Payments & Technology

The growth story of RS Software

RS Software

RS Software (India) Limited | Annual Report 2017-18

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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.

Payments and Technology

The growth story of RS Software

This annual report is structured around three principal arguments.

Large growth ahead building a secular trend
The convergence of regulations, consumer-facing technologies and the millennial generation are driving digital payments transformation, led by platforms that are building the foundation for an unprecedented global growth in digital payments. Considering that 80% + of the 3 trillion payment transactions a year still happen in cash at the consumer level, there is a digital payments opportunity for years to come

Great timing for the Company
RS Software is the right company at the right time to leverage these opportunities, having showcased its success in building UPI and BBPS platforms - world-class payment platform infrastructure in India, working with global leadership payment companies during the past 24 months, and investing significantly in innovation to strengthen its revenue growth model.

Faster payments – the global mantra
RS Software's payment platforms specialisation addresses a multi-country opportunity. An estimated 100 countries today are investing in initiatives in building digital payments infrastructure, with different countries at varying levels of maturity.

This is the growth story of RS Software:

Digital Payments

Demonstrated Success

Scalable possibilities

RS Software continues to make good strides executing its strategy of serving leaders in digital payments. It has been quite a journey and we are confident that we are on the right path to pursue the growth opportunities available in the payments space.

We have had significant achievements over the last two years including our building UPI and BBPS, the core digital payments infrastructure in India. Our leadership in building these important real-time payments systems for India is well timed to match developments in the payments industry globally. The roll-out of new real-time payments infrastructure in 2017 in other countries, most notably in the US, Australia, and the SEPA zone, has driven a marked change in attitudes in these markets. As these markets constitute the dominant part of the digital commerce world, our opportunities to serve and grow are strong.

The payments industry is transitioning from a traditional card-based approach to a new world that enables commerce to be accessed with a digital credential. We are moving from a world dominated by face-to-face transactions to online e-commerce transactions, mobile m-commerce transactions, and digital government to consumer transactions (like the Indian government's direct benefit transfer program).

In addition to this evolution in consumer payments, there is an emerging revolution in B2B payments globally. *Combined, these represent a multi-trillion dollar opportunity and provide the foundation for a new growth for RS Software.*

"There is a tide in the affairs of men,
Which taken at the flood,
leads on to fortune…"

– William Shakespeare

Payments and technology – the industry is at a point of no return

The global payments market is transforming even as you read this.

Regulators across the globe are accelerating the push for UPI like real-time payments platforms.

Emerging payment trends (Open Banking, payment apps, invisible payments and conversational commerce) are transforming realities faster than ever.

Features that deliver value are game changers. RS Software with deep knowledge in payments and mature global model, ideal to deliver value.

This transformation is affecting the operating environment across industries. A number of them are making structural shifts in their long-term digital plans.

Investments in payment technologies and services are becoming integral to success. There is a growing expectation that payment services will become invisibly embedded in the digital customer experience of tomorrow.

Empowering a company like RS Software to leverage its established and unique digital payments and infrastructure-creation capabilities.

RS Software. Creating India's digital payments backbone of tomorrow.

India has demonstrated global leadership by investing in first-of- its-kind initiatives in building a digital payments infrastructure Unified Payment Interface (UPI), followed by Bharat Bill Payment System, India's central bill payment network.

Both these platforms have taken India from the early stage to advanced infrastructure status.

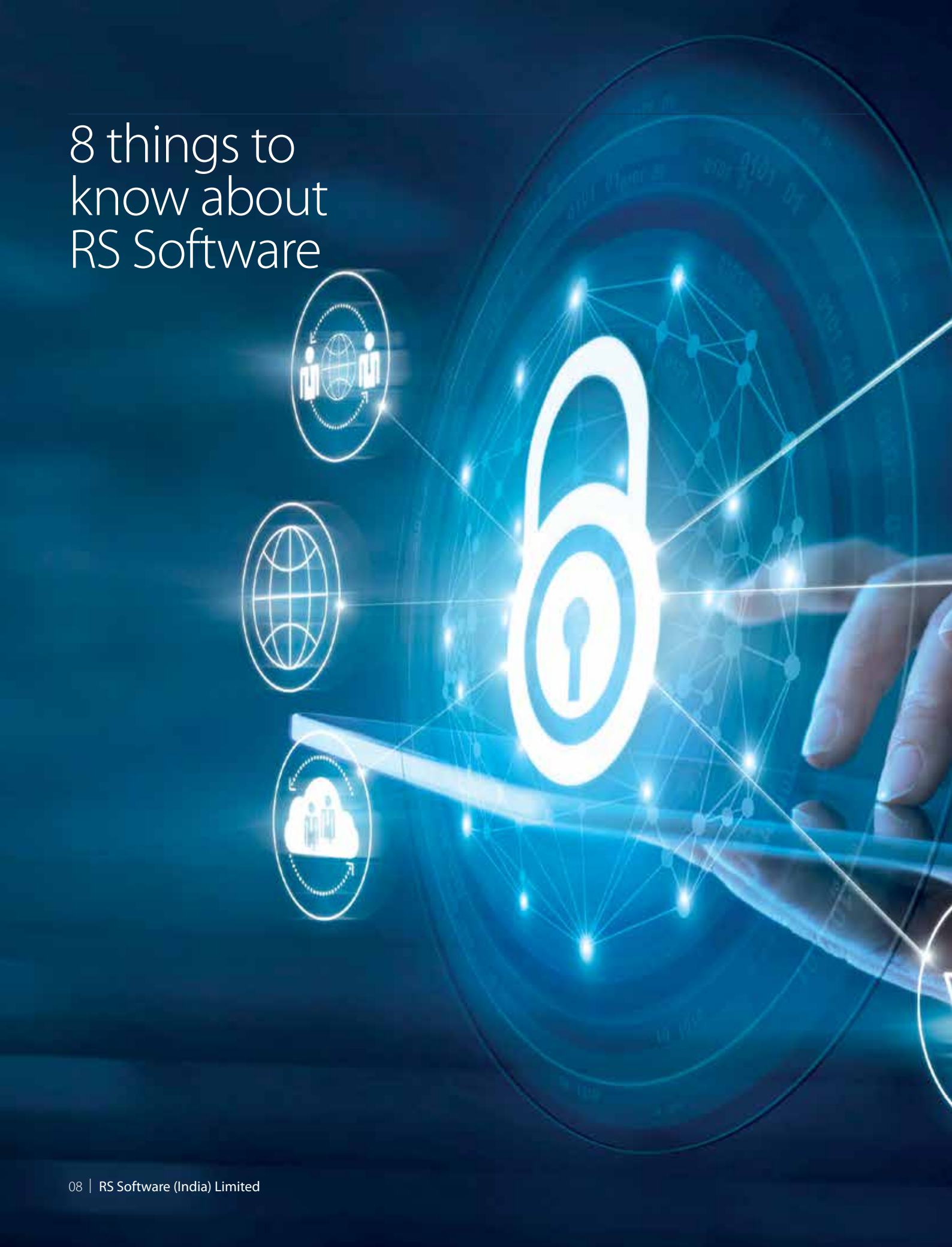
The UPI and BBPS platforms are being recognised as global benchmarks for the creation of national level digital payments infrastructure. 30+ countries interested in creating similar infrastructure.

RS Software is being respected as one of the leading players in this complex niche. The Company has been singularly focused for more than two decades in a space now acquiring global scope and scale.

The result is that RS Software is attractively placed to lead with innovation and grow its revenue base.

Making it a potential front-runner in transforming the payments world tomorrow.

8 things to know about RS Software



1 Who we are

We are a company that has had clear vision from its inception, a strategy to implement its vision, responding to the needs of its clients by investing upfront, having started working with electronic payments in 1992, and has consistently demonstrated the ability to make bold decisions with the objective of delivering the best returns to all stakeholders. Our core values are the solid rock to deal with major economic recessionary times, making us wiser by learning from adversity. *We have personified the saying "When the going gets tough, the tough get going", and post each down impact, we have emerged significantly stronger and delivered better returns for all stakeholders.* Between 2004 and 2015 the Company achieved 5X growth, and now the opportunities for growth are multiple times larger than ever before. This juncture of the life cycle of the Company, when it is reinventing itself started with the building of national digital payment infrastructure in India, paving the foundation to go after similar initiatives in 100+ countries. We are making success, albeit slowly in the last 24 months, credibly with zero debt, and are confident that 'blood and sweat' will soon translate to respect for the Company. This company is here for the long term.

2 Core values

- Make our customers more competitive
- Be responsive
- Be persuasive
- Be entrepreneurial

This is how we secure digital exchanges for billions of people and things every day and bring trust to the digital payments world.

3 Vision

Global Leader in Providing Technology Solutions to the Digital Payments Industry

4 Mission

Our mission is to help enhance the economic circumstances of individuals, communities and countries through the transformative power of digital payments.

5 Our strategy

Our strategy for growth is to leverage the revolutionary changes that are happening in the payments industry globally including India. The industry needs continual enhancement, new build and maintenance of the core infrastructure and this is where we have been executing for the last 25+ years, working with global leaders. Equally important is the new world of Digital Commerce that needs a new revolutionary payments reach to the dual constituency of the merchant and the consumer. E-commerce/M-commerce, after 20+ years of being in the evolution stage, is now ready to explode, being made possible by technology and the ease of adoption of technology by the millennial generation. At a macro level, RS Software's strategy is to offer capabilities in payment infrastructure building at a national level and helping businesses to enable digital payments globally.

This is done through: • Innovation • Re-purposing our technology • Market neutrality • Business agility

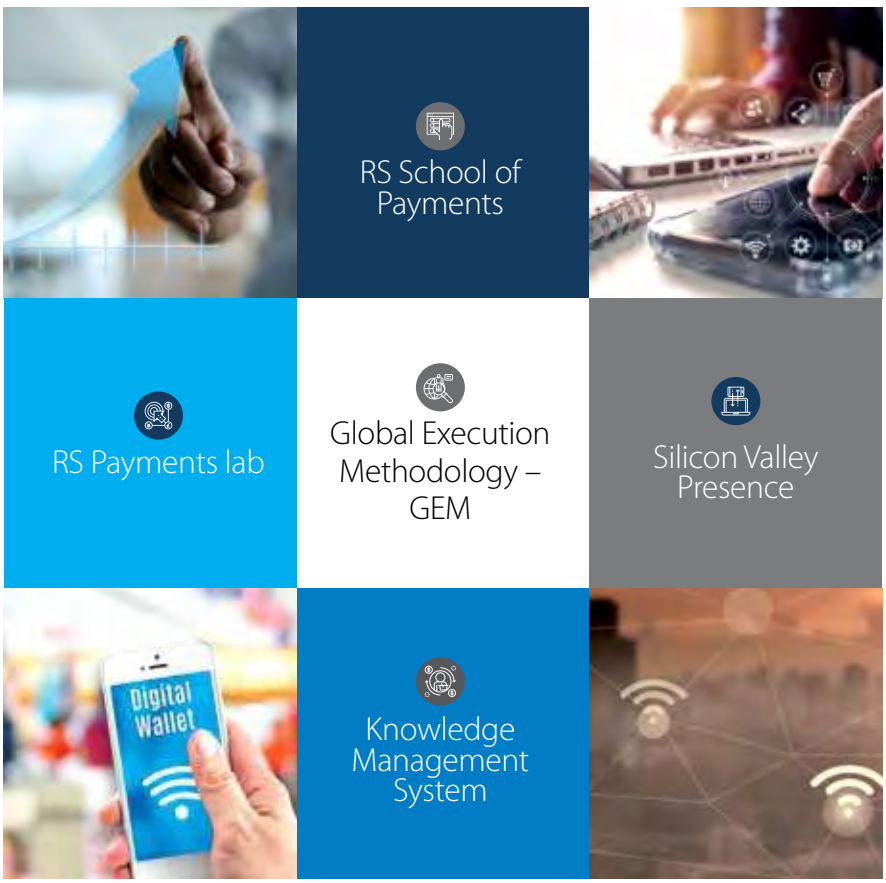
6 What we do

RS Software provides solutions to financial institutions, payment network providers, payment processors and technology companies in payment industry. We deliver value to our clients through our understanding of the payment transaction's life cycle. We apply a unique methodology GEM developed for the payments industry to create products and services that help our clients transform the industry. We constantly refine our approach to meet the dynamically changing requirements of our clients. approach to meet the dynamically changing requirements of our clients.

