attendance Particulars			Number of other Directorship, Committee Membership and Chairmanship			No. of shares and convertible instruments held *	Relationship with other Directors	
	Board Meetings	Category	Last AGM	Other Directorship @	Committee Membership #	Committee Chairmanship #			
									Held
Mr. Ranjit Rai Jain	5	5	Executive Director (Chairman & Managing Director)	Yes	-	2	-	10090288 Equity Shares	Husband of Mrs. Sarita Jain
Mr. Shital Kumar Jain	5	5	Non-Executive & Independent Director	Yes	1	1	1	Nil	-
Mrs. Sarita Jain	5	3	Non-Executive & Non-Independent Director	No	-	-	-	3,66,544 Equity Shares	Wife of Mr. Ranjit Rai Jain
Mr. Rajasekar Ramaraj	5	5	Non-Executive & Independent Director	Yes	-	1	1	3,62,400 Equity Shares	-
Mr. Richard Nicholas Launder	5	5	Non-Executive & Independent Director	Yes	-	1	-	48,400 Equity Shares	-
Mr. Lakshmanan Narayan	5	2	Additional Director	No	-	-	-	-	-

@ Excludes directorships held in Foreign Companies, Section 8 Companies and Private Companies.



# Only Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies, whether Listed or not including the reporting company had been considered as per Regulation 26 of SEBI (LODR) 2015.

\* Represents number of shares and convertible instruments held by the Directors as on 31.03.2021.

Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board meetings in FY 2021 were held through Video Conferencing.

In compliance with Regulation 36(3) of the Listing Regulations read with the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the required information about the Directors proposed to be appointed / re-appointed has been provided in the Notice convening the 33rd Annual General Meeting.

#### INDEPENDENT DIRECTOR (IDS)

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. Independent Directors play an important role in the governance process of the Board. The appointment process of Independent Directors is independent of the Company's management. While electing Independent Directors, the Board ensures that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

In accordance with the provision of Companies Act, 2013 and clarifications/ circulars issued from time to time, the Company had appointed Mr. Lakshmanan Narayan (DIN 01582059) as additional director (Non-Executive, Independent) with effect from September 24, 2020 by the resolution to hold office till the conclusion of next General Meeting of the Company.

All the Independent Directors of the Company furnished a declaration at the time of their appointment as well as at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective of independent judgement and without any external influence in terms of Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the requisite declarations were placed before the Board.

The Board confirms that in its opinion, the independent directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

None of the Independent Director of the Company have resigned before the expiry of his/her tenure during the period under review.

#### MEETING OF INDEPENDENT DIRECTOR (IDS)

In terms of provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall meet at least once in a year without the presence of the Chairman & Managing Director and other Non-Executive & Non-Independent Directors and the Management Team. However, MCA through its General Circular No.11/2020 dated 24<sup>th</sup> March, 2020 clarified that if the Independent Directors of a company have not been able to hold such meeting, the same shall not be viewed as a violation.

#### FAMILIARIZATIONS PROGRAMME FOR INDEPENDENT DIRECTORS

In terms of Regulation 25(7) and 46 of the Listing Regulations the Company has conducted the Familiarization Programme for Independent Director and provided with necessary documents, report, and internal policies to enable them to familiarize with the Company including the nature of the industry in which the Company operates, business model of the Company, roles, rights, responsibilities of IDs and any other relevant information. The details of familiarization programme conducted during the year is being hosted on the website of the company at [www.rssoftware.com](http://www.rssoftware.com)

#### PERFORMANCE EVALUATION

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees.

The Nomination & Remuneration Committee of your Company has formulated and laid down criteria for Performance Evaluation of the Board (including Committees) and every Director (including Independent Directors) pursuant to provision of Section 134, Section 149 read with Code of Independent Directors (Schedule IV) and Section 178 of the Companies Act, 2013 and under Regulation 19(4) read with Part D of Schedule II of the SEBI Listing Regulations, 2015 with Stock Exchanges.

Based on these criteria, the performance of the Individual Directors (including Independent Directors), the Board and various Board Committees viz. Audit Committee, Stakeholder's Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Executive Committee was evaluated.

During the year under review, the Independent Directors of your Company reviewed the performance of Non-Independent Directors and Chairperson of your Company, taking into account the views of Executive Directors and Non-Executive Directors.

The Board as a whole is an integrated, balanced and cohesive unit where diverse views are expressed and dialogued when required, with each Director bringing professional domain knowledge to the table. All Directors are participative, interactive, and communicative.

The information flow between your Company's Management and the Board is complete, timely with good quality and sufficient quantity.

#### Key Skills/Expertise/Competence of the Board of Directors

The Board of directors of the Company comprises qualified member who bring in the required skills, expertise and competence to allow them to make effective contribution to the Board and its committees. The Board members are committed to ensuring that the Board is in well compliance with the highest standards of Corporate Governance.

In terms of SEBI Listing Regulations, 2015, the company identified the following list of core skills/expertise/competencies as is required in the context of company's business(es) and sector(s) for it to function effectively and those which are actually available with the Board:

Skills/Expertise/Competence	Details
Behavioral	Fulfilling a director's duties and responsibilities, putting the organization's interests before personal interests, acting ethically, active contributor, collaborative, performance oriented and professional.
Financial	Qualifications and/or experience in accounting and/or finance and the ability to analyze key financial statements, leadership of a financial firm or management of the finance functions of an expertise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a principal financial officer, auditor or person performing similar functions.
Diversity	Representations of gender, ethnic, geographic, cultural or other perspective that expands the Board's understanding of the needs and viewpoints of the company's customers, partners, employees, governments, and other stakeholders worldwide.
Industry	Experience in the financial services sector in which the company operates. Experience in driving business successfully around the world, with an understanding of diverse environments, economic conditions, cultures, and a broad perspective on global opportunities.
Technology	Significant backgrounds in technology, resulting in knowledge of how to anticipate technological trends, innovations and extend or create new business models.

Skills/Expertise/Competence	Details
Strategic Expertise	Ability to understand, critically assess and review business strategies including acquisitions and other business combinations.
Board Service and Governance	Service on a public company board to develop insights and maintain board and management accountability, protects shareholder interests and observing appropriate governance practices.

Further in the table below, the specific areas of skills/ expertise/competencies of individual Board members have been highlighted.

Name of Director	Skills/ Expertise/Competencies						
	Behavioral	Financial	Diversity	Industry	Technology	Strategic Expertise	Board Service and Governance
Mr. Rajnit Rai Jain	✓	✓	✓	✓	✓	✓	✓
Mr. Shital Kumar Jain	✓	✓	✓	✓	✓	✓	✓
Mrs. Sarita Jain	✓	-	✓	✓	-	✓	✓
Mr. Rajasekar Ramaraj	✓	✓	✓	✓	✓	✓	✓
Mr. Richard Nicholas Launder	✓	✓	✓	✓	✓	✓	✓
Mr. Lakshmanan Narayan	✓	✓	✓	✓	✓	✓	✓

### CODE OF CONDUCT

The Company has adopted a Code of Conduct specifically for the members of the Board of Directors and/or members of the Senior Management of the Company, which sets out as follows:

The Company's Code of Conduct is available on the company's website [www.rssoftware.com](http://www.rssoftware.com). It is hereby declared that the company has obtained from all Board Members and Senior Executives an affirmation that they have complied with the Code of Conduct for financial year 2020-21.

### 3. AUDIT COMMITTEE

#### COMPOSITION

Pursuant to section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations, 2015 the Audit Committee is constituted with 3 (Two) Non-Executive Independent Directors including the Chairman of the committee and 1(one) Executive Director.

**The constitution of the Committee, number of meetings held and attendance of the members are given below:-**

Name of Members	Category	Attendance at Audit Committee Meetings	
		Held	Attended
Mr. Rajasekhar Ramaraj (Chairman of the Audit Committee)	Non –Executive & Independent Director	5	5
Mr. Richard Nicholas Launder	Non –Executive & Independent Director	5	5
Mr. Shital Kumar Jain	Non- Executive & Independent Director	5	5
Mr. Rajnit Rai Jain	Executive Director	5	5

Mr. Vijendra Kumar Surana, the Company Secretary acts as the Secretary to the Audit Committee. Considering the request from Mr Shital Jain, Mr Richard Launder was inducted into Committee and Mr. Rajasekhar Ramaraj is hereby appointed as the Chairman of the Audit Committee of the Board.

#### MEETINGS:

5 (Five) meetings of the Audit Committee were held through Video Conferencing during the year 2020-21 on June 24, 2020, July 28, 2020, August 31, 2020, October 15, 2020 and January 23, 2021 and the necessary quorum was present in all the meeting as required under SEBI Listing Regulations, 2015. The maximum time gap between two consecutive meetings did not exceed 120 (One Hundred Twenty) days. The representatives of the Statutory Auditors are permanent invitees to the Audit Committee Meetings. During the year, all meetings held through Video Conference.

#### TERMS OF REFERENCE:

The Audit Committee of the Board is constituted in compliance with the provisions of section 177 of Companies Act 2013 read with regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

The committee shall act in accordance with the terms of reference specified by board which shall, inter alia, include—

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation to the Board for appointment, re-appointment, remuneration, terms of appointment of Auditor and if required the replacement or removal of Auditors of the Company.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors
- Reviewing and monitor the auditor's independence and performance, and effectiveness of audit process.
- Reviewing with management, performance of Statutory & Internal Auditor, adequacy of Internal Control System, scope of audit and note the observation of Auditors.
- Examination & review of the Annual financial statement, auditors' report with management before submission to board with particular reference to:
  - Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - modified opinion in the draft audit report.
- Review, approve or any subsequent modification of transactions of the company with related parties and to grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis subject to the approval of the Board
- Reviewing with management quarterly, half yearly financial statement before submission to the board for approval;



Valuation of undertakings or assets of the company, wherever it is necessary;  
 Evaluation of internal financial controls and risk management systems;  
 Reviewing with the management, the statement of uses /application of funds raised through an issue & other related matter and make appropriate recommendations to the Board to take up steps in this matter.  
 Discussion with Statutory Auditor before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.  
 The review the functioning of Vigil Mechanism /Whistle Blower Policy adopted for Directors & employees of the company to report their genuine concerns and shall have direct access to the chairperson of the Audit Committee in appropriate or exceptional cases  
 Scrutiny of Inter corporate Loans & Investments.  
 Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.  
 Discussion with internal auditors any significant findings and follow up there on.  
 Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.  
 To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.  
 Approval or any subsequent modification of transactions of the listed entity with related parties;  
 Approval of appointment/ removal including terms of remuneration of Chief Financial Officer. (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

The committee shall review the compliances in regard to the provisions of regulation 9 and 9A of SEBI (Prohibition of Insider Trading) (Amendment) Regulations 2018 at least once in a Financial year and verify that the system of internal control are adequate and are operating effectively.

Carrying out other matters specified for Audit Committee in Section 177 of the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Listing Regulations, 2015.

In addition to the above, the Audit Committee also mandatorily reviews the following:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
- Management letters / letters of internal control weaknesses, if any, issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor
- Statement of deviations in terms of Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (if applicable).

**Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/entity of which the statutory auditor is a part:**

Particulars	Fees (Amount in Rs.)
Audit Fees	2,50,000.00
Consolidation Fees	40,000.00
Limited Review Fees	90,000.00
Tax Audit Fees	60,000.00
<b>Total</b>	<b>4,40,000.00</b>

#### 4. STAKEHOLDERS RELATIONSHIP COMMITTEE

##### COMPOSITION

The Stakeholders Relationship Committee shall act in compliance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Stakeholders Relationship Committee comprises of 3 (Three) Directors, Mr. S.K. Jain (Non- Executive & Independent Director) who is the Chairman of the Committee and Mr. R.R. Jain (Chairman & Managing Director of the Company) Mr. Rajasekhar Ramaraj (Non-Executive & Independent Director) was inducted into the committee and Mr. Vijendra Kumar Surana, CFO & Company Secretary, who acts as Secretary to this Committee.

**The constitution of the Committee, number of meetings held and attendance of the members are given below:-**

Members	Category	Attendance at Stakeholder's Relationship Committee Meetings	
		Held	Attended
Mr. Shital Kumar Jain (Chairman of the Committee)	Non Executive & Independent Director	3	3
Mr. Rajnit Rai Jain	Executive Director	3	3
Mr. Rajasekhar Ramaraj	Non-Executive Director & Independent Director	3	3

##### Meetings:

During the year 2020-21 the Committee met 3 (Three) times on June 26, 2020, July 28, 2020, and October 15, 2020 through Video Conference. The Committee has been formed to undertake following activities:

- Oversee and review all matters connected with the transfer of the Company's securities.
- Oversee the performance of the Company's Registrars and Transfer Agents.
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.
- Perform such other functions as may be necessary or appropriate for the performance of its duties.
- Consider, resolve and monitor redressal of investors' / shareholders' grievances related to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividend etc.
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.

##### Terms of Reference

- The terms of reference of Stakeholders Relationship Committee with effect from 1st April 2020 shall, inter-alia, include the following:
- The Committee shall specifically look into various aspects of interest and resolve the grievances of shareholder, debenture holder and other security holders.
- The committee shall resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.

- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Further, Mr. Shital Kumar Jain, Chairperson of the Stakeholders Relationship Committee was present at the Annual General Meeting held on 11.08.2020 to answer queries of the security holders.

#### INVESTORS' GRIEVANCES

During the Financial Year ended March 31, 2021, the Company received complaint from the Shareholders / Investors of the Company as given below:

Particulars	Details
Number of complaint at the beginning of the year	Nil
Number of Shareholder's Complaints received during the year	Nil
Number of complaint not solved to the satisfaction of shareholders	Nil
Number of pending complaints at the end of the year	Nil

#### SEBI SCORES

During the year company has not received any complaints in SCORES so there are no compliants to resolve.

#### NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER:

Mr. Vijendra Kumar Surana

CFO & Company Secretary and Compliance Officer.

R- S Software (India) Limited

'FMCFORTUNA', 1<sup>st</sup> Floor, A-2,

234/3A, A.J.C. Bose Road,

Kolkata - 700020

E-mail ID earmarked for redressing Investors queries in terms of Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: [vijendras@rssoftware.co.in](mailto:vijendras@rssoftware.co.in) & [anindyasen@rssoftware.co.in](mailto:anindyasen@rssoftware.co.in)

#### 5. NOMINATION & REMUNERATION COMMITTEE:

##### COMPOSITION:

Pursuant to the provisions of section 178 of the Companies Act, 2013 and as per Regulation 19 of the SEBI Listing Regulations, 2015 the Nomination & Remuneration Committee of the Company comprises of Mr. Rajasekar Ramaraj, Mr. Shital Kumar Jain and Mr. Richard Nicholas Launder, Non-Executive Independent Directors and Mr. Rajnit Rai Jain, Executive Director. Mr. Richard Nicholas Launder be and is hereby appointed as the Chairman of the Committee of the Board. **The constitution of the Committee, number of meetings held and attendance of the members are given below:-**

Name of Members	Category	Attendance at Nomination & Remuneration Committee Meetings	
		Held	Attended
Mr. Richard Nicholas Launder (Chairman of the Committee)	Non -Executive & Independent Director	3	3
Mr. Rajnit Rai Jain	Executive Director	3	3
Mr. Shital Kumar Jain	Non- Executive & Independent Director	3	3
Mr. Rajasekar Ramaraj	Non-Executive & Independent Director	3	3

#### MEETINGS:

During the year 2020-21 the Committee met 3 (Three) times on June 24, 2020, July 28, 2020 and October 15, 2020 the necessary quorum was present in all the meeting as required by SEBI Listing Regulations, 2015.

#### TERMS OF REFERENCE:

The committee is primarily responsible for:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, KMP and other employees.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of evaluation of independent directors.
- Identifying and assessing potential individuals in accordance with the Criteria laid down for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnel / senior management and recommend to the Board their appointment and removal.
- Formulate the criteria for performance evaluation of independent directors and the Board of directors.
- Devise a policy on Diversity of Board of Directors.
- Periodically reviewing the size and composition of the Board to ensure that the structured commensurate with the requirement of the company.
- Other matters specified for Nomination and Remuneration Committee in Section 178 of the Companies Act, 2013 Companies (Meetings of Board and its Powers) Rules, 2014 and under SEBI Listing Regulations, 2015

Nomination and Remuneration Committee shall also lay down a chart/matrix listing the core skills/ expertise/ competencies identified by the Board of Directors as required in the context of the company's business(es) and sectors for the Board to function effectively and those actually available with the Board.

1. Further this committee recommends re-appointment of Mrs. Sarita Jain (holding DIN 00122942), who retires by rotation and, being eligible, seeks re-appointment.

#### PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and based on SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/4 dated 5th January, 2017, the Board followed the formal mechanism for evaluating its annual performance and as well as that of its committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process, whereby a structured questionnaire was prepared covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. Independent Directors' performance is evaluated based on their qualification, experience, knowledge, and Quality of contribution to Board deliberations, ability to fulfill allotted functions / roles, attendance at meetings, Strategic perspectives or inputs regarding future growth/performance of the Company.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

The N&R Committee considers the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.



- Diversity of the Board.
- Demonstrable leadership skills;
- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
- Having continuous professional development to refresh knowledge and skills.
- Degree holder in relevant disciplines;
- Experience of management in a diverse organization;
- Excellent interpersonal, communication and representational skills

#### REMUNERATION POLICY

Remuneration policy of the RS Software (India) Ltd applies to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel (SMP or "LT") and other employees of the Company.

A transparent, fair and reasonable process for determining the appropriate remuneration at all career levels and roles as prevalent in the Company is required to ensure that the shareholders remain informed and confident about the management of the Company.

The objective of the remuneration policy is to enable the Company to attract, motivate, and retain qualified industry professionals for the Board of Management and other executive level in order to achieve the Company strategic goals. The remuneration policy acknowledges the internal and external context as well as the business needs and long-term strategy. The policy is designed to encourage behavior that is focused on long-term value creation, while adopting the highest standards of good corporate governance. The Company's Remuneration Policy is available on the company's website [www.rssoftware.com](http://www.rssoftware.com).

#### REMUNERATION POLICY FOR DIRECTORS

- **NON-EXECUTIVE DIRECTORS:**

The Company follows a policy on remuneration of Directors and Senior Management Employees. Non-Executive Directors shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Nomination and Remuneration Committee have formulated the criteria for determining qualifications, positive attributes, and independence of a Director in line with the requirements as given under Schedule IV of the Companies Act, 2013. All the Independent Directors have been appointed based on such criteria.

Non-Executive Directors did not draw any remuneration from the Company. Sitting fees to Non-executive and Independent Directors is being paid for each meeting of the Board and Committees.

None of our Non-Executive Directors has any pecuniary relationship or transaction with the Company, except to the extent of shareholding, if any in the Company.

The sitting fees paid to the Non-Executive Directors during the Financial Year 2020-21 are as under:

Name of Non-Executive Directors	Sitting fees (Rs. in Lakhs)	
	Board Meeting	Committee Meeting
Mrs. Sarita Jain	1.20	-
Mr. Shital Kumar Jain	2.00	6.00
Mr. Rajasekar Ramaraj	2.00	6.00
Mr. Richard Nicholas Launder	2.00	4.40
Mr. Lakshmanan Narayan	0.80	0.80
<b>Total</b>	<b>8.00</b>	<b>17.20</b>

- **EXECUTIVE DIRECTORS:**

The Nomination and Remuneration Committee takes into account experience, qualification and prevailing industry practices before giving its recommendation to the Board. On recommendation of the Nomination and Remuneration Committee, the Board decides remuneration to be paid to Executive Director, subject to approval of shareholders in terms of provisions of the Companies Act, 2013, read with Schedule V thereof. The Committee aims towards rewarding, on the basis of performance and reviews on a periodical basis. No sitting fee is being paid to the Executive Director.

#### Details of remuneration paid/payable to all the Directors during the financial year 2020-21

The Company has paid managerial remuneration by way of salary to its Managing Director only and the same is within the limits specified under Schedule V of the Companies Act, 2013 and duly approved by the Board / shareholders of the Company.

#### Criteria of making payment to Non-Executive directors

The Company is making payment of sitting fees only to Non-Executive directors for within the limits prescribed under Companies Act, 2013 for payment of sitting fees without approval of Central Government. Thus, requirement of obtaining approval of shareholders in general meeting shall not apply.

#### REMUNERATION PAID TO DIRECTORS DURING FY 2020-21

(Rs. in Lakhs)

Particulars of Remuneration	Rajnit Rai Jain (Executive Director)	Shital Kumar Jain (Non-Executive Director)	Rajasekhar Ramaraj (Non-Executive Director)	Sarita Jain (Non-Executive Director)	Richard Launder (Non-Executive Director)	Lakshmanan Narayan (Additional, Non-Executive Director)	Total
Salary	54.00	-	-	-	-	-	54.00
Benefits	1.01	-	-	-	-	-	1.01
Bonuses	-	-	-	-	-	-	-
Sitting fees of all Board and Committee Meetings	-	-	-	-	-	-	-
Stock Options	-	-	-	-	-	-	-
PF	4.32	-	-	-	-	-	4.32
Details of fixed component	-	-	-	-	-	-	-
Performance linked incentives	-	-	-	-	-	-	-
Performance criteria	-	-	-	-	-	-	-
Service Contracts	-	-	-	-	-	-	-
Notice Period	-	-	-	-	-	-	-
Severance fees	-	-	-	-	-	-	-
Details of stock option (if any)	-	-	-	-	-	-	-
Whether Option issued at a discount	-	-	-	-	-	-	-
Period over which option accrued/exercisable	-	-	-	-	-	-	-

- The above details of remuneration or fees paid are all elements of remuneration package of individual directors summarized under major groups.
- Remuneration payable to Executive Director consists of fixed as well as variable. The fixed pay consists of Basic and HRA

## 6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

### COMPOSITION:

Pursuant to the provisions of section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee of the Company comprises of 2 (Two) Non-Executive Independent Directors and 1 (One) Executive Director, who is the Chairman of the Committee.

The Committee is responsible for monitoring the Corporate Social Responsibility Policy (CSR Policy) of the Company from time to time, instituting a transparent monitoring mechanism for implementation of the CSR projects for programs or activities undertaken by the Company etc. The Company's CSR Policy is available on the company's website [www.rsssoftware.com](http://www.rsssoftware.com).

The constitution of the Committee of the Members is given below:-

Members	Category
Mr. Rajnit Rai Jain (Chairman of the Committee)	Executive Director
Mr. Shital Kumar Jain	Non –Executive & Independent Director
Mr. Rajasekar Ramaraj	Non- Executive & Independent Director

### TERMS OF REFERENCE:

The Committee is responsible for monitoring the Corporate Social Responsibility Policy (CSR Policy) of the Company from time to time, instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company etc. and to formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made thereunder.

To recommend the amount of expenditure to be incurred on the CSR activities.

To monitor the implementation of the CSR Policy of the Company from time to time.

To approve the Corporate Sustainability Reports and oversee the implementation of sustainability activities.

## 7. EXECUTIVE COMMITTEE:

### COMPOSITION:

The Executive Committee of the Company comprises of 3 (Three) Non-Executive Independent Directors, 1 (One) Non-Executive Director and 1 (One) Executive Director, who is the Chairman & Managing Director of the Company.

The constitution of the Committee, number of meetings held and attendance of the members are given below:-

Members	Category	Attendance at Executive committee Meetings	
		Held	Attended
Mr. Rajnit Rai Jain (Chairman of the Committee)	Executive Director	4	4
Mr. Shital Kumar Jain	Non-Executive & Independent Director	4	2
Mr. Rajasekar Ramaraj	Non-Executive & Independent Director	4	4
Mr. Richard Nicholas Launder	Non-Executive & Independent Director	4	4
Mr. Lakshmanan Narayan	Additional Director	4	2

### TERMS OF REFERENCE:

The Committee reviews the operations of the company and directs the strategy of the company with focus on growth.

It reviews the company from different aspects with respect to Sales, Delivery and other Processes.

It guides the market directions and future strategy of the Company.

### MEETINGS:

Meetings of the Executive committee were held during the year 2019-20 on 29<sup>th</sup> April 2019, 25<sup>th</sup> July 2019, 8<sup>th</sup> November 2019 and 21<sup>st</sup> January 2020.

## 8. GENERAL BODY MEETINGS

The location and time of the Annual General Meetings held and details of Special Resolution passed thereat during the preceding 3 years are as follows:

YEAR	DAY, DATE & TIME	VENUE	SPECIAL RESOLUTION PASSED
2017-18	Friday, July 27, 2018 at 11:30 a.m.	'Rabindra Tirtha', 33-1111, Major Arterial Road, 3 <sup>rd</sup> Rotary, New Town, Kolkata-700156	-
2018-2019	Friday, July 26, 2019 at 11:30 a.m.	'Rabindra Tirtha', 33-1111, Major Arterial Road, 3 <sup>rd</sup> Rotary, New Town, Kolkata-700156	Approval of Company's Employee Stock Option Scheme 2019 (ESOP Scheme 2019)
2019-2020	Tuesday, August 11, 2020 at 11:30 a.m.	Meeting conducted through VC / OAVM pursuant to the MCA Circular	To re-appoint Mr. Rajnit Rai Jain (DIN:00122942) as Chairman and Managing Director.

### • DETAILS REGARDING RESOLUTIONS PASSED AND PROPOSED TO BE PASSED THROUGH POSTAL BALLOT:

During the Financial Year 2020-21, the Company had not obtained approval of the shareholders through postal ballot.

No Extraordinary General Meeting of the members was held during the financial year 2020-21.



## 9. CODE FOR PREVENTION OF INSIDER TRADING

The Company has comprehensive guidelines on prevention of insider trading in line with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of Conduct to Regulate, Monitor and Report Trading by Insiders ('Insider Trading Code') for prevention of insider trading inter-alia prohibits purchase / sale of shares of the Company by employees / Directors while in possession of unpublished price sensitive information in relation to the Company. The Compliance Officer is responsible for implementation of the Code. During the year under review there has been due compliance with the said code. All Board Directors and the designated employees have confirmed compliance with the Code. The said code is available on the website of the company.

The Company has adopted / re-framed the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Immediate Relatives of Designated Persons in terms of Regulation 8 and 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time (the "Regulations").

## 10. DISCLOSURES

### • **MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:**

All contracts/ arrangements/ transactions entered by the Company during the financial year with the related party were in ordinary course of business and on an arm's length basis. There were no materially significant related party transactions with related parties i.e. Promoters, Directors or the Management, their subsidiaries or relatives conflicting with the Company's interests, save and except as mentioned in the Schedule of Accounts.

The Company has formulated Related Party transactions (RPT) Policy pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which provides a framework to regulate transaction between the Company and its related parties based on laws and regulations applicable to the Company. The Company's RPT Policy is available on the company's website [www.rssoftware.com](http://www.rssoftware.com).

A statement in summary form of transactions with related parties in the ordinary course of business is periodically placed before the Audit Committee for review and recommendation to the Board for their approval.

Prior approval of Audit Committee is obtained for all Related Party Transactions except for the Related Party Transactions for which omnibus approval is granted by the Audit Committee from time to time. The Company has formulated Related Party Transactions (RPT) Policy which provides a framework to regulate transactions between the Company and its related parties based on the laws and regulations applicable to the Company.

Every Related Party Transactions are subject to the prior approval of the Audit Committee in compliance with the conditions contained in Reg. 23(2) of the Listing Regulations.

### • **DETAILS OF NON-COMPLIANCE BY THE COMPANY, PENALTIES, AND STRICTURES IMPOSED ON THE COMPANY BY STOCK EXCHANGES OR SEBI OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS.**

As per National Stock Exchange letter dated 15.10.2019 and BSE email dated 15.10.2019, the Company had made the payment of fine for delayed submission of Annual Report for Non- Compliance under Regulation 34 but the same had later withdrawn by both the stock exchanges as per NSE letter dated 01.01.2020 and BSE email dated 07.01.2020.

### • **WHISTLE BLOWER POLICY (VIGIL MECHANISM)**

Your Company is serious about its adherence to the Codes of Conduct and to achieve at par with the highest standards of ethical, moral and legal conduct of business operations and henceforth encourage its employees to bring ethical and legal violations they are aware of to an internal authority without fear of punishment or unfair treatment so that action can be taken immediately to resolve the problem.

A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy. The mechanism also provides for adequate safeguards against victimization of employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. Thus minimization of organization's exposure to the damage that can occur when employees circumvent internal mechanisms is the main objective which neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising any malicious allegations against people in authority and / or colleagues in general. Your company has given affirmation that no personnel have been denied access to the Audit Committee. The Company's Whistle Blower Policy is available on the company's website [www.rssoftware.com](http://www.rssoftware.com).

### • **COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON -MANDATORY REQUIREMENTS AND DISCRETIONARY REQUIREMENTS:**

The Company has complied with the mandatory requirements as stipulated in SEBI LODR Regulations, 2015 with the Stock Exchanges. The Company has been regularly submitting the quarterly compliance report to the Stock Exchanges where the shares of the Company listed as required under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further the company has adopted various non mandatory requirements and discretionary requirements under Regulation 27 of SEBI Listing Regulations, 2015 as disclosed below:

**Chairman of the Board :** The Chairman of the Company is an Executive Director and hence this provision is not applicable to us.

**Shareholder Rights** We display our quarterly and half yearly results on our web site [www.rssoftware.com](http://www.rssoftware.com) and also publish our results in widely circulated newspapers. We publish the voting results of shareholder meetings and make it available on our website [www.rssoftware.com](http://www.rssoftware.com) and report the same to Stock Exchanges in terms of Regulation 44 of the Listing Regulations.

**Modified opinion(s) in audit report** The Auditors have issued an un-modified opinion on the Financial Statements of the Company

**Separate posts of Chairman and CEO** Mr. Rajnit Rai Jain is the Executive Director Chairman and Managing Director of the Company. The Company's Board consists of majority of Independent Directors. Mr. Rajnit Rai Jain is the CEO founder of the Company.

**Reporting of Internal Audit** The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meetings and regularly attends the meetings for reporting audit finding to the Audit Committee.

### **WEB- LINK FOR POLICY DETERMINING 'MATERIAL' SUBSIDIARIES:**

The Company does not have any material subsidiary as defined under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN CHAPTER IV OF LISTING REGULATIONS

The company has fully complied with the Applicable requirements specified under regulation 17 to 27 except regulation 17(1) (c) and clause (b) to (i) of Sub regulation (2) of regulation 46 of SEBI (LODR) Regulation 2015. The disclosure of the said has being made in the section of this Corporate Governance Report.

Your Company had received notice from Stock Exchanges for delayed in compliance with Reg. 17(1) (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which had been duly replied by the Company with request to condone the delay and waiver of penalty.

### • **RECONCILIATION OF SHARE CAPITAL AUDIT:**

The Company Secretary in practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

### • **POLICY FOR DETERMINING MATERIALITY OF AN EVENT OR INFORMATION AND FOR MAKING DISCLOSURES TO STOCK EXCHANGES:**

Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015, the Board of Directors of the Company have formulated and adopted the Policy for determining Materiality of an event or information and for making disclosures to Stock Exchanges which is effective from December 1, 2015 and same is available on the company's website [www.rssoftware.com](http://www.rssoftware.com) and on the web link [http://www.rssoftware.com/investors#corporate\\_governance](http://www.rssoftware.com/investors#corporate_governance).