7 Our journey

At RS Software, we have embarked on a transformational journey that combine our core values with an emphasis on honesty, integrity, mutual respect and collective leadership. These form the guiding principles for our company and are the basis for long-lasting partnerships with some of the world's leading payment brands. This journey will require patience and faith from all our stakeholders, knowing that at the end of this period we will emerge as a significantly stronger company.

8 Five Pillars of success



At RS Software, we are devoted to earning the trust and respect of our shareholders, customers and employees.

Our 'deep moat' is clearly demonstrated through the UPI platform in India built by RS Software.

UPI and BBPS demonstrate our adaptability and flexibility in transitioning our strategy to pursue the multi-trillion US dollar opportunity for building the world' digital commerce and payment infrastructure, leveraging our technical skills for implementing leading edge technologies that enable fast, high volume payments with ultra-high availability and reliability.

In India, UPI is now executing ~ 200 million transactions per month, within only 19 months of its launch. The BBPS platform, also built by RS Software, achieved 100% growth in electronic bill payments within 10 months of its launch.

These examples provide the perfect testimony to the purpose of our company in helping enhance the economic circumstances of individuals, communities and countries through the transformative power of electronic payments. UPI and BBPS demonstrate our adaptability and flexibility in transitioning our strategy to pursue the multi-trillion US dollar opportunity for building the world's digital commerce and payment infrastructure, leveraging our technical skills for implementing leading-edge technologies that enable fast, high volume payments with ultra-high availability and reliability.

The Company in the past 24 months has transitioned significantly to build products and platforms, while continuing to execute services projects for its clients globally. During the fiscal 2017-18 the Company's business revenue achieved double digit growth @ 11% y-o-y. Later in this section, after the Company's overview there are specific case studies of the work done in the past 24 months, while implementing different specific emerging payment trends. This is the testimony to the success of our reach in the market to garner projects that help us to build and grow our revenue base, albeit slowly, but more importantly building the foundation for scalable growth as the markets mature in demanding these emerging trends, and complemented by larger reach of our business development efforts.

1. RS is continuing a strategic transition from single client to multi-client and from US centric to a global solutions provider.

2. RS is leveraging its unique experience from over 25 years in payments and high-performance transaction processing platforms.

3. RS has demonstrated its expertise in delivering one of the world's latest faster payments platforms - UPI and BBPS in India. This paves the foundation to go after similar opportunities in multiple countries

4. In addition to client and geographic expansion, RS is also building a payments acceptance platform to accelerate e-commerce in India which will provide a recurring transaction-based revenue stream opportunity.

Customer Segments:

- Banks / Financial Institutions
- Processors
- Networks / Associations / Consortia
- Digital Merchants
- Retailers
- Channel Partners

The RS brand

Disruption in payments is at an inflection point, demanding a payments infrastructure that works effectively for the physical and digital world as well as for consumer and business/government payments. Our brand is known for our ability to build these kinds of payments infrastructures.

Our unique foundation for execution against these opportunities is multi-faceted, consisting of:

- Over 25 years of deep payments industry knowledge
- Our leading technical skills and experience in building global payments infrastructure
- The RS School of Payments providing payments industry education
- The RS Payments Lab where we develop and prove proof of new concepts
- A rhythm for meeting diverse global consumers and businesses payment needs
- And our readiness to adapt, accelerate and achieve higher growth

In total returns to shareholders, payments businesses have outpaced other financial services by a huge margin over the last decade. The market is characterised by a clear relationship between value creation lever, payments segment, and operational performance.

The pace of transition and growth – Physical to Digital

The way we make payments has shifted dramatically in recent years with many new tools and technologies shaping today's market. The electronic payment industry has been in place for 50+ years and the pace of growth has been slow and steady. However, 80% of the world still pays in cash for retail payment transactions. Cash and brick-and-mortar commerce still dominate as choices for humanity. In developed world, the markets have shifted toward a heavier use of electronic payments, with card payments growing steadily over the year.

Mobile money

According to McKinsey research, most people and small businesses in emerging economies today do not fully participate in the formal financial system. Two billion individuals and 200 million small businesses in emerging economies today lack access to formal savings and credit. They transact exclusively in cash, have no safe way to save and invest their money, and must rely on informal lenders and personal networks for credit.

For providers of digital financial services, mobile money can be a gateway into huge and largely untouched markets. Digital finance has the potential to reach over 1.6 billion new retail customers in emerging economies and to increase the volume of loans extended to individuals and businesses by US$2.1 trillion.

Consumers and business alike are showing hunger for new payment options

For years, the systems for processing payments in stores and online have been controlled by big banks, credit card issuers and a few longstanding IT suppliers. Nevertheless, the investors globally are hugely rewarding new age payment providers like Worldpay and Adyen in Europe, Square and Stripe in US, and 40%+ of fin-tech investments globally are going to the payments space.

Reshaping of payments value chain creating large opportunities

Multiple forces, including technology and demographics, are dramatically reshaping the payments value chain, and opening the industry to potential disruption from fin-techs. Incumbents have a number of strong options for addressing this disruption. Those that think deeply about how the industry is evolving and take early action will fare best.

The providers of payment products in mobile money stand to gain by having access to potential new revenue streams, and to increase their balance sheets by as much as US$4.2 trillion, in aggregate.

Regulators globally are fast responding to enhance financial inclusion

The regulators across the globe are pushing to achieve financial inclusion through implementation of faster payment infrastructure. Many countries have already upgraded their payment systems to take advantage of improvements in technology, allowing payments to be sent within seconds between payers and recipients. In most countries where faster payments have been implemented, the payment industry was initially driven to implement a faster payment system as a result of a government mandate or regulation.

The Multi-Trillion US Dollar opportunity globally

Despite being heavily associated with physical plastic cards, the payment networks like Visa and MasterCard see their growth in the digital space. Each transaction that occurs online must go through some form of payment provider, with the credit or debit card being the primary method. As more and more transactions move online, cash and checks become more outmoded methods of payment, and the proportion of transactions that must go through payment providers increases. The global electronic and digital payment transactions at ~350 billion transactions / year globally are expected to more than double in the next three to five years.

On a macro level, digital payments are set to grow at a compound annual growth rate of 20% + outpacing the growth in physical transactions and decreasing their proportion in the marketplace.

To quote the Visa CFO Vasant Prabhu at a recent investor conference, "Our B2C is still a very large business with probably as big an opportunity, US$20 trillion, roughly in that range. There is another US$100 trillion of B2B payments over time for which you have to come up with a value proposition and technological solution. And we're all sort of working on it."

In Essence

I would like to reiterate that RS is taking bold, rather than timid, investment decisions in areas where opportunities to serve leaders in electronic payments can deliver market leadership. Our work in India over the last two years is an important example. For the first time, we were able to bring our years of payments expertise to bear on the Indian payments infrastructure – and we're delighted to see how these new systems have delivered significant value to India.

Our commitment to building value over the long-term may result in RS making decisions and weighing trade-offs differently than some companies. We have made tough decisions to adjust and adapt our strategy to better meet the electronic payments evolution in global markets. Digital payments are fundamental to changes we all experience every day – and our company is dedicated to playing an important role in their evolution.

We believe that a fundamental measure of our success will be the shareholder value we create over the long term. This value will be a direct result of our ability to extend and solidify our leadership as an industry leader, which has an exclusive focus on the domain of digital payments.

At RS Software we are devoted to earning the trust and respect of our shareholders, customers, and employees. It is our constant focus. I am excited and honoured to work with the great people of RS who have made our success possible – and who constantly help lead us further into the exciting future of digital payments.

Raj Jain,
Chairman

How we create value for our stakeholders

At RS Software, we create value for our clients by strengthening our moat, which helps them compete globally and leverage ever emerging growth opportunities in digital payment space. The foundation of our moat is our 25+ years of deep knowledge in the domain of payments, and this continues to reinforce itself through consistent learning principles.

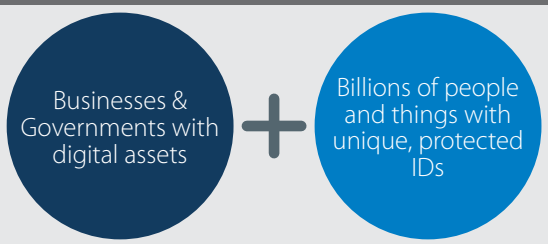
Riding a global trend

The evolution of digital payments is not only completing the vision of a cashless society, but its integration with the instruments of our daily lives will impact everyday consumers. This fusion of tools will make payments seamless, frictionless and effortless. This shift will open up opportunities to view payments as part of a bigger solution rather than a means to transact.

Payment infrastructure for emerging markets

Driven by the success of UPI and BBPS in India, which is built by RS Software, many emerging markets are accelerating their initiatives for building payment infrastructure. Emerging markets are expected to grow at a rate three times that of developed economies in terms of digital payment transaction volumes. Building Real time payments is a large opportunity for RS Software in the coming years.

RS Software enables trusted exchanges…



that provide solutions and services...

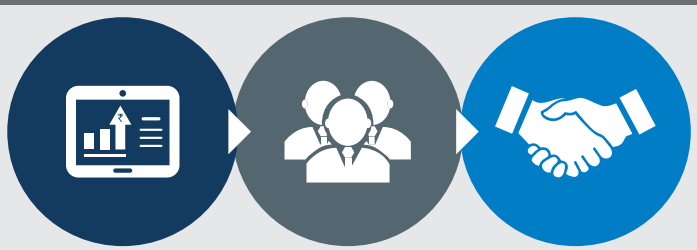
We facilitate

We combine software and integration services to issue secure digital identities of people and devices as software credentials.

We verify that people and objects have the rights to access services or network resources and granting them admission.

We secure sensitive data by encrypting it – whether at rest or in motion – so that it is unusable in the event of a breach.

...thereby enhancing trust in digital services and value for shareholders / customers.



Management Discussion and Analysis

Our markets

Several global trends pose serious challenges to established bank and non-bank payments organisations. Technology innovations (for example, digital payments and cloud-based applications) are lifting customer expectations for both convenience and security. Upgrades in infrastructures are making faster payments an increasingly common offering, while also facilitating the convergence of cards, e-wallets, and other payments types.

Attacks from fin-techs and digital-ecosystem owners are exerting additional downward pressure on pricing. Due in part to persistently low interest rates and the cap on interchange fees, challenging payments economics are thus combining with other disruptive forces to reshape the global payments industry.

Although innovation is taking place, faster payments solutions are being developed in a fragmented way without collaboration across the payment industry or broad adoption across the market as a whole.

For the longest time, the benefits of technology have been asymmetrical. The data that we create when we make online transactions, for example, are useful to individuals, companies and governments. In a way all of us get to benefit from this, bringing about major social implications. Hence, the attention of the regulators, and the recent legislation enacted in Europe, called GDPR.

RS Software has been working with data analytics in payments since year 2000, and helped build the world's leading payment network the areas of data provisioning, business intelligence, data management and analytics. The network's data platform now handles almost a billion transactions per day with 4000 ETL jobs, 8000 Hadoop jobs and 500 SAS jobs running on a daily basis. The storage volume is in 3 petabytes, spread over 800+ servers. It supports around 300 database schemas, 700k daily API requests, 44k queries and 2mn business rules.

This capability enables the RS team to leverage significantly the opportunities in data lead intelligence both in the offline and online payment spaces. As consumers and businesses shift to electronic payment methods, technological improvements are providing new opportunities for payment providers to implement faster and more user-friendly payment capabilities. For example:

- Mobile device applications have opened up a variety of channels to interact with financial institutions and other payment providers, from managing personal finances to integrating payments seamlessly into transactions.
- APIs (application programming interfaces) are being used more frequently to connect software and web applications from multiple providers. This can allow innovative products to be easily integrated into new payment services for consumers and businesses. UPI platform in India built by RS Software is a great example of success in a country with 1+ billion population.
- In the movement towards Internet of Things, smart devices—from wristwatches to cars to refrigerators—will have the ability to initiate transactions and make payments.
- Digital currencies have the potential to change the payments landscape, particularly if adopted by one or more major central banks.
- Distributed ledger technology (e.g., blockchain) can potentially allow transactions to be verified and recorded across a distributed network of computers. This might change the roles of traditional players in payment clearing and settlement processes—for example, by eliminating the need for some types of centralised transaction bookkeeping.

Faster payments have perfect synergies with these technological advances. For example, as mobile phones and other smart devices become widely used for a variety of banking and retail applications, faster payments may become more valuable to end users who wish to quickly complete transactions and manage account balances in real time using their smart devices.

Secular growth trend in payments

80% + of the 3 trillion payment transactions annually still happens in cash at the consumer level, creating a large growth opportunity.

Digital payments expected to hit 726 billion by 2020 — but cash isn't going anywhere yet.

- Digital payments are expected to reach a record 726 billion by 2020, according to a study by Capgemini and BNP Paribas
- Non-cash transactions between 2014 and 2015 rose 11.2%, the highest growth in the past decade
- Cash still remains the mainstream means of payment
- Cheques look to be on the way out, down 13.4% in 2015 and continuing to go down as choice of payment instrument

> "There are specific situations where one or more of the attributes of cash — speed of exchange, universal acceptance, anonymity, absence of record and free of charge — are not yet matched by digital payments."
>
> - Christophe Vergne, cards and payment practice leader at Capgemini

The global payments industry continues to undergo dynamic change. Technology and innovation are shifting consumer habits and driving growth opportunities in e-commerce, mobile payments, block chain technology, and digital currencies.

RS Software complemented by its RS Payments Lab, and RS School of Payments is focused on building revenue model from these opportunities, and accordingly investing in re-engineering its sales engine dynamically to respond to its clients.

Steady increase in non-cash transactions is being driven further by innovative payment platforms

Cash and non-cash transaction share and development

	Share (%)	Growth (%)
Mature markets	70	+6.8
Emerging markets	30	+21.6

[Source: World Payments Report'2017 by Capegemini and BNP Paribas Bank]

India's landmark Payment system

Unified Payment Interface (UPI)

The Unified Payments Interface has closed in on the 200 million monthly transactions mark, hitting 190 million in April 2018, a nearly 7% jump from 178 million transactions in March. The value of transactions increased to ₹27,021 crore from ₹24,172 crore during this period, as per data shared by the National Payments Corporation of India (NPCI). UPI, which was launched in August 2016, had closed 2017-18 with nearly one-billion transactions of ₹1 lac crore in value. UPI has seen a spike in transactions in the past few months, as smartphone-based payment applications such as Paytm, Flipkart, PhonePe, Google Tez and WhatsApp have adopted this payment channel.

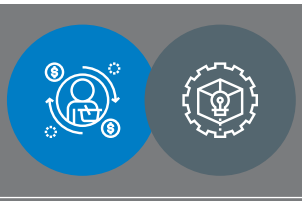
Additionally, UPI has now ushered in exciting possibilities – such as fund transfer through WhatsApp or purchasing flight tickets via Google's Tez without having to leave Gmail. Google and WhatsApp's venture to integrate UPI into its platform and the first launch in India indicates the importance attached to the market and the potential for growth it offers to the global organisations – with more than half the population yet to get online and cash transactions accounting for over 90% of payments.

According to Credit Suisse's estimates, digital payments could be a US$1-trillion market in just five years, from sub-$200 billion now.

WhatsApp already has an enticing base of 250 million and post-launch Tez's number of digital transactions processed has exceeded that of Axis bank, in merely six months. The latter is the fourth highest among banks.

Unlike China, India's UPI allows mobile payments to be built on public infrastructure and along with Aadhaar , open architecture and inter-operable payment systems evolving at a fast pace.

[Source: The Economic Times]



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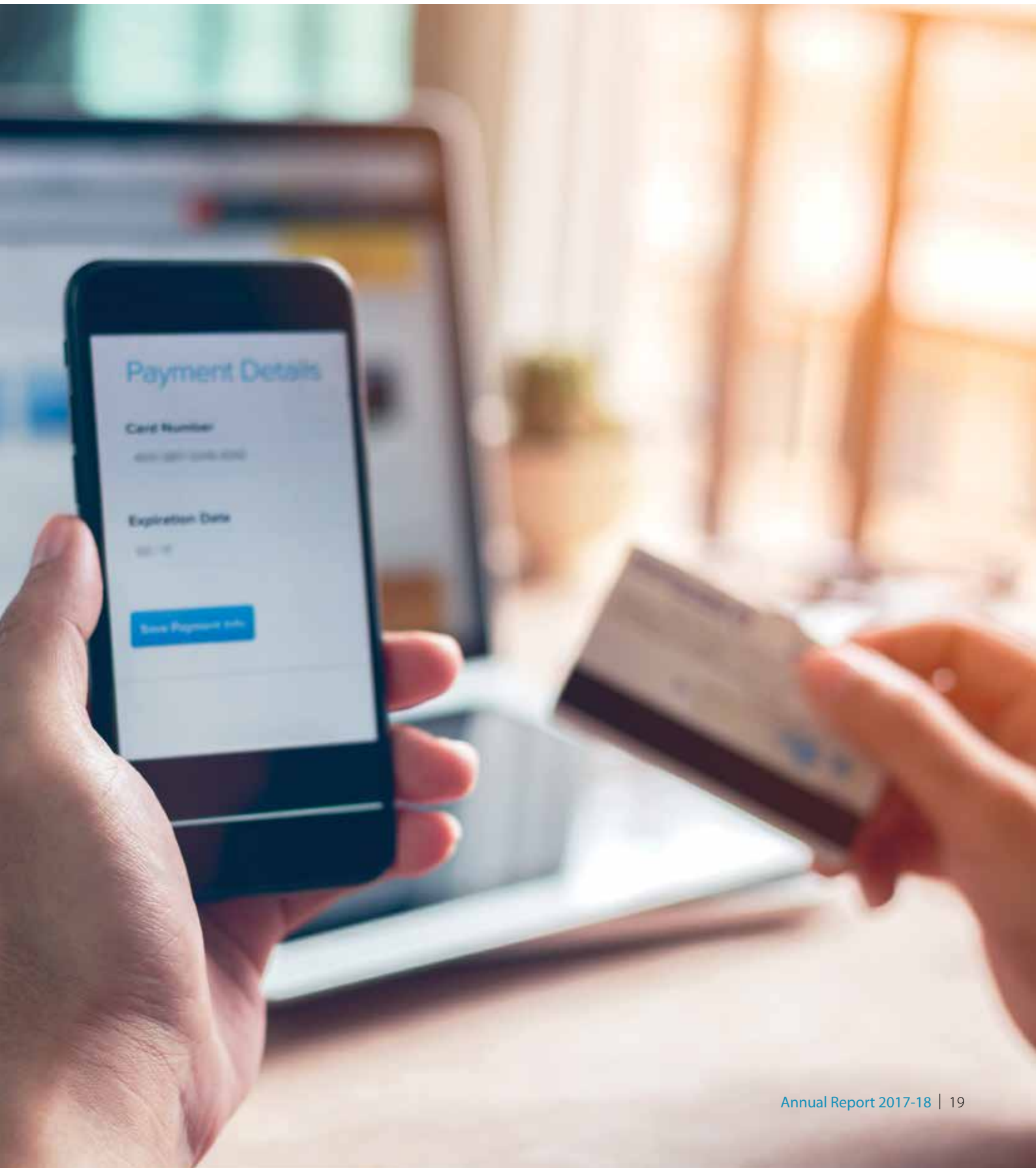

Payment Details
Card Number
Expiration Date

"The size of digital payments industry in India will be US$500 billion by 2020 – contributing 15% to India's GDP."