The Board of Directors of the Company has authorized Company Secretary & Chief Financial Officer to determine materiality of an event or information and for making disclosures to Stock Exchanges under the said regulation.

## CODE OF CONDUCT FOR BOARD AND SENIOR MANAGEMENT PERSONNEL:

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management Personnel and the said code is uploaded on the website of the company at <http://www.rssoftware.com/pdfs/RS-Software-Code-of-Conduct.pdf>. All the Board members and senior management personnel have confirmed compliance with the code. Affirmation regarding compliance of the Code of Conduct by the CEO of the Company has been published elsewhere in this Annual Report.

### CEO/ CFO CERTIFICATION:

The CEO (Managing Director) and CFO of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the year ended 31st March 2021.

### CERTIFICATION REGARDING NON-DISQUALIFICATION OR NON-DEBARMENT OF DIRECTORS:

The Company has obtained a certificate from MR & Associates certifying that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of the Company by Securities and Exchange Board of India (SEBI)/ Ministry of corporate Affairs (MCA) or any such Statutory Authority.

### COMPLIANCE CERTIFICATE BY PRACTICING COMPANY SECRETARY:

The Company has obtained a certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of the Listing Regulations, which is annexed herewith and forms part of this Annual Report

## CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION:

Pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company, during the year, formulated and adopted the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information".

### PROHIBITION OF INSIDER TRADING:

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) the Company has adopted a Code of Conduct for regulating, monitoring and reporting of Trading by Insider with a view to regulate trading in securities by the Directors and designated employees of the Company. This policy also provides for periodical disclosures from designated employees as well as preclearance of transactions by such persons. The Compliance Officer is responsible for implementation of the Code. During the year under review there has been due compliance with the said code. All Board Directors and the designated employees have confirmed compliance with the Code. The Code is available on the company's website [www.rssoftware.com](http://www.rssoftware.com).

### POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT

Pursuant to the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, your Company has a policy and framework for employees to report sexual harassment cases at workplace and our process ensures complete anonymity and confidentiality of information. Adequate workshops and awareness programmes against sexual harassment are conducted across the organization.

The details of complaint for the Financial Year 2020-21 under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 are as under:

No. of complaints filed during the year	No. of Complaints disposed of during the year	No. of Complaints pending as on the end of the year
Nil	Nil	Nil

### COMPLIANCE WITH ACCOUNTING STANDARD:

In the preparation of financial statements, the Company has followed the applicable Indian Accounting Standards (IND AS) issued by the Institute of Chartered Accountants of India to the extent applicable

### DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

None of shares of the company are lying in the Dematerialization Suspense Account or unclaimed suspense account.

## 11. MEANS OF COMMUNICATIONS

The Company regularly interacts with the shareholders through the multiple channels of communication such as publication of results, Annual Report, Press Release and the Company's website. The Company also informs the Stock Exchanges in a prompt manner, all price sensitive information as well as all such other matters which in its, opinion are material and relevant for the shareholders. The Company effectively uses NEAPS (NSE Electronic Application Processing System) and BSE Corporate Compliance & Listing Centre, a web based application designed by National Stock Exchange of India Limited and BSE Limited, respectively, for filing of shareholding pattern, corporate governance report, financial statements and significant corporate announcements thereby saving time, cost and ensuring operational efficiency.

- The quarterly, half yearly and Annual Financial Results of the company are sent to the Stock Exchange immediately after they are approved by the Board of Directors and published in the newspaper in India which includes **Business Standards (English)** – All India Edition and in **Eisomoye**, vernacular newspaper (Bengali).
- The quarterly, half yearly and Annual Financial Results of the company along with Annual Report and other statutory filings are posted on the website of the company [www.rssoftware.com](http://www.rssoftware.com). The website also contains information on the businesses of the Company, governance and important policies of the Company



- News and press release as available are posted on the website of the company. During the year under review there were no such news releases.
- As the company does not have any institutional investors and angel investors, so no presentation made to institutional investors or to the analysts.
- Management Discussion & Analysis forms the part of the Annual Report.

#### TRANSFER OF UNCLAIMED DIVIDEND /SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

Transfer of Rs. 15,72,222.00 has been made to Investor Education and Protection Fund during the year 2020-21.

#### GENERAL INFORMATION FOR SHAREHOLDERS AND INVESTORS

i.	<b>Corporate Identification Number (CIN) of the Company</b>	L72200WB1987PLC043375
ii.	<b>Corporate Head quarter &amp; Registered Office</b>	"FMC FORTUNA", 1 <sup>st</sup> Floor, A-2, 234/3A, A.J.C. Bose Road, Kolkata- 700 020 Phone # 033- 22876254/6255/2281 0106-09 Fax # 033- 22876256 Website: <a href="http://www.rssoftware.com">www.rssoftware.com</a>
iii.	<b>Financial Year</b>	1 <sup>st</sup> April to 31 <sup>st</sup> March
iv.	<b>Date time and Venue of Annual General Meeting</b>	Through Video Conferencing / Other Audio Visual Means
v.	<b>Dividend Payment date</b>	The Company did not recommend any dividend during the year 2020-21
vi.	<b>Book Closure for AGM</b>	
vii.	<b>Tentative Calendar of Events for the Financial Year 2021-2022</b>	
	First quarter results	July, 2021
	Second quarter and half-year results	November, 2021
	Third quarter results	January, 2022
	Annual Result	May, 2022
viii.	<b>Shareholders Services, Enquiries, Complaints</b>	a. Name: Mr. Vijendra Kumar Surana Contact: <a href="mailto:vijendras@rssoftware.co.in">vijendras@rssoftware.co.in</a> b. Name: Mr. Anindya Sen Contact: <a href="mailto:anindyasen@rssoftware.co.in">anindyasen@rssoftware.co.in</a>
ix.	<b>Registrars &amp; Share Transfer Agent</b>	C.B. Management Services (P) Ltd. P-22, Bondel Road, Kolkata- 700019 Phone:033-22806692/ 40116700/ 22823643/ 22870263 Fax:033-40116739

x.	<b>Listing on Equity Shares on Stock Exchanges in India at</b>	Bombay Stock Exchange Ltd., 1 <sup>st</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 National Stock Exchange of India Ltd., Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (E), Mumbai - 400 051
xi.	<b>Stock Codes</b>	NSE: RSSOFTWARE BSE: 517447
xii.	<b>ISIN for Equity Shares</b>	INE165B01029
xiii.	<b>Trading of Equity Shares</b>	Equity Shares are traded at BSE and NSE through a. National Securities Depository Ltd (NSDL), and b. Central Depository Services Ltd (CDSL) The shares of the Company were not suspended from trading any time during the financial year 2020-2021
xiv.	<b>Share Transfer System</b>	Share transfers, transmissions, issue of duplicate share certificates, issue of share certificates through sub-division and consolidation are also given effect on fortnightly basis through the 'Share Transfer Committee' constituted by the CFO and Company Secretary of the Company. All the formalities relating to transfer, transmission, issue of duplicate share certificates, issue of share certificates through sub-division and consolidation approved through 'Share Transfer Committee' are ratified by the Stakeholders Relationship Committee of the Board in the subsequent Committee Meeting and the Minutes of Stakeholders Relationship Committee are placed in the subsequent meeting of the Board of Directors of the Company.
xv.	<b>Custodial fees to Depositories</b>	Custodial fees to NSDL and CDSL paid up-to 31 <sup>st</sup> March, 2022.
xvi.	<b>Listing Fees</b>	Listing fees paid to both the Stock Exchanges where the Company's equity shares are listed up-to 31 <sup>st</sup> March, 2022.

**a. STOCK MARKET PRICE DATA**

The details of monthly high and low price of the Equity Shares of the Company and its comparison to broad based indices BSE Sensex and NSE Nifty for the period April 1, 2020 to March 31, 2021 are as follows:

**MONTHLY HIGH, LOW & CLOSING SHARE PRICE AT BSE**

(Amount in Rs.)

Month	High Price	Low Price	Closing Price
Apr-20	16.11	10.91	16.05
May-20	16.05	12.10	12.55
Jun-20	19.24	12.40	19.24
Jul-20	20.20	15.65	16.75
Aug-20	22.40	16.05	20.55
Sep-20	27.40	18.25	20.90
Oct-20	25.85	20.15	20.70
Nov-20	21.60	19.00	19.00
Dec-20	25.85	18.50	25.70
Jan-21	35.85	25.30	26.35
Feb-21	27.35	23.55	24.70
Mar-21	31.20	23.75	24.30

**MONTHLY HIGH, LOW & CLOSING SHARE PRICE AT NSE**

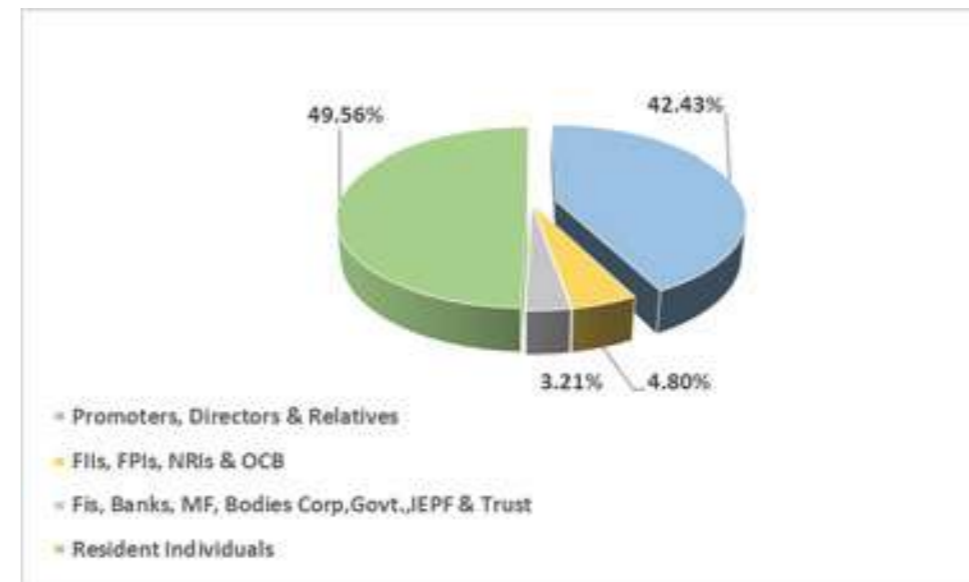
(Amount in Rs.)

Month	High Price	Low Price	Closing Price
Apr-20	16.25	11.05	15.90
May-20	16.00	12.00	12.80
Jun-20	19.15	12.35	19.15
Jul-20	20.10	15.60	16.65
Aug-20	21.95	16.00	20.60
Sep-20	27.40	17.75	20.80
Oct-20	25.95	20.30	20.65
Nov-20	22.10	18.95	19.00
Dec-20	25.85	18.25	25.75
Jan-21	35.00	25.35	26.35
Feb-21	27.80	23.60	24.70
Mar-21	31.20	23.65	24.00

**b. i. DISTRIBUTION OF EQUITY SHAREHOLDING AS ON 31.03.2021**

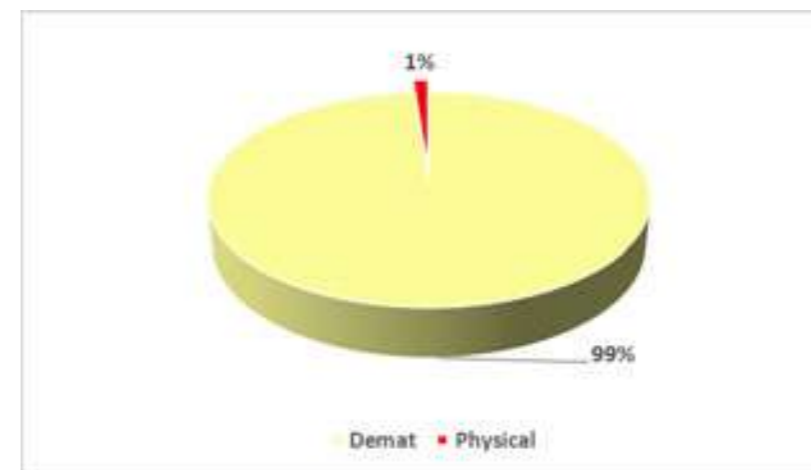
Range	No. of Shareholders	% to Total Shareholders	Issued Share Capital	% to Total Share Capital
1-500	20197	81.64	14723645.00	11.46
501-1000	2541	10.27	9540105.00	7.42
1001-2000	1130	4.57	8406480.00	6.54
2001-3000	328	1.33	4151115.00	3.23
3001-4000	142	0.57	2541895.00	1.98
4001-5000	116	0.47	2736780.00	2.13
5001-10000	159	0.64	5930495.00	4.61
10001 & ABOVE	125	0.51	80511075.00	62.63
<b>TOTAL</b>	<b>24738</b>	<b>100.00</b>	<b>128541590.00</b>	<b>100.00</b>

**ii. SHARE HOLDING PATTERN AS ON MARCH 31, 2021:**



**iii. DEMATERIALISATION OF SHARES AND LIQUIDITY AS ON MARCH 31, 2021:**

**Nature of Holding**





#### IMPACT IN EQUITY:

The Company has not issued any GDRs / ADRs / Warrants or other instruments, which are pending for conversion.

#### v. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

No such risks or activities to report during the year under review.

#### c. PLANT LOCATIONS

The Company is engaged in the Software development activities; therefore, the Company does not have any Plant Locations.

#### d. ADDRESS FOR CORRESPONDENCE (REGISTERED OFFICE)

- **R S Software (India) Ltd.**  
"FMC FORTUNA", 1st Floor, A-2,  
234/3A, A.J.C. Bose Road, Kolkata- 700 020  
Phone: 033- 22876254/6255/ 2281 0106-09  
Fax: 033- 22876256  
Website: www.rsssoftware.com  
CIN: L72200WB1987PLC043375

#### e. REGISTRAR & SHARE TRANSFER AGENTS

- **C.B. Management Services (P) Ltd.**  
P-22, Bondel Road,  
Kolkata- 700019  
Phone: 033- 22806692/ 40116700/ 22823643/ 22870263  
Fax: 033-40116739

#### f. ATTORNEYS & SOLICITORS

- **Sandersons & Morgans**  
Royal Insurance Buildings,  
5, Netaji Subhas Road,  
Kolkata-700001

Place: Kolkata  
Date: May 19, 2021

For and on behalf of the Board of Directors

Sd/-  
Rajnit Rai Jain  
CHAIRMAN AND MANAGING DIRECTOR  
(DIN: 00122942)

*MR & Associates*  
**Company Secretaries**  
46, B. B. Ganguly Street,  
Kolkata-700012  
Moblie No: 9831074332  
Email :[goenkamohan@gmail.com](mailto:goenkamohan@gmail.com)

SECRETARIAL COMPLIANCE REPORT  
OF  
R S SOFTWARE (INDIA) LTD.  
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021  
[Pursuant to Circular No. CIR/CFD/CMD 1/27/2019 dated 08/02/2019 issued by  
Securities and Exchange Board of India]

To,  
The Members,  
R S SOFTWARE (INDIA) LTD.  
234 3A Acharya Jagadish Chandra Bose Road  
Kolkata 700020  
West Bengal

We have examined:

(a) all the documents and records made available to us and explanation provided by M/s. **R S SOFTWARE (INDIA) LTD.** ("the listed entity")

(b) the filings/ submissions made by the listed entity to the stock exchanges,

(c) website of the listed entity,

(d) any other document / filing, as may be relevant, which has been relied upon to make this certification, for the year ended on 31st March, 2021 ("Review Period") in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars / guidelines issued thereunder, have been examined, include :-

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - **Not Applicable for the review period**

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **Not Applicable for the review period**

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable for the review period**

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; - **Not Applicable for the review period**

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

(i) Securities and Exchange Board of India (Depository and Participants) Regulations, 2018

Based on the above examination, and considering the various relaxations granted, from time to time, by the Securities and Exchange Board of India, the Ministry of Corporate Affairs and other Regulatory authorities, in view of spread of COVID-19 pandemic, We hereby report that, as stated by the management, disclosure under Regulation 31(4) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 had been delayed due to Covid-19 pandemic situation and the disclosure of Related Party transactions required under Reg. 23(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 had been made from half year ended September 30, 2020 and also during the Review Period:

(a)The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, subject to the following observations as specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
	NA	NA	NA

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.

(c)The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	BSE Limited and National Stock Exchange Limited	Delayed / Non-compliance with Reg. 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Notice issued by Stock Exchanges imposing fine	The Company had duly replied against the notice and made request to condone the delay and waiver of fine.

(d)The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended...	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	Submission of Certificate simultaneously to Stock exchange as per Regulation 40 (10) - Transfer or transmission or transposition of securities	Delayed submission as per NSE report	As per Website of NSE, the same was submitted timely	As per Website of NSE, the same was submitted timely

**For M R & Associates  
Company Secretaries**

**Place: Kolkata  
Date: 19.05.2021**

**[Tanveel  
Partner  
ACS No.: A34974  
C P No.: 13573  
UDIN: A034974C000344041**

## Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

The Board of Directors

R S Software (India) Ltd

Kolkata

Dear Sir (s),

Pursuant to the provisions of Regulation 17 (8) of the Listing Regulation, we hereby certify that:

- (a) We have reviewed the financial statements and the cash flow statement of the Company for the financial year ended 31<sup>st</sup> March 2021, on standalone and consolidated basis and that to the best of our knowledge and belief:
  - (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 the existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2020-21 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such 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 to the Auditors and the Audit Committee :
  - (i) significant changes, if any, in internal control over financial reporting during the financial year 2020-21;
  - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.
- (e) To the best of our knowledge during the year the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management.

Place: **Kolkata**

Date: **May 19, 2021**

Sd/-  
**Rajnit Rai Jain**  
Chairman & Managing Director

DIN: 00122942

Sd/-  
**Vijendra Surana**  
Chief Financial Officer &  
Company Secretary

*Note: In view of the situation emerging out of the outbreak of second wave of COVID-19 Pandemic, physical documents, records & other papers of the Company for the year ended March 31st, 2021 required by us for our examination were obtained from the Company through electronic Mode only and verified to the extent possible.*



**ANNUAL CERTIFICATE UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

*MR & Associates*  
**Company Secretaries**  
46, B. B. Ganguly Street,  
Kolkata-700012  
Mobile No: 9831074332  
Email: [goenkamohan@gmail.com](mailto:goenkamohan@gmail.com)

**DECLARATION**

As required under Regulation 34 (3) read with Part D of schedule V Of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, I hereby declare that all members of the Board of Directors of the Company and the Senior management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2021.

Place: Kolkata  
Date: May 19, 2021

SD/-  
**Rajnit Rai Jain**  
(Chairman & Managing Director)  
DIN: 00122942

**PRACTICING COMPANY SECRETARY'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To  
The Members,

**R.S. Software (India) Limited**

1. We have examined the compliance of conditions of Corporate Governance by R.S. Software (India) Limited (hereinafter called the Company) for the Financial Year ended on 31st March, 2021 as stipulated in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations').
2. The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Regulations. 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 according to the explanations given to us and based on the representation made by the directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations') for the year ended 31<sup>st</sup> March, 2021, except the company delayed in compliance of Reg. 17(1) (c) of the said Regulation regarding minimum number of directors in the Company.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Restriction on use**

5. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

**Place: Kolkata**

**Date: 19.05.2021**

**For M R & Associates  
Company Secretaries**

Sd/-  
**M R Goenka**  
Partner  
C P No.: 2551

*MR & Associates*  
**Company Secretaries**  
 46, B. B. Ganguly Street,  
 Kolkata-700012  
 Mobile No: 9831074332  
 Email: [goenkamohan@gmail.com](mailto:goenkamohan@gmail.com)

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
 The Members,  
**R.S. Software (India) Limited**  
 234 3A, Acharya Jagadish Chandra Bose Road  
 Kolkata-700020

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **R.S. Software (India) Limited** having CIN L72200WB1987PLC043375 and having registered office at 234 3A, Acharya Jagadish Chandra Bose Road, Kolkata- 700020 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Directors	DIN	Date of Appointment in Company
1.	MR. RAJNIT RAI JAIN	00122942	02/12/1987
2.	MRS. SHITAL KUMAR JAIN	00047474	04/12/2006
3.	MR. RAJASEKAR RAMARAJ	00090279	01/05/2009
4.	MRS. SARITA JAIN	00206743	20/01/1988
5.	MR. RICHARD NICHOLAS LAUNDER	03375772	28/07/2009
6.	MR. LAKSHMANAN NARAYAN	01582059	24/09/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M R & Associates**  
**Company Secretaries**

**Place: Kolkata**  
**Date: 29.06.2021**

Sd/-  
**[M R Goenka]**  
 Partner  
 FCS No. :4515  
 C P No. :2551  
 UDIN No. : F004515C000540842

**INDEPENDENT AUDITOR'S REPORT**

To

The Members of

**M/s. R S Software (India) Limited**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying Standalone financial statements of **M/s. R S Software (India) Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (India Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss (Including Other Comprehensive Income), Statement of Changes in Equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Standalone Financial Statement.

**Key Audit Matters :**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed and communicated with management in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in the our report.



Sr. No	Key Audit Matter	How our audit addressed the Key Audit Matter
1	<p>The application of revenue recognition accounting Standard is complex and involved a number of Key judgements and estimates and is the focus area of audit.</p> <p>It involves the analysis of Customer Contracts (which includes identification and review of distinct performance obligations in the contract and determination of its Transaction price in relation with the performance obligation and the basis used to recognize revenue.</p>	<p>Our audit procedure in recognition of revenue includes-</p> <ol style="list-style-type: none"> <li>a. Obtaining an understanding of the systems, processes and controls implemented for recording and computing revenue</li> <li>b. Thereafter tested the controls relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls.</li> <li>c. Selected on sample basis for performing the following procedures <ol style="list-style-type: none"> <li>1. Reviewed the particulars of the agreements (i.e distinct performance obligations, nature of work, transaction price including other Terms and Conditions).</li> <li>2. Compared the Actual Performance Obligations with agreed performance obligations and revenue booking based on performance obligations achieved/rendered.</li> <li>3. Effectiveness of controls have also been tested which broadly includes identification of major performance obligations of the company as stated in the agreement, nature of contracts whether milestone based, fixed price contracts, maintenance contracts, certain enhancement related contracts and determination of revenue recognition accordingly ( like Fixed price / maintenance revenue contracts should be recognized on a straight line basis or using the percentage completion method)</li> <li>4. Reviewing the details of the resources engaged in the performance of the contracts, on test check basis, along with their approved attendance by the client</li> <li>5. Reviewed the terms of the contracts in relation to 'transaction price' including any variable consideration and tested that revenue booking corresponds to the same.</li> <li>6. In respect of revenue recorded for time and material and fixed price monthly contracts samples were tested using a combination of approved time sheets customer acceptances &amp; subsequent invoicing and existing trend of collections.</li> <li>7. In respect of revenue recorded for fixed price development contract and fixed time frame contract samples were tested to check the performance and obligation using the percentage of completion method based on Managements estimate of the Contract cost.</li> </ol> </li> </ol>

**Emphasis of Matter**

a. Attention is invited to Note 36 of the accounts where considering the second wave of pandemic Covid-19 , the company continued with its policy of work from home to ensure continuity

Our opinion is not modified in respect of matter stated in point mentioned above

**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors Report including Annexures to Directors' Report, Report on Corporate Governance but does not include the Standalone Financial Statements and our auditors' report thereon. The Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report and Report on Corporate Governance are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

**Responsibility of Management and Those charged with Governance 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, total comprehensive income (changes in equity) and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, 2013 read with relevant rules issued thereunder and other Accounting principles generally accepted in India. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

**Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are 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 SAs 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 these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, 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 controls 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 adequate internal financial controls system 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 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 Company 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 interim consolidated financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditors Report) order, 2016 ( the Order) issued by the Central Government of India in terms of section 143 (11) of the Act we give in the Annexure A, a Statement on the matters specified in paragraph 3 and 4 of the order
- As required by Section 143(3) of the Act, we report that :
  - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - The Balance Sheet, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

- 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
- With respect to the other matter to be included in the Auditor's report in accordance with the requirements of Section 197(16) of the act, as amended –  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the act
- With respect to the other matters to be includes 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 :
  - The Company has disclosed the impact of pending litigations in its financial statements ( refer Note 24 )
  - The Company has long term contracts for which there are no material foreseeable losses as at the balance sheet date.
  - There is no delay in transferring amounts, required to be transferred, to the Investors Education and Protection Fund by the Company during the year.

Dated : 19<sup>th</sup> day of May, 2021  
Place : Kolkata

Sd/-  
For **DEOKI BIJAY & Co.**  
CHARTERED ACCOUNTANTS  
Firm Regn. No : 313105E

**CA D.N.AGRAWAL**  
Partner  
Memb No. 51157  
**UDIN : 21051157AAAACZ5587**



## Annexure A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2021, we report that

i. a) The Company has generally maintained records of all tangible assets showing full particulars including quantitative details except location thereof

(b) As explained by the Management, all the assets have been physically verified by the management during the year-end 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Lease deeds of building of immovable property are held in the name of the company.

ii. The Company is a service company, primarily rendering software services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

iii. On the basis of examination of records and according to the information and explanation given to us, we report that the Company has granted interest free unsecured loans to one subsidiary company during the year which is covered in the register maintained under section 189 of the Companies Act, 2013. The loan has been repaid at the year end.

(a) The above is not prejudicial to the company's interest

(b) No schedule of repayment is in place in this regard and hence clause (b) and Clause (c) of the order is not applicable.

(iv) On the basis of examination of records and according to information and explanation given to us, the Company has not granted any loans, investments, guarantee and security to any person falling under section 185 of the companies act, 2013

(v) The Company has not accepted any deposits and therefore the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the companies act 2013 and the rules formed thereunder are not applicable to the company

(vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company.

(vii) a) According to information and explanation given to us and as per the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, goods and service tax (GST), cess and other statutory dues applicable to it except certain delay in deposit of GST. No statutory dues were outstanding, as at 31st March 2021 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax (GST), cess and other material statutory dues were outstanding, as at 31st March 2021 on account of any dispute except as follows :

Name of the Statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
Service Tax	Service Tax	3.99 Crores	2007 - 2012	Appeal before CESTAT
Income Tax	Income Tax	4.30 Crores	AY 2013 - 14	CIT (Appeals). Final effect order awaited

(viii) The Company has not defaulted in repayment of loan and borrowing from bank. The company does not have any loans or borrowings from any financial institution or debenture holders during the year. The company has received loan from USA government under payroll protection program during the year and no default has been incurred in this regard.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

(x) According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to information and explanation given to us and as per the records of the Company examined by us, the Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Sd/-

For **DEOKI BIJAY & Co.**  
 CHARTERED ACCOUNTANTS  
 Firm Regn. No : 313105E

**CA D.N.AGRAWAL**

Partner

Memb No. 51157

Dated : 19<sup>th</sup> day of May, 2021

Place : Kolkata

## **Annexure B to the Auditors' Report**

### **Report on the Internal Financial Controls 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 R S SOFTWARE (INDIA) LIMITED ('the Company') as on 31<sup>st</sup> March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **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 ('ICAI'). 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 Company's policies, the safe guarding 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.

#### **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 were 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 operative 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 is sufficient and appropriate to provide a basis for our audit opinion of 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 purpose 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 responsible detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are records as necessary to permit preparation of financial statements in accordance with authorizations of the 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 period are subject to the risk that the internal financial control over financial reporting may become inadequate because of change in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **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 31<sup>st</sup> March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Dated : 19<sup>th</sup> day of May, 2021

Place : Kolkata

Sd/-  
For **DEOKI BIJAY & Co.**  
CHARTERED ACCOUNTANTS  
Firm Regn. No : 313105E

**CA D.N.AGRAWAL**  
Partner  
Memb No. 51157



**R S SOFTWARE INDIA LIMITED**
**BALANCE SHEET AS AT MAR 31, 2021**

PARTICULAR	Notes	YEAR ENDED MARCH 31, 2021 ₹ in Lac	YEAR ENDED MARCH 31, 2020 ₹ in Lac
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
a	<b>PROPERTY PLANT &amp; EQUIPMENT</b>		
(i)	PROPERTY PLANT & EQUIPMENT	3	254.88
(ii)	OTHER INTANGIBLE ASSETS	3	869.94
b	<b>FINANCIAL ASSETS</b>		
(i)	INVESTMENTS	4	3,023.30
(ii)	OTHER FINANCIAL ASSET	5	496.53
c	<b>OTHER NON CURRENT ASSETS</b>	7	575.80
<b>CURRENT ASSETS</b>			
d	<b>FINANCIAL ASSETS</b>		
(i)	INVESTMENT	8	447.67
(ii)	TRADE RECEIVABLES	9	1,026.48
(iii)	CASH & CASH EQUIVALENTS	10	995.98
(iv)	OTHER BANK BALANCES	10	51.10
(v)	LOANS	11	-
(vi)	OTHER FINANCIAL ASSETS	12	514.12
e	<b>OTHER CURRENT ASSETS</b>	13	1,277.26
f	<b>NON CURRENT ASSET HELD FOR DISPOSAL</b>	14	-
<b>TOTAL ASSETS</b>			
		<b>9,533.05</b>	<b>10,640.04</b>
<b>EQUITY AND LIABILITIES :</b>			
<b>EQUITY</b>			
(i)	EQUITY SHARE CAPITAL	15	1,285.42
(ii)	OTHER EQUITY	16	6,075.79
<b>LIABILITIES</b>			
<b>NON CURRENT LIABILITIES</b>			
a	<b>NON CURRENT FINANCIAL LIABILITIES</b>		
(i)	BORROWINGS	16	780.09
b	<b>PROVISIONS</b>	17	148.36
<b>CURRENT LIABILITIES</b>			
c	<b>FINANCIAL LIABILITIES</b>		
(i)	SHORT TERM ADVANCES	18	741.93
(ii)	TRADE PAYABLES	19	198.38
(iii)	OTHER FINANCIAL LIABILITIES	20	207.16
d	<b>OTHER CURRENT LIABILITIES</b>	21	91.14
e	<b>LIABILITIES ASSOCIATED WITH NON CURRENT ASSETS HELD FOR DISPOSAL</b>	22	-
f	<b>SHORT TERM PROVISIONS</b>	23	4.78
<b>TOTAL LIABILITIES</b>			
		<b>9,533.05</b>	<b>10,640.04</b>

Significant Accounting Policies and Notes on Accounts 1 to 46

 The Notes referred to above form an integral part of the Standalone Financial Statement.  
 This is the Standalone Financial Statement referred to in our report of even date.