Dr. N. Rajendran, *Chief Technology Officer, NPCI Aayog*

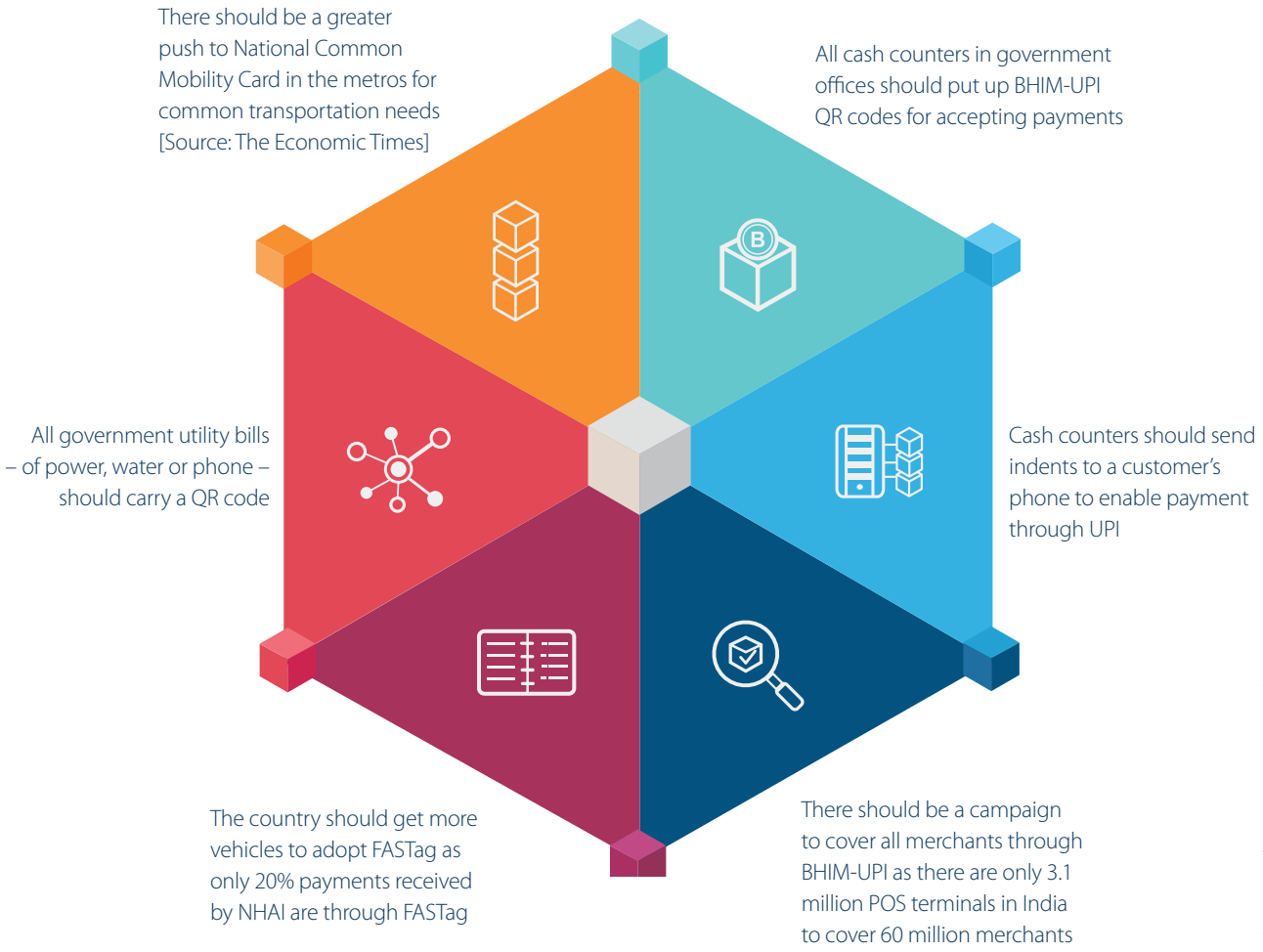
According to the report by Google – Boston Consulting Group, the size of digital payments industry in India will be US$500 billion by 2020 – contributing 15% to India's GDP. Also, non-cash contribution in the consumer payments segment could double to 40% by that time.

[Source: dqindia]

Perspective

The Indian government's six-point formula to boost digital payments

Ajay Prakash Sawhney, *Secretary, Ministry of Electronics and Information Technology (MeitY)*



[Source: The Economic Times]

"We hope to cross the 100-million user mark on UPI over the next 2 years"

Dilip Asbe, *MD and CEO, National Payments Corporation of India*

BharatQR is a P2M (Person to Merchant) Mobile payment solution, co-created by NPCI, Visa and MasterCard payment networks. Once the BQR codes are deployed on Merchant locations, user can pay the utility bills using BQR enabled mobile banking apps without sharing any user credentials to the merchant. It is a quick method of payment.

This payment solution works as an alternate channel of payment, where card-holder has to download his/her bank's Bharat QR enabled mobile banking app. User has to scan the Bharat QR code at Merchant store and select card to make payment. Once the payment is successful, both card-holder and merchant receive notification in mobile application for successful transaction.

UPI has shown some phenomenal growth in the past one year. What is next for NPCI?

The foundation of peer-to-peer payments in UPI has helped, but now the effort will be to expand in the person-to-merchant space. We hope to cross 100 million users on UPI over the next two years. Online merchant payment is relatively easier as we have electronically shareable QR code, intent function, etc. The challenge is to change consumer behaviour towards QR codes for offline payments. China has seen huge success on QR-based payments where scanning is almost like clicking pictures and it is only a matter of time before QR becomes the most preferred option for low value transactions.

BharatQR was billed to be the next big thing in offline payments after cards. But why do we not see a big scale roll-out of BharatQR even after so many months of its launch?

It is still early days for QR-based payments. BharatQR is a success story where all the card networks have created a common inter-operable QR code which also has BHIM QR embedded. Though it is asset-light, it will still cost ₹300 to 400 to initially acquire a merchant. Further, to keep the merchant active on a half yearly or an annual basis, it will require another similar amount. Overall, you might have to spend about ₹1,500 on a merchant to keep him digitally active. There are around 30 million merchants that need to be covered with QR codes, which would mean a good deal of investments.

What about increasing the capacity at NPCI with volumes rising substantially?

We have adequate capacity and with the volumes growing, we will look to add more and more capacity. With the current capacity, we can go up to 3X of the volumes on some of the systems such as BHIM UPI. In terms of capacity, we are expanding hardware as well as people; IT and security systems need to support that hardware. However, we also need banks to upgrade their systems for BHIM UPI too since all the transactions are also processed by the banks.

Has UPI gained traction with merchants?

About 15-20% of the daily volume in UPI is coming from the merchant side. IRCTC (Indian Railway Catering and Tourism Corporation), Redbus, Flipkart and Paytm are among the ones who accept the UPI. We are trying to talk to merchants to get more and more UPI acceptance. We have to still cover top 300 merchants on the UPI to offer UPI payments, which I expect we will be able in the next two to three months.

What has been the progress with smaller merchants?

There are a couple of aggregators, who are doing it for small merchants. In fact, banks are also on-boarding them. Benow and Razorpay are also working with the NPCI and banks to acquire merchants.

[Source: Economic Times and Financial Express]

"The seamlessly integrated UPI and BBPS would be a game changer for the country"

Dr. RB Barman, *Chairman, National Statistical Commission (NSC) & Advisor, NPCI*

"If you are in a position to digitise, you encourage GDP growth by at least 1%"

Dr. RB Barman, *Chairman,*
National Statistical Commission (NSC) & Advisor, NPCI

Do you think India is at an inflection point when it comes to the digital payments industry?

If you are in a position to digitise, you encourage GDP growth by at least 1%. Even a 1% GDP increase translates into a huge employment potential, improving the kind of the employment opportunities while also giving a push to economic digitisation. Through digitisation you also plug leakages in the tax system such as people evading tax payment. You are thus in a position to get much better compliance to the extent that the government earns more returns and revenue, which can then be used for infrastructure development and further improve the growth of the economy.

The Indian payment system has matured in terms of the variety of products available for all kinds of digital payments. Even when digital transactions are gaining momentum, currency in circulation has also been increasing after a brief decline due to demonetisation. We have huge last mile problems on acceptance of digital payments by small traders and large section of customers.

Why do you think UPI and BBPS represent national game changers?

Both the products are imaginatively developed, their seamless integration both at front end and back end make them unique, ready for widespread use for all kinds of payments. Their proliferation would be a game changer for the country.

How can SMEs make use of payment apps like BHIM & UPI for their growth?

In today's world, if you have a credit card or debit card, most of the small merchants will not accept it because for them the 1% transaction cost is a big margin. Now, through BHIM (which is likely to be free and has a slew of benefits) we can reach out to these smaller guys. Suppose you get money in cash, there is an opportunity cost because cash handling has its own cost. But if the money goes to the bank account where interest is given on a daily basis, the merchant earns some interest for the money that goes into his account. This is exactly what needs to be communicated to small merchants.

What are three ways in which these platforms would be able to transform the country?

Contributing to efficiency in payments, increasing volume of business and reducing risks in financing business would be transformational for India. The interoperability across platforms makes them unique.

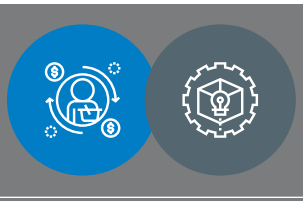
How are these platforms sending out a global message that in this respect India has arrived?

A large number of countries approached National Payments Corporation of India (NPCI) for helping them to develop their payment systems using these technologies

What is the India of the future likely to be in the area of digital payments?

It will be a less cash economy with greater acceptance of digital payments. However, getting vegetable vendors and small traders accept digital payment would be a major challenge.

[Source: Kredx]



Even when digital transactions are gaining momentum, currency in circulation has also been increasing after a brief decline due to demonetisation.

BBPS

The Bharat Bill Payment System (BBPS) is an integrated and inter-operable payment platform developed by the National Payments Corporation of India (NPCI) to ensure the safety and ease of bill payment across geographies. The introduction of BBPS is a huge step towards a cash-less society, allowing one to pay bills through networks of agents or online, along with multiple payment modes and instant payment confirmation.

An insight

36.1+ lac
PNG connections

6.3+ crore
Active DTH connections

120+crore
Mobile connections (postpaid and prepaid)

32.4+ crore
Active broadband subscribers

18+ crore
Bills per month is generated by the power sector, with only 10% of the total payments is received through the digital channel

Ever since the pilot launch in April 2016, the Bharat Bill Payment System nearly doubled the number of bills paid from 10 million to 19 million in December 2017. And the value of bills paid increase by 46%, from ₹1,843 crore in April to ₹2690 in December. The overall bill payments market is further expected to grow from ₹5.8 lac crore in 2016 to ₹9.4 lac crore by 2020. The share of transactions in terms of volumes for telecom postpaid bills stands at 46.8%, followed by DTH (direct-to-home) at 32% and electricity at 19.4%. In terms of the value of bills paid, electricity was ahead of all other sectors, at 54.7%. At present, more than 40% of all UPI transactions are happening through BHIM. *[Source: The Economic Times]*

Emerging Technologies and Real-Time Payments

"You can always go faster than you think you can."

Meg Whitman, *ex-CEO of Hewlett-Packard*

- The global payments industry continues to deliver healthy growth, with underlying fundamentals such as transaction volumes and account balances demonstrating even greater strength. This rosy scenario also lays the groundwork for significant disruption likely to alter the dynamics between financial institutions and fin-techs.
- In 2016, the global payments industry accounted for 34% of overall banking revenues—up from 27% just five years earlier. For the next five years, annual growth will average 7%, making payments a US$2-trillion-dollar-industry by 2020, according to McKinsey's latest Global Payments Map data. As always, the dynamics underpinning performance in various countries vary; revenue drivers in China are starkly different than those in the United States, for instance.
- With the upending business paradigms and the rise in digital payments, the industry is witnessing some dramatic changes, accelerated by the already transforming face of commerce. Owing to an approximate annual expenditure of US$5 trillion in payment volume each year, with 15000 issuers, 40+ million merchant locations, and 3.2 billion cards in market, both existing and new players are now hastening to create new payment models. [Source: Innovations for a cashless world – VISA]

RS Software's long term strategy has influenced investment decisions in its payments innovation lab, particularly during the last 24 months and revenue gain will be the benefit in years to come.

The Application of New Technologies in Payments

Distributed Ledger Technology

Distributed Ledger Technology (DLT), or blockchain technology, will have a beneficial impact on each of the four parts comprising the global payments structure: relationship investment, funds transfer, funds delivery, and proof of payment.