ON BEHALF OF THE BOARD

**For DEOKI BIJAY & CO**  
 CHARTERED ACCOUNTANTS  
 (Reg. no : 313105E)

**CA D.N.AGRAWAL**  
 PARTNER,  
 M. No. 51157  
 DATED: May 19, 2021  
 PLACE : Kolkata

**V. SURANA**  
 CFO & COMPANY  
 SECRETARY  
 Mem no:11559

**R.RAMARAJ**  
 DIRECTOR  
 DIN:00090279

**R.R. JAIN**  
 CHAIRMAN &  
 MANAGING DIRECTOR  
 DIN : 00122942

**R S SOFTWARE INDIA LIMITED**
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MAR 31, 2021**

PARTICULARS	Notes	YEAR ENDED MARCH 31, 2021 ₹ in Lac	YEAR ENDED MARCH 31, 2020 ₹ in Lac
I	REVENUE FROM OPERATIONS	25	3,538.02
II	OTHER INCOME	26	177.07
III	<b>TOTAL REVENUE</b>		<b>3,715.09</b>
IV	<b>EXPENSES :</b>		
	PURCHASE OF STOCK IN TRADE	27	199.37
	EMPLOYEE BENEFIT EXPENSES	28	3,221.25
	SUBCONTRACTOR EXPENSES	29	397.84
	FINANCE COST	30	27.00
	DEPRECIATION & AMORTISATION		380.91
	OPERATION AND OTHER EXPENSES	31	936.13
	<b>TOTAL EXPENSES</b>		<b>5,162.50</b>
V	<b>PROFIT / ( LOSS) BEFORE TAX :</b>	(III - IV)	<b>(1,447.41)</b>
VI	TAX EXPENSES		
	DEFERRED TAX WRITTEN OFF FOR EARLIER YEAR		-
	<b>PROFIT/ (LOSS) FOR THE YEAR ENDED</b>		<b>(1,447.41)</b>
	<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
	ITEMS WHICH WILL NOT BE CLASSIFIED INTO P&L RELATING TO ACTUARIAL GAIN/LOSS		1.23
	<b>TOTAL COMPREHENSIVE INCOME/(LOSS)</b>		<b>1.23</b>
VII	<b>PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATION :</b>	(V - VI)	<b>(1,446.18)</b>
VIII	<b>EARNINGS PER EQUITY SHARE :</b>		
	BASIC	39	(5.63)
	DILLUTED	39	(5.63)

Significant Accounting Policies and Notes on Accounts 1 to 46

The Notes referred to above form an integral part of the Standalone Financial Statement.

This is the Standalone Financial Statement referred to in our report of even date.

**For DEOKI BIJAY & CO**  
 CHARTERED ACCOUNTANTS  
 (Reg. no : 313105E)

**CA D.N.AGRAWAL**  
 PARTNER,  
 M. No. 51157  
 DATED: May 19, 2021  
 PLACE : Kolkata

**V. SURANA**  
 CFO & COMPANY  
 SECRETARY  
 Mem no:11559

**R.RAMARAJ**  
 DIRECTOR  
 DIN:00090279

**R.R. JAIN**  
 CHAIRMAN &  
 MANAGING DIRECTOR  
 DIN : 00122942

ON BEHALF OF THE BOARD

CASH FLOW STATEMENT FOR THE YEAR ENDED MAR 31,2021

PARTICULARS		YEAR ENDED MARCH 31, 2021	YEAR ENDED MARCH 31, 2020
		₹ in Lac	₹ in Lac
<b>CASH FLOW STATEMENT</b>			
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
	NET PROFIT BEFORE TAX	(1,447.41)	(3,643.61)
	ADJUSTMENT FOR :		
	DEPRECIATION	380.91	303.40
	INTEREST PAID	27.00	44.42
	FOREIGN EXCHANGE FLUCTUATION RESERVE	(15.83)	(45.28)
	PROVISION FOR GRATUITY, LEAVE ENCASHMENT	38.63	96.57
	INTEREST RECEIVED	(177.07)	(1,195.14)
	DIVIDEND RECEIVED	-	-
	EMPLOYEES EXPENSES AMORTIZATION	(82.04)	(133.91)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<b>(1,275.81)</b>	<b>(4,573.55)</b>
	ADJUSTMENT FOR :		
	TRADE AND OTHER RECEIVABLES	(399.84)	(28.73)
	LOANS AND ADVANCES AND OTHER ASSETS	1,035.15	2,372.92
	TRADE PAYABLES & OTHER LIABILITIES(INCLUDES EMPLOYEE AMORTISATION & FOREX)	(375.42)	(261.54)
	CASH GENERATED FROM OPERATIONS	<b>(1,015.93)</b>	<b>(2,490.90)</b>
	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(1,015.93)</b>	<b>(2,490.90)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTMENT ACTIVITIES :</b>		
	PURCHASE OF PROPERTY PLANT & EQUIPMENT	(4.94)	(603.19)
	INTEREST RECEIVED	209.81	1,576.43
	CSR FUND	(5.00)	4.56
	INVESTMENT MADE DURING THE YEAR	718.80	1,699.03
	NET CASH FROM INVESTMENT ACTIVITIES	<b>918.67</b>	<b>2,676.83</b>
<b>C</b>	<b>CASH FLOW FROM FINANCE ACTIVITIES:</b>		
	INTEREST PAID	(27.00)	(44.41)
	<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(27.00)</b>	<b>(44.41)</b>
	NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	<b>(124.26)</b>	<b>141.52</b>
	OPENING CASH AND CASH EQUIVALENTS	1,171.34	1,029.83
	CLOSING CASH AND CASH EQUIVALENTS	1,047.08	1,171.35

The Notes referred to above form an integral part of the Standalone Financial Statement.

This is the Standalone Financial Statement referred to in our report of even date.

For **DEOKI BIJAY & CO**  
CHARTERED ACCOUNTANTS  
(Reg. no : 313105E)

ON BEHALF OF THE BOARD

**CA D.N.AGRAWAL**  
PARTNER,  
M. No. 51157  
DATED: May 19,2021  
PLACE : Kolkata

**V. SURANA**  
CFO & COMPANY  
SECRETARY  
Mem no:11559

**R.RAMARAJ**  
DIRECTOR  
DIN:00090279

**R.R. JAIN**  
CHAIRMAN &  
MANAGING DIRECTOR  
DIN : 00122942

15.(i) STATEMENT OF CHANGE IN EQUITY FOR THE PERIOD ENDED MAR 31,2021										
PARTICULARS	Reserve and Surplus					Other comprehensive income				Total equity attributable to equity holders of the Company
	Securities premium reserve	Retained earnings	CSR FUND Reserve	Inter Branch Foreign Fluctuation Reserve	Share Forfeiture Reserve	PREFERENCE SHARE REDEMPTION RESERVE	Equity Instruments through other comprehensive income	Other items of other comprehensive income	₹ in Lac	
Equity Share Capital										1,285.42
Balance as of April 1, 2020										-
Changes in equity for Year Ended MAR 31,2020										-
Balance as of MAR 31,2021										1,285.42
Other Equity										
Balance as of April 1, 2020	2,586.38	4,237.46	118.15	489.46	43.50	255.31	-	(187.46)		7,542.81
Changes in equity for Year Ended MAR 31,2020										
Changes due to Inter Branch Foreign Fluctuation Account				(15.83)						(15.83)
Changes during the period	-	(1,447.41)	(5.00)	-	-	-	1.23			(1,451.18)
Balance as of MAR 31,2021	2,586.38	2,790.06	113.15	473.63	43.50	255.31	-	(186.24)		6,075.79

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MAR 31,2020										
PARTICULARS	Reserve and Surplus					Other comprehensive income				Total equity attributable to equity holders of the Company
	Securities premium reserve	Retained earnings	CSR FUND Reserve	Inter Branch Foreign Fluctuation Reserve	Share Forfeiture Reserve	PREFERENCE SHARE REDEMPTION RESERVE	Equity Instruments through other comprehensive income	Other items of other comprehensive income	₹ in Lac	
Equity Share Capital										1,285.42
Balance as of April 1, 2019										-
Changes in equity for Year Ended MAR 31,2020										-
Balance as of MAR 31,2020										1,285.42
Other Equity										
Balance as of April 1, 2019	2,586.38	10,505.74	118.15	534.74	43.50	255.31	-	(162.59)		13,881.24
Changes in equity for Year Ended Mar 31,2020										
Changes due to Inter Branch Foreign Fluctuation Account				(45.28)						(45.28)
Changes during the year	-	(6,268.28)	-	-	-	-	(24.88)			(6,293.15)
Balance as of MAR 31,2020	2,586.38	4,237.46	118.15	489.46	43.50	255.31	-	(187.46)		7,542.81

The company has retained its CSR fund created earlier suo motto by the company in order to meet its obligation towards the society, despite being in losses.

\*This Statement forms an integral part of Standalone Financial Statement

For **DEOKI BIJAY & CO**  
CHARTERED ACCOUNTANTS  
(Reg. no : 313105E)

**CA D.N.AGRAWAL**  
PARTNER,  
M. No. 51157  
DATED: May 19,2021  
PLACE : Kolkata

ON BEHALF OF THE BOARD

**V. SURANA**  
CFO & COMPANY  
SECRETARY  
Mem no:11559

**R.RAMARAJ**  
DIRECTOR  
DIN:00090279

**R.R. JAIN**  
CHAIRMAN &  
MANAGING DIRECTOR  
DIN : 00122942



**1 Corporate Information**

RS Software has focused exclusively on providing software solution to electronic payment industries since its inception. The company is engaged in development, testing and maintenance of software for its clients based in different geographies. The company operates in US, UK and India. The Financial Statement are approved for issue by the company's Board of Directors on May 19,2021.

**a. Significant Accounting Policies**

These financial statements are prepared in accordance with Indian Accounting Standard (Ins AS), under the historical cost convention on the actual basis except for the certain financial instruments which are measured at fair values at the end of each reporting period the provisions of the companies Act,2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the companies (Indian Accounting Standards) Rules,2015 and relevant amendment rules issued there after.

Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

As the quarter and the year figures are taken from the source and rounded to the nearest digits, the figures for the previous quarters might not always add up to the year figures reported in this statement.

**b Use of Estimates & Judgements**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of goodwill, impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets and provisions and contingent liabilities. Key estimates are critical accounting estimates.

**c Critical Accounting Estimates:**

**i) Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**ii) Valuation of deferred tax assets**

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 2(M).

**iii) Provisions and contingent liabilities**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its 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 adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

**d Revenue Recognition**

Revenue is realized on time-and-material basis or Fixed Bid or Milestone as specified in the work order. Revenue from software development on time and material basis is recognized based on Service rendered (software developed) and billed to clients as per the terms of specific contracts. Revenue from Fixed Bid contract is recognized on monthly basis as per contract terms. Revenue from Milestone base contract is being recognized based on effort given during the period but the Invoice is sent to customer when the milestone is achieved as per contract. Value Added tax in UK is not included in the income from Software development.

Contracts are unbundled into separately identifiable components and the consideration is allocated to those identifiable components on the basis of their fair values. Revenue is recognized for respective components either at the point in time or over time, as applicable.

Revenue from software development contracts, which are generally time bound fixed price contracts, is recognized over the life of the contract using the percentage-of-completion method, with contract costs determining the degree of completion.

Revenue from the sale of internally developed and manufactured systems and third party products which do not require significant modification is recognized upon delivery, which is when the absolute right to use passes to the customer and the Company does not have any material remaining service obligation.

Unbilled Revenue included in Other Financial Assets, represents amounts recognized in respect of services performed in accordance with Contract terms, not yet billed to Customers as at Reporting Period end.

The Company derives revenues primarily from business IT services comprising of software development and related services, consulting and package implementation and from the licensing of software products and platforms across our core and digital offerings ("together called as software related services"). Revenue from subsidiaries is recognised based on transaction price which is at arm's length. Interest income has been booked as per effective interest method.

The Company presents revenues net of indirect taxes in its Statement of Profit & loss. All other investment income has been accounted for on accrual basis.

Arrangements with customers for software related services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

In arrangements for software development and related services and maintenance services, the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the company is unable to determine the standalone selling price, the company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Arrangements to deliver software products generally have three elements license, implementation and Annual Technical Services (ATS).

**e Cost recognition**

Costs and expenses are recognized when incurred and have been classified according to their primary nature.

The costs of the company are broadly categorized in employee benefit expenses, depreciation and amortization and other operating expenses. Employee benefit expenses include employee compensation, allowances paid and staff welfare expenses. Other operating expenses majorly include fees to external consultants, Rent, cost running its facilities, travel expenses, communication costs allowances for delinquent receivables and other expenses. Other expenses is an aggregation of costs which are individually not material such as commission, bank charges, freight, Postage etc.

**f Property, Plant & Equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Property, plant and equipment individually costing Rs 5,000 or less which are not capitalised except when they are part of a larger capital investment programmed.

Depreciation is provided for property, plant and equipment so as to expense the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

**The estimated useful lives are as mentioned below:**

BUILDING	60 Years
PLANT AND EQUIPMENT	3 years/6 years
FURNITURE AND FIXTURES	10 Years
VEHICLES	8 years
OFFICE EQUIPMENT	5 Years
AIR CONDITIONER	15 Years
ELECTRICAL INSTALLATIONS	10 Years

Depreciation on fixed assets is provided using the straight-line method on the basis of use full life of assets under schedule II of the Indian Companies Act, 2013.

**g Intangible assets**

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets/Software Licences are amortized on their respective individual estimated useful lives on a straight line basis, commencing from the date the assets is available to the company for its use.

The estimated useful lives are as mentioned below:

<b>COMPUTER SOFTWARE &amp; LICENCES</b>	<b>6 Years</b>
---	----------------

Depreciation is not recorded on Intangible Asset under Development until construction and installation are complete and the asset is ready for its intended use.

**h Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date of investment made are classified as Current Investments. All investments other than long term investments are classified as non-current investments. Investment are valued accordance with the applicable Ind AS.

**i Cash and Cash Equivalent**

Cash and cash Equivalent includes Cash on hand, Demand Draft or Cheques on hand, Demand Deposit with Banks, other short term highly liquid investments.

**j Foreign Currency Translation**

Foreign Currency Transactions are recorded at exchange rate prevailing at the closing of the month for respective months. Exchange difference arising on settlement was included in Profit & Loss Account till the accounts ended 30th September '2008. Foreign unit is considered as non-integral and the foreign exchange difference is transferred to "Inter Branch Foreign Fluctuation Reserve Account". Revenue items of the Foreign Branch are converted in equivalent Indian Rupees at the buying rate prevailing at the end of the month. Assets and Liabilities of the Foreign Branch are converted in equivalent Indian rupees at the applicable rate prevailing at the end of the year. The effect of exchange rate fluctuation in respect of fixed assets is adjusted with the cost of the respective assets. Investment in subsidiary Company is being valued at carrying cost adjusted by any non-temporary decline in their value according to the requirements of statute.

**k Spares and Consumables**(Computers spares accessories and stationery re charged to revenue in the year they are purchased.)

**l Cash Flows** are reported using the indirect method whereby profit for the period is adjusted for the effects of transactions of non cash nature, any deferrals, accruals of past and future operating cash receipts and payments associated with investing and financing cash flows. Cash from operating, investing and financing activities are segregated.

**m Employee Benefits**

Contribution of Employers share to Employees' Provident Fund and ESI are worked on accrual basis and charged to Profit & Loss Account. The Company also provides for Gratuity and Leave Encashment based on actuarial valuation made by an independent actuary as per IAS 19 Compliance of The Institute of Chartered Accountants of India. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur.

**n Income Tax**

Current Income tax expense comprise taxes on income from operation in India and in foreign jurisdiction. Income tax payable in India is determination in accordance with the provision of I. Tax Act 1961. Tax expense relating to foreign operation is determined in accordance with the laws applicable in countries where such operations are domiciled.

Advance tax and provisions for current income taxes are presented in the Balance Sheet after off setting advance taxes paid and income tax provision arising in the same tax jurisdiction and where the company intends to settle the assets and liabilities on a net basis.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

**o Financial instruments**

Initial recognition

**i) The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. Initial recognition has been measured at its fair value plus or minus transaction costs that are directly attributable. Regular purchase and sale of financial assets are accounted for at trade date.**

**ii) Financial assets at amortised cost**

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.



**iii) Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**iv) Financial assets at fair value through Profit & Loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**v) Investment in subsidiaries**

Investment in subsidiaries are measured at cost

**vi) Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for Derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**p Asset taken on Lease**

Asset & liabilities for all leases taken for a term of more than 12 months are recognised as per IND AS 116 unless unlined assets is of low value

**q Impairment of Assets**

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future post-tax cash flows of the relevant cash generating unit or fair value less cost to sell, whichever is higher. The discount rate is applied, based upon the weighted average cost of capital with appropriate adjustments for the risks associated with the relevant business. Any impairment in value is charged to the Income Statement in the year, which it occurs.

Expected Credit Loss: As per Ind AS 109, the company uses expected credit loss model to assess to impairment of loss or gain. The company uses provision metrics to compute expected credit loss allowances. For Trade receivables and unbilled revenue, the provision metrics takes into account available external & internal credit risk factors such as delay risk & default risk.

**r Segment Reporting**

The company's operating business are organized and managed as per Location of the client. Common costs are allocated to the cost based on the Revenue Mix. Unallocated costs are disclosed separately. The company prepare its segment information in conformity with the accounting policy adopted for preparing and presenting the financial statement of the Company as a whole.

**s Earnings per share**

Basic earning per share is calculated by dividing the net profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For Calculating Diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**t Recent Indian Accounting Standard (Ind AS)**

**Ind AS 116 Leases** : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 replacing Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The effect on adoption of Ind AS 116 Appendix C would be insignificant in the standalone financial statements

**IndAS 20** of Government grants shall apply to any benefits received by the company from any government agencies. The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to assets are treated as deferred income and are recognized in net profit in the Profit and Loss on a systematic and rational basis. Government grants related to revenue are recognized on a systematic basis in Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

**Amendment to Ind AS 19 – plan amendment, curtailment or settlement-** On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.





7	<b>OTHER NON CURRENT ASSETS</b>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Prepaid Expenses	10.84	13.55
	Security Deposits	69.39	69.39
	Advance Taxes (Net Of Provisions)	255.08	69.39
	Balances With Govt. Authorities	240.49	231.64
		<b>575.80</b>	<b>439.16</b>

8	<b>CURRENT INVESTMENT</b>		MAR 31,2021		MAR 31,2020
		No. of unit	₹ in Lac	No. of unit	₹ in Lac
	<b>Investment in Mutual Fund (Others - unquoted)</b>				
	ICICI Ultra Short Term Fund Dp Growth	308207.92	70.51	1402970.56	301.27
	Nippon India Floating Rate Fund Direct Growth Plan	679556.51	244.56	1550892.54	509.96
	Nippon India Low Duration Fund-Growth Plan Growth Option	124.65	3.76	12465.03	351.87
	Nippon India Money Market Fund - Direct Growth Plan Growth Option (Lqagg)	17.45	0.56		
	Kotak Credit Risk Fund-Direct Plan Growth	396619.45	99.82	1254022.57	294.20
	Reliance Nippon Money Market Fund - Direct Plan Daily Dividend Plan (Lqadr)	2834	28.46	24141.66	241.91
	(Aggregate amount of investment as on MAR 31, 2021 INR 447.67 Lac Previous year Rs.1699.20 Lacs)		<b>447.67</b>		<b>1,699.20</b>

9	<b>TRADE RECEIVABLES</b>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Unsecured and Considered good	1,330.01	885.81
	less:Expected Credit loss on receivables	(303.52)	(315.47)
		<b>1,026.48</b>	<b>570.34</b>

10	<b>CASH AND BANK BALANCE</b>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	<b>CASH &amp; CASH EQUIVALENTS</b>		
	CASH IN HAND *	6.27	22.21
	<b>BALANCE WITH BANK :</b>		
	SCHEDULED BANKS		
	- in Current Account (Axis bank )	45.99	47.15
	- in Current Account (HDFC Bank)	33.37	7.47
	- in Current Account (ICICI Bank)	183.73	236.47
	- in Current Account (YES Bank)	2.02	8.14
	- in Current Account (SBI Bank)	11.22	4.92
	<b>FOREIGN BANK</b>		
	- in Current Account(with ICICI,SILICON VALLEY BANK)	695.39	430.29
	<b>FIXED DEPOSITS - with original maturity less than 3 Months</b>		
	Fixed Deposits with Yes Bank	18.00	
	Fixed Deposits with ICICI Bank	0.00	350.00
		<b>995.98</b>	<b>1,106.66</b>

**OTHER BANK BALANCES**

FD with ICICI Bank (On Lien Less Than 12 Months)	5.97	5.64
FD with Axis Bank (On Lien Less Than 12 Months)	8.12	8.05
FD with Allahabad Bank (On Lien Less Than 12 Months)	10.16	9.97
Earmarked Balances With Banks(Unclaimed Dividend A/C)	26.85	41.02
* Cash in hand is as certified by the Management	<b>51.10</b>	<b>64.69</b>

11

**LOANS**

	MAR 31,2021	MAR 31,2020
	₹ in Lac	₹ in Lac
Unsecured loan to subsidiary	-	16.59
	<b>-</b>	<b>16.59</b>

12

**OTHER FINANCIAL ASSETS**

	MAR 31,2021	MAR 31,2020
	₹ in Lac	₹ in Lac
Unbilled Revenue	514.12	570.42
	<b>514.12</b>	<b>570.42</b>

13

**OTHER CURRENT ASSETS**

	MAR 31,2021	MAR 31,2020
	₹ in Lac	₹ in Lac
Advances Other Than Capital Advances	12.89	90.41
Prepaid Expenses	39.61	87.88
Deposits	50.25	53.18
Advance To Staff	5.72	5.04
Advance Taxes (Net Of Provisions)	1,166.25	1,172.43
Balances With Govt. Authorities	2.54	301.71
	<b>1,277.26</b>	<b>1,710.64</b>

14

**NON CURRENT ASSET HELD FOR DISPOSAL**

	MAR 31,2021	MAR 31,2020
(Others - unquoted)	₹ in Lac	₹ in Lac
<b>In Wholly Owned Subsidiary</b>		
RS Software ASIA PTE LTD.	-	8.02
(25000 no. (previous year 25000 no.) Equity share of SGD 1 each fully paid up)	-	<b>8.02</b>

\*The Singapore Subsidiary has been Struck Off on 23rd September 2020, by ACRA pursuant to the application filed by the company

15

**EQUITY SHARE CAPITAL**

	MAR 31,2021	MAR 31,2020
	₹ in Lac	₹ in Lac
<b>a</b>		
<b>The AUTHORISED CAPITAL is :</b>		
40000000 Equity Share Of Inr 5/- Each	2,000.00	2,000.00
2500000 Preference Share Of Inr 100/- Each	2,500.00	2,500.00
	<b>4,500.00</b>	<b>4,500.00</b>
<b>b</b>		
<b>ISSUED SUBSCRIBED AND PAID-UP-FULLY CALLED AND PAID UP</b>		
25,708,318.00 Equity Share Of Inr 5/- Each	1,285.42	1,285.42
(Previous Year 257,08,318 Shares Of Inr 5 Each)		
	<b>1,285.42</b>	<b>1,285.42</b>

The company has only one class of shares referred to as Equity Shares having a par value of ₹ 5/- at the beginning of the year. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holder of the equity shares would be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exist currently. The distribution would be in proportion to the number of equity shares held by the shareholders.

The company granted 250000 ESOP options to one of the Senior Management Employees of the company on 29th Jan,2019 and as per the Terms of the Company's ESOP Scheme 25% of the total options granted would be vested after each one year with a maximum staggered vesting period of four years from the date of grant of the options. The concerned employee didn't exercise the first & second instalment of 50% of the options granted in the exercise period declared after January 2021 for the allotment of shares.

**c Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year**

Equity Share	MAR 31,2021		MAR 31,2020	
	No. of Share	₹ in Lac	No. of Share	₹ in Lac
Number of shares at the beginning	25708318	1,285.42	25,708,318	1,285.42
Number of shares at the end	<b>25708318</b>	<b>1,285.42</b>	<b>25,708,318</b>	<b>1,285.42</b>
<b>d</b>				
<b>SHAREHOLDER HOLDING MORE THAN 5% OF THE SHARE as on</b>	MAR 31,2021		MAR 31,2020	
Mr. Rajnit Rai Jain	10090288 shares of INR 5 each		10090288 shares of INR 5 each	
	(39.25% of total shareholding)		(39.25% of total shareholding)	
Mrs. Elizabeth Mathew	1378334 shares of INR 5 each		1324901 shares of INR 5 each	
	(5.36% of total shareholding)		(5.15% of total shareholding)	
<b>e</b>				
Aggregate Nos of shares issued for consideration other than cash and shares bought back during five years immediately preceding the current FY	2012-13(16226 equity Bonus shares)		2012-13(16226 equity Bonus shares)	



16	<b>NON CURRENT FINANCIAL LIABILITIES</b>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	BORROWINGS	<b>780.09</b>	-

\*This is grant received under Payroll protection program(PPP) of US govt for a period of 12-60 months @1% p.a on the amount repayable .

The fair valuation of the Loan received and benefits in form of grant has been done in accordance with IndAS20.

17	<b>NON CURRENT PROVISIONS</b>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Provision For Leave Encashment	15.71	18.68
	Provision For Gratuity	132.65	174.32
		<b>148.36</b>	<b>192.99</b>

18	<b>SHORT TERM ADVANCE</b>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Advances From Subsidiaries *	741.93	881.40
	*The unsecured interest free advance has been taken from subsidiary of the company	<b>741.93</b>	<b>881.40</b>

19	<b>CURRENT _TRADE PAYABLE</b>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Trade Payable-other than MSMED vendor	198.38	339.98
		<b>198.38</b>	<b>339.98</b>

20	<b>CURRENT OTHER FINANCIAL LIABILITIES</b>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Unpaid Dividend	26.85	41.02
	Salary Payable	101.02	57.82
	Statutory Liability Including Pf, Tds, Esi Etc.	79.30	68.35
		<b>207.16</b>	<b>167.20</b>

21	<b>OTHER CURRENT LIABILITIES</b>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Statutory Liability Including GST	80.26	141.21
	Advance From Customers	8.63	48.93
	Security Deposit & Others	2.26	2.17
		91.14	192.32

22	<b>LIABILITIES ASSOCIATED WITH NON CURRENT ASSETS HELD FOR DISPOSAL</b>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Unsecured advance taken from subsidiary of the company	-	12.58

\*The Singapore Subsidiary has been Struck Off on 23rd September 2020, by ACRA pursuant to the application filed by the company

23	<b>SHORT TERM PROVISIONS</b>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Provision For Leave Encashment	0.55	6.27
	Provision For Gratuity	4.23	19.07
		4.78	25.34

24	<b>CONTINGENT LIABILITIES &amp; ASSETS ( TO THE EXTENT NOT PROVIDED FOR/ACCRUED)</b>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	a) Guarantee Outstanding *	427.22	390.05
	b) Invoice funding with Silicon Valley Bank	(0.00)	465.81

c) In response to order received for demand of service tax of INR 3.99 Cr(FY2007-12) , the company has filed an appeal with CESTAT and the same is pending as on date.

d) For AY2013-14 , against a demand of INR 4.3 Cr, the company has filed an appeal with CIT(A), CIT(A) has passed favourable order.Final orderwith appeal effect has been awaited.

e) The Company has applied for Forgiveness of an amount of \$344 K out of the PPP Loan Received from SBA, USA. The approval is yet to be received by the company

25	REVENUE FROM OPERATION	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Export of Software Services Income	1,625.42	4,568.03
	Domestic Income from Software Services	1,713.23	1,188.32
	Domestic Sales of stock in trade	199.37	239.78
		<b>3,538.02</b>	<b>5,996.14</b>

26	DETAILS OF OTHER INCOME	MAR 31,2021	MAR 31,2020
		Interest Received from Bank Fixed Deposit	37.04
Net gain on Sale of Investments in Mutual Funds	130.41	347.11	
Interest Income From Income Tax Refund	-	54.22	
Deferred Income- Govt. Grant *	29.55	-	
Interest from Employee Welfare Trust		85.31	
Unrealised gain/loss on Investment carried at FV through P&L	(32.74)	(381.30)	
Other Non-operating Income From Subsidiary	-	-	
Other Income	12.81	27.24	
Dividend Income from R S Software (Asia) Pte Ltd.	-	1,014.13	
Net Gain /loss from Foreign Transaction	-	1.43	
		<b>177.07</b>	<b>1,195.14</b>

27	PURCHASE OF STOCK IN TRADE	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Purchase of stock in trade	199.37	239.78
		<b>199.37</b>	<b>239.78</b>

28	EMPLOYEE BENEFIT EXPENSES	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Salary Wages And Bonus	2,921.32	5,199.23
	Contribution to PF And Other Funds	154.91	229.12
	Staff Welfare Expenses	145.03	247.08
		3,221.25	5,675.44
		<b>397.84</b>	<b>744.13</b>

29	SUBCONTRACTOR EXPENSES	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Other Borrowing Cost(svb charges)	18.92	35.49
	SVB Renewal Fees	8.08	8.93
		<b>27.00</b>	<b>44.42</b>

30	FINANCE COST	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Other Borrowing Cost(svb charges)	18.92	35.49
	SVB Renewal Fees	8.08	8.93
		<b>27.00</b>	<b>44.42</b>

31	OPERATION AND OTHER EXPENSES	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Travelling	72.96	317.74
	Conveyance	3.81	46.57
	Staff Welfare	12.67	30.69
	Communication	71.06	136.30
	Printing and Stationery	0.33	13.13
	Electricity and Power	90.16	124.83
	Rent - Apartment & Ground	255.88	354.23
	Repairs - Machinery	69.07	120.87
	Repairs - Building	56.59	89.66
	Repairs - Others	8.12	2.97
	Education and Training Expenses	0.81	1.61
	Insurance	32.74	46.93



	MAR 31,2021	MAR 31,2020
	₹ in Lac	₹ in Lac
Auditors' Remuneration - Refer Note no.32	3.80	4.10
Books and Periodicals	0.12	0.40
Directors' Fees	25.20	21.60
Rates & Taxes	61.20	56.83
Legal / Professional Fee	92.54	127.89
Consultancy Charges	2.24	69.75
Recruitment & Relocation Expenses	19.66	99.24
General and Board Meeting expenses	-	10.28
Membership and Subscription	25.80	35.61
Business Promotion	15.25	156.72
Advertisement	3.20	3.50
Bank Charges	24.85	41.96
Impairment loss recognised under Expected Credit loss	(11.95)	228.32
Donation	-	0.96
	<b>936.13</b>	<b>3,802.85</b>

**32** **AUDITOR'S REMUNERATION**

	MAR 31,2021	MAR 31,2020
	₹ in Lac	₹ in Lac
As Statutory Auditors	2.50	2.50
Other certification	1.30	1.60
The above remunerations are not inclusive of service tax and GST		
	<b>3.80</b>	<b>4.10</b>

**33** There is no Impairment of assets during the period ended MAR 31,2021 under Ind AS 36.

**34** In respect of GST which are non cenvatable or non refundable the same amount is being charged to respective expense account.

**35 A** Litigation

a) Company has filed a recovery suit of \$ 70K upon its Customer Payefx in USA and the customer has filed a counter suit of \$ 75K. The outcome is delayed and awaited .

b) Case filed by Company on Software One, its Vendor for Non Performance is pending with High Courts

c) Case filed by Company on G Ravi's disputed claim/ of 12000 Shares is pending with court.

**35 B** The Company has extended its rental agreement of a Building from Saltee Infotex (India) Pvt. Ltd. upto 30th April' 21

**36** The Company continues with its policy of Work From Home to ensure Business Continuity in wake of Pandemic caused by Covid-19. Based the Assesement of information available as on date hereof and accordingly has concluded there are no adjustments required in these finacial results.

**37** Fair Value Measurements Finacial disclosures, Acturial Valuation of Leave & Gratuity are annexed to these accounts.

**38 RELATED PARTY TRANSACTION**

a) Enterprises where control exists:

Wholly Owned Subsidiaries:	'% of holding	Country of Incorporation
Responsive Solutions Inc	100%	USA
<b>b) Partly Owned Subsidiary</b>		
Paypermint Pvt Ltd	80%	INDIA

c) Key Management Personnel & Relatives:

Mr. Rajnit Rai Jain	-	Chairman and Managing Director
Mr. Richard Launder	-	Director
Mr. Shital Kr. Jain	-	Director
Mr. R Ramaraj	-	Director
Mrs. Sarita Jain	-	Director
Mr. Lakshmanan (Lux) Narayan	-	Director
Mr. Raghav Raj Jain	-	Head Staff Augmentation
Ms. Shrishti Jain	-	Head Global Sales
Mr. Vijendra Surana	-	CFO & Company Secretary

d) Disclosure of transactions between the Company and Related Parties and the status of outstanding balances

i

With Wholly Owned Subsidiary (WOS)	MAR 31,2021 ₹ in Lac	MAR 31,2020 ₹ in Lac
Particulars	Amount	Amount
<b>Reimbursement of Expenses on behalf of Subsidiary</b>		
Responsive Solution Inc	-	-
Paypermint Pvt Ltd	272.51	260.40
<b>Amount received from R S Software Asia Pte.</b>		
i. Dividend Income	-	1014.13
ii. Advance received	-	12.57
<b>Balance as on Mar 31, 2020 :</b>		
Advance taken against services R S Software Asia (Pte.) Ltd.	-	12.57
Responsive Solution Inc	741.93	881.40
Loan Given to Subsidiary Paypermint Pvt Ltd	-	16.59
<b>Advance received/paid from subsidiary</b>		
Received from RS Software (Asia) Pte Ltd as dividend and advance	-	1,026.70
Repayment of advances from Resposive Solution Inc	113.40	49.00
<b>Reimbursement of expenses receivable</b> Paypermint Pvt Ltd	289.10	260.40
<b>Maximum balance outstanding during the period ended Mar 31,21</b>		
Responsive Solution Inc	840.70	881.40
Paypermint Pvt Ltd	151.71	78.61

ii

With Related parties

Compensation to KMP'S :	Short Term Employee Benefit	
R R Jain(MD)	91.60	62.42
Mr.Richard Laundra (Director)	6.40	4.80
Mr.S.K.Jain (Director)	8.00	6.00
Mr.R. Ramaraj (Director)	8.00	6.00
Mr.Lakshman	1.60	0.80
Mrs Sarita Jain (Director)	1.20	1.20
Vijendra Kumar Surana (CFO & CS)	75.49	53.26
Relatives	225.91	173.92

39

EPS has been calculated as per the provisions of INDAS-33, issued by the Institute of Chartered Accountants of India. The details of calculation are as follows:

Particulars	MAR 31,2021 ₹ in Lac	MAR 31,2020 ₹ in Lac
Numerator for Basic and Diluted EPS:		
Profit & Loss for the Year ended	(1,446.18)	(6,293.17)
Denominator for Basic EPS:		
Equity Shares	25,708,318.00	25,708,318.00
Weighted no. of Equity Shares	25,708,318.00	25,708,318.00
Denominator for Diluted Shares		
Weighted No. of Basic Equity Shares	25,708,318.00	25,708,318.00
Weighted no. of Equity Shares	25,708,318.00	25,708,318.00
Nominal Value of share	5.00	5.00
Basic Earning per Share	(5.63)	(24.48)
Diluted Earning per Share	(5.63)	(24.48)



40 Declaration received from Micro, Small and Medium Enterprises under section 22 of MSME Act 2006 and disclosures has been made accordingly under Note no. 19

41 Additional Information pursuant to provisions of the Para 5 (vii) (b) of Part II Schedule III for the Companies Act, 2013:-

a The Company is engaged in the business of development & maintenance of computer software and other related services. The production and sale of such software services are not capable of being expressed in generic terms.

Particulars	MAR 31,2021	MAR 31,2020
	₹ in Lac	₹ in Lac
<b>Expenditure in Foreign Currency:</b>		
Foreign branch expenditure	1,994.87	2,586.95
<b>Earning in Foreign Currency</b>		
Export of services	1,659.57	2,505.76

**b Remittance in Foreign Currency**

The Company has remitted ₹ Nil (MAR 2020: ₹ Nil) in foreign currencies on accounts of dividends as on Mar 31 2021 and does not have information as to the extent to which remittance, if any, in foreign currencies on account of dividends have been made by / on behalf of non-resident shareholders. The Particulars of dividends declared and paid on account of non-resident shareholders for the years 2010-11 to 2015-16 are as under :-

PARTICULARS	No. of Non-resident Shareholders	No. of Equity Shares held	Year end of Dividend	Gross Amount of dividend
Interim Q3 Dividend for 2013-14 declared in January' 14	197	506,065	March' 2014	5,06,065.00
Final dividend for 2013-14 declared in July,14	290	434,205	March' 2014	10,85,512.50
Interim dividend for 2014-15 declared in July,14	344	463,450	March' 2015	4,63,450.00
2nd Interim dividend for 2014-15 declared in October,14	382	545,321	March' 2015	8,17,981.50
3rd Interim dividend for 2014-15 declared in January,15	442	2,120,830	March' 2015	15,90,622.50
Final dividend for 2014-15 declared in July,15	588	2,229,422	March'2015	27,86,777.50
Dividend for 2015-16 declared in July,2016	564	1,790,888	March'2016	17,90,888.00

42

**Reporting of Segment Wise Revenue, Results and Capital Employed:**

Particulars	Period ended MAR 31,2021	Period Ended MAR 31,2020
	₹ in Lac	₹ in Lac
<b>1. Segment Revenue ( net sale / income from each segment)</b>		
a. Segment - A (USA)	1,652.03	4,537.75
b. Segment - B (ROW)	1,920.45	1,458.75
<b>Total</b>	3,572.48	5,996.50
<b>Other Income</b>		
Segment -A(USA)& B (ROW)	142.61	1,194.79
<b>Total</b>	3,715.09	1,194.79
<b>Less : Inter - segment revenue</b>	-	
<b>Total Revenue</b>	3,715.09	7,191.28
<b>2.Segment Results Profit/(Loss) before Tax &amp; Interest from each segment</b>		
a. Segment - A (USA)	(970.78)	(1,948.02)
b. Segment - B (ROW)	477.39	1,677.37
<b>Total</b>	(493.38)	(270.65)
<b>Less : Interest</b>	27.00	44.42
<b>Less : Depreciation</b>	380.91	303.40
<b>Less : Unallocable Selling , General &amp; Administrative Expenses</b>	546.10	3,000.27
<b>Profit before tax</b>	(1,447.40)	(3,618.74)
<b>3. Capital Employed</b>		
Total Assets	9,533.05	10,640.04
Total Liability	9,533.05	10,640.04

**Note :** \*Assets used in the Company's business are not capable of being specifically identified with any of the segments, and it is not practicable to provide segmented disclosures in relation to total assets and liabilities with any reasonable degree of accuracy. Unallocated expenses have not been disclosed in any segment.

**43 Disclosure under clause 32 of the listing agreement amount of loans and advances outstanding from subsidiary**

	MAR 31,2021	MAR 31,2020
	₹ in Lac	₹ in Lac
<b>Outstanding as on</b>		
Responsive Solution Inc	741.93	881.40
RS Software (Asia) Pte Ltd	-	12.57
Paypermint Pvt Ltd	-	16.59
<b>Maximum balance outstanding during the year</b>		
Responsive Solution Inc	840.70	881.40
RS Software (Asia) Pte Ltd	-	-
Paypermint Pvt Ltd	151.71	78.61

**44** The Company is primarily engaged in the rendering services relating to maintenance and testing of Computer Software. These cannot be expressed in any generic units. Hence it is not possible to give the quantities details of sales and certain information as required under paragraph 5 (viii) (c) of general instructions for preparation of statement of profits and loss as per revised schedule VI of the Companies Act 2013.

**45** The previous year figures have been regrouped, reclassified and restated, wherever necessary, to correspond with the current year's classification.

**For DEOKI BIJAY & CO**

**46** Chartered Accountants  
Financial figures have been rounded off to nearest ₹ Lac.  
(Reg. no : 313105E)

**ON BEHALF OF THE BOARD**

**CA D.N.AGRAWAL**  
Partner  
M. No. 51157  
DATED: May 19,2021  
PLACE : Kolkata

**V. SURANA**  
CFO & Company  
Secretary  
Mem no:11559

**R.RAMARAJ**  
Director  
DIN:00090279

**R.R. JAIN**  
Chairman &  
Managing Director  
DIN : 00122942

**ACTUARIAL VALUATION DISCLOSURE**

PARTICULARS	2021	2021	2020	2020
1)EXPENSE RECOGNISED IN THE INCOME STATEMENT	GRATUITY	LEAVE ENCASHMENT	GRATUITY	LEAVE ENCASHMENT
Current Service Cost				
as on 31/03/2021	1,622,148	446,189	1,907,259	627,163
Past Service Cost				
Loss / (Gain) on settlement				
Net Interest Income / (cost) on the Net Defined Benefit Liability (Asset)	1,275,446	164,542	1,789,603	197,033
Actuarial (gains) / losses due to :				
change in demographic assumptions	(1,238,186)	177,972	(4,190,149)	(451,985)
Change in financial assumptions	2,108,561	317,981	2,139,558	279,629
experience variance (i.e. Actual experience vs assumptions)	3,224,183	728,235	4,538,118	814,866
others				
Return on plan assets, excluding amount recognised in net interest expense				
Re-measurement (or Actuarial (gain)/loss) arising because of change				
in effect of asset celling				
Components of defined benefit costs recognised in Other				
Comprehensive Income	(122,564)		2,487,527	
<b>2)Net Asset</b>				
Funded Status				
Present value of Defined Benefit Obligati	13,687,366	1,626,010	19,338,605	2,494,830
Fair value of plan assets				
Funded status [Surplus/(Deficit)]	(13,687,366)	(1,626,010)	(19,338,605)	(2,494,830)
Effect of balance sheet asset limit				
Unrecognised Past Service Costs				
Present value of Defined Benefit Obligation				
Net asset/(liability) recognised in balance sheet	(13,687,366)	(1,626,010)	(19,338,605)	(2,494,830)
Net asset/(liability) recognised in balance sheet at beginning of				
period	(19,338,605)	(2,494,830)	(23,547,412)	(2,592,534)



**ACTUARIAL VALUATION DISCLOSURE**

PARTICULARS	2021	2021	2020	2020
Expense recognised in Income Statement	2,897,594	843,063	3,696,862	1,466,706
Expense recognised in Other Comprehensive Income	(122,564)		2,487,527	
Employer contributions	8,426,269	1,711,883	10,393,196	1,564,410
Net Acquisitions / Business Combinations				
Net asset/(liability) recognised in balance sheet at end of the period	(13,687,366)	(1,626,010)	(19,338,605)	(2,494,830)
3)Change in Defined Benefit Obligations (DBO)				
Present Value of DBO at beginning of period	19,338,605	2,494,030	23,547,412	2,592,534
Current Service cost	1,622,148	446,189	1,907,259	627,163
Interest cost	1,275,446	164,542	1,789,603	197,033
Curtailment cost/(credit)				
Settlement cost/(credit)				
Employee contribution				
Past Service Cost				
Acquisitions				
Re-measurement (or Actuarial (gains)/ losses) arising from				
change in demographic assumptions	(1,238,186)	(177,972)	(4,190,149)	(451,985)
Change in financial assumptions	2,108,561	(317,931)	2,139,558	279,629
- experience variance (i.e. Actual experience vs assumptions)	3,224,183	728,235	4,538,118	814,866
others				
Benefits paid	(8,426,269)	(1,711,883)	(10,393,196)	(1,564,410)
Present Value of DBO at the end of period	13,687,366	1,626,010	19,338,605	2,494,830
<b>4)Change in Fair Value of Assets</b>				
Plan assets at beginning of period	-	-	-	-
Investment Income				
Return on Plan Assets, Excluding amount recognised in Net Interest expense				
Actual Company contributions	8,426,269	1,711,883	10,393,196	1,564,410
Fund Transferred				
Employee contributions				

**ACTUARIAL VALUATION DISCLOSURE**

PARTICULARS	2021	2021	2020	2020
Benefits paid	(8,426,269)	(1,711,883)	(10,393,196)	(1,564,410)
Plan assets at the end of period	-	-	-	-
Current Liability	422,513	55,204	814,885	110,616
Non current Liability	13,264,853	1,570,806	18,523,720	2,384,214
<b>5)Actuarial Assumptions</b>				
Financial Assumptions				
Discount Rate	7%	7%	7%	7%
Rate of increase in salaries	1%	1%	2%	2%
Demographic Assumptions				
Mortality Rate (% of IALM 06-08)	100%	100%	100%	100%
Normal Retirement Age	65 years	65 years	65 years	65 years
Attrition Rates, based on age (% p.a.) FOR ALL AGES	1%	1%	2%	2%

Annexure to Note no. 25 - Revenue from Operations (Standalone)

Revenue disaggregations by nature of revenue:	YEAR ENDED MARCH 31, 2021	YEAR ENDED MARCH 31, 2020
	₹ in Lac	₹ in Lac
Software Development services	3,338.65	5,756.35
Sale of Third party hardware	199.37	239.78
	3,538.02	5,996.14

Revenue disaggregations by geography:

India	1,905.05	1,428.10
USA	1,625.42	4,541.69
UK	-	22.53
Japan	7.55	3.82
SGP	-	-
<b>TOTAL</b>	<b>3,538.02</b>	<b>5,996.14</b>

Revenue disaggregations by Sector:

Government	1,905.05	1,428.10
Non Government	1,632.97	4,568.03
<b>TOTAL</b>	<b>3,538.02</b>	<b>5,996.14</b>

The company has one customer who represents more than 10% of its revenue in period ending FY 2021. While disclosing aggregate amount of transaction price the company has not disclose the aggregate transaction price allocated to unsatisfied or partially satisfied performance obligation which pertains to contract where revenue recognised corresponds to value transfer to customer typically involve in time & material or fixed price or event base fixed price base contracts. The contracts of the company are largely T&M based with no predetermined contact values. In some contacts it is a mixed of T&M & fixed price & as such the unsatisfied performance value can not determined with accuracy.

37.A. Fair value measurements

Financial instruments by category

Particulars	YEAR ENDED MARCH 31, 2021			MAR 31, 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments	3,470.97	-	-	4,222.50	-	-
Trade receivables	-	-	1,026.48	-	-	570.34
Loans	-	-	-	-	-	-
Cash and cash equivalents	-	-	995.98	-	-	1,106.66
Other financial assets	-	-	496.53	-	-	430.24
<b>Total financial assets</b>	<b>3,470.97</b>	<b>-</b>	<b>2,518.99</b>	<b>4,222.50</b>	<b>-</b>	<b>2,107.23</b>
<b>Financial liabilities</b>						
Borrowings- Advance from Subsidiary	-	-	741.93	-	-	881.40
Trade payables	-	-	198.38	-	-	339.98
Other financial liabilities	-	-	207.16	-	-	167.20
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,147.47</b>	<b>-</b>	<b>-</b>	<b>1,388.58</b>

Financial assets and liabilities measured at amortised cost for which fair values are disclosed At 31st Mar, 2021	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Investments</b>				
Trade receivables	-	-	1,026.48	1,026.48
Loans	-	-	-	-
Cash and cash equivalents	995.98	-	-	995.98
Other financial assets	-	-	496.53	496.53
<b>Total financial assets</b>	<b>995.98</b>	<b>-</b>	<b>1,523.01</b>	<b>2,518.99</b>
<b>Financial liabilities</b>				
Borrowings- Advance from Subsidiary	-	-	741.93	741.93
Trade payables	-	-	198.38	198.38
Other financial liabilities	-	-	207.16	207.16
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,147.47</b>	<b>1,147.47</b>



### 37.A. Fair value measurements

Financial assets and liabilities measured at amortised cost for which fair values are disclosed At 31 March 2021	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<i>Investments</i>				
Trade receivables	-	-	570.34	570.34
Loans	-	-	-	-
Cash and cash equivalents	1,106.66	-	-	1,106.66
Other financial assets	-	-	430.24	430.24
<b>Total financial assets</b>	<b>1,106.66</b>	<b>-</b>	<b>1,000.57</b>	<b>2,107.23</b>
<b>Financial liabilities</b>				
Borrowings- Advance from Subsidiary	-	-	881.40	881.40
Trade payables	-	-	339.98	339.98
Other financial liabilities	-	-	167.20	167.20
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,388.58</b>	<b>1,388.58</b>

**Level 1:** Level 1 hierarchy includes financial instruments basically here includes cash and bank balances which are at carrying value which approximates to its fair value.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is generally the case for unlisted equity securities.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of Net assets value/ realisable value in case of investment in mutual fund
- Other financial instruments have been carried at their carrying value which approximates to its fair value

### 37.A. Fair value measurements

#### (iii) Fair value of financial assets and liabilities measured at amortised cost

	31 Mar,2021		31 March 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Trade receivables	1,026.48	1,026.48	570.34	570.34
Loans	-	-	-	-
Cash and cash equivalents	995.98	995.98	1,106.66	1,106.66
Other financial assets	496.53	496.53	430.24	430.24
<b>Total financial assets</b>	<b>2,518.99</b>	<b>2,518.99</b>	<b>2,107.23</b>	<b>2,107.23</b>
<b>Financial liabilities</b>				
Borrowings- Advance from Subsidiary	741.93	741.93	881.40	881.40
Trade payables	198.38	198.38	339.98	339.98
Other financial liabilities	207.16	207.16	167.20	167.20
<b>Total financial liabilities</b>	<b>1,147.47</b>	<b>1,147.47</b>	<b>1,388.58</b>	<b>1,388.58</b>

The carrying amounts of trade receivables, loans, cash and cash equivalents, other bank balances, other financial assets, security deposits, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

### 37.B. Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Management
<i>Credit risk</i>	Cash and cash equivalents, trade receivables and other financial assets measured at amortised cost.	Diversification of bank deposits and investments. Entering into transactions with customers of repute / customers having sound financial position.
<i>Liquidity risk</i>	Financial liabilities that are settled by delivering cash or another financial asset.	* Projecting cash flows on regular basis and also considering the level of investment and liquid assets to meet the liabilities.
<i>Market risk – foreign exchange</i>	Future commercial transactions and recognised financial assets & liabilities not denominated in Indian rupee (Rs.)	Integral foreign operation and incorporation of the same made in books on monthly basis
<i>Market risk – security price risk</i>	Investments in mutual funds	Portfolio diversification

#### (A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and investments, foreign exchange transactions and other financial instruments.

#### i) Trade receivables

Customer credit risk is managed by the management subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing. Outstanding customer receivables are regularly monitored.

At each reporting date the Company measures loss allowance for certain class of financial assets based on historical trend industry practice and the business environment in which the Company operates.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31Mar 21 and 31 March 2020 is the carrying amounts of trade receivables.

#### Provision for expected credit loss

In determination of the allowance for credit losses on receivables, the Company has used a practical experience by computing the expected credit losses based on ageing matrix, which has taken into account historical credit loss experience and adjusted for forward looking information.

#### ii) Financial instruments and cash deposits

Credit risk from balances with banks and investments is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

### 37.B. Financial risk management

#### (B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

#### (i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 Mar 2021	Less than 1 year	More than 1 year	Total
<b>Non-derivatives</b>			
Short Term Advances	741.93	-	741.93
Other financial liabilities	207.16	-	207.16
Trade payables	198.38	-	198.38
<b>Total non-derivative financial liabilities</b>	<b>1,147.47</b>	<b>-</b>	<b>1,147.47</b>

Contractual maturities of financial liabilities 31 Mar 2021	Less than 1 year	More than 1 year	Total
<b>Non-derivatives</b>			
Short Term Advances	881.40	-	881.40
Other financial liabilities	167.20	-	167.20
Trade payables	339.98	-	339.98
<b>Total non-derivative financial liabilities</b>	<b>1,388.58</b>	<b>-</b>	<b>1,388.58</b>

#### (C) Market risk

(i) Foreign Exchange Risk :-Books of Integral foreign operations incorporated on monthly basis. Considering the materiality involved, the company do not assort to forex fluctuation mitigation techniques like hedging , forward contracts etc.

#### (ii) Price risk

##### (a) Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.



**DIRECTORS' REPORT**

The Directors present their report together with the audited accounts for the period ended 31<sup>st</sup> March, 2021.

**Review of Financial Performance**

The company during the year under review reported a loss of US\$ 0.13 million (Previous year loss US\$ 0.16 million). The company is exploring different avenues of revenues, particularly in areas where the Parent Company RS Software is not focusing, and the plan to achieve more profits during the fiscal year 2021-22.

In view of the slowdown in the global economies and that of US in particular, the opportunity for offshore outsourcing only increases and your management team is confident of improved financial performance in years to come.

**Directors' Responsibilities**

- (i) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- (ii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of the Company.
- (iii) That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2021 on a "going concern" basis.

**Acknowledgements**

Your Directors' place on record their deep appreciation of the continued assistance and co-operation extend to the Company by its customers, investors, bankers, Government agencies and its dedicated employees. We are particularly grateful to all the shareholders for keeping faith and commitment in the management team to achieve significantly better financial results.

**On behalf of the Board of Directors**

**R R Jain  
Chairman**

**Milpitas**

**April 7, 2021**

To the Board of Directors Responsive Solutions, Inc. 1900 McCarthy Blvd, Suite 103 Milpitas, California 95035

**Report on the Financial Statements**

We have audited the accompanying financial statements of Responsive Solutions, Inc. (a California Corporation), which comprise the balance sheet as of March 31, 2021, and the related statement of operations, stockholders' equity and cash flows for the three and twelve months ended March 31, 2021, and the 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 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 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 Responsive Solutions, Inc. as of March 31, 2021, and the results of its operations and its cash flows for the three and twelve months ended March 31, 2021 in accordance with accounting principles generally accepted in the United States of America.

San Francisco, California April 7, 2021

RESPONSIVE SOLUTIONS, INC.  
BALANCE SHEET  
MARCH 31, 2021

ASSETS

March 31, 2021'

CURRENT ASSETS

Cash and cash equivalents	\$	7,290
Prepaid taxes		25,301
Note receivable, related affiliate		<u>1,014,120</u>
<b>Total assets</b>		<b><u>1,046,711</u></b>

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT  
LIABILITIES

Accounts payable		<u>6,000</u>
<b>Total current liabilities</b>		<b>6,000</b>

STOCKHOLDERS' EQUITY

Common stock, \$.01 par value, Authorized 1,000 shares;

Issued and outstanding 500 shares as of March 31, 2021		5
Additional paid-in capital		499,995
Retained earnings		<u>540,711</u>
<b>Stockholders' equity</b>		<b><u>1,040,711</u></b>
<b>Liabilities and Stockholders' equity</b>		<b><u>\$ 1,046,711</u></b>

RESPONSIVE SOLUTIONS, INC.  
STATEMENT OF OPERATIONS  
FOR THE THREE AND TWELVE MONTH ENDED MARCH 31, 2021

Three Month Ended  
March 31, 2021'

Twelve Month Ended  
March 31, 2021'

COST AND EXPENSES

Salary, wages and payroll taxes	21,577	86,974
Professional fees	3,000	21,000
Mileage and reimbursements	6,600	16,500
Payroll processing fees	1,367	4,670
Bank fees	<u>46</u>	<u>137</u>
<b>Total Expenses</b>	<b><u>32,590</u></b>	<b><u>129,281</u></b>
Net Loss Before Income Taxes	<u>(32,590)</u>	<u>(129,281)</u>
Provision for income taxes	<u>-</u>	<u>1,000</u>
<b>Net Loss</b>	<b><u>\$ (32,590)</u></b>	<b><u>\$ (130,281)</u></b>

RESPONSIVE SOLUTIONS, INC.  
STATEMENT OF STOCKHOLDERS' EQUITY  
FOR THE THREE MONTHS AND TWELVE MONTHS ENDED MARCH 31, 2021

	Common Stock	Paid-In Capital	Retained Earnings	Stockholders' Equity
Balance, March 31, 2020	\$ 5	\$ 499,995	\$ 670,991	\$ 1,170,991
Net loss- nine months	-	-	(97,690)	(97,690)
Balance, December 31, 2020	5	499,995	573,301	1,073,301
Net loss- three months	-	-	(32,590)	(32,590)
<b>Balance, March 31, 2021</b>	<b>\$ 5</b>	<b>\$ 499,995</b>	<b>\$ 540,711</b>	<b>\$ 1,040,711</b>

RESPONSIVE SOLUTIONS, INC.  
STATEMENT OF CASH FLOWS  
FOR THE THREE MONTHS AND TWELVE MONTHS ENDED MARCH 31, 2021

	Three Month Ended March 31, 2021'	Twelve Month Ended March 31, 2021'
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss	\$ (32,590)	\$ (130,281)
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in assets and liabilities:		
Prepaid taxes	-	(25,300)
Accounts payable	(6,600)	3,050
Income taxes payable	-	-
<b>Net Cash (Used In) Operating Activities</b>	<b>(39,190)</b>	<b>(152,531)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Note receivable, related affiliate	40,000	155,000
<b>Net Cash Provided by Financing Activities</b>	<b>40,000</b>	<b>155,000</b>
Net Change in Cash and Cash Equivalents	810	2,469
Cash and cash equivalents, beginning balance	6,480	4,821
<b>CASH AND CASH EQUIVALENTS, ending balance</b>	<b>\$ 7,290</b>	<b>\$ 7,290</b>
<b>SUPPLEMENTAL CASH-FLOW INFORMATION</b>		
Interest paid	\$ -	\$ -
Income taxes paid	\$ -	\$ 1,000



## 1. Summary of Significant Accounting Policies

**Nature of Business** -- Responsive Solutions, Inc. ("Responsive Solutions"), a California corporation incorporated in 1994, Responsive Solutions markets a multi-user Corrective Action Tracking System (CATSWeb) designed to track manufacturing nonconformities and corrective action, achieve and maintain ISO/QS 9000 certification, and empower companies in a broad range of industries to solve problems faster.

Responsive Solutions, Inc. is a wholly owned subsidiary of RS Software (India) Ltd, "Parent".

**Basis of Accounting** -- Responsive Solutions prepares the financial statements using accrual basis of accounting in conformity with the generally accepted accounting principles in the United States of America. The expenses are recorded when the benefits and services are received.

**Estimates Included in the Financial Statements** -- The preparation of financial statements 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 the reported amounts of expenses during the reporting period. Responsive Solutions is subject to risks and uncertainties that may cause actual results to differ from estimated amounts, such as changes in the technology, competition, litigation, legislation and regulations. Responsive Solutions regularly evaluates their estimates and assumptions using historical experience and expectations about the future. Responsive Solutions adjusts their estimates and assumptions when facts and circumstances indicate the need for change.

**Cash and Cash Equivalents** -- Cash consists of interest and non-interest-bearing accounts with one financial institution. Responsive Solutions considers all highly liquid investments with original maturity of three months or less from the date of purchased, to be cash equivalents. The carrying value of cash equivalents approximates fair value.

**Note Receivable, Related affiliate** -- Responsive Solutions issued short term unsecured receivable amounting to \$1,014,120 to the Parent, RS Software (India) Ltd which bears no interest rate. Related party receivable balance was \$1,014,120 as of March 31, 2021. Management estimates the note is going to be received full in year 2021.

**Accounts Payable** -- Accounts payable are recorded when goods or benefits are received.

**Revenue Recognition** -- On January 1, 2019, Responsive Solutions adopted new accounting standard, as amended, regarding revenue from contracts with customers using the modified retrospective approach. This standard provides guidance on recognizing revenue, including a five-step model to determine when revenue recognition is appropriate. The adoption of this standard did not have a material impact on the Responsive Solutions' financial position and results of operations.

Responsive Solutions derives revenue primarily from software services and development on fixed-price contracts. On the time-and-materials contracts, revenue is recognized as related services are rendered.

**Transactions with Related Parties** -- Transactions that occurred between Responsive Solutions and related parties during the three and twelve month ended March 31, 2021 are as follows:

Responsive Solutions issued short term unsecured receivable amounting to \$1,014,120 to the Parent, RS Software (India) Ltd which bears no interest rate. Related party receivable balance was \$1,014,120 as of March 31, 2021. Management estimates the note is going to be received full in year 2021.

**Risks and Uncertainties** -- Products are concentrated in an industry which is characterized by significant competition, rapid technological advances, changes in customer requirements and evolving regulatory requirements and industry standards. The success of Responsive Solutions depends on management's ability to anticipate and

to respond quickly and adequately to technological developments in the industry, changes in customer requirements or changes to industry standards. Any significant delays in the development or introduction of products could have a material adverse effect on Responsive Solutions business and operating results.

**Fair Value of Financial Instruments** -- The carrying amounts of financial instruments including cash, note receivable from related affiliate, and accounts payable approximate fair value as of March 31, 2021, because of the relatively short maturity of these instruments.

**Income Taxes Payables** -- Responsive Solutions has elected to be taxed under the chapter C of the Internal Revenue Code. Income of Responsive Solutions is reported in Responsive Solutions income tax return.

Responsive Solutions files its income tax returns in the U.S. Federal, and California jurisdictions.

None of Responsive Solutions tax returns have been examined by the taxing authorities, nor has Responsive Solutions been notified of any pending examinations.

At March 31, 2021, Responsive Solutions did not have any tax benefit disallowed under the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") FASB ASC 740, Income Taxes and no amounts have been recognized for potential interests and penalties. A tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with the tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax position not meeting the "more likely than not" test, no tax benefit is recorded.

Current tax expense for the three and twelve month ended March 31, 2021 presented are comprised of the minimum tax for Federal and the state of California based on minimal tax rates for taxable income.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the

amounts used for income tax purposes. Responsive Solutions has temporary differences which are immaterial. Thus, Responsive Solutions determines it impractical to recognize such in the financial statements.

**Uncertain Tax Positions** -- Responsive Solutions accounts for uncertain tax positions in accordance with GAAP. GAAP prescribes a recognition threshold and measurement process for financial statement recognition of uncertain tax positions taken or expected to be taken on a tax return. GAAP also provides guidance on recognition, de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. There was no impact on total liabilities or stockholder's equity as a result of the adoption of these provisions.

**Concentration of Credit Risk** -- Financial instruments that potentially subject Responsive Solutions to concentrations of credit risk consist principally of deposits greater than \$250,000 for interest bearing accounts with each financial institution that is a member of Federal Deposit Insurance Corporation ("FDIC"), and security deposits greater than \$500,000 (\$250,000 in cash) with each financial institution that is a member of Securities Investor Protection Corporation ("SIPC").

Responsive Solutions has no cash balances on deposit at March 31, 2021 that exceeded the balance insured by the FDIC. Management of Responsive Solutions periodically reviews its cash policies and believes any potential accounting loss is minimal.

**Subsequent Event** -- As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may impact operating activities, though such potential impact is unknown at this time.

Management has evaluated subsequent events through April 7, 2021, the date which the financial statements were available to be issued. The financial statements include all events or transactions, including estimates, required to be recognized in accordance with the accounting principles generally accepted in the United States of America. Responsive Solutions has determined that there are no unrecognized subsequent events that require additional disclosures.

To

The Members,

Your Directors have pleasure in presenting their 5<sup>th</sup> Annual Report of the Company together with the Audited Statement of Accounts of **Paypermint Private Limited** for the Financial Year ended March 31, 2021.