Cryptocurrency

A cryptocurrency-based global payment solution would thus work very differently from credit cards and other online transfers. Instead of the payment being authorised by the owner and then taken from the account by the recipient, the owner transfers the coins directly to the recipient – a "push" model, rather than an "authorise and pull" model.

Internet of Things (IoT)

The Internet of Things (IoT) is changing payments; that is, in the IoT, payments "disappear" behind devices or become invisible. There are a few technologies that are highly relevant to financial institutions that need to happen to make the payments piece of the puzzle come together: tokenisation, embedded commerce, and APIs.

Tokenisation

Tokenisation allows the credit card number be replaced with a limited use token to be used for authorisation for payments. Limited use token can only be used by a specific device for a specific task to secure the execution and private information.

Embedded commerce

Devices require embedded applications to enable payments.

APIs

Application Programming Interfaces (APIs) are required to communicate the request from the device for a service, and, more importantly, to receive the payment.

Artificial Intelligence (AI)

Online payments fraud is the space for a machine learning technique that uses historical and live data to create patterns for customers' behaviour. These patterns allow the system to make accurate fraud predictions. Machine learning is now used to prevent, or at least limit, fraud attempts.

Real-Time Payments

Typical characteristics of instant payments:

- Instant and irrevocable debits and credits to customer accounts
- Service availability 24/7/365
- ISO20022 XML format used in many schemes supports additional remittance information
- Immediate confirmation to both payer and payee
- Participation in overlay or value added services.

What Are Real-Time Payments?

Real-time payments (RTP) provide consumers and businesses with the ability to conveniently send and receive immediate fund transfers directly from their accounts at FIs, anytime 24/7/365. Financial institutions can leverage a variety of features – enhanced speed, security, and messaging capabilities – to create unique offerings for their retail and corporate customers. RTP also provides a backbone on which new business models can be redefined.

Characteristics of RTP

24/7/365: The RTP system operates on a 24/7/365 model, which means the system will be available for customers to send or receive payments at any time.

Immediate availability: Recipients receive the payment within seconds of the sender initiating the transaction; the FI is required to make funds available immediately, except where necessary for risk management or legal compliance purposes.

Payment certainty: Senders will not be able to revoke or recall a payment once it has been authorised and submitted to the RTP system.

Ubiquity: The RTP system is accessible by all financial institutions, regardless of size or charter type, and will reach the vast majority of US account holders.

Extensibility: Rich, flexible messaging functionality will be included to support value-added products.

RTP use cases

Business-to-Business (B2B) payments

- A small business paying an invoice in order to get a deep discount by the buyer.
- A restaurant making payments to a supplier after finding a good deal.

Business-to-Consumer (B2C) payments

- A retail bank distributing personal loan proceeds to a dealership on behalf of a customer who is at the showroom buying a new car.
- An insurance company adjuster reviewing a claim, determining a settlement amount, and immediately providing funds to the policyholder who may be at the hospital waiting for the surgery.

Person-to-Person (P2P)

- Friends splitting monthly rent and utility payments.
- A father or mother sending emergency funds to the son or daughter to pay the school fees.

The RTP Ecosystem

There are primarily three players in the RTP Ecosystem:

Financial Institutions: Financial Institutions of all sizes will have the ability to directly connect to the RTP core infrastructure to provide real-time payments capability and value-added services to their customers and clients. FIs may also connect through third-party service providers.

Clearing houses: The clearing house hosts the RTP core infrastructure for the US that provides:

- **Payment processing and settlement services:** The RTP system will clear and settle payments and transmit value-added, payment-related messages to and from FIs.
- **Anti-fraud:** The RTP system centrally monitors network-level fraudulent activity and provides fraud alerts to FIs. This capability augments and supports the FIs own automated real-time fraud detection capabilities with respect to transactions they send to and receive from the RTP system.

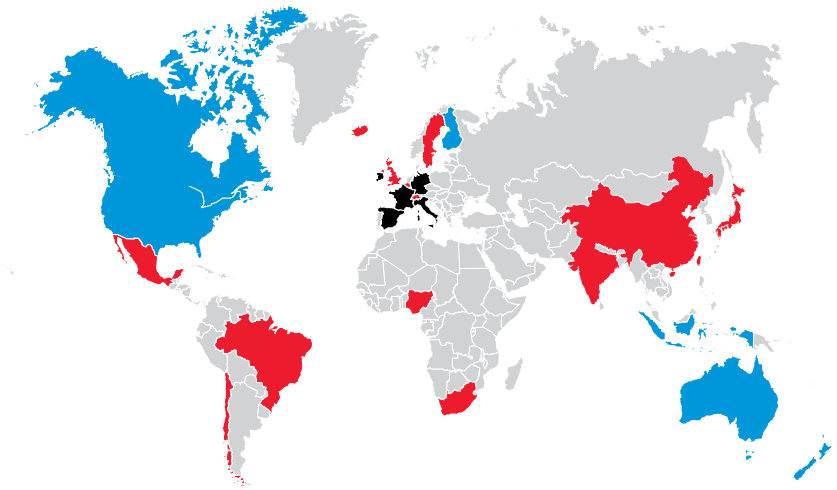
Third-party service providers: Third-party service providers will provide connectivity to RTP, providing access to FIs that may not want to connect directly to the RTP system. They integrate RTP into their existing and new payments products for the benefit of these FIs' account holders.

Global adoption of RTP

As of September 2016, there were 18 countries 'live' with RTP systems – 12 countries that are 'exploring/planning/

building,' and an additional block of 17 countries that are 'exploring' through a pan-Eurozone initiative. Several of these countries are considering how best to implement real-time payments but have yet to publish the way forward. At least 12 countries have implemented 24/7 retail RTP systems supporting immediate low-value account-to-account transfers, and work is well underway in Australia, Europe and the United States.

The European Retail Payments Board has agreed on the need for at least one pan-European instant payment solution. In the United States, the Federal Reserve Board has called for the implementation of a safe, ubiquitous, faster payments capability and the Clearing House has announced that it will create a national RTP system. The diagram below illustrates the global span of 24/7 retail RTP systems to date. There is a clear trend towards more countries either having the ability to conduct faster payment transactions or starting the process of developing a system that allows them to do so.



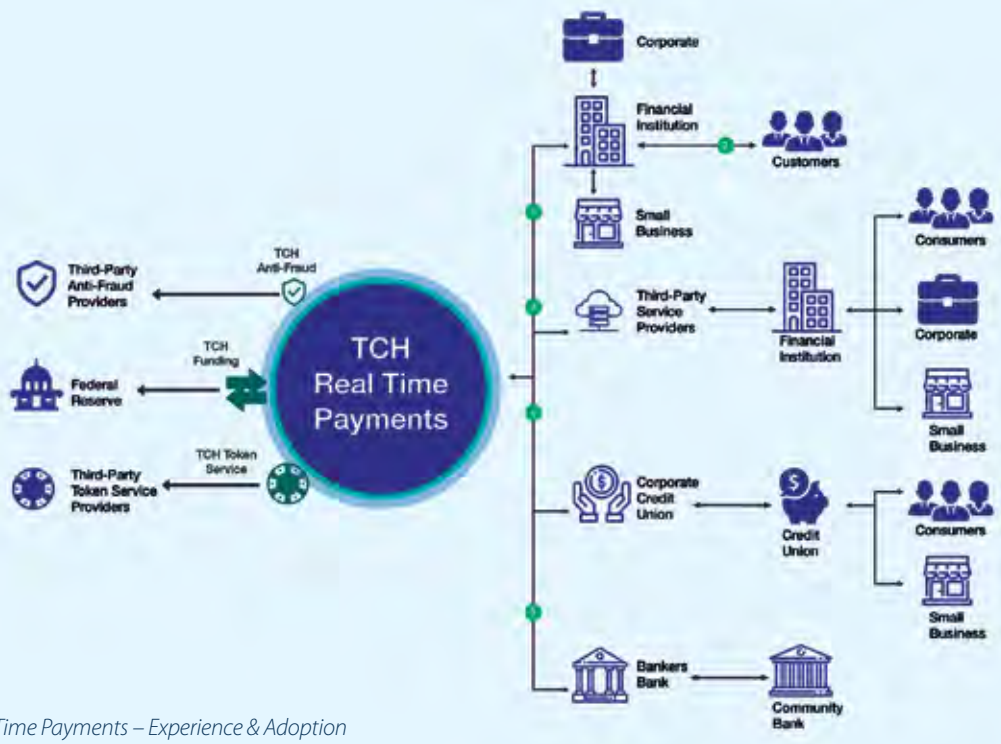
18 countries - live

12 countries - exploring / planning / building

17 additional eurozone countries - exploring

Note: *most, but not all of the live RT-RPS systems are 24/7/365*

Source: Real-Time Payments – Experience & Adoption



Source: Real-Time Payments – Experience & Adoption

The Company's Review

"During the past 24 months we have made large success in transitioning our strategy, and that too without adding any debt or raising any additional equity. We have made substantial investments in our payments innovation lab, creating significant digital assets that strengthen our capabilities and reinforce the MOAT of the Company, giving us a solid revenue growth model to leverage the huge opportunities ahead. The large part of our cash reserves continues to be available for the growth."

Q: How has the Company performed during the year under review?

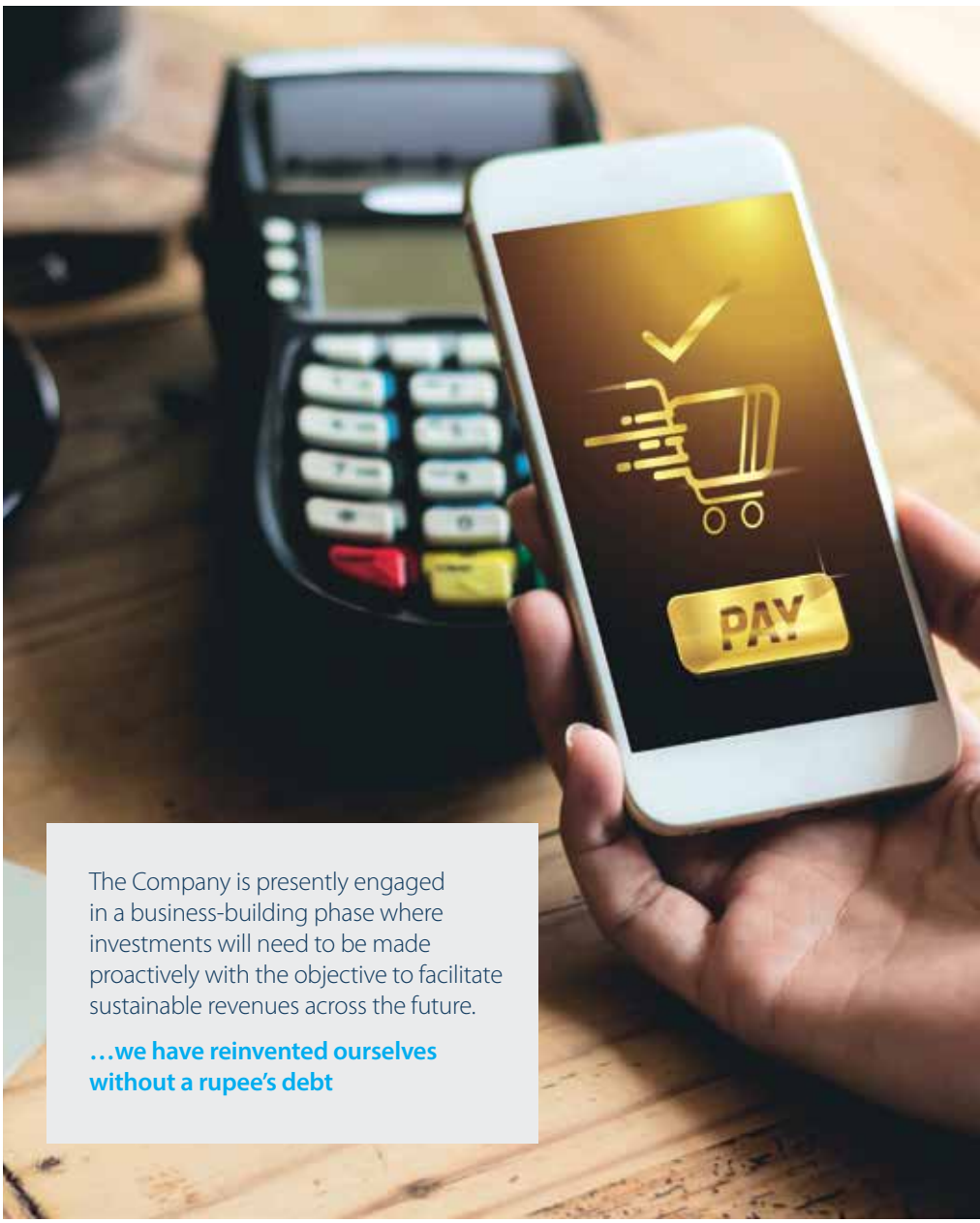
A: We are making steady progress that is leading to rock solid foundation for the future. This is reflected in the fact that the Company reported 11% increase in revenues during the year under review, which, when one accounts for the fact that the previous year contain two non-business revenue items, indicates that we grew appreciably in 2017-18. Six months in the financial year 2016-17 contained six months of revenue from our largest erstwhile customer, while during the last year, we had been able to rationalise this revenue proportion down to zero, representing a complete de-risking. Besides, the Company's quarter-wise revenues returned to growth: revenues in the last quarter of the last financial year were 8% higher than the immediately previous quarter, validating revenue visibility.

Q: What were some of the highlights of the Company's working in 2017-18?

A: This has been a good year for us.

1) We completed several projects for our global clientele that has resulted in us building payment applications that represent the latest developments in the growth opportunities, thus deepening our knowledge and creating collaterals for new customer acquisitions.

2) The UPI platform in India, built by us has made huge success and achieved execution of 190 million transactions in a month. The BBPS platform, built by us has achieved the integration with 57+ banks and financial institutions, enabling 100% growth in online bill payments. Both platforms are



The Company is presently engaged in a business-building phase where investments will need to be made proactively with the objective to facilitate sustainable revenues across the future.

…we have reinvented ourselves without a rupee's debt

transforming India and bringing about a major improvement in national productivity. NPCI indicates that these platforms should create 100mn customers in just two years – historic and making India a case study in the global payments sector. The result is that nearly 30 countries have asked India for this technology, strengthening our case as a company that provides world-class country-transforming digital infrastructure. This success is helping the Company to create another major offering for its revenue growth, and that is to go after the large market of building in-country payment infrastructure.

3) We have embarked on major innovation initiatives in our RS Payments lab and each of the digital asset we are building is enhancing our core competencies to strengthen our revenue growth model. We are now able to launch our own payment platforms, go after new clientele globally as the case studies at the end of this section demonstrate.

Q: What is 'digital infrastructure'?

A: The words are being increasingly used not just in India but the world over. There is a growing recognition that digital transactions drive economic growth; there is a growing recognition that digital transactions enhance transaction convenience; there is a growing recognition that the smart phone represents the building block of modern-day commerce. India's position among the largest smartphone consumers in the world has been complemented by a national digital infrastructure through which transactions can be conducted and payments effected. During the last financial year, volumes have scaled and the country has seeded the ground through debit cards and within the space of a few years has already achieved global scale in volume and value. This complement of smartphones, digital infrastructure and business-driving apps will take India into the modern digital age. We see the growth in digital infrastructure and digital transactions as providing the Indian economic growth story with an additional engine, which should help in sustaining our position as the world's fastest growing major economy. Given India's position as a growth generator for the world, we see the role of India's digital infrastructure – in which we are playing a critical role – as central and decisive.

Q: How do you respond to investors' concern on the growth prospects?

A: The big picture: We have eliminated the biggest risk to our company's future by reduction of revenue from our dominant client that represented 90% of our total revenue. We have successfully replaced this loss with revenues from 25 global clients during the same period, which is good progress, albeit slow and this is causing our investor community some doubts about our future. We would like to emphasise that these new clients have comprised players from across the digital infrastructure ecosystem: payment network companies, payment aggregators, payment gateways, acquiring processors and banks. This is a validation of our comprehensive capabilities and is seeding the ground for multi-competence revenue growth across the foreseeable future. As an extension of this ability, we may add that over the last few years, we have invested extensively in the creation of digital assets or products that can be aggregated with speed to create and customise robust digital platforms. We are absolutely confident that we are building a rock solid foundation for our growth, we are demonstrating success in executing mission critical work at national level, and our investments have created a significantly better capability to leverage the huge growth opportunity. All of this is demonstrated and the world of payments is impregnated with opportunity, making it an industry where there is no point of return. We have larger part of our cash reserves to take this strategy to full implementation, and like in the last 25 years demonstrated, we will emerge with even higher returns to all our stakeholders.

Q: Why is this creditable?

A: This is creditable because the creation of a digital platform is complex and mission-critical. In this challenging space, we have created a showpiece platform for the world's seventh largest economy and its fastest-growing major economy. The general perception was that India was a copier of things that appeared in developed markets; in this instance, we have reversed the paradigm. We have conclusively demonstrated that India is a front-ranking digital infrastructure player, inspiring a number of countries to ask India for this platform technology (what we created for India).

Q: How would the Company ask shareholders to buy into the RS Software story?

A: There are a number of things that we would advocate: that they consider that we have reinvented ourselves without a rupee's debt; that we have invested in building distinctive and enduring capabilities; that no company in India possesses our technology depth; that we generated 11% revenue growth in only the second year of our reinvention; that we possess attractive revenue opportunities to grow our business in the next 36 months. Our strategy is long term for success, and not tactical approach.

Q: The big question is whether this revenue growth will return the Company to profitability.

A: The Company is presently engaged in a business-building phase where investments will need to be made proactively with the objective to facilitate sustainable revenues across the future. The business is accompanied by a reasonable gestation and I must assure stakeholders that we possess the right pace and direction.

Q: How is the Company capturing opportunities arising out of various developments in the payments industry?

A: We have successfully implemented several projects globally aligned to the emerging growth developments. Here are some case studies:

Development

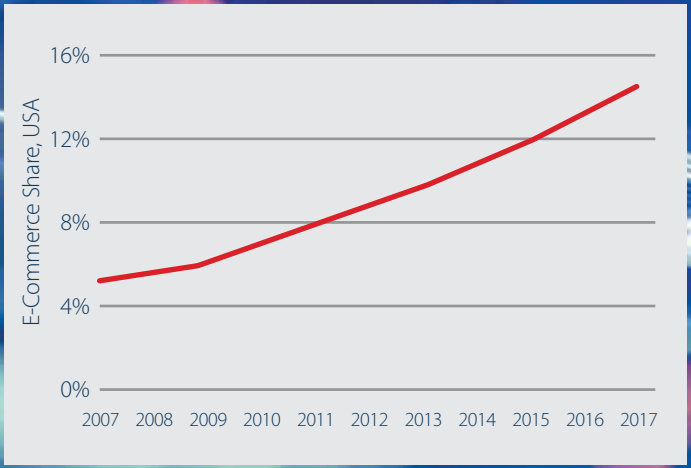
Payments modernisation garnering a quick foothold among merchants

From 52% of payments in Asia to 55% in the Americas, cards continue to dominate the payments market for retailers and merchants, across the world. And garnering a quick foothold amidst this are contact-less cards, which now account for nearly 2% of transactions in Asia and 3% in the Americas – this is a result of high-sales volume merchants embracing the quick and convenient modes of payment.

Another increasingly popular tool, the mobile NFC payments currently controls a modest position in the overall payment space accounting for roughly 1.5% of transactions. Cumulatively, new and alternative payment methods account for 10% of transactions globally and have now surpassed cash usage in the Americas (11% vs. 10%).

RS Software is helping build the next generation payment gateway processors for its US clients

Physical Retail	Long term growth decelerating
E-commerce	Evolving and Scaling



Case study

ISO and Merchant Solutions Provider

The RS Software edge comes not just from building a technology piece for our clients but from the fact that we have participated in the industry's evolution and today we are in a strong position to anticipate industry movements in the future. When a client comes to us, we don't just upgrade their technology stack but we upgrade their business!

Every business endeavor is to gain consumers, be a part of their entire journey and retain them to have them coming back for more. In the ever changing payment's industry, having captive consumers is a huge challenge. This is where we put our expertise and enable our clients to be a part of their consumer's journey at every step.

We take a consultative route to delivering our solutions, which not only meets the said needs of our clients but also exceed their expectations by delivering unsaid needs. Our solutions are deeply engaged with our client's business. This establishes our ground as a partner of choice in the acquiring landscape of today.

A recent example is of an ISO (Independent Sales Organisation) who was bogged down with legacy systems, thus hampering its ability to compete in today's market. Its current gateway processing systems were sub-standard leading to multiple interruptions in business functions. Through our consultative approach, we were able to design a solution which not only solved its problem for today, but made them future-proof. The ISO saw increase in operational efficiency and elimination of monthly expenditure on their prior systems. We delivered that a best-in-class technology makeover also enabled the client to expand into new verticals, differentiate itself in the marketplace and allow for faster addition of products and services to be delivered to the marketplace. It is now equipped with its own payment processor which gives it complete control over their consumer's journey and can offer more services to its merchants. This will enable the Company to acquire new merchants, increase the retention of existing merchants and increase their revenue.

As a company whose goal is to increase consumer convenience, we help our clients give their consumers a seamless experience across their buying journey. A few years ago, digital tools were a dream for small businesses or something that only large enterprises could afford. Today's world has a seen paradigm shift and on a daily basis every consumer deals with at least 5-10 digital tools. Daily commute to ordering groceries to paying for those – everything is through an app. We believe in taking digital tools to even the not-so-large organisations, so that even SMEs can realise their power and use it to take their businesses to new heights.

With RS Software's engagement, this merchant solutions provider now has digital tools to enable their merchants to create an enhanced consumer experience with payment functionality. We engaged with them to give a state-of-the-art payment processing system, which can accept payments easily on more channels. This enables their clients to worry less about technicalities and focus on increasing their business. We helped optimise the routing for Pinless Debit Transaction by routing them to qualified Debit Network by Acculynk instead of VisaNet, the current default network. This engagement also streamlines their merchant operations, enhancing transparency to in processes through accurate reporting.

Our client is now able to acquire and retain merchants by enabling them to deliver a new customer value proposition relevant to the emerging digital payment ecosystem and business models. This will lead to increased market share and maximized contribution margins.