**1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY**

The financial performance is tabled below:

(Rs. In Lakh)

Particulars	31st March, 2021	31st March, 2020
Revenue from operations	7.65	31.97
Other income	3.68	37.87
Total revenue	11.33	69.84
<b>Profit before finance charges, Tax, Depreciation/ Amortization</b>	<b>(473.24)</b>	<b>(653.91)</b>
<b>(PBITDA)</b>		
Less : Finance Charges		-
Less : Depreciation and Amortization Expense	102.37	108.18
<b>Profit before Taxation (PBT)</b>	<b>(575.60)</b>	<b>(762.10)</b>
Less : Deferred Tax written off for earlier year	-	223.37
<b>Profit/(Loss) from Continuous Operations</b>	<b>(575.60)</b>	<b>(985.46)</b>

**2. STATE OF THE COMPANY'S AFFAIRS AND FUTURE OUTLOOK**

During the year the Company had incurred loss of Rs.575.60 lakhs on account of further development of the payment platform of the company. The company is in process of making a commercial launch of its platform. The current is on account of enhancements being made to the platform.

Your directors and the team at Paypermint is putting in efforts to launch the platform in the fiscal 2021-2022.

**3. DIVIDEND**

In view of absence of profit, your Directors do not propose any dividend for the Financial Year ended March 31, 2021.

**4. TRANSFER TO RESERVES**

No amount was transferred to the reserves by your Company during the financial year ended 31st March, 2021.

**5. COVID- 19 PANDEMIC:**

India is currently experiencing a massive second wave of Covid-19 infections. However, we expect no major changes in the economic activity as the nation is preparing to face the Pandemic with vaccines and preparedness. However, the targeted nature of containment measures and rapid progress on vaccinating the population will mitigate the credit-negative impact. The Company has the ability to continue its operations remotely. As such all its employees have access from their homes and ensure continuity of operations.

**6. CHANGE(S) IN THE NATURE OF BUSINESS, IF ANY**

There has been no Change in the business of the Company during the financial year ended 31st March, 2021.

## **7. CHANGE(S) IN SHARE CAPITAL**

During the Financial Year 2020-21 the company has issued and allotted 4,00,000 equity shares. The Present Paid up Share capital of the Company is Rs. 10,00,00,000/-.(P.Y. Rs. 9,60,00,000)

## **8. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION**

There have been no material changes and commitments affecting the financial position of the Company, which have occurred till 31st March 2021, being the end of the Financial Year of the Company to which financial statements relate and the date of the report.

## **9. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS /COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operation in future.

## **10. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

The Company has in place adequate internal financial controls with reference to financial statements which are commensurate with the size and nature of business.

## **11. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

The Company does not have any Subsidiary or Joint Venture Company.

## **12. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT.**

The Company does not have any Subsidiary, Joint Venture or an Associate Company. Hence, the disclosure in terms of Rule 8(1) of the Companies (Accounts) Rules, 2014, as amended read with other relevant rules is not applicable.

## **13. DEPOSITS**

The Company has not accepted any kind of deposit from the public falling within the ambit of Chapter V of the Companies Act, 2013 read with relevant rules applicable as amended.

## **14. AUDITORS**

At the Annual General Meeting (AGM) of your Company held on August 28, 2017, M/s. Chaturvedi & Co. , Chartered Accountants,(Firm Registration No. 302137E), allotted by The Institute of Chartered Accountants of India (ICAI), were appointed as Statutory Auditors of your Company to hold office for a term of 5 (Five) years till the conclusion of sixth Annual General Meeting of the Company i.e., till the AGM to be held for the Financial year ended 31.03.2022 (subject to ratification of such appointment by the Members at every AGM). Further, the requirement of seeking ratification of the Members for continuance of their appointment has been withdrawn consequent upon the changes made by the Companies (Amendment) Act, 2017 effective from May 07, 2018. Hence, the resolution seeking ratification of the Members for their appointment is not being placed at the ensuing Annual General Meeting (AGM). The Statutory Auditors hold a valid peer review certificate as prescribed under Regulation 33(1)(d) of SEBI Listing Regulations, 2015. The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer. Further, the Statutory Auditors have not reported any incident of fraud during the year under review to the Audit Committee of your Company.

## **15. EXTRACT OF THE ANNUAL RETURN**

An extract of Annual Return as on the financial year ended on March 31, 2021 in Form MGT-9 as required under section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management & Administration) Rules, 2014 as amended, is set in "Annexure A" and forms part of this report.

## **16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Since the Company does not own any manufacturing facility, the requirements pertaining to disclosure of particulars relating to conservation of energy and technology absorption pursuant to section 134(m) of Companies Act 2013 do not apply to our Company.

The Company has not made any foreign exchanges earning and outgoing during the year under review.

## **17. DIRECTORS AND KEY MANAGERIAL PERSON**

There had been no change in the constitution of Board during the year under review.

## **18. NUMBER OF MEETINGS OF BOARD OF DIRECTORS**

The Company has duly complied with section 173 of the Companies Act, 2013. During the Financial Year 2020-21 7 (Seven) meetings of the Board of Directors were held. The maximum time gap between any consecutive meetings did not exceed 120 days. The respective Board Meetings dates are 24<sup>th</sup> June 2020, 28<sup>th</sup> July 2020, 31<sup>st</sup> July 2020, 8<sup>th</sup> September 2020, 15<sup>th</sup> October, 2020, 23<sup>rd</sup> January 2021 and 1<sup>st</sup> March, 2021.

## **19. MANAGERIAL REMUNERATION**

The company had not paid any remuneration to its Directors during the Financial Year 2020-21.

## **20. PARTICULARS OF EMPLOYEES**

None of the employees of the Company are in receipt of remuneration exceeding the limit prescribed under rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended so statement pursuant to Section 197(12) of the Companies Act 2013 read with aforesaid relevant rules applicable as amended is not required.

## **21. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

As per Section 135 of the Companies Act, 2013 the Company has not developed and implemented any Corporate Social Responsibility as the provisions relating to the same are not applicable to the Company.

## **22. RISK MANAGEMENT**

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas such as business, project execution, event, financial, human, environment, and statutory compliance.



### **23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

The Company has not made any Investment, given guarantee and securities during the year under review. There for no need to comply provisions of section 186 of Companies Act, 2013.

### **24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions that were entered into during the financial year ended 31st March, 2021 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted. Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.

### **25. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

Your Company is committed to provide and promote safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. . Your company has complied with provisions relating to the constitution of Internal Complaints Committee and has put in place a "Policy on Prevention of Sexual Harassment" as per The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No cases have been filed under the Act as the Company is keeping the working environment healthy.

### **26. SECRETARIAL STANDARDS**

Your Company had complied with the applicable Secretarial Standards as issued and notified by the Institute of Company Secretaries of India.

### **27. COST AUDIT**

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

### **28. DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

(i) In the preparation of the annual accounts for the financial year ended 31st March, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(iii) We have 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;

(iv) We have prepared the annual accounts for the financial year ended 31st March, 2021 on a going concern basis;

(v) We have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(vi) We have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **29. ACKNOWLEDGEMENTS**

Your Directors' place on record their deep appreciation of the continued assistance and co-operation extended to the Company by its customers, investors, bankers, Government agencies and its dedicated band of employees. Above all, the Board expresses a deep sense of gratitude to the Members of the Company who have reposed faith in their Board and the Management.

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

**Place: Kolkata**

**Date: May 19, 2021**

**Rajnit Rai Jain**  
**Director**  
**(DIN: 00122942)**

**Rajasekar Ramaraj**  
**Director**  
**(DIN: 00090279)**

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
M/s. Paypermint Pvt. Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone financial statements of **M/s. Paypermint Pvt. Limited ("the Company")** which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (India Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, of loss (including other Comprehensive income), Statement of Changes in Equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

a. Attention is invited to Note 27 of the accounts company has continued its work from home policy in the current year also considering the pandemic Covid-19.

Our opinion is not modified in respect of the above mentioned point.

#### Responsibility of Management 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, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, 2013 read with relevant rules issued thereunder and other Accounting principles generally accepted in India. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process

#### Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 SAs 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 these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, 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 controls 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 adequate internal financial controls system 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 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 Company 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 interim consolidated financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

#### Reports on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditors Report) order, 2016 ( the Order) issued by the Central Governance of India in terms of section 143 (11) of the Act we give in the Annexure A, a Statement on the matters specified in paragraph 3 and 4 of the order
- (ii) 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 purpose 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 (including Other Comprehensive Income), the Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act of the Act, read with the relevant rules issued there under.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the reporting of adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, the company the same is not applicable to the company vide MCA notification dated 13<sup>th</sup> June, 2017 (G.S.R 583-E), hence not required to be commented upon.
- (g) With respect to the other matter to be included in the Auditor's report in accordance with the requirements of Section 197(16) of the act, as amended –  
In our opinion and to the best of our information and according to the explanations given to us, provisions of section 197 relating to managerial remuneration is not applicable on the company, hence no reporting is required in respect to the other matter required to be reported under section 197(16) of the act.
- (h) With respect to the other matters to be includes 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 does not have any pending litigations which would impact its financial position in its financial statements;
  - ii. The Company does not have any long term contracts including derivation contract for which there are any material foreseeable losses.;
  - iii. There are no amount which are required to be transferred, to the Investors Education and Protection Fund by the Company during the year.

For **Chaturvedi & Company**  
Chartered Accountants  
(Firm Reg. No. 302137E)

**Nilima Joshi**  
Partner  
Mem. No. 52122  
UDIN : **21052122AAAAAY2153**

Dated : 19<sup>th</sup> day of May, 2021  
Place : Kolkata

### **Annexure A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2021 we report that

i. a) The Company has generally maintained proper records of all tangible assets showing full particulars including quantitative details except location thereof

(b) As explained by the Management, all the assets have been physically verified by the management during the year-end 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, does not own any immovable property.

ii. The Company is a service company, primarily rendering software services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

iii.(a) On the basis of examination of records and according to the information and explanation given to us, we report that the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 1956

(b) As the Company has not given any loans, clause iii(a), iii(b) and clause iii(c) of paragraph 3 of 'the order' are not applicable.

(iv) On the basis of examination of records and according to information and explanation given to us, the Company has not granted any loans, investments, guarantee and security to any person falling under section 185 of the companies act, 2013

(v) The Company has not accepted any deposits and therefore the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the companies act 2013 and the rules formed thereunder are not applicable to the company

(vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company.

(vii) a) According to information and explanation given to us and as per the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund (being deposited in PF account of the holding Company), employees' state insurance, income-tax, goods & service tax, cess and other statutory dues applicable to it except certain delays in payment of GST. No statutory dues were outstanding, as at 31<sup>st</sup> March 2021 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and other material statutory dues were outstanding, as at 31<sup>st</sup> March 2021 on account of any dispute.

(viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

(x) According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to information and explanation given to us and as per the records of the Company examined by us, provisions of section 197 is not applicable on the company hence clause (xi) of the order is not applicable.



(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made right issue of equity shares during the year. However, it has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xv) According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Chaturvedi & Company**  
Chartered Accountants  
(Firm Reg. No. 302137E)

**Nilima Joshi**  
Partner  
Mem. No. 52122  
UDIN : 21052122AAAAAY2153

Dated : 19<sup>th</sup> day of May, 2021  
Place : Kolkata

**PAYPERMINT PVT LTD**

**BALANCE SHEET AS AT MAR 31, 2021**

PARTICULARS	Notes	AS AT MAR 31 2021	AS AT MAR 31 2020
		₹ in Lac	₹ in Lac
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
a	<b>PROPERTY PLANT &amp; EQUIPMENT</b>		
i)	PROPERTY PLANT & EQUIPMENT	3	0.57
ii)	INTANGIBLE ASSETS	3	394.69
ii)	INTANGIBLE ASSETS	3	495.58
b	<b>DEFERRED TAX ASSETS (Net)</b>	4	
c	<b>OTHER NON CURRENT ASSETS</b>	5	0.12
			0.10
<b>CURRENT ASSETS</b>			
a	<b>FINANCIAL ASSETS</b>		
i)	INVESTMENT	6	6.43
ii)	TRADE RECEIVABLES	7	-
iii)	CASH & CASH EQUIVALENTS	8	85.60
iv)	OTHER FINANCIAL ASSET	9	19.49
iv)	OTHER FINANCIAL ASSET	9	18.10
b	<b>OTHER CURRENT ASSETS</b>	10	135.31
			128.85
	<b>TOTAL ASSETS</b>		<b>642.20</b>
			<b>742.31</b>
<b>EQUITY AND LIABILITIES :</b>			
<b>EQUITY</b>			
a	EQUITY SHARE CAPITAL	11	1,000.00
a	EQUITY SHARE CAPITAL	11	960.00
b	OTHER EQUITY	12	-409.84
			-301.68
<b>LIABILITIES</b>			
<b>NON CURRENT LIABILITIES</b>			
a	PROVISIONS	26	13.02
			21.45
<b>CURRENT LIABILITIES</b>			
a	<b>FINANCIAL LIABILITIES</b>		
i)	BORROWINGS	13	-
ii)	TRADE PAYABLES	14	7.72
iii)	OTHER FINANCIAL LIABILITIES	15	25.58
iii)	OTHER FINANCIAL LIABILITIES	15	28.87
b	<b>OTHER CURRENT LIABILITIES</b>	16	1.62
b	<b>OTHER CURRENT LIABILITIES</b>	16	0.18
c	<b>SHORT TERM PROVISIONS</b>	17	4.09
			4.09
	<b>TOTAL</b>		<b>642.20</b>
			<b>742.31</b>

Significant Accounting Policies and Notes on Accounts 1 to 36

The Notes referred to above form an integral part of the Standalone Financial Statement.

This is the Standalone Financial Statement referred to in our report of even date.

**For CHATURVEDI & COMPANY**  
CHARTERED ACCOUNTANTS  
(Reg. no : 302137E )

**NILIMA JOSHI**  
PARTNER,  
M. No. 52122  
DATED: May19,2021  
PLACE :Kolkata

**R R JAIN**  
DIRECTOR  
DIN:00122942

ON BEHALF OF THE BOARD

**R RAMARAJ**  
DIRECTOR  
DIN:00090279

## STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MAR 31,2021

PARTICULARS		Notes	YEAR ENDED MAR 31,2021 ₹ in Lac	YEAR ENDED MAR 31,2020 ₹ in Lac
I	REVENUE FROM OPERATION	18	7.65	31.97
II	OTHER INCOME	19	3.68	37.87
III	TOTAL REVENUE		11.33	69.84
IV	EXPENSES :			
	EMPLOYEE BENEFIT EXPENSES	20	388.29	604.93
	SUBCONTRACTOR EXPENSES	21	-	0.18
	DEPRECIATION & AMORTISATION	3	102.37	82.40
	OPERATION AND OTHER EXPENSES	22	96.28	118.64
V	TOTAL EXPENSE		586.93	806.16
VI	PROFIT/(LOSS) BEFORE TAX :	(III - V)	(575.60)	(736.32)
VII	TAX EXPENSES			
	DEFERRED TAX WRITTEN OFF FOR EARLIER YEAR		-	223.37
VIII	PROFIT & (LOSS) FOR THE YEAR ENDED	(VI - VII)	(575.60)	(959.69)
	OTHER COMPREHENSIVE INCOME/(LOSS)			
	ITEMS WHICH WILL NOT BE CLASSIFIED INTO P&L RELATING TO ACTUARIAL GAIN/LOSS		7.45	-
	TOTAL COMPREHENSIVE INCOME/(LOSS)		7.45	-
	PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATION :		(568.16)	(959.69)
	EARNING PER EQUITY SHARE :			
	BASIC	33	(5.68)	(10.00)
	DILLUTED	33	(5.68)	(10.00)

Significant Accounting Policies and Notes on Accounts 1 to 36

The Notes referred to above form an integral part of the Standalone Financial Statement.

This is the Standalone Financial Statement referred to in our report of even date.

**For CHATURVEDI & COMPANY**  
CHARTERED ACCOUNTANTS  
(Reg. no : 302137E )

**NILIMA JOSHI**  
PARTNER,  
M. No. 52122  
DATED: May19,2021  
PLACE :Kolkata

**R R JAIN**  
DIRECTOR  
DIN:00122942

**R RAMARAJ**  
DIRECTOR  
DIN:00090279

ON BEHALF OF THE BOARD

## CASH FLOW STATEMENT FOR THE YEAR ENDED MAR 31,2021

PARTICULARS		YEAR ENDED MAR 31 2021 ₹ in Lac	YEAR ENDED MAR 31 2020 ₹ in Lac
<b>CASH FLOW STATEMENT</b>			
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
	NET PROFIT BEFORE TAX	(575.60)	(772.05)
	ADJUSTMENT FOR :		
	DEPRECIATION	102.37	108.18
	PROFIT ON SALE OF INVESTMENT	(4.69)	(65.53)
	PROVISION FOR GRATUITY, LEAVE ENCASHMENT	(0.98)	1.92
	INTEREST RECEIVED	(1.54)	(0.92)
	LOSS ON REVALUATION ON INVESTMENT	3.04	28.60
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(477.40)</b>	<b>(699.80)</b>
	ADJUSTMENT FOR :		
	TRADE AND OTHER RECEIVABLES	0.19	0.16
	LOANS AND ADVANCES AND OTHER ASSETS	(24.44)	(13.15)
	TRADE PAYABLES & OTHER LIABILITIES	(6.94)	5.33
	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(508.58)</b>	<b>(707.46)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTMENT ACTIVITIES :</b>		
	INTEREST RECEIVED	1.54	0.92
	PROFIT ON SALE OF INVESTMENT	4.69	65.53
	INVESTMENT REDEEMED DURING THE YEAR	45.32	681.36
	<b>NET CASH FROM INVESTMENT ACTIVITIES</b>	<b>51.55</b>	<b>747.81</b>
<b>C</b>	<b>CASH FLOW FROM FINANCE ACTIVITIES:</b>		
	PROCEEDS FROM SHARE CAPITAL	500.00	
	<b>NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>42.96</b>	<b>40.35</b>
	OPENING CASH AND CASH EQUIVALENTS	42.64	2.29
	CLOSING CASH AND CASH EQUIVALENTS	85.60	42.64

The Notes referred to above form an integral part of the Standalone Financial Statement.

This is the Standalone Financial Statement referred to in our report of even date.

**For CHATURVEDI & COMPANY**  
CHARTERED ACCOUNTANTS  
(Reg. no : 302137E )

**NILIMA JOSHI**  
PARTNER,  
M. No. 52122  
DATED: May19,2021  
PLACE :Kolkata

**R R JAIN**  
DIRECTOR  
DIN:00122942

ON BEHALF OF THE BOARD

**R RAMARAJ**  
DIRECTOR  
DIN:00090279

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MAR 31,2021 *				
Particulars	Reserve and Surplus		Other comprehensive income	Total equity attributable to equity holders of the Company
	Securities premium reserve	Retained earnings	Other items of other comprehensive income	
<b>Equity Share Capital</b>				
<b>Balance as of April 1, 2020</b>				960.00
<b>Changes In Equity For Period Ended MAR 31,2021</b>				40.00
<b>Balance as of MAR 31,2021</b>				1,000.00
<b>Other Equity</b>				
<b>Balance as of April 1, 2020</b>	1,600.00	(1,891.72)	(9.95)	(301.68)
Changes during the period	460.00	(575.60)	7.45	(108.16)
<b>Balance as of MAR 31,2021</b>	2,060.00	(2,467.33)	(2.51)	(409.84)

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MAR 2020				
Particulars	Reserve and Surplus		Other comprehensive income	Total equity attributable to equity holders of the Company
	Securities premium reserve	Retained earnings	Other items of other comprehensive income	
<b>Equity Share Capital</b>				
<b>Balance as of April 1, 2019</b>				960.00
<b>Changes In Equity For Year Ended Mar 31,2020</b>				-
<b>Balance as of Mar 31,2020</b>				960.00
<b>Other Equity</b> <b>Other Equity</b>				
<b>Balance as of April 1, 2019</b>	1,600.00	(906.26)	-	693.74
<b>Changes in equity for the year ended Mar 31,2020</b>				
Changes during the year		(985.46)	(9.95)	(995.42)
<b>Balance as of Mar 31,2020</b>	1,600.00	(1,891.72)	(9.95)	(301.68)

\*This Statement forms a integral part of Standalone Financial Statement

**For CHATURVEDI & COMPANY**  
CHARTERED ACCOUNTANTS  
(Reg. no : 302137E )

**NILIMA JOSHI**  
PARTNER,  
M. No. 52122  
DATED: May19,2021  
PLACE :Kolkata

**R R JAIN**  
DIRECTOR  
DIN:00122942

ON BEHALF OF THE BOARD

**R RAMARAJ**  
DIRECTOR  
DIN:00090279

**NOTES ON ACCOUNTS FOR THE PERIOD ENDED MAR 31, 2021**

**1.1 Corporate Information**

Paypermint has focused exclusively on providing software solution to electronic payment industries since its inception. The company is engaged in development, testing and maintenance of software for its clients based in India. The Financial Statement are approved for issue by the company's Board of Directors on May 19,2021.

**1.2 Basis of preparation of Financial Statement**

These financial statements are prepared in accordance with Indian Accounting Standard (Ins AS), under the historical cost convention on the actual basis except for the certain financial instruments which are measured at fair values, the provisions of the companies Act,2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are precribed under section 133 of the Act read with Rule 3 of the companies (Indian Accounting Standards) Rules,2015 and relevant amendment rules issued there after.

Accounting Policies have been consistently applied except where a newly issued accounting standrad is initially adopted or a revision to an existing accounting standard requires a change in the accouting policiey hitherto in use.

As the quarter and the year figures are taken from the source and rounded to the nearest digits, the figures for the previous quarters might not always add up to the year figures reported in this statement.

**1.3 Use of Estimates & Judgements**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of goodwill, impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets and provisions and contingent liabilities. Key estimates are critical accounting estimates.

**2 Critical Accounting Estimates:**

**a Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**b Valuation of deferred tax assets**

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 2(M).

**c Provisions and contingent liabilities**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its 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 adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

**d Revenue Recognition**

Revenue is recognised based on the occurance of transaction and rendered in books on monthly basis commensurating with the term as agreed upon with the merchant and the other payment since provided

**e Cost recognition**

Costs and expenses are recognized when incurred and have been classified according to their primary nature.

The costs of the company are broadly categorized in employee benefit expenses, depreciation and amortization and other operating expenses. Employee benefit expenses include employee compensation, allowances paid and staff welfare expenses. Other operating expenses majorly include fees to external consultants, Rent, cost running its facilities, travel expenses, communication costs allowances for delinquent receivables and other expenses. Other expenses is an aggregation of costs which are individually not material such us commission, bank charges, freight, Postage etc.



**f Property, Plant & Equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Property, plant and equipment individually costing Rs 5,000 or less which are not capitalised except when they are part of a larger capital investment programmed.

Depreciation is provided for property, plant and equipment so as to expense the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

**The estimated useful lives are as mentioned below:**

PLANT AND EQUIPMENT 3 years/6 years

Depreciation on fixed assets is provided using the straight-line method on the basis of use full life of assets under schedule II of the Indian Companies Act, 2013.

**g Intangible assets**

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets/Software Licences are amortized on their respective individual estimated useful lives on a straight line basis, commencing from the date the assets is available to the company for its use.

The estimated useful lives are as mentioned below:

**COMPUTER SOFTWARE & LICENCES 7 Years**

**h Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date of investment made are classified as Current Investments. All investments other than long term investments are classified as current investments. Investment are valued accordance with the applicable Ind AS.

**i Cash and Cash Equivalent**

Cash and cash Equivalent includes Cash on hand, Demand Draft or Cheques on hand, Demand Deposit with Banks, other short term highly liquid investments.

**j Spares and Consumables**(Computers spares accessories and stationery are charged to revenue in the year they are purchased.)

**k Cash Flows** are reported using the indirect method whereby profit for the period is adjusted for the effect of transactions of non cash nature, any deferrals, accruals of past and future operating cash receipts and payments associated with investing and financing cash flows. Cash from operating, investing and financing activities are segregated.

**l Employee Benefits**

Contribution of Employers share to Employees' Provident Fund and ESI are worked on accrual basis and charged to Profit & Loss Account. The Company also provides for Gratuity and Leave Encashment based on actuarial valuation made by an independent actuary as per IAS 19 Compliance of The Institute of Chartered Accountants of India, Actuarial gains and losses are recognised in full in the Statement of Profit & Loss account for the period in which they occur.

**m Income Tax**

Current Income tax expense comprise taxes on income from operation in India. Income tax payable in India is determination in accordance with the provision of I. Tax Act 1961.

Advance tax and provisions for current income taxes are presented in the Balance Sheet after off setting advance taxes paid and income tax provision arising in the same tax jurisdiction and where the company intends to settle the assets and liabilities on a net basis.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

**n Financial instruments**

**i) Initial recognition**

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**ii) Financial assets at amortised cost**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**iii) Financial assets at fair value through Profit & Loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**o Impairment of Assets**

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future post-tax cash flows of the relevant cash generating unit or fair value less cost to sell, whichever is higher. The discount rate is applied, based upon the weighted average cost of capital with appropriate adjustments for the risks associated with the relevant business. Any impairment in value is charged to the Income Statement in the year, which it occurs.

Expected Credit Loss: As per Ind AS 109, the company uses expected credit loss model to assess to impairment of loss or gain. The company uses provision metrics to compute expected credit loss allowances. For Trade receivables and unbilled revenue, the provision metrics takes into account available external & internal credit risk factors such as delay risk & default risk.

**p Earnings per share**

Basic earning per share is calculated by dividing the net profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For Calculating Diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**t Recent Indian Accounting Standard (Ind AS)**

**Ind AS 116 Leases :** On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 replacing Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The effect on adoption of Ind AS 116 Appendix C would be insignificant in the standalone financial statements

**Amendment to Ind AS 19 – plan amendment, curtailment or settlement-** On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

3

PROPERTY PLANT & EQUIPMENT AS ON MAR 31, 2021											
PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION & AMORTISATION			NET CARRYING AMOUNT			₹ in Lac	
	AS ON 1ST OF APRIL 20	DED/ADJ	AS AT MAR 31 2021	AS ON 1ST OF APRIL 20	DED/ADJ	AS AT MAR 31 2021	AS AT MAR 31 2021	DED/ADJ	AS ON 31st MARCH 20	AS AT MAR 31 2021	AS ON 31st MARCH 20
PLANT & EQUIPMENT	27.52	-	27.52	25.47	-	26.95	26.95	-	2.05	0.57	2.05
<b>TOTAL (a)</b>	<b>27.52</b>	<b>-</b>	<b>27.52</b>	<b>25.47</b>	<b>-</b>	<b>26.95</b>	<b>26.95</b>	<b>-</b>	<b>2.05</b>	<b>0.57</b>	<b>2.05</b>
OTHER INTANGIBLE ASSETS	706.19	-	706.19	210.61	-	311.50	311.50	-	495.58	394.69	495.58
COMPUTER SOFTWARE	706.19	-	706.19	210.61	-	311.50	311.50	-	495.58	394.69	495.58
<b>TOTAL (b)</b>	<b>733.71</b>	<b>-</b>	<b>733.71</b>	<b>236.08</b>	<b>-</b>	<b>338.45</b>	<b>338.45</b>	<b>-</b>	<b>497.63</b>	<b>395.26</b>	<b>497.63</b>
<b>TOTAL (a+b)</b>											
PROPERTY PLANT & EQUIPMENT AS ON MAR 31, 2020											
PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION & AMORTISATION			NET CARRYING AMOUNT			₹ in Lac	
	As on 1st of APRIL 19	DED/ADJ	AS AT MAR 31, 2020	As on 1st of APRIL 19	DED/ADJ	AS AT MAR 31, 2020	AS AT MAR 31, 2020	DED/ADJ	AS ON 31st MARCH 19	AS AT MAR 31, 2020	AS ON 31st MARCH 19
PLANT & EQUIPMENT	27.52	-	27.52	18.45	-	25.47	25.47	-	9.07	2.05	9.07
<b>TOTAL (a)</b>	<b>27.52</b>	<b>-</b>	<b>27.52</b>	<b>18.45</b>	<b>-</b>	<b>25.47</b>	<b>25.47</b>	<b>-</b>	<b>9.07</b>	<b>2.05</b>	<b>9.07</b>
OTHER INTANGIBLE ASSETS	706.19	-	706.19	109.45	-	210.61	210.61	-	596.74	495.58	596.74
COMPUTER SOFTWARE	706.19	-	706.19	109.45	-	210.61	210.61	-	596.74	495.58	596.74
<b>TOTAL (b)</b>	<b>733.71</b>	<b>-</b>	<b>733.71</b>	<b>127.90</b>	<b>-</b>	<b>236.08</b>	<b>236.08</b>	<b>-</b>	<b>605.81</b>	<b>497.63</b>	<b>605.81</b>
<b>TOTAL (a+b)</b>											

4 DEFERRED TAX ASSETS / ( NET)

Deferred Tax Liability Calculation:

Deferred Tax Liability	MAR 31,2021 ₹ in Lac	MAR 31 2020 ₹ in Lac
Tax Rate	25.00	25.00
WDV Difference closing FIXED ASSETS	24,931,015.75	17,717,485.33
Asset as per Companies Act	39,526,332.80	42,043,013.78
		-
Asset as per Income Tax	14,595,317.05	24,325,528.45
Closing Temporary Difference	24,931,015.75	17,717,485.33
Closing Balance DTL	6,482,064.10	4,429,371.33
<b>Deferred Tax Asset</b>		
Tax Rate	26.00	26.00
LTCG Tax Rate	20.80	20.80
Opening TD		
Loss on business	237,473,346.00	180,657,516.57
Long Term Capital Loss	-	-
Provision for Gratuity & Leave	1,711,646.00	2,015,242.00
Originating TD	239,184,992.00	182,672,758.57
Closing TD	239,184,992.00	182,672,758.57
Closing Balance DTA	62,188,097.92	47,494,917.23
Net Deferred Tax Assets / (Liability)	<b>55,706,033.83</b>	<b>43,065,545.90</b>

The Company has not considered booking Deferred Tax Assets in accordance with Prudent Accounting Policies in the current year and in the previous year

5 OTHER NON-CURRENT ASSET

	MAR 31,2021 ₹ in Lac	MAR 31 2020 ₹ in Lac
Balances With Govt. Authorities (Unsecured & Considered Good)	0.12	0.10
	<b>0.12</b>	<b>0.10</b>

6	CURRENT INVESTMENT	No. of unit	MAR 31,2021 ₹ in Lac	No. of unit	MAR 31 2020 ₹ in Lac
	L and T Short Term Direct Fund	17,505.42	4.01	89,462.60	18.01
	Reliance/Nippon Money Market Fund - Direct Growth Plan Growth Option (Lqagg)	75.15	2.42	1,204.29	36.76
	(Aggregate amount of investment as on MAR 31, 2021 INR 6.43 Lac) ( March 31,2020 - Rs. 54.78 lacs)		<b>6.43</b>		<b>54.78</b>
7	TRADE RECEIVABLES		MAR 31,2021 ₹ in Lac	MAR 31 2020 ₹ in Lac	
	Secured, Considered Good		-	0.21	
			-	0.21	
8	CASH AND CASH EQUIVALENTS		MAR 31,2021 ₹ in Lac	MAR 31 2020 ₹ in Lac	
	<b>BALANCE WITH BANK :</b>				
	SCHEDULED BANKS				
	- in Current Account (HDFC Bank)		85.44	38.03	
	- in Current Account (HDFC Bank Opearations)		0.16	4.62	
			<b>85.60</b>	<b>42.64</b>	
9	OTHER FINANCIAL ASSETS		MAR 31,2021	MAR 31 2020	
	Interest accrued on FD		3.10	3.10	
	FD with HDFC Bank (Less Than 12 Months)		16.39	15.00	
			<b>19.49</b>	<b>18.10</b>	
10	OTHER CURRENT ASSET		MAR 31,2021	MAR 31 2020	
	Balances With Govt. Authorities		135.31	125.15	
			<b>135.31</b>	<b>125.15</b>	
11	EQUITY SHARE CAPITAL		MAR 31,2021	MAR 31 2020	
a	<b>The AUTHORISED CAPITAL is :</b>				
	EQUITY SHARE OF INR 10/- 10,000,000.00EACH		1,000.00	1,000.00	
			<b>1,000.00</b>	<b>1,000.00</b>	



b	ISSUED SUBSCRIBED AND PAID-UP-FULLY CALLED AND PAID UP	MAR 31,2021	MAR 31 2020
	EQUITY SHARE OF INR 10/- 9,600,000.00EACH	960.00	960.00
	EQUITY SHARE OF INR 10/- 400,000.00EACH	40.00	
		-	
		1,000.00	960.00

The company has only one class of Shares referred to as equity share having a par value of ₹ 10/- at the beginning of the year. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

RS Software (India) Ltd is holding 80 lacs equity shares(80%holding) of Rs 10/each.

c Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Equity Share	MAR 31,2021		MAR 31 2020	
	No. of Share	₹ in Lac	No. of Share	₹ in Lac
Number of shares at the beginning	9,600,000.00	960.00	9,600,000.00	960.00
9600000 Equity SHARES @Rs.10 per share				
400000 equity share of Rs.10 each fully paid up @Rs. 10 per share.	400,000.00	40.00		
	10,000,000.00	1,000.00	9,600,000.00	960.00

d Shareholder Holding More Than 5% Of The Share As On DEC 31,2020

Mr. Rajnit Rai Jain 1990000 Equity shares of Rs 10 each)	20%	21%
RS Software(India) Ltd 8000000 Equity shares of Rs 10 each)	80%	79%

13	CURRENT BORROWINGS	MAR 31,2021	MAR 31 2020
		₹ in Lac	₹ in Lac
	Loan from related parties	-	16.59
		-	16.59

14	TRADE PAYABLE (SHORT TERM)	MAR 31,2021	MAR 31 2020
		₹ in Lac	₹ in Lac
	Other than MSME Vendors:	7.72	12.81
		7.72	12.81

15	OTHER FINANCIAL LIABILITIES	MAR 31,2021	MAR 31 2020
		₹ in Lac	₹ in Lac
	Salary Payable	15.13	13.65
	Statutory Liability Including Pf, Tds, Esi Etc.	10.46	15.22
		25.584	28.87

16	OTHER CURRENT LIABILITIES	MAR 31,2021	MAR 31, 2020
		₹ in Lac	₹ in Lac
	Statutory Liability Including GST	1.08	0.18
	Advance From Customers	0.54	
		1.62	0.18

17	SHORT TERM PROVISIONS	MAR 31,2021	MAR 31, 2020
		₹ in Lac	₹ in Lac
	Provision For Leave Encashment	1.20	1.20
	Provision For Gratuity	2.89	2.89
		4.09	4.09

18	REVENUE FROM OPERATION	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Domestic Income From Software Services	7.65	31.97
		7.65	31.97

19	OTHER INCOME	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Profit On Sale of Mutual Fund	4.69	65.53
	Profit on Revaluation Of Investment	(3.04)	(28.60)
	Interest Received from Bank Fixed Deposit	1.54	0.92
	Other Income	0.49	0.01
		3.68	37.87

**NOTES ON ACCOUNTS FOR THE PERIOD ENDED MAR 31, 2021**

20	<u>EMPLOYEE BENEFIT EXPENSES</u>	MAR 31,2021	MAR 31,2020
	Salary Wages And Bonus	364.89	569.62
	Contribution to PF And Other Funds	18.99	30.04
	Staff Welfare Expenses	4.41	5.28
		388.29	604.93

Payment in respect of PF and Professional Tax of the Company employees is being made to the PF and Professional Tax Account of the Parent Company RS Software(india) Ltd.