Development

The evolving role of payment gateways

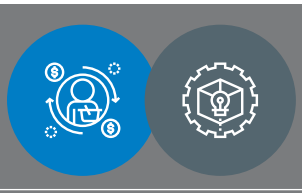
What started as a simple means to connect a merchant's website or point-of-sales software to various payments processors, payments gateways have, since their emergence in 1994, grown rapidly by adopting multiple roles. Owing to the response to build capabilities that are adept in meeting the need for global omni-channel services, payment gateways include activities such as bundled processing, fraud-and-analytic-based services, and specialist services such as cross-border payments, protection of sensitive payments details (through tokenisation, for instance), and integration into core systems like ERP platforms. They are on a healthy growth trajectory, with revenues growing at a compounded annual growth rate of 27% between 2012 and 2016, and a projected 20% increase from 2016 to 2020.

Most payment gateways focus on specific customer segments – be it large multinational companies or medium-size enterprises – seeking a one-stop-solution shop that may also include a unified means to integrate their operations across acquirers. Stripe and PayPal's Braintree provide easy-to-integrate, full-service platforms for app providers, while Adyen provides omni-channel capabilities for merchants looking to combine their brick-and-click workflows.

Large merchants with highly sophisticated needs that require omni-channel functionality and multi-acquiring capabilities process in excess of 20 million transactions per year, thus contributing more than two-thirds of the payments volumes handled by the gateways. Small merchants with fewer than one million transactions per year and seeking a one-stop-solution payments gateway are the second-largest market segment contributing nearly 17% to the payment volumes. The smallest segment – mid-tier merchants – while seeking omni-channel and multi-acquiring capabilities, contribute around 14% to the volumes.

Driven by the need to reduce costs and improve efficiencies, businesses are rapidly integrating accounts payables and receivables into their systems, thereby propelling the digitisation of commercial payments. In short, merchants are finding electronic clearance via automated clearing house (ACH) more convenient than paper checks for settling their transactions. Between 2011 and 2015, the share of domestic B2B payables settled in the US via ACH increased from 14% to 20%, while checks fell from 63% to 57%. Part of the decline in check usage can be attributed to commercial cards, which are growing at 7% per year according to McKinsey's US Payments Map.

Also, e-wallets are gaining popularity as a method of payment, for all cross-border purchases. A 2016 survey of cross-border e-commerce shoppers across 26 countries found that e-wallets (such as PayPal) were the preferred choice for 41% of the respondents, followed by 33% for credit cards and 18% for debit card/bank transfer [Source: International Post Corporation, 2017]. However, a major obstacle to cross-border transactions is the lack of interoperability of payments systems.



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The accelerating speed of transactions and rich data yield are driving companies to seek processing solutions that integrate seamlessly with the payment systems. This will allow them to capture operational improvements by reducing manual reconciliation and human intervention. And this is expected to propel cross-border commercial payments further as more countries transit to real-time payment systems.

Over the next five years, the market size of the payments gateway is expected to experience a 20% annual increase. Strong growth in digital channels is likely to fuel 60% of new purchase volumes and this likely to be the driving force behind the growing market size. Most of the growth in purchase volumes is expected to come from 'in-app' transactions – an increasingly important channel for traditional retailers—and from merchants' increasing deployment of omni-channel solutions that require the support of digital specialists. Material growth and acquisition activity are also evident in business-to-business (B2B) gateways as businesses increasingly integrate payments into their systems.

To tap into this opportunity, RS software presents its state-of-the art and future-proof solution. *Details on the next page.*

Case Study

Payabbhi

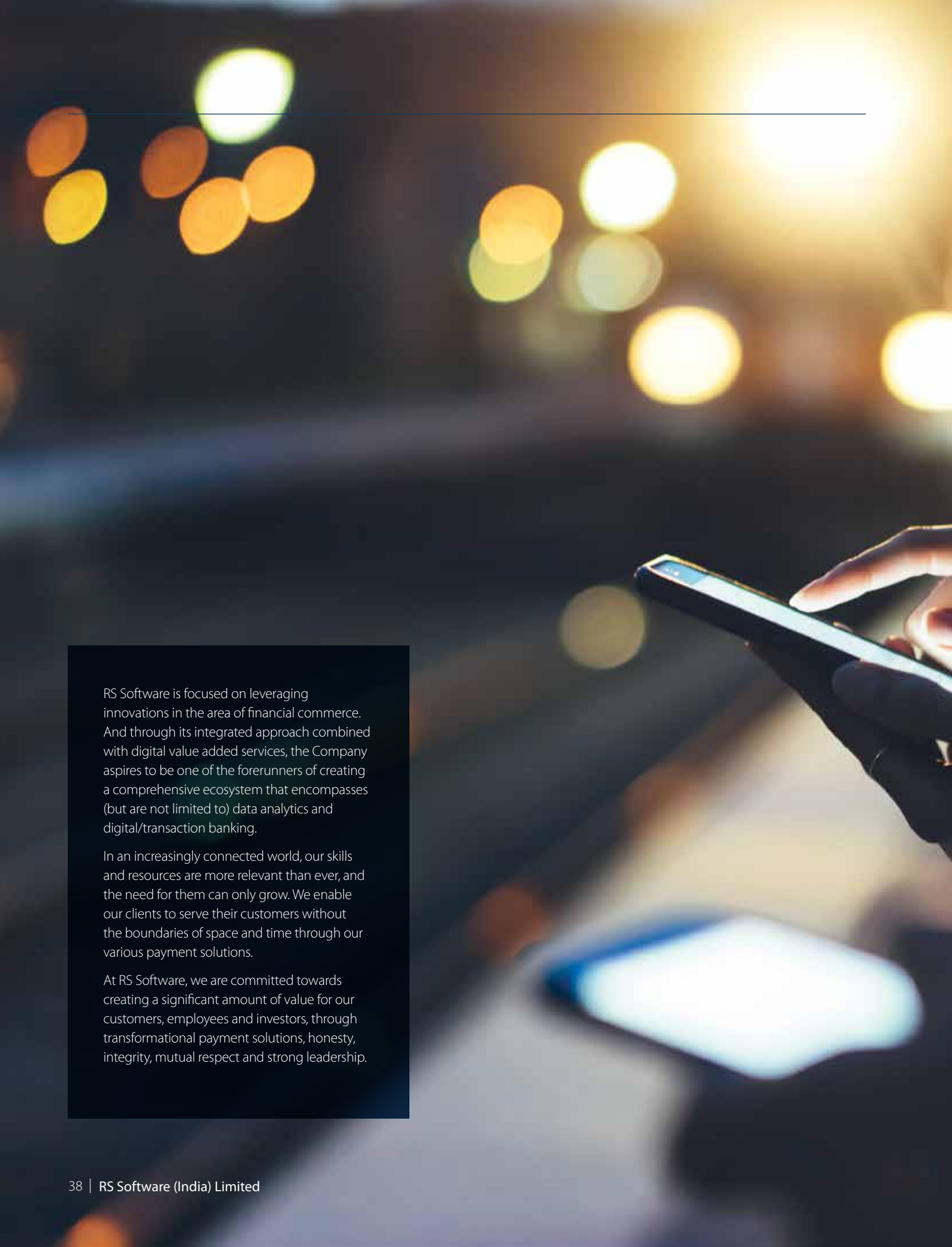
"Payabbhi as a 21st century API platform represents the future of Digital Business that can rapidly evolve to fulfill the requirements of today and tomorrow."

India is at an exciting crossroads of its journey into digital payments. While demonetisation by the Government in November 2016 made people more aware about the value of digital transactions, this has not translated to a change in behaviour as even today cash remains the preferred mode of transactions, especially in the B2C space. As per a Dalberg study commissioned by Visa, less than 6% Indian merchants accept digital payments. This in itself presents a huge market opportunity.

As per a recent estimate by Google, there are more than 51 million small and medium businesses in India who are waiting to go online, but are unable to due to the steep learning curve required on the technology front. These businesses have varied requirements – Payments, Storefront, Legal, Accounting, CRM, Logistics, Communication, Back office and others. Quite often, they are not even aware of their requirements. Existing solution providers are working in silos – offering their particular solution to their client and letting them handle the integration and handshaking required to get these various solution providers to work with each other. This takes away the time of the business owner from focusing on their core business, to solving technology teething problems.

Our vision through Payabbhi is to be the single point partner of our customers for all of their technology requirements that can enable, enhance and add value to their business. Focusing on our core value and offering of transaction processing, Payabbhi caters to any core payment related services a customer needs. This includes core payment processing, subscriptions, analytics and many more. At the same time, being an API platform, it presents infinite possibilities to be integrated with various service providers and commerce enablers to offer a single point of interface. This will allow our customers to focus on their business without any worries, and allow us to have a much deeper and stronger relationship with our customers.

As per Credit Suisse, the Indian digital payment market is expected to grow to US$ 1 trillion by 2023 from its current size of less than US$ 200 billion. RS Software has already shown its commitment to this journey through its work with NPCI in building and scaling UPI. We are convinced that Payabbhi will enable the acceleration of digital payment adaptation on this journey.



RS Software is focused on leveraging innovations in the area of financial commerce. And through its integrated approach combined with digital value added services, the Company aspires to be one of the forerunners of creating a comprehensive ecosystem that encompasses (but are not limited to) data analytics and digital/transaction banking.

In an increasingly connected world, our skills and resources are more relevant than ever, and the need for them can only grow. We enable our clients to serve their customers without the boundaries of space and time through our various payment solutions.

At RS Software, we are committed towards creating a significant amount of value for our customers, employees and investors, through transformational payment solutions, honesty, integrity, mutual respect and strong leadership.

Dispute-resolution process

Transforming the dispute-resolution process can provide banks with an opportunity to solidify bonds with their customers while driving down costs.

Card-related payment disputes between customers and merchants occur in less than 1% of transactions, but these moments can have an outsized impact on bank-customer relationships. The cornerstone of these relationships is customer trust—that their deposits are safe, that they can dispute a charge or transaction and get a quick, factual answer.

For customers, disputes can be a source of frustration and inconvenience. For banks, disputes are expensive to resolve. If banks treat disputes simply as issues to be minimised, they can miss the silver lining: the opportunity to strengthen their relationships with customers.

RS Software has built dispute resolution systems for the largest payment network globally, and for the largest acquiring processor in Europe. The area of dispute management is fraught with opportunity as the volume of digital payment transactions are increasing at a rapid pace.

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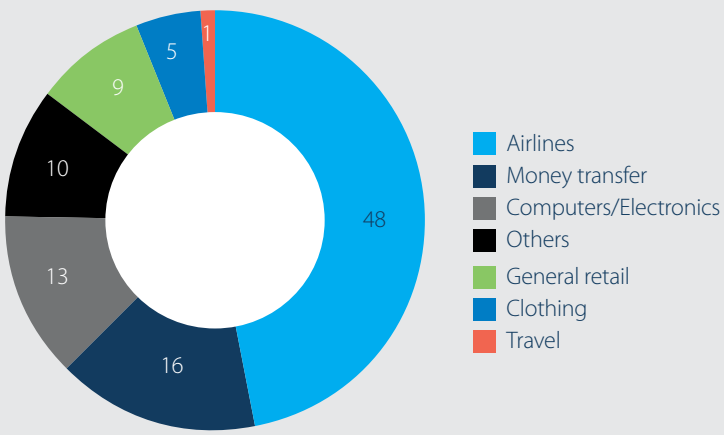
Development

Digital trust matters

"The digital revolution needs a trust revolution."
- Marc Benioff, CEO, Salesforce

Trust is the cornerstone of the global digital economy. As the value and volume spent online continues to surge, payment fraud is an escalating problem for merchants and card issuers worldwide. According to Juniper Research, card-not-present transactions account for 60% to 70% of all card fraud in many developed countries and, without appropriate preventative measures in place, can result in billions of dollars-worth of lost revenues each year.