21	<u>SUBCONTRACTOR EXPENSES</u>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Subcontractor Expenses	-	0.18
		-	0.18

22	<u>OPERATION AND OTHER EXPENSES</u>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Travelling	-	12.50
	Conveyance	0.01	2.14
	Staff Welfare	-	0.16
	Communication	65.24	19.92
	Printing and Stationery	-	0.11
	Repairs - Machinery	1.68	31.28
	Auditors' Remuneration (Refer Note 23)	0.80	1.10
	Legal / Professional Fee	19.37	33.68
	Recruitment & Relocation Expenses	-	5.12
	Business Promotion	6.69	6.83
	Consultancy Charges	-	0.60
	Membership and Subscription	2.34	3.91
	Bank Charges	0.14	0.66
	Training Expense	-	0.64
		96.28	118.64

23	<u>AUDITOR'S REMUNERATION</u>	MAR 31,2021	MAR 31,2020
	Statutory Audit	0.50	0.50
	Other Certification	0.30	0.60
		0.80	1.10

**NOTES ON ACCOUNTS FOR THE PERIOD ENDED MAR 31, 2021**

24 There is no Impairment of assets during the period ended as on MAR 31,2021.

25 In respect of GST which are non cenvatable or non refundable the same amount is being charged to respective expense account.

26	<u>EMPLOYEE BENEFIT PROVISIONS</u>	MAR 31,2021	MAR 31 2020
		₹ in Lac	₹ in Lac
	Provision for Leave Encashment in Profit and Loss statement	1.43	2.61
	Provision for Gratuity in Profit and Loss statement	11.59	18.83
		13.02	21.45

27 The Company continues with its policy of Work From Home to ensure Business Continuity in wake of Pandemic caused by Covid-19..Based the Assesment of information available as on date hereof and accordingly has concluded there are no adjustments required in these finacial results.

28 RELATED PARTY TRANSACTION

Enterprises whose control exists:

<u>HOLDING COMPANY</u>	<u>' % of holding</u>	<u>Country of Incorporation</u>
R S SOFTWARE INDIA LTD	80%	INDIA
<b>PERSON WITH SIGNIFICANT INFLUENCE</b>		
RAJNIT RAI JAIN	20%	

**KEY MANAGEMENT PERSONNEL**

RAJNIT RAI JAIN(DIRECTOR)  
R RAMARAJ(DIRECTOR)

29 DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES

i With Holding Company

<u>Particulars</u>	<u>MAR 31,2021</u>	<u>MAR 31 2020</u>
Loan taken from Holding company		
RS Software India Ltd	-	16.59
Maximum balance outstanding during the year		-
RS Software India Ltd	151.71	78.61

**NOTES ON ACCOUNTS FOR THE PERIOD ENDED MAR 31, 2021**

31 The Company is primarily engaged in the rendering services to digital payment gateway industries These cannot be expressed in any generic units. Hence it is not possible to give the quantities details of sales .

32 Segment Reporting is not applicable as company has no geographical as well as product wise and operating segments

EARNING PER EQUITY SHARE AS PER IND AS 33 :	MAR 31,2021		MAR 31,2020	
Profit & Loss From Continuous Operations :	(568.16)	(959.69)		
Issued Subscribed And Paid-Up-Fully Called And Paid Up	10,000,000.00	9,600,000.00		
Basic	(5.68)	(10.00)		
Dilluted	(5.68)	(10.00)		

34 The company has made an assessment of the companies ability tp continue as a going concern and no material uncertainty exists that needs to be disclosed. The holding company has assured ongoing financial support to the company for the next financial year in order to meet all its obligation.

35 Figures reported in INR lacs and rounded off to nearest rupee

36 Previous year figure have been regrouped , reclassified and restated, wherever necessary, to correspond with current year classifications.

**For Chaturvedi & Company**

Chartered Accountants  
(Reg. no : 302137E )

**Nilima Joshi**  
Partner  
(M. No:52122)  
DATED:  
May19,2021  
PLACE :Kolkata

**R R JAIN**  
DIRECTOR  
DIN : 00122942

**ON BEHALF OF THE BOARD**

**R RAMARAJ**  
DIRECTOR  
DIN:00090279

**30.A.Fair value measurements**

**Financial instruments by category**

Particulars	31 Mar 2021			31 Mar 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments	6.43	-	-	54.78	-	-
Trade receivables	-	-	-	-	-	0.21
Loans	-	-	-	-	-	-
Cash and cash equivalents	-	-	85.60	-	-	42.64
Other financial assets	-	-	-	-	-	-
<b>Total financial assets</b>	<b>6.43</b>	<b>-</b>	<b>85.60</b>	<b>54.78</b>	<b>-</b>	<b>42.85</b>
<b>Financial liabilities</b>						
Borrowings- Advance from Subsidiary	-	-	-	-	-	-
Trade payables	-	-	7.72	-	-	12.81
Other financial liabilities	-	-	25.58	-	-	28.87
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>33.30</b>	<b>-</b>	<b>-</b>	<b>41.68</b>

Financial assets and liabilities measured at amortised cost for which fair values are disclosed At 31 MAR 2021	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Investments</b>				
Trade receivables	-	-	-	-
Loans	-	-	-	-
Cash and cash equivalents	85.60	-	-	85.60
Other financial assets	-	-	-	-
<b>Total financial assets</b>	<b>85.60</b>	<b>-</b>	<b>-</b>	<b>85.60</b>
<b>Financial liabilities</b>				
Borrowings- Advance from Subsidiary	-	-	-	-
Trade payables	-	-	7.72	7.72
Other financial liabilities	-	-	25.58	25.58
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>33.30</b>	<b>33.30</b>



### 30.A.Fair value measurements

Financial assets and liabilities measured at amortised cost for which fair values are disclosed At 31 March 2020	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<i>Investments</i>				
Trade receivables	-	-	0.21	0.21
Loans	-	-	-	-
Cash and cash equivalents	42.64	-	-	42.64
Other financial assets	-	-	-	-
<b>Total financial assets</b>	<b>42.64</b>	<b>-</b>	<b>0.21</b>	<b>42.85</b>
<b>Financial liabilities</b>				
Borrowings- Advance from Subsidiary	-	-	-	-
Trade payables	-	-	12.81	12.81
Other financial liabilities	-	-	28.87	28.87
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>41.68</b>	<b>41.68</b>

**Level 1:** Level 1 hierarchy includes financial instruments basically here includes cash and bank balances which are at carrying value which approximates to its fair value.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is generally the case for unlisted equity securities.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of Net assets value/ realisable value in case of investment in mutual fund
- Other financial instruments have been carried at their carrying value which approximates to its fair value

### 30.A.Fair value measurements

#### (iii) Fair value of financial assets and liabilities measured at amortised cost

	31 Mar 2021		31 March 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Trade receivables	-	-	0.21	0.21
Loans	-	-	-	-
Cash and cash equivalents	85.60	85.60	42.64	42.64
Other financial assets	-	-	-	-
<b>Total financial assets</b>	<b>85.60</b>	<b>85.60</b>	<b>42.85</b>	<b>42.85</b>
<b>Financial liabilities</b>				
Borrowings- Advance from Subsidiary	-	-	-	-
Trade payables	7.72	7.72	12.81	12.81
Other financial liabilities	25.58	25.58	28.87	28.87
<b>Total financial liabilities</b>	<b>33.30</b>	<b>33.30</b>	<b>41.68</b>	<b>41.68</b>

The carrying amounts of trade receivables, loans, cash and cash equivalents, other bank balances, other financial assets, security deposits, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

### 30.B.Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Management
<i>Credit risk</i>	Cash and cash equivalents, trade receivables and other financial assets measured at amortised cost.	Diversification of bank deposits and investments. Entering into transactions with customers of repute / customers having sound financial position.
<i>Liquidity risk</i>	Financial liabilities that are settled by delivering cash or another financial asset.	* Projecting cash flows on regular basis and also considering the level of investment and liquid assets to meet the liabilities.
<i>Market risk – foreign exchange</i>	Future commercial transactions and recognised financial assets & liabilities not denominated in Indian rupee (Rs.)	Integral foreign operation and incorporation of the same made in books on monthly basis
<i>Market risk – security price risk</i>	Investments in mutual funds	Portfolio diversification

#### (A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and investments, foreign exchange transactions and other financial instruments.

#### i) Trade receivables

Customer credit risk is managed by the management subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing. Outstanding customer receivables are regularly monitored.

At each reporting date the Company measures loss allowance for certain class of financial assets based on historical trend industry practice and the business environment in which the Company operates.

The Company's maximum exposure to credit risk for the components of the balance sheet at DEC 31 2020 and 31 March 2020 is the carrying amounts of trade receivables.

#### Provision for expected credit loss

In determination of the allowance for credit losses on receivables, the Company has used a practical experience by computing the expected credit losses based on ageing matrix, which has taken into account historical credit loss experience and adjusted for forward looking information.

#### ii) Financial instruments and cash deposits

Credit risk from balances with banks and investments is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

### 30.B.Financial risk management

#### (B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

#### (i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities MAR 31 2021	Less than 1 year	More than 1 year	Total
<b>Non-derivatives</b>			
Short Term Advances	-	-	-
Other financial liabilities	25.58	-	25.58
Trade payables	7.72	-	7.72
<b>Total non-derivative financial liabilities</b>	<b>33.30</b>	<b>-</b>	<b>33.30</b>

Contractual maturities of financial liabilities 31 March 2020	Less than 1 year	More than 1 year	Total
<b>Non-derivatives</b>			
Short Term Advances	-	-	-
Other financial liabilities	28.87	-	28.87
Trade payables	12.81	-	12.81
<b>Total non-derivative financial liabilities</b>	<b>41.68</b>	<b>-</b>	<b>41.68</b>

#### (C) Market risk

(i) Foreign Exchange Risk :-Books of Integral foreign operations incorporated on monthly basis. Considering the materiality involved, the company do not assort to forex fluctuation mitigation techniques like hedging , forward contracts etc.

#### (ii) Price risk

##### (a) Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

**ACTUARIAL VALUATION DISCLOSURE (PAYPERMINT)**

PARTICULARS	2021	2021	2020	2020
	GRATUITY	LEAVE ENCASHMENT	GRATUITY	LEAVE ENCASHMENT
<b>1)EXPENSE RECOGNISED IN THE INCOME STATEMENT</b>				
Current Service Cost as on 31/03/2021	244,678	120,835	289,055	120,266
Past Service Cost				
Loss / (Gain) on settlement				
Net Interest Income / (cost) on the Net Defined Benefit Liability (Asset)	143,277	25,158	157,873	21,610
Actuarial (gains) / losses due to :				
change in demographic assumptions	(191,128)	(40,622)	(417,912)	(60,442)
Change in financial assumptions	(210,654)	(61,716)	266,426	47,025
experience variance (i.e. Actual experience vs assumptions)	(342,867)	35,118	1,146,832	359,544
others				
Return on plan assets, excluding amount recognised in net interest expense				
Re-measurement (or Actuarial (gain)/loss) arising because of change in effect of asset celling				
Components of defined benefit costs recognised in Other Comprehensive Income	(744,649)		995,346	
<b>2)Net Asset</b>				
Funded Status				
Present value of Defined Benefit Obligation	1,448,080	263,566	2,172,402	381,455
Fair value of plan assets				
Funded status [Surplus/(Deficit)]	(1,448,080)	(263,566)	(2,172,402)	(381,455)
Effect of balance sheet asset limit				
Unrecognised Past Service Costs				
Present value of Defined Benefit Obligation				
Net asset/(liability) recognised in balance sheet	(1,448,080)	263,566	(2,172,402)	(381,455)
Net asset/(liability) recognised in balance sheet at beginning of period	(2,172,402)	(381,455)	(2,077,271)	(284,337)
	-	-	-	-
Expense recognised in Income Statement	387,955	78,773	446,928	488,003
Expense recognised in Other Comprehensive Income	(744,649)		995,346	
Employer contributions	(367,628)	(196,662)	1,347,143	390,885
Net Acquisitions / Business Combinations				
Net asset/(liability) recognised in balance sheet at end of the period	(2,172,402)	(263,566)	(2,172,402)	(381,455)

**ACTUARIAL VALUATION DISCLOSURE (PAYPERMINT)**

PARTICULARS	2021	2021	2020	2020
<b>3)Change in Defined Benefit Obligations (DBO)</b>				
Present Value of DBO at beginning of period	2,172,402	-	2,077,271	-
Current Service cost	244,678	120,835	289,055	120,266
Interest cost	143,277	25,158	157,873	21,610
Curtailment cost/(credit)				
Settlement cost/(credit)				
Employee contribution				
Past Service Cost				
Acquisitions				
Re-measurement (or Actuarial (gains)/ losses) arising from				
change in demographic assumptions	(191,128)	(40,622)	(417,912)	(60,442)
Change in financial assumptions	(210,654)	(61,716)	266,426	47,025
- experience variance (i.e. Actual experience vs assumptions)	(342,867)	35,118	1,146,832	359,544
others				
Benefits paid	(367,628)	(196,662)	(1,347,143)	(390,885)
Present Value of DBO at the end of period	1,448,080	263,566	2,172,402	381,455
<b>4)Change in Fair Value of Assets</b>				
Plan assets at beginning of period				
Investment Income				
Return on Plan Assets, Excluding amount recognised in Net Interest expense				
Actual Company contributions	367,628	196,662	1,347,143	390,885
Fund Transferred				
Employee contributions				
Benefits paid	(367,628)	(196,662)	(1,347,143)	(390,885)
Plan assets at the end of period				
<b>5)Actuarial Assumptions</b>				
Financial Assumptions				
Discount Rate	7%	7%	7%	7%
Rate of increase in salaries	1%	1%	2%	2%
Demographic Assumptions				
Mortality Rate (% of IALM 06-08)	100%	100%	100%	100%
Normal Retirement Age	65 years	65 years	65 years	65 years
Attrition Rates, based on age (% p.a.) FOR ALL AGES	1%	1%	2%	2%



## INDEPENDENT AUDITOR'S REPORT

To

The Members of

**M/s. R S Software (India) Limited**

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying Consolidated financial statements of **M/s. R S Software (India) Limited** ("the Company") and its subsidiaries M/s. Responsive Solutions Inc., and Paypermint Pvt. Limited (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including other Comprehensive Income) the Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

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 Companies Act, 2013 ("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 their consolidated state of affairs of the Company as at March 31, 2021, of Consolidated Loss and (including other Comprehensive Income), Consolidated Changes in Equity and its Consolidated Cash Flows for the year the ended as on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements 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 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements

## Key Audit Matters

Key audit matters (KAM) are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion of these matters.

Sr. No	Key Audit Matter	How our audit addressed the Key Audit Matter
1	<p>The application of revenue recognition accounting Standard is complex and involved a number of Key judgements and estimates and is the focus area of audit.</p> <p>It involves the analysis of Customer Contracts (which includes identification and review of distinct performance obligations in the contract and determination of its Transaction price in relation with the performance obligation and the basis used to recognize revenue.</p>	<p>Our audit procedure in recognition of revenue includes-</p> <ol style="list-style-type: none"> <li>Obtaining an understanding of the systems, processes and controls implemented for recording and computing revenue</li> <li>Thereafter tested the controls relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls.</li> <li>Selected on sample basis for performing the following procedures                             <ol style="list-style-type: none"> <li>Reviewed the particulars of the agreements (i.e distinct performance obligations, nature of work, transaction price including other Terms and Conditions).</li> <li>Compared the Actual Performance Obligations with agreed performance obligations and revenue booking based on performance obligations achieved/rendered.</li> <li>Effectiveness of controls have also been tested which broadly includes identification of major performance obligations of the company as stated in the agreement, nature of contracts whether milestone based, fixed price contracts, maintenance contracts, certain enhancement related contracts and determination of revenue recognition accordingly ( like Fixed price / maintenance revenue contracts should be recognized on a straight line basis or using the percentage completion method)</li> <li>Reviewing the details of the resources engaged in the performance of the contracts, on test check basis, along with their approved attendance by the client</li> <li>Reviewed the terms of the contracts in relation to 'transaction price' including any variable consideration and tested that revenue booking corresponds to the same.</li> <li>In respect of revenue recorded for time and material and fixed price monthly contracts samples were tested using a combination of approved time sheets customer acceptances &amp; subsequent invoicing and existing trend of collections.</li> <li>In respect of revenue recorded for fixed price development contract and fixed time frame contract samples were tested to check the performance and obligation using the percentage of completion method based on Managements estimate of the Contract cost.</li> </ol> </li> </ol>

## Emphasis of Matter

a. Attention is invited to Note 39 of the accounts where considering the second wave of pandemic Covid-19, the company continued with its policy of work from home to ensure continuity

Our opinion is not modified in respect of matter stated in point mentioned above

## Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors Report including Annexures to Directors' Report, Report on Corporate Governance but does not include the Consolidated Financial Statements and our auditors' report thereon. The Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report and Report on Corporate Governance are expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

## Responsibility of Management and Those charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of 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 Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group 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; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies including in the Group are responsible for overseeing the financial reporting process of the Group.

## Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are 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 SAs 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 these financial statements.

As part of an audit in accordance with SAs we exercise professional judgement and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the interim Consolidated Financial Statements, 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 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 interim consolidated financial statements 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 interim consolidated financial statements, including the disclosures, and whether the interim consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditor's 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the interim consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

We did not audit the financial statement of M/s. Responsive Solutions Inc and M/s. Paypermint Pvt. Ltd. (the subsidiaries) whose financial statements reflect total assets (net) of Rs. 1350.14 Lac as at 31<sup>st</sup> March, 2021 and total revenue of Rs. 11.42 Lac and net increase in Cash Flows amounting to Rs. 46.02 Lacs 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. The audit reports of foreign subsidiary namely M/s. Responsive Solutions Inc have been prepared under generally accepted auditing standards of their respective countries and has been provided to us by the company and the audited Financial Statements has been converted by the management of the holding Company to accounting principles generally accepted in India for the purpose of preparation of the Companies Consolidated Ind AS financial statements under accounting principles generally accepted in India. Our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries 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 matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

#### Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 of the Consolidated Financial Statement.
- 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 and report on other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other Comprehensive Income) Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books.
- d) In our opinion, the aforesaid Consolidated standalone financial statements comply with the IndAs 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 Company as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors of the Company and report of the Statutory Auditors of the Subsidiary incorporated in India none of the directors of the Group Companies incorporated in India are disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the over financial reporting of the group Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matter to be included in the Auditor's report in accordance with the requirements of Section 197(16) of the act, as amended –

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the act.

- h) 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 group has disclosed the impact of pending litigations in its financial statements ( refer Note 21 )
  - ii. The group does not have any long term contracts including derivative contract for which there are any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding Company.

Dated : 19<sup>th</sup> day of May, 2021  
Place : Kolkata

For **DEOKI BIJAY & Co.**  
CHARTERED ACCOUNTANTS  
Firm Regn. No : 313105E

Sd/-  
**CA D.N.AGRAWAL**  
Partner  
Memb No. 51157

**UDIN : 21051157AAAACY1103**



## **Annexure A to the Auditors' Report**

### **Report on the Internal Financial Controls 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 RS Software (INDIA) LIMITED ('the Company') as on 31<sup>st</sup> March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date. (One Company of the group which have been incorporated outside India and one subsidiary incorporated in India have been exempted from reporting requirement under section 143(3)(i) and vide MCA notification G.S.R 583-E dated 13<sup>th</sup> June,2017 respectively hence reporting requirement under section 143(3) ((i) are similar to the comments in the auditor's report in Annexure-B of the auditor's report on Standalone Financial Statement of the Company).

#### **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 ('ICAI'). 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 Company's policies, the safe guarding 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.

#### **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 were 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 operative 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 judgement, 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 of 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 purpose 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 responsible detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are records as necessary to permit preparation of financial statements in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 nor be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future period are subject to the risk that the internal financial control over financial reporting may become inadequate because of change in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **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 31<sup>st</sup> March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DEOKI BIJAY & Co.**  
CHARTERED ACCOUNTANTS  
Firm Regn. No : 313105E

Sd/-  
**CA D.N.AGRawal**  
Partner

Dated : 19<sup>th</sup> day of May, 2021

Place : Kolkata

Memb No. 51157

**R S SOFTWARE INDIA LIMITED**
**CONSOLIDATED BALANCE SHEET AS AT MAR 31,2021**

After consolidating the results of the Company with those of its wholly owned foreign subsidiary Responsive Solution INC. and Paypermint Pvt LTD

PARTICULARS		Notes	As at MAR 31,2021 ₹ in Lac	As at MAR 31,2020 ₹ in Lac
<b>ASSETS</b>				
<b>NON CURRENT ASSETS</b>				
<b>A)</b>	<b>PROPERTY PLANT &amp; EQUIPMENT</b>			
(i)	PROPERTY PLANT & EQUIPMENT	3	255.45	336.82
(ii)	OTHER INTANGIBLE ASSETS	3	1,264.63	1,661.60
(iii)	INTANGIBLE ASSETS UNDER DEVELOPMENT	3	-	
<b>B)</b>	<b>FINANCIAL ASSETS</b>			
(i)	OTHER FINANCIAL ASSET	4	496.53	430.24
<b>C)</b>	<b>DEFERRED TAX ASSETS (Net)</b>	5		-
<b>D)</b>	<b>OTHER NON CURRENT ASSETS</b>	6	575.91	439.26
<b>CURRENT ASSETS</b>				
<b>E)</b>	<b>FINANCIAL ASSETS</b>			
(i)	INVESTMENT	7	454.10	1,753.98
(ii)	TRADE RECEIVABLES	8	1,025.36	571.23
(iii)	CASH & CASH EQUIVALENTS	9	1,106.39	1,171.04
(iv)	OTHER BANK BALANCES	9	51.10	64.69
(v)	OTHER FINANCIAL ASSETS	10	514.12	570.42
<b>F)</b>	<b>OTHER CURRENT ASSETS</b>	11	1,412.57	1,856.11
<b>TOTAL ASSETS</b>			<b>7,156.16</b>	<b>8,855.38</b>
<b>EQUITY AND LIABILITIES :</b>				
<b>EQUITY</b>				
(i)	EQUITYSHARE CAPITAL	12	1285.42	1285.42
(ii)	OTHER EQUITY	13	4,284.86	6431.00
(iii)	NON CONTROLLING INTEREST	14	118.03	137.15
<b>LIABILITIES</b>				
<b>NON CURRENT LIABILITIES</b>				
<b>A)</b>	<b>NON CURRENT FINANCIAL LIABILITIES</b>			
(i)	BORROWINGS	15	780.09	0.00
<b>B)</b>	<b>PROVISIONS</b>	16	161.38	214.44
<b>CURRENT LIABILITIES</b>				
<b>C)</b>	<b>FINANCIAL LIABILITY</b>			
(i)	TRADE PAYABLES	17	210.48	369.38
(ii)	OTHER FINANCIAL LIABILITIES	18	214.26	196.07
<b>D)</b>	<b>OTHER CURRENT LIABILITIES</b>	19	92.77	192.49
<b>E)</b>	<b>SHORT TERM PROVISIONS</b>	20	8.87	29.43
<b>TOTAL LIABILITIES</b>			<b>7156.16</b>	<b>8855.38</b>

Significant Accounting Policies and Notes on Accounts 1 to 42

 The Notes referred to above form an integral part of the Consolidated Financial Statement.  
 This is the Consolidated Financial Statement referred to in our report of even date.

**For DEOKI BIJAY & Co**  
 CHARTERED ACCOUNTANTS  
 (Reg. no : 313105E )

**CA D.N.AGRawal**  
 PARTNER,  
 M. No. 51157  
 DATED: May 19,2021  
 PLACE : Kolkata

**V. SURANA**  
 CFO & COMPANY  
 SECRETARY  
 Mem no:11559

**R.RAMARAJ**  
 DIRECTOR  
 DIN:00090279

**R.R. JAIN**  
 CHAIRMAN &  
 MANAGING DIRECTOR  
 DIN : 00122942

**ON BEHALF OF THE BOARD**
**R S SOFTWARE INDIA LIMITED**
**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR YEAR ENDED MAR 31,2021**

After consolidating the results of the Company with those of its wholly owned foreign subsidiary Responsive Solution INC. and Paypermint Pvt LTD

PARTICULARS		Notes	YEAR ENDED MAR 31,2021 ₹ in Lac	YEAR ENDED MAR 31,2020 ₹ in Lac
I	REVENUE FROM OPERATION	22	3,545.67	6,028.11
II	OTHER INCOME	23	180.75	1,233.00
III	<b>TOTAL REVENUE</b>		<b>3,726.42</b>	<b>7,261.11</b>
IV	<b>EXPENSES :</b>			
	PURCHASES OF STOCK IN TRADE	24	199.37	239.78
	EMPLOYEE BENEFIT EXPENSES	25	3,685.13	6,359.74
	SUBCONTRACTOR EXPENSES	26	397.84	744.31
	FINANCE COST	27	27.00	44.42
	DEPRECIATION	3	483.28	411.58
	OPERATION AND OTHER EXPENSES	28	1,051.25	3,965.74
o				
<b>TOTAL EXPENSES</b>			<b>5,843.87</b>	<b>11,765.57</b>
-				
V	<b>PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS &amp; TAX :</b>	(III - IV)	<b>(2,117.45)</b>	<b>(4,504.46)</b>
VI	TAX EXPENSES			
	CURRENT TAX		0.73	26.41
	DEFERRED TAX		-	2,872.91
VII	<b>PROFIT (LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS</b>		(2,118.18)	(7,403.78)
<b>ATTRIBUTABLE TO :</b>				
<i>SHAREHOLDERS' OF THE COMPANY</i>			(2,004.55)	(7,196.40)
<i>NON CONTROLLING INTEREST</i>			(113.63)	(207.38)
<b>COMPREHENSIVE INCOME/(LOSS)</b>				
ITEMS WHICH WILL NOT BE CLASSIFIED INTO P&L RELATING TO ACTUARIAL GAIN/LOSS			8.67	(34.83)
VIII	<b>TOTAL OTHER COMPREHENSIVE INCOME/(LOSS)</b>		8.67	(34.83)
IX	<b>PROFIT/(LOSS) FOR THE YEAR AFTER OTHER COMPREHENSIVE INCOME :</b>	(V - VI)	<b>(1,995.88)</b>	<b>(7,231.23)</b>
<b>ATTRIBUTABLE TO:</b>				
<i>SHAREHOLDERS OF THE COMPANY</i>			(2,004.55)	(7,196.40)
<i>NON CONTROLLING INTEREST</i>			(113.63)	(207.38)
X	<b>EARNING PER EQUITY SHARE(FOR CONTINUING OPERATION) :</b>			
	BASIC	31	(8.24)	(28.13)
	DILLUTED	31	(8.24)	(28.13)

Significant Accounting Policies and Notes on Accounts

1 to 42

The Notes referred to above form an integral part of the Consolidated Financial Statement.

ON BEHALF OF THE BOARD

This is the Consolidated Financial Statement referred to in our report of even date.

**For DEOKI BIJAY & Co**  
 CHARTERED ACCOUNTANTS  
 (Reg. no : 313105E )

**CA D.N.AGRawal**  
 PARTNER,  
 M. No. 51157  
 DATED: May 19,2021  
 PLACE : Kolkata

**V. SURANA**  
 CFO & COMPANY  
 SECRETARY  
 Mem no:11559

**R.RAMARAJ**  
 DIRECTOR  
 DIN:00090279

**R.R. JAIN**  
 CHAIRMAN &  
 MANAGING DIRECTOR  
 DIN : 00122942

**R S SOFTWARE INDIA LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MAR 31,2021**

After consolidating the results of the Company with those of its wholly owned foreign subsidiary Responsive Solution INC. and Paypermint Pvt LTD

PARTICULARS		YEAR ENDED MAR 31,2021	YEAR ENDED MAR 31,2020
		₹ in Lac	₹ in Lac
<b>CASH FLOW STATEMENT</b>			
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
	NET PROFIT BEFORE TAX	(2,117.45)	(4,331.91)
	ADJUSTMENT FOR :		
	DEPRECIATION	483.28	411.58
	INTERESTPAID	27.00	44.42
	FOREIGN EXCHANGE FLUCTUATION RESERVE	(145.27)	(965.51)
	PROVISION FOR GRATUITY, LEAVE ENCASHMENT	8.87	29.43
	INTEREST RECEIVED	(180.75)	(1,233.00)
	DEFERRED TAX WRITTEN OFF	113.63	-
	EMPLOYEES EXPENSES AMORTIZATION	(53.26)	(68.94)
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(1,863.95)</b>	<b>(6,113.94)</b>
	ADJUSTMENT FOR :		
	TRADE AND OTHER RECEIVABLES	(397.83)	(29.50)
	LOANS AND ADVANCES AND OTHER ASSETS	1,020.68	2,366.36
	TRADE PAYABLES & OTHER LIABILITIES(INCLUDES AMORTISATION )	(260.99)	(271.12)
	LESS:INCOME TAX	(0.73)	(26.41)
	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(1,502.82)</b>	<b>(4,074.60)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTMENT ACTIVITIES :</b>		
	PURCHASE OF PROPERTY PLANT & EQUIPMENT	(4.94)	(603.21)
	INTEREST RECEIVED	216.53	1,642.90
	INVESTMENT REDEEMED DURING THE PERIOD	1,264.11	2,372.37
	<b>NET CASH FROM INVESTMENT ACTIVITIES</b>	<b>1,475.70</b>	<b>3,412.06</b>
<b>C</b>	<b>CASH FLOW FROM FINANCE ACTIVITIES:</b>		
	MINORITY INTEREST	(19.12)	(207.38)
	INTEREST PAID	(27.00)	(44.42)
	PAYMENT OF CSR FUND	(5.00)	-
	<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(51.12)</b>	<b>(251.80)</b>
	NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	<b>(78.24)</b>	<b>(914.34)</b>
	OPENING CASH AND CASH EQUIVALENTS	1,235.73	2,150.07
	CLOSING CASH AND CASH EQUIVALENTS	1,157.49	1,235.73

The Notes referred to above form an integral part of the Financial Statement.

This is the Financial Statement referred to in our report of even date.

**For DEOKI BIJAY & Co**  
**CHARTERED ACCOUNTANTS**  
 (Reg. no : 313105E) (1,235.73)

**CA D.N.AGRAWAL**  
 PARTNER,  
 M. No. 51157  
 DATED: May 19,2021  
 PLACE : Kolkata

**V. SURANA**  
 CFO & COMPANY  
 SECRETARY  
 Mem no:11559

**R.RAMARAJ**  
 DIRECTOR  
 DIN:00090279

**R.R. JAIN**  
 CHAIRMAN &  
 MANAGING DIRECTOR  
 DIN : 00122942

**ON BEHALF OF THE BOARD**

13- CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE PERIOD ENDED MAR 31,2021												
Amount in Lacs												
Particulars	Equity	Securities premium reserve	Retained earnings	CSR FUND Reserve	Inter Branch Foreign Fluctuation Reserve	Share Forfeiture Reserve	PREFERENCE SHARE REDEMPTION RESERVE	Capital Reserve	Unrealised Profit on Subsidiary Transaction	Non Controlling Interest	Other items of other comprehensive income	Total equity attributable to equity holders of the Company
Balance as of April 1, 2020												1,285.42
Changes in equity for Period Ended MAR 31,2021												1,285.42
Balance as of Mar 31,2021												1,285.42
Other Equity												6,431.00
Balance as of April 1, 2020		2,586.38	3,845.64	118.15	489.47	43.50	255.31	(846.08)	(71.34)	207.38	(197.40)	6,431.00
Changes in equity for Period Ended MAR 31,2021												-
Shift to Capital reserve								202.98		(202.98)		-
Changes due to Inter Branch Foreign Fluctuation Account					(145.27)							(145.27)
Changes during the period				(5.00)						113.63	8.67	(2,000.88)
Balance as of Mar 31,2021		2,586.38	3,845.64	113.15	344.20	43.50	255.31	(643.10)	(71.34)	118.03	(188.73)	4,284.86

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MAR 31,2020												
Amount in Lacs												
Particulars	Equity	Securities premium reserve	Retained earnings	CSR FUND Reserve	Inter Branch Foreign Fluctuation Reserve	Share Forfeiture Reserve	PREFERENCE SHARE REDEMPTION RESERVE	Capital Reserve	Unrealised Profit on Subsidiary Transaction	Non Controlling Interest	Other items of other comprehensive income	Total equity attributable to equity holders of the Company
Balance as of April 1, 2019												1,285.42
Changes in equity for year ended Mar 31,2020												-
Balance as of Mar 31, 2020												1,285.42
Other Equity												14,627.75
Balance as of April 1, 2019		2,586.38	11,249.42	118.15	886.26	43.50	255.31	(277.36)	(71.34)	207.38	(162.58)	14,627.75
Changes in equity for the year ended												-
Shift to Capital reserve								351.52				351.52
Changes due to Inter Branch Foreign Fluctuation Account					(351.52)							(965.51)
Changes during the year					(45.28)			(920.24)		207.38	(34.83)	(7,231.23)
Balance as of Mar 31,2020		2,586.38	3,845.64	118.15	489.47	43.50	255.31	(846.08)	(71.34)	207.38	(197.40)	6,431.00

The company has retained its CSR fund created earlier suo motto by the company in order to meet its obligation towards the society, despite being in losses.

\*This Statement forms a integral part of Consolidated Standalone Financial Statement

**For DEOKI BIJAY & Co**  
 CHARTERED ACCOUNTANTS  
 (Reg. no : 313105E)

**CA D.N.AGRAWAL**  
 PARTNER,  
 M. No. 51157  
 DATED: May 19,2021  
 PLACE : Kolkata

**V. SURANA**  
 CFO & COMPANY  
 SECRETARY  
 Mem no:11559

**R.RAMARAJ**  
 DIRECTOR  
 DIN:00090279

**R.R. JAIN**  
 CHAIRMAN &  
 MANAGING DIRECTOR  
 DIN : 00122942

**ON BEHALF OF THE BOARD**



CONSOLIDATED NOTES ON ACCOUNTS FOR THE PERIOD ENDED MAR 31,2021.

4	OTHER FINANCIAL ASSETS	MAR 31,2021 ₹ in Lac	MAR 31,2020 ₹ in Lac
	FD On Lien (Original Maturity More Than 12 Months) With		
	ICICI Bank	48.02	9.93
	Yes Bank	448.51	420.31
	o		-
		<b>496.53</b>	<b>430.24</b>

5 DEFERRED TAX ASSETS /- (NET)

Deferred Tax Liability Calculation:

Deferred Tax Liability	MAR 31,2021	MAR 31,2020
Tax Rate	26.00	26.00
WDV Difference closing FIXED ASSETS	20,890,772.01	16,426,364.03
Asset as per Companies Act	152,008,014.91	196,875,496.44
Asset as per Income Tax	131,117,242.90	180,449,132.41
Closing Temporary Difference	20,890,772.01	16,426,364.03
Closing Balance DTL	5,431,600.72	4,270,854.65
<b>Deferred Tax Asset</b>		
Tax Rate	-	-
LTCG Tax Rate	-	-
Opening TD	-	-
Loss on business	1,604,200,719.92	1,401,239,145.34
Long Term Capital Loss	-	-
Provision for Gratuity & Leave	17,025,022.00	24,387,292.00
Originating TD	1,621,225,741.92	1,425,626,437.34
Closing TD	1,621,225,741.92	1,425,626,437.34
Closing Balance DTA	421,518,692.90	370,662,873.71
Net Deferred Tax Assets / (Liability)	<b>416,087,092.18</b>	<b>377,837,582.80</b>

The Company has not considered booking Deferred Tax Assets in accordance with Prudent Accounting Policies in the current year and previous year

6	OTHER NON CURRENT ASSETS	MAR 31,2021 ₹ in Lac	MAR 31,2020 ₹ in Lac
	<b>(Unsecured and Considered good)</b>		
	Prepaid Expenses	10.84	13.55
	Deposits	69.39	69.39
	Advance Taxes (Net Of Provisions)	255.08	124.58
	Balances With Govt. Authorities	240.61	231.74
		<b>575.91</b>	<b>439.26</b>

7	CURRENT INVESTMENT	MAR 31,2021	MAR 31,2020
		No. of unit	₹ in Lac
		₹ in Lac	No. of unit
		₹ in Lac	₹ in Lac
	<b>Investment in Mutual Fund (Others - unquoted)</b>		
	ICICI Ultra Short Term Fund Dp Growth	308,207.92	70.51
	Nippon India Floating Rate Fund Direct Growth Plan	679,556.51	244.56
	Nippon India Low Duration Fund-Growth Plan Growth Option	124.65	3.76
	L and T Short Term Direct Fund	17,505.42	4.01
	JM High Liquidity Fund (Direct) - DDO	17.45	0.56
	Kotak Bond scheme plan A - Direct Plan - Growth	396,619.45	99.82
	Reliance/Nippon Money Market Fund - Direct Growth Plan Growth Option (Lqagg)	75.15	2.42
	Reliance Nippon Money Market Fund - Direct Plan Daily Dividend Plan (Lqadr)	2,834.45	28.46
	(Aggregate amount of investment as on Mar 31,2020 INR 454.10.65 Lacs) (As on March 31, 2020 INR 1753.98 Lacs)	<b>454.10</b>	<b>1,753.98</b>

8	TRADE RECEIVABLES	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Unsecured and Considered good	1,328.89	886.70
	less:Expected Credit loss on receivables	(303.52)	(315.47)
		<b>1,025.36</b>	<b>571.23</b>

9	CASH & CASH EQUIVALENT	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	CASH IN HAND *	6.27	22.21
	<b>BALANCE AS ON 31st Mar 21 :</b>		
	- in Current Account (Axis Bank )	45.99	47.15
	- in Current Account ( Allahabad Bank)	-	-
	- in Current Account (HDFC )-including Paypermint	118.96	50.11
	- in Current Account (ICICI Bank)	183.73	236.47
	- in Current Account (YES Bank)	2.02	8.14
	- in Current Account (SBI Bank)	11.22	4.92
	FOREIGN BANK		
	- in Current Account(in SVB ICICI UK & DBS)	700.71	433.93

	MAR 31,2021	MAR 31,2020
	₹ in Lac	₹ in Lac
<b>OTHER BALANCES</b>		
<b>FIXED DEPOSITS - with original maturity less than 12 months</b>		
Fixed Deposits -without Lien	18.00	
Fixed Deposits -without Lien	19.49	368.10
<b>TOTAL</b>	<b>1,106.39</b>	<b>1,171.04</b>
<b>OTHER BANK BALANCES</b>		
FD with ICICI Bank (On Lien Less Than 12 Months)	5.97	5.64
FD with Axis Bank (On Lien Less Than 12 Months)	8.12	8.05
FD with Allahabad Bank (On Lien Less Than 12 Months)	10.16	9.97
Earmarked Balances With Banks(Unclaimed Dividend A/C)	26.85	41.02
<b>TOTAL</b>	<b>51.10</b>	<b>64.69</b>

\* Cash in hand is as certified by the Management

10	<b>OTHER FINANCIAL ASSETS</b>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	Unbilled Revenue	514.12	570.42
	<b>TOTAL</b>	<b>514.12</b>	<b>570.42</b>

11	<b>OTHER CURRENT ASSETS</b>	MAR 31,2021	MAR 31,2020
		₹ in Lac	₹ in Lac
	<b>ADVANCES (Recoverable in cash or in kind or for value to be received)</b>		
		-	
	Advances Other Than Capital Advances	148.20	235.89
	Prepaid Expenses	39.61	87.88
	Deposits	50.25	53.18
	Advance To Staff	5.72	5.04
	Advance Taxes (Net Of Provisions)	1,166.25	1,172.43
	Balances With Govt. Authorities	2.54	301.70
	<b>TOTAL</b>	<b>1,412.57</b>	<b>1,856.11</b>

12	<b>SHARE CAPITAL</b>	MAR 31,2021	MAR 31,2020
a	<b>The AUTHORISED CAPITAL is :</b>		
	40,000,000	Equity Share Of Inr 5/- Each	2,000.00
	2,500,000	Preference Share Of Inr 100/- Each	2,500.00
		<b>4,500.00</b>	<b>4,500.00</b>
b	<b>ISSUED SUBSCRIBED AND PAID-UP-FULLY CALLED AND PAID UP</b>		
	Equity Share Of Inr 5/- Each	1,285.42	1,285.42
	(Previous Year 2,56,78,318 shares of INR 5 each)		
		<b>1,285.42</b>	<b>1,285.42</b>

The company has only one class of Shares referred to as equity share having a par value of ₹ 5/- at the beginning of the year. Each holder of equity share is entitled to one vote per share. (The Company has sub-divided the face value of equity shares from INR 10 to INR 5 per share during FY 14-15.)

In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

The company granted 250000 ESOP options to one of the Senior Management Employees of the company on 29th Jan,2019 and as per the Terms of the Company's ESOP Scheme 25% of the total options granted would be vested after each one year with a maximum staggered vesting period of four years from the date of grant of the options. The concerned employee didn't exercise the first & second instalment of 50% of the options granted in the exercise period declared after January 2021 for the allotment of shares.

**c Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year**

Equity Share	MAR 31,2021		MAR 31,2020	
	No. of Share	₹ in Lac	No. of Share	₹ in Lac
Number of shares at the beginning	25,708,318.00	1,285.42	25,708,318.00	1,285.42
Add : Shares issued as Preferential Allotment				
Add : Shares issued as Bonus				
Add : Shares issued on exercise of Employee Stock option				
Add : Bonus Shares issued on Employee Stock option				
	<b>25,708,318.00</b>	<b>1,285.42</b>	<b>25,708,318.00</b>	<b>1,285.42</b>

<b>SHAREHOLDER HOLDING MORE THAN 5% OF THE SHARE AS ON Mar31,2021</b>		
	<b>MAR 31,2021</b>	<b>MAR 31,2020</b>
Mr. Rajnit Rai Jain	10090288 shares of INR 5 each (39.25% of total shareholding)	10090288 shares of INR 5 each (39.25% of total shareholding)
Mrs. Elizabeth Mathew	1378334 shares of INR 5 each (5.36% of total shareholding)	1324901 shares of INR 5 each (5.15% of total shareholding)
e Aggregate Nos of shares issued for consideration other than cash and shares bought back during five years immediately preceeding the current FY	2012-13(16226 equity Bonus shares)	2012-13(16226 equity Bonus shares)
<b>14 NON CONTROLLING INTEREST</b>	<b>MAR 31,2021</b>	<b>MAR 31,2020</b>
Minority Interest	<b>118.03</b>	<b>137.15</b>

<b>15 NON CURRENT FINANCIAL LIABILITIES</b>	<b>MAR 31,2021</b>	<b>MAR 31,2020</b>
	<b>₹ in Lac</b>	<b>₹ in Lac</b>
BORROWINGS	<b>780.09</b>	
*This is grant received under Payroll protection program(PPP) of US govt for a period of 12-60 months @1% p.a on the amount repayable .	<b>780.09</b>	

The fair valuation of the Loan received and benefis in form of grant has been done in accordance with IndAS20.

<b>16 NON CURRENT PROVISIONS</b>	<b>MAR 31,2021</b>	<b>MAR 31,2020</b>
	<b>₹ in Lac</b>	<b>₹ in Lac</b>
Provision For Leave Encashment	<b>17.14</b>	<b>21.29</b>
Provision For Gratuity	<b>144.24</b>	<b>193.15</b>
	<b>161.38</b>	<b>214.44</b>

<b>17 CURRENT TRADE PAYABLE</b>	<b>MAR 31,2021</b>	<b>MAR 31,2020</b>
	<b>₹ in Lac</b>	<b>₹ in Lac</b>
Trade Payable-other than MSMED vendor	<b>210.48</b>	<b>369.38</b>
	<b>210.48</b>	<b>369.38</b>

<b>18 CURRENT OTHER FINANCIAL LIABILITIES</b>	<b>MAR 31,2021</b>	<b>MAR 31,2020</b>
Unpaid Dividend	<b>26.85</b>	<b>41.02</b>
Salary Payable	<b>116.14</b>	<b>71.47</b>
Statutory Liability Including Pf, Tds, Esi Etc.	<b>71.27</b>	<b>83.57</b>
	<b>214.26</b>	<b>196.07</b>

<b>19 OTHER CURRENT LIABILITIES</b>	<b>MAR 31,2021</b>	<b>MAR 31,2020</b>
	<b>₹ in Lac</b>	<b>₹ in Lac</b>
Advance From Customers	<b>9.17</b>	<b>48.93</b>
Statutory Liability Including GST	<b>81.34</b>	<b>141.39</b>
Security Deposit & Others	<b>2.26</b>	<b>2.17</b>
	<b>92.77</b>	<b>192.49</b>

<b>20 CURRENT PROVISION</b>	<b>MAR 31,2021</b>	<b>MAR 31,2020</b>
	<b>₹ in Lac</b>	<b>₹ in Lac</b>
Provision For Leave Encashment	<b>1.75</b>	<b>7.47</b>
Provision For Gratuity	<b>7.12</b>	<b>21.96</b>
	<b>8.87</b>	<b>29.43</b>

<b>21 CONTINGENT LIABILITIES &amp; ASSETS (TO THE EXTENT NOT PROVIDED FOR/ACCRUED)</b>	<b>MAR 31,2021</b>	<b>MAR 31,2020</b>
	<b>₹ in Lac</b>	<b>₹ in Lac</b>
(To the extent not provided for in the books)		
Guarantee Outstanding *	<b>427.22</b>	<b>390.05</b>
Invoice Funding with Silicon Valley	<b>(0.00)</b>	<b>465.81</b>

In response to order received for demand of service tax of INR 3.99 Cr(FY2007-12) , the company has filled an appeal with CESTAT and the same is pending as on date.

For AY2013-14 , against a demand of INR 4.3 Cr, the company has filed an appeal with CIT(A), CIT(A) has passed favourable order.Final orderwith appeal effect has been awaited.

The Company has applied for forgiveness of an amount of \$344K out of the PPP Laon received from SBA, USA. The approval is awaited

<b>22 REVENUE FROM OPERATION</b>	<b>MAR 31,2021</b>	<b>MAR 31,2020</b>
	<b>₹ in Lac</b>	<b>₹ in Lac</b>
Export of Software Services Income	<b>1,625.42</b>	<b>4,568.03</b>
Domestic Income from Software Services	<b>1,720.88</b>	<b>1,220.29</b>
Domestic Sales of stock in trade	<b>199.37</b>	<b>239.78</b>
	<b>3,545.67</b>	<b>6,028.11</b>

<b>23 OTHER INCOME</b>	<b>MAR 31,2021</b>	<b>MAR 31,2020</b>
	<b>₹ in Lac</b>	<b>₹ in Lac</b>
Interest Received from Fixed Deposit	<b>38.58</b>	<b>47.92</b>
Deferred Income- Government Grant*	<b>29.55</b>	<b>54.22</b>
Net gain on Sale of Investments in Mutual Funds	<b>135.10</b>	<b>412.64</b>
Interest from Employee Welfare Trust		<b>85.31</b>



	MAR 31,2021 ₹ in Lac	MAR 31,2020 ₹ in Lac
Net Gain /loss from Foreign Transaction	0.00	1.43
Unrealised gain/loss on Investment carried at FV through P&L.	(35.78)	(409.89)
Provision on subsidiary written back	-	-
Other Income	13.31	27.25
* Income arising out of fairvaluation of Borrowings in accordance with the PPP Loan on subsidised interest.	180.75	1,233.00

24	PURCHASE OF STOCK IN TRADE	MAR 31,2021 ₹ in Lac	MAR 31,2020 ₹ in Lac
	Purchase of stock in trade	199.37	239.78
		199.37	239.78

25	EMPLOYEE BENEFIT EXPENSES	MAR 31,2021 ₹ in Lac	MAR 31,2020 ₹ in Lac
	Salary Wages And Bonus	3,361.79	5,848.23
	Contribution to PF And Other Funds	173.90	259.16
	Staff Welfare Expenses	149.44	252.36
		3,685.13	6,359.74

26	SUBCONTRACTOR EXPENSES	Mar31,2021 (₹ in Lac)	MAR 31,2020 (₹ in Lac)
		397.84	744.31

27	FINANCE COST	Mar31,2021 (₹ in Lac)	MAR 31,2020 (₹ in Lac)
	Interest Expenses	18.92	35.49
	SVB Renewal Fees	8.08	8.93
		-	-
		27.00	44.42

28	OPERATION AND OTHER EXPENSES	MAR 31,2021 ₹ in Lac	MAR 31,2020 ₹ in Lac
	Travelling	72.96	330.24
	Conveyance	3.82	48.71
	Staff Welfare	12.67	30.85
	Communication	136.30	156.22
	Printing and Stationery	0.33	13.72
	Electricity and Power	90.16	124.83
	Rent - Apartment & Ground	255.88	354.23
	Repairs - Machinery	70.76	152.14
	Repairs - Building	56.59	89.66
	Repairs - Others	8.12	2.97
	Education and Training Expenses	0.81	1.61
	Insurance	32.74	46.93
	Auditors' Remuneration - Refer Note no.29	4.60	5.20
	Books and Periodicals	0.12	0.40
	Directors' Fees	25.20	21.60
	Rates & Taxes	64.61	92.25
	Legal / Professional Fee	111.91	161.57
	Consultancy Charges	17.58	78.64
	Recruitment & Relocation Expenses	19.66	105.00
	General and Board Meeting expenses	-	10.28
	Membership and Subscription	28.14	39.52
	Business Promotion	21.95	163.55
	Advertisement	3.20	3.50
	Bank Charges	25.09	42.67
	Impairment loss recognised under Expected Credit loss	(11.95)	228.32
	Donation	-	0.96
		1,051.25	3,965.74

29 AUDITOR'S REMUNERATION	MAR 31,2021	MAR 31,2020
	₹ in Lac	₹ in Lac
As Statutory Auditors	2.50	2.50
Other certification	1.80	2.10
The above remunerations are not inclusive of GST	4.30	4.60

30 RELATED PARTY TRANSACTION

a Enterprises where control exists:

Wholly Owned subsidiary:	% of holding	Country of Incorporation
Responsive Solutions Inc	100%	USA

Subsidiary

b Paypermint Pvt Ltd	80%	INDIA
c Key Management Personnel & Relatives:		
Mr. Rajnit Rai Jain	-	Chairman and Managing Director
Mr. Richard Launder	-	Director
Mr. Shital Kr. Jain	-	Director
Mr. R Ramaraj	-	Director
Mrs. Sarita Jain	-	Director
Mr. Lakshmanan (Lux) Narayan		Director
Mr. Raghav Raj Jain	-	Head Staff Augmentation
Ms. Shrishti Jain	-	Head Global Sales
Mr. Vijendra Surana	-	CFO & Company Secretary

d Disclosure of transactions between the Company and Related Parties and the status of outstanding balances

i With Wholly Owned Subsidiary (WOS)	MAR 31,2021	MAR 31,2020
	₹ in Lac	₹ in Lac
Particulars	Amount	Amount
Reimbursement of Expenses on behalf of Subsidiary		
Responsive Solution Inc	-	-
Paypermint Pvt Ltd	272.51	260.40
Balance as on Mar31,2021 :		
Advance Received From Subsidiary R S Software Asia (Pte.) Ltd.	-	12.57
Responsive Solution Inc	741.93	881.40
Advance Given to Subsidiary		
Paypermint Pvt Ltd	-	16.59
Advance received/paid from subsidiary		
Received from RS Software (Asia) Pte Ltd as dividend and advance	-	1,026.70
Repayment of advances from Responsive Solution Inc	113.40	49.00
Reimbursement of expenses receivable		
Paypermint Pvt Ltd	289.10	260.40
Maximum balance outstanding during the period ended Mar 31,21		
Responsive Solution Inc	840.70	881.40
Paypermint Pvt Ltd	151.71	78.61
RS Software (Asia) Pte Ltd	-	-

ii With Related parties

₹ in Lac

Compensation to KMP'S :	Short Term Employee Benefit
R R Jain(MD)	91.60
MR.RICHARD LAUNDRA (Director)	6.40
MR.S.K.JAIN (Director)	8.00
MR.R. RAMARAJ (Director)	8.00
MR.LAKSHMAN	1.60
Mrs Sarita Jain (Director)	1.20
Vijendra Kumar Surana(CFO & CS)	75.49
Relatives	274.55

31 EPS has been calculated as per the provisions of IND AS 33 issued by the Institute of Chartered Accountants of India. The details of calculation are as follows:

Particulars	MAR 31,2021	MAR 31,2020
Numerator for Basic and Diluted EPS:		
Profit for the Year ended	(2,118.18)	(7,231.23)
Equity Shares	25,708,318.00	25,708,318.00
Weighted no. of Equity Shares	<b>25,708,318.00</b>	<b>25,708,318.00</b>
Weighted No. of Basic Equity Shares	25,708,318.00	25,708,318.00
Weighted no. of Equity Shares	<b>25,708,318.00</b>	<b>25,708,318.00</b>
Nominal Value of share	5.00	5.00
Basic Earning per Share	(8.24)	(28.13)
Diluted Earning per Share	(8.24)	(28.13)

32 Additional Information pursuant to provisions of the Para 5 (vii) (b) of Part II Schedule III for the Companies Act, 2013:-

Particulars	MAR 31,2021	MAR 31,2020
<b>Expenditure in Foreign Currency:</b>		
Foreign branch expenditure	1,994.87	3,741.76
<b>Earning in Foreign Currency</b>		
Export of services	1,659.57	3,576.86

b Additional Information pursuant to provisions of the Para 2 of Part II Schedule III for the Companies Act, 2013:-

Name of the entity	Net Assets i.e total assets minus total liability		Share in profit or Loss	
	As a % consolidated net Assets	₹ in Lac	As a % consolidated profit & loss	₹ in Lac
<b>Parent Company</b>				
R S Software India Ltd.	0.86	7,361.21	0.69	(1,446.18)
<b>Subsidiary Company - Foreign</b>				
Responsive Solution Inc. ( 100% Subsidiary)	0.09	760.24	0.05	(95.17)
R S Software Asia Pte Ltd ( 100% Subsidiary)	-	-	-	-
Paypermint Pvt Ltd	0.05	390.16	0.27	(568.16)

c Remittance in Foreign Currency

The Company has remitted ₹ Nil (MAR 2020: ₹ Nil) in foreign currencies on accounts of dividends as on Mar 31 2021 and does not have information as to the extent to the extent to which remittance, if any, in foreign currencies on account of dividends have

PARTICULARS	No. of Non-resident Shareholders	No. of Equity Shares held	Year end of Dividend	Year end of Dividend
	0	-	-	-
0	0	-	-	-
Interim Q3 Dividend for 2013-14 declared in January' 14	197	506,065.00	March' 2014	5,06,065.00
Final dividend for 2013-14 declared in July,14	290	434,205.00	March' 2014	10,85,512.50
Interim dividend for 2014-15 declared in July,14	344	463,450.00	March' 2015	4,63,450.00
2nd Interim dividend for 2014-15 declared in October,14	382	545,321.00	March' 2015	8,17,981.50
3rd Interim dividend for 2014-15 declared in January,15	442	2,120,830.00	March' 2015	15,90,622.50
Final dividend for 2014-15 declared in July,15	588	2,229,422.00	March'2015	27,86,777.50
Dividend for 2015-16 declared in July,2016	564	1,790,888.00	March'2016	17,90,888.00

33 Reporting of Segment Wise Revenue, Results and Capital Employed:

Particulars	Period Ended	Period Ended
	MAR 31,2021 ₹ in Lac	MAR 31,2020 ₹ in Lac
<b>1. Segment Revenue ( net sale / income from each segment)</b>		
a. Segment - A (USA)	1,652.03	4,537.75
b. Segment - B (ROW)	2,074.39	1,490.72
<b>Total</b>	<b>3,726.42</b>	<b>6,028.47</b>
<b>Other Income</b>		
Segment - B (ROW)	180.75	1,232.64
<b>Total</b>	<b>3,907.17</b>	<b>7,261.11</b>
<b>Less : Inter - segment revenue</b>	-	-
<b>Total Revenue</b>	<b>3,907.17</b>	<b>7,261.11</b>
<b>2.Segment Results Profit/(Loss) before Tax &amp; Interest from each segment</b>		
a. Segment - A (USA)	(1,067.19)	(2,004.40)
b. Segment - B (ROW)	6.12	981.09
<b>Total</b>	<b>(1,061.06)</b>	<b>(1,023.31)</b>
Less : Interest	27.00	44.42
Less : Depreciation	483.28	411.58
Less : Unallocable Selling , General & Administrative Expens	546.11	3,025.14
<b>Profit before tax</b>	<b>(2,117.45)</b>	<b>(4,504.46)</b>
<b>3. Capital Employed</b>		
Total Assets	<b>7,156.16</b>	<b>8,855.38</b>
Total Liability	<b>7,156.16</b>	<b>8,855.38</b>



\*Assets used in the Company's business are not capable of being specifically identified with any of the segments, and it is not practicable to provide segmented disclosures in relation to total assets and liabilities with any reasonable degree of accuracy. Unallocated expenses have not been disclosed in any segment.

35 Disclosure under clause 32 of the listing agreement amount of loans and advances outstanding from subsidiary

	MAR 31,2021 ₹ in Lac	MAR 31,2020 ₹ in Lac
<b>Outstanding as on</b>		
Responsive Solution Inc	741.93	881.40
RS Software (Asia) Pte Ltd	-	12.57
Paypermint Pvt Ltd	-	16.59
<b>Maximum balance outstanding during the year</b>		
Responsive Solution Inc	840.70	881.40
RS Software (Asia) Pte Ltd	-	-
Paypermint Pvt Ltd	151.71	78.61

36A Litigation

- Company has filed a recovery suit of \$ 70K upon its Customer Payefx in USA and the customer has filed a counter suit of \$ 75K. The outcome is delayed and awaited .
- Case filed by Company on Software One, its Vendor for Non Performance is pending with High Courts
- Case filed by Company on G Ravi's disputed claim/ of 12000 Shares is pending with court.

36B There is no Impairment of assets during the period ended MAR 31,2021 under Ind AS 36.

37 In respect of GST which are non cenvatable or non refundable the same amount is being charged to respective expense account.

38 The Company has extended its rental agreement of a Building from Saltee Infotex (India) Pvt. Ltd.upto 30th April' 21

39 The Company continues with its policy of Work From Home to ensure Business Continuity in wake of Pandemic caused by Covid-19. Based the Assesement of information available as on date hereof and accordingly has concluded there are no adjustments required in these finacial results.

40 The Company is primarily engaged in the rendering services relating to maintenance and testing of Computer Software . These cannot be expressed in any generic units. Hence it is not possible to give the quantities details of sales and certain information as required under paragraph 5 (viii) '(c) of general instructions for preparation of statement of profits and loss as per revised schedule VI of the Companies Act 2013.

41 The previous year figures have been regrouped, reclassified and restated, wherever necessary, to correspond with the current year's classification.

42 Financial figures have been rounded off to nearest ₹ Lac.

For DEOKI BIJAY & Co  
Chartered Accountants  
(Reg. no : 313105E )

On behalf of the Board

CA D.N.AGRAWAL  
Partner  
M. No. 51157  
DATED: May 19,2021  
PLACE : Kolkata

V. SURANA  
CFO & Company  
Secretary  
Mem no:11559

R.RAMARAJ  
Director  
DIN:00090279

R.R. JAIN  
Chairman &  
Managing Director  
DIN : 00122942

1 Corporate Information

RS Software has focused exclusively on providing software solution to electronic payment industries since its inception. The company is engaged in development, testing and maintenance of software for its clients based in different geographies. The company operates in US, UK and India. The Financial Statement are approved for issue by the company's Board of Directors on May 19,2021.

2

a. Significant Accounting Policies

These financial statements are prepared in accordance with Indian Accounting Standard (Ins AS), under the historical cost convention on the actual basis except for the certain financial instruments which are measured at fair values at the end of each reporting period the provisions of the companies Act,2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the companies (Indian Accounting Standards) Rules,2015 and relevant amendment rules issued there after.

Accounting Policies have been consistently applied except where a newly issued accounting standrad is initially adopted or a revision to an existing accounting standard requires a change in the accouting policiey hitherto in use.

As the quarter and the year figures are taken from the source and rounded to the nearest digits, the figures for the previous quarters might not always add up to the year figures reported in this statement.

The Consolidated financial statements comprise the financial statements of the Company, its controlled trusts and its subsidiaries, as disclosed in Notes to Accounts. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. The financial statements of the subsidiaries are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group.

b Use of Estimates & Judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of goodwill, impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets and provisions and contingent liabilities. Key estimates are critical accounting estimates.

c Critical Accounting Estimates:

i) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

ii) Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 2(M).

iii) Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its 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 adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

**d Revenue Recognition**

Revenue is realized on time-and-material basis or Fixed Bid or Milestone as specified in the work order. Revenue from software development on time and material basis is recognized based on Service rendered (software developed) and billed to clients as per the terms of specific contracts. Revenue from Fixed Bid contract is recognized on monthly basis as per contract terms. Revenue from Milestone base contract is being recognized based on effort given during the period but the Invoice is sent to customer when the milestone is achieved as per contract. Value Added tax in UK is not included in the income from Software development. Contracts are unbundled into separately identifiable components and the consideration is allocated to those identifiable components on the basis of their fair values. Revenue is recognized for respective components either at the point in time or over time, as applicable. Revenue from software development contracts, which are generally time bound fixed price contracts, is recognized over the life of the contract using the percentage-of-completion method, with contract costs determining the degree of completion. Revenue from the sale of internally developed and manufactured systems and third party products which do not require significant modification is recognized upon delivery, which is when the absolute right to use passes to the customer and the Company does not have any material remaining service obligation. Unbilled Revenue included in Other Financial Assets, represents amounts recognized in respect of services performed in a accordance with Contract terms, not yet billed to Customers as at Reporting Period end. The Company derives revenues primarily from business IT services comprising of software dev elopement and related services, consulting and package implementation and from the licensing of software products and platforms across our core and digital offerings ("together called as software related services"). Revenue from subsidiaries is recognised based on transaction price which is at arm's length. Interest income has been booked as per effective interest method. The Company presents revenues net of indirect taxes in its Statement of Profit & loss.All other investment income has been accounted for on accrual basis.

Arrangements with customers for software related services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

In arrangements for software development and related services and maintenance services, the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the company is unable to determine the standalone selling price, the company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control f the work as it progresses.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Arrangements to deliver software products generally have three elements license, implementation and Annual Technical Services (ATS).

**e Cost recognition**

Costs and expenses are recognized when incurred and have been classified according to their primary nature.

The costs of the company are broadly categorized in employee benefit expenses, depreciation and amortization and other operating expenses. Employee benefit expenses include employee compensation, allowances paid and staff welfare expenses. Other operating expenses majorly include fees to external consultants, Rent, cost running its facilities, travel expenses, communication costs allowances for delinquent receivables and other expenses. Other expenses is an aggregation of costs which are individually not material such us commission , bank charges, freight, Postage etc.

**f Property ,Plant & Equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Property, plant and equipment individually costing Rs 5,000 or less which are not capitalised except when they are part of a larger capital investment programmed.

Depreciation is provided for property, plant and equipment so as to expense the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

**The estimated useful lives are as mentioned below:**

BUILDING	60 Years
PLANT AND EQUIPMENT	3 years/6 years
FURNITURE AND FIXTURES	10 Years
VEHICLES	8 years
OFFICE EQUIPMENT	5 Years
AIR CONDITIONER	15 Years
ELECTRICAL INSTALLATIONS	10 Years

Depreciation on fixed assets is provided using the straight-line method on the basis of use full life of assets under schedule II of the Indian Companies Act, 2013.

**g Intangible assets**

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets/Software Licences are amortized on there respective individual estimated useful lives on a straight line basis , commencing from the date the assets is available to the company for its use.

The estimated useful lives are as mentioned below:

<b>COMPUTER SOFTWARE &amp; LICENCES</b>	<b>6 Years</b>
---	----------------

Depreciation is not recorded on Intangible Asset under Development until construction and installation are complete and the asset is ready for its intended use.

**h Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date of investment made are classified as Current Investments. All investments other than long term investments are classified as non-current investments. Investment are valued accordance with the applicable Ind AS .

**i Cash and Cash Equivalent**

Cash and cash Equivalent includes Cash on hand, Demand Draft or Cheques on hand, Demand Deposit with Banks, other short term highly liquid investments.

**j Foreign Currency Translation**

Foreign Currency Transactions are recorded at exchange rate prevailing at the closing of the month for respective months. Exchange difference arising on settlement was included in Profit & Loss Account till the accounts ended 30th September '2008. Foreign unit is considered as non-integral and the foreign exchange difference is transferred to "Inter Branch Foreign Fluctuation Reserve Account". Revenue items of the Foreign Branch are converted in equivalent Indian Rupees at the buying rate prevailing at the end of the month. Assets and Liabilities of the Foreign Branch are converted in equivalent Indian rupees at the applicable rate prevailing at the end of the year. The effect of exchange rate fluctuation in respect of fixed assets is adjusted with the cost of the respective assets. Investment in subsidiary Company is being valued at carrying cost adjusted by any non-temporary decline in their value according to the requirements of statute.

**k Spares and Consumables**(Computers spares accessories and stationery re charged to revenue in the year they are purchased.)

**l Cash Flows** are reported using the indirect method whereby profit for the period is adjusted for the effects of transactions of non cash nature, any deferrals, accruals of past and future operating cash receipts and payments associated with investing and financing cash flows. Cash from operating, investing and financing activities are segregated.

**m Employee Benefits**

Contribution of Employers share to Employees' Provident Fund and ESI are worked on accrual basis and charged to Profit & Loss Account. The Company also provides for Gratuity and Leave Encashment based on actuarial valuation made by an independent actuary as per IAS 19 Compliance of The Institute of Chartered Accountants of India. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur.

**n Income Tax**

Current Income tax expense comprise taxes on income from operation in India and in foreign jurisdiction. Income tax payable in India is determination in accordance with the provision of I. Tax Act 1961. Tax expense relating to foreign operation is determined in accordance with the laws applicable in countries where such operations are domiciled.

Advance tax and provisions for current income taxes are presented in the Balance Sheet after off setting advance taxes paid and income tax provision arising in the same tax jurisdiction and where the company intends to settle the assets and liabilities on a net basis.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

**o Financial instruments**

Initial recognition

**i)** The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. Initial recognition has been measured at its fair value plus or minus transaction costs that are directly attributable. Regular purchase and sale of financial assets are accounted for at trade date.

**ii) Financial assets at amortised cost**

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**iii) Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**iv) Financial assets at fair value through Profit & Loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**v) Investment in subsidiaries**

Investment in subsidiaries are measured at cost

**vi) Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for Derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**p Asset taken on Lease**

Asset & liabilities for all leases taken for a term of more than 12 months are recognised as per IND AS 116 unless unlined assets is of low value

**q Impairment of Assets**

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future post-tax cash flows of the relevant cash generating unit or fair value less cost to sell, whichever is higher. The discount rate is applied, based upon the weighted average cost of capital with appropriate adjustments for the risks associated with the relevant business. Any impairment in value is charged to the Income Statement in the year, which it occurs.

Expected Credit Loss: As per Ind AS 109, the company uses expected credit loss model to assess to impairment of loss or gain. The company uses provision metrics to compute expected credit loss allowances. For Trade receivables and unbilled revenue, the provision metrics takes into account available external & internal credit risk factors such as delay risk & default risk.

**r Segment Reporting**

The company's operating business are organized and managed as per Location of the client. Common costs are allocated to the cost based on the Revenue Mix. Unallocated costs are disclosed separately. The company prepare its segment information in conformity with the accounting policy adopted for preparing and presenting the financial statement of the Company as a whole.

**s Earnings per share**

Basic earning per share is calculated by dividing the net profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For Calculating Diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



**Recent Indian Accounting Standard (Ind AS)**

**Ind AS 116 Leases** : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 replacing Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The effect on adoption of Ind AS 116 Appendix C would be insignificant in the standalone financial statements

**IndAS 20** of Government grants shall apply to any benefits received by the company from any government agencies. The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to assets are treated as deferred income and are recognized in net profit in the Profit and Loss on a systematic and rational basis. Government grants related to revenue are recognized on a systematic basis in Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

**Amendment to Ind AS 19** – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

3 .PROPERTY PLANT & EQUIPMENT	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION & AMORTISATION				NET CARRYING AMOUNT	
	AS ON 1st of APR 20	ADDITIONS	DED/ADJ	AS AT MAR 31 2021	AS ON APR 20	ADDITIONS	DED/ADJ	AS AT MAR 31 2021	AS AT MAR 31 2021	AS AT MAR 31 2020
LAND	7.76	0.00	0.00	7.76	0.00	0.00	0.00	0.00	7.76	7.76
BUILDING	105.37	0.00	0.00	105.37	16.37	4.09	0.00	20.47	84.90	89.00
PLANT & EQUIPMENT	492.78	2.08	8.62	486.24	419.57	48.93	8.33	460.16	26.08	73.21
OFFICE EQUIPMENT	93.05	1.62	0.00	94.67	82.52	6.45	-0.01	88.98	5.69	10.53
AIR CONDITIONER	124.67	0.00	0.00	124.67	24.58	9.63	0.00	34.21	90.46	100.09
ELECTRICAL INSTALLATIONS	64.55	0.00	0.00	64.55	58.70	2.01	0.00	60.71	3.84	5.85
FURNITURE & FITTINGS	160.70	0.00	0.00	160.70	110.75	13.66	0.00	124.41	36.28	49.94
MOTOR VEHICLES	16.14	0.00	0.00	16.14	15.70	0.00	0.00	15.70	0.44	0.44
<b>TOTAL (I)</b>	<b>1065.02</b>	<b>3.70</b>	<b>8.62</b>	<b>1060.10</b>	<b>728.20</b>	<b>84.77</b>	<b>8.32</b>	<b>804.65</b>	<b>255.45</b>	<b>336.82</b>
<b>OTHER INTANGIBLE ASSETS</b>										
SOFTWARE PRODUCT - EFRM	1162.51	0.00	0.00	1162.51	108.22	234.28	0.00	342.50	820.01	1054.28
COMPUTER SOFTWARE	1038.40	1.55	0.00	1039.95	431.08	164.23	-0.01	595.33	444.62	607.32
<b>TOTAL (II)</b>	<b>2200.91</b>	<b>1.55</b>	<b>0.00</b>	<b>2202.46</b>	<b>539.31</b>	<b>398.51</b>	<b>(0.01)</b>	<b>937.83</b>	<b>1264.63</b>	<b>1661.60</b>
<b>TOTAL (I+II)</b>	<b>3265.93</b>	<b>5.25</b>	<b>8.62</b>	<b>3262.56</b>	<b>1267.51</b>	<b>483.28</b>	<b>8.31</b>	<b>1742.48</b>	<b>1520.08</b>	<b>1998.42</b>

PROPERTY PLANT & EQUIPMENT FOR FY 19-20	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION & AMORTISATION				NET CARRYING AMOUNT	
	AS ON 1st of APR 19	ADDITIONS	DED/ADJ	AS AT MAR 31,2020	AS ON APR 19	ADDITIONS	DED/ADJ	AS AT MAR 31,2020	AS AT MAR 31,2020	AS AT MAR 31 2019
LAND	7.76	0.00	0.00	7.76	0.00	0.00	0.00	0.00	7.76	7.76
BUILDING	105.37	0.00	0.00	105.37	12.27	4.10	0.00	16.37	89.00	93.10
PLANT & EQUIPMENT	492.69	0.09	0.00	492.78	322.92	96.65	0.00	419.57	73.21	169.77
OFFICE EQUIPMENT	99.25	1.08	7.28	93.05	76.62	12.75	6.85	82.52	10.53	22.63
AIR CONDITIONER	64.31	60.36	0.00	124.67	16.89	7.69	0.00	24.58	100.09	47.42
ELECTRICAL INSTALLATIONS	64.55	0.00	0.00	64.55	56.64	2.06	0.00	58.70	5.85	7.91
FURNITURE & FITTINGS	157.15	3.55	0.00	160.70	96.40	14.35	0.00	110.75	49.94	60.75
MOTOR VEHICLES	16.14	0.00	0.00	16.14	15.70	0.00	0.00	15.70	0.44	0.44
<b>TOTAL (I)</b>	<b>1007.23</b>	<b>65.07</b>	<b>7.28</b>	<b>1065.02</b>	<b>597.44</b>	<b>137.61</b>	<b>6.85</b>	<b>728.20</b>	<b>336.82</b>	<b>409.78</b>
<b>OTHER INTANGIBLE ASSETS</b>										
SOFTWARE PRODUCT - EFRM	0.00	1162.51	0.00	1162.51	0.00	108.22	0.00	108.22	1054.28	0.00
COMPUTER SOFTWARE	1038.40	0.00	0.00	1038.40	265.33	165.75	0.00	431.08	607.32	773.07
<b>TOTAL (II)</b>	<b>1038.40</b>	<b>1162.51</b>	<b>0.00</b>	<b>2200.91</b>	<b>265.33</b>	<b>273.98</b>	<b>0.00</b>	<b>539.31</b>	<b>1661.60</b>	<b>773.07</b>
<b>TOTAL (I+II)</b>	<b>2045.63</b>	<b>1227.58</b>	<b>7.28</b>	<b>3265.93</b>	<b>862.77</b>	<b>411.58</b>	<b>6.85</b>	<b>1267.51</b>	<b>1998.42</b>	<b>1182.85</b>

1)Land includes Leasehold land amounting to Rs. 458,694/- from WBEIDC The lease expires in year 2086. No bills for yearly lease payments have been received, hence the effect of adoption of IND AS -116 would be insignificant and lease has been carried on at its historical cost

2)The Aggregate Depreciation has been included under depreciation and amortisation Expense in the statement of Profit and loss.

### 37.A Fair value measurements

#### Financial instruments by category

Particulars	MAR 31 2021			31 March 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments	454.10	-	-	1,753.98	-	-
Trade receivables	-	-	1,025.36	-	-	571.23
Loans	-	-	-	-	-	-
Cash and cash equivalents	-	-	1,106.39	-	-	1,171.04
Other financial assets	-	-	496.53	-	-	430.24
<b>Total financial assets</b>	<b>454.10</b>	<b>-</b>	<b>2,628.28</b>	<b>1,753.98</b>	<b>-</b>	<b>2,172.50</b>

<b>Financial liabilities</b>						
Borrowings- Advance from Subsidiary	-	-	-	-	-	-
Trade payables	-	-	210.48	-	-	369.38
Other financial liabilities	-	-	214.26	-	-	196.07
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>424.74</b>	<b>-</b>	<b>-</b>	<b>565.45</b>

Financial assets and liabilities measured at amortised cost for which fair values are disclosed At MAR 31 2021	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Investments</b>				
Trade receivables	-	-	1,025.36	1,025.36
Loans	-	-	-	-
Cash and cash equivalents	1,106.39	-	-	1,106.39
Other financial assets	-	-	496.53	496.53
<b>Total financial assets</b>	<b>1,106.39</b>	<b>-</b>	<b>1,521.89</b>	<b>2,628.28</b>
<b>Financial liabilities</b>				
Borrowings- Advance from Subsidiary	-	-	-	-
Trade payables	-	-	210.48	210.48
Other financial liabilities	-	-	214.26	214.26
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>424.74</b>	<b>424.74</b>

### 37.A Fair value measurements

Financial assets and liabilities measured at amortised cost for which fair values are disclosed At 31st March 2020	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Investments</b>				
Trade receivables	-	-	571.23	571.23
Loans	-	-	-	-
Cash and cash equivalents	1,171.04	-	-	1,171.04
Other financial assets	-	-	430.24	430.24
<b>Total financial assets</b>	<b>1,171.04</b>	<b>-</b>	<b>1,001.46</b>	<b>2,172.50</b>
<b>Financial liabilities</b>				
Borrowings- Advance from Subsidiary	-	-	-	-
Trade payables	-	-	369.38	369.38
Other financial liabilities	-	-	196.07	196.07
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>565.45</b>	<b>565.45</b>

**Level 1:** Level 1 hierarchy includes financial instruments basically here includes cash and bank balances which are at carrying value which approximates to its fair value.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is generally the case for unlisted equity securities.

#### (ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of Net assets value/ realisable value in case of investment in mutual fund
- Other financial instruments have been carried at their carrying value which approximates to its fair value

### 37.A Fair value measurements

#### (iii) Fair value of financial assets and liabilities measured at amortised cost

	MAR 31 2021		31 March 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Trade receivables	1,025.36	1,025.36	571.23	571.23
Loans	-	-	-	-
Cash and cash equivalents	1,106.39	1,106.39	1,171.04	1,171.04
Other financial assets	496.53	496.53	430.24	430.24
<b>Total financial assets</b>	<b>2,628.28</b>	<b>2,628.28</b>	<b>2,172.50</b>	<b>2,172.50</b>
<b>Financial liabilities</b>				
Borrowings- Advance from Subsidiary	-	-	-	-
Trade payables	210.48	210.48	369.38	369.38
Other financial liabilities	214.26	214.26	196.07	196.07
<b>Total financial liabilities</b>	<b>424.74</b>	<b>424.74</b>	<b>565.45</b>	<b>565.45</b>

The carrying amounts of trade receivables, loans, cash and cash equivalents, other bank balances, other financial assets, security deposits, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

### Annexure to Note no. 22 - Revenue from Operations (Consol)

	PERIOD ENDED MAR 31,2021	PERIOD ENDED MAR 31,2020
<b>Revenue disaggregations by nature of revenue:</b>		
Software Development services	3,346.30	5,788.33
Sale of Third party hardware	199.37	239.78
<b>TOTAL</b>	<b>3,545.67</b>	<b>6,028.11</b>

#### Revenue disaggregations by geography:

India	2,066.84	1,460.08
USA	1,652.03	4,541.69
UK	-	22.53
Japan	7.55	3.82
SGP		
<b>TOTAL</b>	<b>3,726.42</b>	<b>6,028.11</b>

#### Revenue disaggregations by Sector:

Government	2,066.84	1,460.08
Non Government	1,478.83	4,568.03
<b>TOTAL</b>	<b>3,545.67</b>	<b>6,028.11</b>

The company has one customer who represents more than 10% of its revenue in year ending FY 1920 & FY 2021 . While disclosing aggregate amount of transaction price the company has not disclose the aggregate transaction price allocated to unsatisfied or partially satisfied performance obligation which pertains to contract where revenue recognised corresponds to value transfer to customer typically involve in time & material or fixed price or event base fixed price base contracts. The contracts of the company are largely T&M based with no predetermined contact values. In some contacts it is a mixed of T&M & fixed price & as such the unsatisfied performance value can not determined with accuracy.



### 37.B. Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Management
<i>Credit risk</i>	Cash and cash equivalents, trade receivables and other financial assets measured at amortised cost.	Diversification of bank deposits and investments. Entering into transactions with customers of repute / customers having sound financial position.
<i>Liquidity risk</i>	Financial liabilities that are settled by delivering cash or another financial asset.	* Projecting cash flows on regular basis and also considering the level of investment and liquid assets to meet the liabilities.
<i>Market risk – foreign exchange</i>	Future commercial transactions and recognised financial assets & liabilities not denominated in Indian rupee (Rs.)	Integral foreign operation and incorporation of the same made in books on monthly basis
<i>Market risk – security price risk</i>	Investments in mutual funds	Portfolio diversification

#### (A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and investments, foreign exchange transactions and other financial instruments.

##### i) Trade receivables

Customer credit risk is managed by the management subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing. Outstanding customer receivables are regularly monitored.

At each reporting date the Company measures loss allowance for certain class of financial assets based on historical trend industry practice and the business environment in which the Company operates.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2021 and 31 March 2020 is the carrying amounts of trade receivables.

#### Provision for expected credit loss

In determination of the allowance for credit losses on receivables, the Company has used a practical experience by computing the expected credit losses based on ageing matrix, which has taken into account historical credit loss experience and adjusted for forward looking information.

##### ii) Financial instruments and cash deposits

Credit risk from balances with banks and investments is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

#### (B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

##### (i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

### 37.B. Financial risk management

Contractual maturities of financial liabilities 31 Mar 2021	Less than 1 year	More than 1 year	Total
<b>Non-derivatives</b>			
Short Term Advances	-	-	-
Other financial liabilities	214.26	-	214.26
Trade payables	210.48	-	210.48
<b>Total non-derivative financial liabilities</b>	<b>424.74</b>	<b>-</b>	<b>424.74</b>

Contractual maturities of financial liabilities 31 March 2020	Less than 1 year	More than 1 year	Total
<b>Non-derivatives</b>			
Short Term Advances	-	-	-
Other financial liabilities	196.07	-	196.07
Trade payables	369.38	-	369.38
<b>Total non-derivative financial liabilities</b>	<b>565.45</b>	<b>-</b>	<b>565.45</b>

#### (C) Market risk

(i) Foreign Exchange Risk :-Books of Integral foreign operations incorporated on monthly basis. Considering the materiality involved, the company do not assort to forex fluctuation mitigation techniques like hedging , forward contracts etc.

##### (ii) Price risk

###### (a) Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

PARTICULARS	2021	2021	2020	2020
1)EXPENSE RECOGNISED IN THE INCOME STATEMENT	GRATUITY	LEAVE ENCASHMENT	GRATUITY	LEAVE ENCASHMENT
Current Service Cost as on 31/03/2021	1,866,826	567,024	2,196,314	747,429
Past Service Cost	-	-	-	-
Loss / (Gain) on settlement	-	-	-	-
Net Interest Income / (cost) on the Net Defined Benefit Liability (Asset)	1,418,723	189,700	1,947,476	218,643
Actuarial (gains) / losses due to :	-	-	-	-
change in demographic assumptions	(1,429,314)	137,350	(4,608,061)	(512,427)
Change in financial assumptions	1,897,907	256,265	2,405,984	326,654
experience variance (i.e. Actual experience vs assumptions)	2,881,316	763,353	5,684,950	1,174,410
others	-	-	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-	-	-
Re-measurement (or Actuarial (gain)/loss) arising because of change in effect of asset celling	-	-	-	-
Components of defined benefit costs recognised in Other	-	-	-	-
Comprehensive Income	(867,213)	-	3,482,873	-
<b>2)Net Asset</b>				
Funded Status	-	-	-	-
Present value of Defined Benefit Obligati	15,135,446	1,889,576	21,511,007	2,876,285
Fair value of plan assets	-	-	-	-
Funded status [Surplus/(Deficit)]	(15,135,446)	(1,889,576)	(21,511,007)	(2,876,285)
Effect of balance sheet asset limit	-	-	-	-
Unrecognised Past Service Costs	-	-	-	-
Present value of Defined Benefit Obligation	-	-	-	-
Net asset/(liability) recognised in balance sheet	(15,135,446)	(1,362,444)	(21,511,007)	(2,876,285)
Net asset/(liability) recognised in balance sheet at beginning of period	(2,172,402)	(381,455)	(2,077,271)	(284,337)
Expense recognised in Income Statement	3,285,549	921,836	4,143,790	1,954,709
Expense recognised in Other Comprehensive Income	(867,213)	-	3,482,873	-
Employer contributions	8,058,641	1,515,221	11,740,339	1,955,295
Net Acquisitions / Business Combinations	-	-	-	-

PARTICULARS	2021	2021	2020	2020
Net asset/(liability) recognised in balance sheet at end of the period	(15,859,768)	(1,889,576)	(21,511,007)	(2,876,285)
3)Change in Defined Benefit Obligations (DBO)	-	-	-	-
Present Value of DBO at beginning of period	21,511,007	2,494,030	25,624,683	2,592,534
Current Service cost	1,866,826	567,024	2,196,314	747,429
Interest cost	1,418,723	189,700	1,947,476	218,643
Curtailement cost/(credit)	-	-	-	-
Settlement cost/(credit)	-	-	-	-
Employee contribution	-	-	-	-
Past Service Cost	-	-	-	-
Acquisitions	-	-	-	-
Re-measurement (or Actuarial (gains)/ losses) arising from	-	-	-	-
change in demographic assumptions	(1,429,314)	(218,594)	(4,608,061)	(512,427)
Change in financial assumptions	1,897,907	(379,647)	2,405,984	326,654
- experience variance (i.e. Actual experience vs assumptions)	2,881,316	763,353	5,684,950	1,174,410
others	-	-	-	-
Benefits paid	(8,793,897)	(1,908,545)	(11,740,339)	(1,955,295)
Present Value of DBO at the end of period	15,135,446	1,889,576	21,511,007	2,876,285
<b>4)Change in Fair Value of Assets</b>	-	-	-	-
Plan assets at beginning of period	-	-	-	-
Investment Income	-	-	-	-
Return on Plan Assets, Excluding amount recognised in Net Interest expense	-	-	-	-
Actual Company contributions	8,793,897	1,908,545	11,740,339	1,955,295
Fund Transferred	-	-	-	-
Employee contributions	-	-	-	-
Benefits paid	(8,793,897)	(1,908,545)	(11,740,339)	(1,955,295)
Plan assets at the end of period	-	-	-	-
Current Liabilty	422,513	55,204	814,885	110,616
Non current Liabilty	13,264,853	1,570,806	18,523,720	2,384,214
<b>5)Actuarial Assumptions</b>				
Financial Assumptions				
Discount Rate	7%	7%	7%	7%
Rate of increase in salaries	1%	1%	2%	2%
Demographic Assumptions				
Mortality Rate (% of IALM o6-o8)	100%	100%	100%	100%
Normal Retirement Age	65 years	65 years	65 years	65 years
Attrition Rates, based on age (% p.a.) FOR ALL AGES	1%	1%	2%	2%

Dear Shareholder,

We invite your attention to the following points and request you to take necessary action(s) as applicable to you.

In terms of Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013 issued by SEBI, henceforth payment of dividend will be made through ECS/NECS/NEFT etc. only.

- 1) Accordingly you are requested to send your correct bank account details (including MICR No., IFSC Code, Account Type etc.) to your Depository Participant before if you are holding shares in demat form.
- 2) If you are holding shares in physical form, Company will mandatorily print the bank account details of the shareholders on physical dividend warrant. In cases where either the bank details such as MICR/IFSC etc. that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank dividend warrant will be sent after printing the correct bank account details on it only. Accordingly, you are requested to send before (as per the format given below) your complete bank details along with a cancelled cheque to **C.B. Management Services (P) Ltd.**, the Registrars & Share Transfer Agents of the Company at the address **P-22, Bondel Road, Kolkata – 700 019** to enable us to credit the dividend amount directly to your Bank account.

(PLEASE USE CAPITAL LETTERS)

Folio No..... No. of shares.....

Name of the first/sole shareholder	:	
Name of the Bank	:	
Branch and Full Address	:	
Account Type (Savings/current/cash Credit)	:	
Account Number (as appearing on the cheque book)	:	
RTGS/NEFT IFSC Code	:	
Ledger Folio No.(if any, as appearing on the cheque book)	:	
9-digit Code Number of the Bank and Branch (appearing on the MICR cheque issued by the Bank)	:	

I hereby declare that the particulars furnished above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information provided as above or any error made by the Bank(s), the Company will not be held responsible. I hereby undertake to inform the Company immediately of any change in my Bank/Branch and account number.

Date...../...../21 (.....)

Signature of the First/Sole Shareholder

Place:

Encl: Copy of Bank Cheque Leaf

- 3) In respect of Non-resident shareholders, as a general rule, the dividend income on shares acquired subject to the condition that they will not carry the right of repatriation, are required to be credited to the Investor's NRO account. In other cases, (i.e., shareholders having the right of repatriation), the Indian Companies are required to remit dividend to such non-resident shareholders through the Authorized Dealers. In this view the non-resident shareholders must provide the information as mentioned below:-

(PLEASE USE CAPITAL LETTERS)

- |    |  |   |   |
|----|--|---|---|
| 1  | Name of Shareholder (s)                                | - |   |
| 2. | Folio No/DP ID / CL ID                                 | - |   |
| 3. | Number of shares                                       | - |   |
| 4. | Place/Country of permanent residence                   | - |   |
| 5. | Nationality  | - |   |
| 6. | Reserve Bank Approval No and Date for Acquiring shares | - |   |
| 7. | Beneficiary Status                                     | - | With Repatriation right/<br>With Non-Repatriation right |
| 8. | Contact No   | - |   |
| 9. | Email ID   | - |   |



- |     |   |                    |
|-----|---|--------------------|
| 10. | Name of the Bank                                  | -                  |
| 11. | Bank Account No                                   | -                  |
| 12. | Account Type                                      | - NRO / NRE / FCNR |
| 13. | Branch Name & Address                             | -                  |
| 14. | IFSC (Indian Financial System Code)               | -                  |
| 15. | 9 digit MICR (Magnetic Ink Character Recognition) | -                  |

I hereby declare that the particulars furnished above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information provided as above or any error made by the Bank(s), the Company will not be held responsible. I hereby undertake to inform the Company immediately of any change in my Bank/Branch and account number.

Date...../...../21 (.....)

Signature of the First/Sole Shareholder

Place:

Encl: Copy of Bank Cheque Leaf



RS SOFTWARE (INDIA) LIMITED  
A-2, FMC FORTUNA, 234/3A, A.J.C. BOSE ROAD,  
KOLKATA 700020, INDIA  
CIN: L72200WB1987PLC043375