Fraudulent online transactions by merchant sector



Keeping the above in mind and anticipating issues like fraud, stolen identities, among others, in the payments system, it is imperative for our platforms to have fraud prevention mechanisms. Ensuring trust of consumers is paramount to keep the uptake of digital payments steady. To meet this need in the market, RS software has partnered with ThreatMetrix, a global fraud prevention solutions company.

Case Study

RS – ThreatMetrix Alliance

The India market alone is estimated to see more than 20 billion online payment transactions during the next 12 months. With the increased adoption of digital payments, the risk of fraud and stolen identities could also see a significant rise, which in turn makes consumers wary of whether to continue using digital modes. RS Software, being a payments player, understands this and is committed to genuine consumers paying through digital modes securely and without fear. To solve this problem, we partnered with a global fraud and risk management solution provider – ThreatMetrix. This partnership brings world-class capabilities to secure these growing transactions in our country. The strategic value of this alliance is that RS Software possesses the know-how of the Indian market and insights from building the digital backbone of India – UPI and BBPS. The ThreatMetrix global network analyses 2 billion payment transactions, account creations and logins per month from across 185 countries. The joint solution provides a scalable, adaptive and cost-effective solution, with insights built from the Unified Payments Interface (UPI) and the Bharat Bill Payment System (BBPS), as well as from the ThreatMetrix Digital Identity Network®, which analyses transactions from 1.4 billion anonymous users worldwide.

AI/ML in Payments

Accelerated innovations in the online payments industry perpetuate sophisticated methods to steal sensitive data. Fraudsters are constantly changing their tactics to make their efforts more effective. And for online businesses, it is getting harder to determine which transaction looks good and which one should be rejected. Well-known fraud management systems based on rules require more manual reviews so the entire purchasing process could take longer. Today, while e-commerce and m-commerce are constantly growing, retailers have less time to detect fraudsters manually. Moreover, fraudsters are getting cleverer and utilising new technologies to launch complex attacks.

Meanwhile, the cost of fraud continues to rise. At the beginning of 2015, less than US$2 out of US$100 was subjected to a fraud attack, but by Q1 2016, it was US$7.3 out of every US$100. Online payments fraud is the space for a machine learning technique that uses historical and live data to create patterns for customers' behaviour. These patterns allow the system to make accurate fraud predictions. Machine learning is now used to prevent, or at least limit, fraud attempts.

Another major use case of AI in payments is Smart Wallets that are able to monitor and learn users' spending habits and needs, analyze them and based on the results, alert and coach users, when appropriate, to show restraint and to alter their personal finance spending and saving behaviour.

RS Software building in-country and global payment processing platforms

Case Study

UPI, BBPS and bids for Ireland and UK

RS has demonstrated its capability in building large-scale payment platforms at a national level through UPI and BBPS, catering to a billion-plus people. Building digital platforms like UPI and BBPS requires a unique combination of deep-domain knowledge in payment and expertise to architect a high volume, high throughput and secured payment system. RS is chosen as one of the few such unique companies globally, who can build such systems. The technology excellence of RS, married with its domain knowledge, now creates a demand for 30 other countries to implement UPI and BBPS like platforms at national level. Both UPI and BBPS are built on advanced micro-service based architecture with open source technologies that lowers the total cost of ownership in terms of build and operations. With federated and secured APIs exposed from the central processing hub, these digital platforms foster the innovation and promote financial inclusion.

RS carries its success further as it gets invited in RFI to re-architecture UK's Faster Payment System [FPS] and gets short-listed for the next stage of submitting the RFP. RS was also chosen as the only non-European company to be short-listed for mobile payment platform in Ireland, which ascertains our position as a leading payment platform provider in global arena.

During the past 12 months, the world has seen several advances in the deployment of payment capabilities accelerating the evolution of digital commerce. Each of these developments is secular in nature and reinforces the growth potential of RS Software.

RS Software's rich product basket - 24 months of continuing investments

iMAP™ - Integrated Merchant Acquiring Platform

A comprehensive digital platform for merchant acquiring and beyond. The platform enables the entire portfolio of merchant acquisition, merchant management, transaction processing and value added services like rewards and loyalty, CRM, Invoice and inventory management.

Processors will be able to embrace efficiency and accuracy with our scalable, secure, omni-channel merchant processing platform.

Functional coverage

- Merchant acquisition
- Merchant life-cycle management
- Downstream [merchant] settlement
- Transaction aggregation
- Improved security (3DS2.0 readiness)
- Insights and decision assistance

Value-added features

- Rewards and loyalty
- CRM integration – (Salesforce etc.)
- ERP / Accounting system integration
- Risk & fraud - integration with Kount, ThreatMetrix

RS BillAbhi™

RS BillAbhi™ facilitates a seamless payment of bills through diverse channels by on-boarding multiple banks, enabling millions of customers to pay their bills through agent-assisted, business correspondent (BC) outlets, bank branches or online modes. It offers a host of configurable features some of which are:

- Interfacing with Bharat Bill Payment Central Unit (NPCI), agent / agent institutions, biller / sub-billers, customer (personal / corporate) and sponsor / settlement Bank
- Admin Web interface for agent / user / role creation / modification, biller configuration, biller on-boarding, download reconciliation / settlement files and NPCI mandated MIS reports, etc.
- Support for multiple modes of payment such as cash, debit / credit cards, Internet banking, wallet, UPI, etc.
- Solution is capable of being interfaced with CBS System/ payment gateway of a bank
- Solution supports 4-way reconciliation process considering NPCI-BBPS settled transactions, BBPS OU initiated transactions, internet banking transactions and core banking transactions
- PCI-DSS / PA-DSS compliant application / platform
- Flexible biller integration framework
- Support for bill presentment and auto pay functionalities

RS Software is in business to enhance the economic circumstances of individuals, communities and countries.

BANK
CREDIT CARD
1234 0000 5678 0000

RS UPI-Pay™

The Indian payment landscape saw major changes in the last few years with the launch of the RBI-backed digital payment platform called UPI, bill payment platform BBPS and the Government's initiative on demonetisation and digital payments. UPI-based payment apps have been launched by almost all the major banks and are mostly targeting their own customers.

RS UPIPay™ is a white labeled, account-linked wallet enabled with UPI-based payment functionalities. The wallet offers all the standard functionalities of direct and collect payment, utility bill payments and e-commerce check-outs, viewing transaction histories and getting alerts and notifications.

Differentiators

- Wallet type – Account linked pass through wallet
- Payments – Push and Pull Payments, Bill payments, e-Commerce
- Tender Support - QR Code
- Multiple security mechanisms like VPA, device fingerprinting, OTP, Digital Certificates, 1 Click 2 factor Authentication, etc
- OS Support - Both Android and iOS
- Value-added services
- Dashboard [transaction history, account balance, spend patterns]
- Notification alerts [set reminders, snooze reminders and payment alerts]
- Flexible spend control
- Third party integration [plug-ins, digital marketing etc.]

RS Test2Pay™

RS Test2Pay™ is a unique solution addressing testing and certification needs for different stakeholders in the Payment Ecosystem. The solution provides a unique test platform for payment applications that can be utilised for automated execution of EMV, magstripe, NFC, Apple Pay, and other certification requirements. It is useful for pre-certification testing, thereby ensuring a smooth Network Certification experience.

The solution can:

- Be hosted as a Testing Sandbox
- Simulate different components of 3DS 2.0
- Help reduce time of certification

Benefits

Re-usability
More than 80% of test cases can be reused along with a feature to modify them at a user level

Testing Dashboard
Live reporting and KPIs on certification work enabling clients to save 10 hrs of effort per week

Maintainability
RS Test2Pay™ yielded over 30% cost savings to clients

Faster time to market
Reduces testing cycle and improves product launch time

Better test decision making
Assured 90% adherence to test plan and budget

Proven expertise with EMV
Assisted many clients in EMV certification including terminals, gateways, application enhancements, and scheme certification

The RS Analytics Suite

The RS Analytics Suite enables customers to incorporate latest developments in Data Science like in-flight fraud scoring, loan default prediction, merchant attrition estimation, social media sentiment analysis, and other activities vital to today's payments businesses.

RS IntelliEdge™

RS IntelliEdge performs risk assessment to assign a risk score to each transaction – financial or non-financial. The solution encompasses a scoring engine, rule management system, case management system, data warehouse and offline processes. It uses a combination of rule-based decisions and AI/ML analysis on data ingested from a multiple sources.

RS RetainEdge™

RS RetainEdge™ is targeted to solving the problem of customer churn and merchant attrition. The solution is designed to predict the possibility of merchant attrition and designing a data-driven retention strategy through the use of proprietary machine learning algorithms. RS RetainEdge™ analyzes a bank's previous merchant data and trains a statistical model which then works on current merchant data records to report if a merchant account is susceptible to churn based on certain parameters. RS RetainEdge™ also helps to identify additional sources of revenue by offering merchants value added services such as analytics-driven loyalty programs and targeted marketing

RS InsightEdge™

RS InsightEdge™ help companies resolve data matching issues on information acquired from various sources on merchants or customers using advanced algorithms for de-duplication and record-linking. It reflects changes in merchant addresses in real time and shares confidence level for each match found. Deployed on the merchant platform of one of the world's leading payment networks, RS InsightEdge™ has been successful in uniquely identifying merchants through a unique Address Matching technique. RS InsightEdge™ is designed and developed for easy deployment – in just a few clicks.

RS CreditEdge™

RS CreditEdge™ enables a loan applicant to check for loan eligibility online in a matter of minutes without having to submit any documents physically at the bank using proprietary machine learning algorithms. Post the sanction, RS CreditEdge™ will regularly monitor the loan account through customer profiling, to identify any risk of loan default. The footprint of the loan account holder across all platforms supported by the bank will be traced using RS InsightEdge™ and a score representing the financial well-being will be generated.

RS Software's business strengths

At the corporate level

Strong values: RS Software is a leading global technology solutions provider to the electronic payments industry built around values like honesty, integrity, mutual respect and individual leadership.

Solutions-oriented mindset: While engaging with the world's leading payment brands, the Company services the e-retail community by addressing disruptions arising out of emerging technologies.

Robust financials: RS Software is a zero-debt company with considerable net cash on the Balance Sheet.

At the resource level

Intellectual resources: RS Software combines youth with experience, ensuring average senior management tenure of more than ten years even as its average employee age is not more than 36 years.

Talent proficiency: The Company comprises over 37% of its workforce with post-graduate degrees and rich industry know-how, one of the largest such global repositories.

At the market level

Sectoral expertise: RS Software strategically assesses where the payments revolution is headed, leveraging its experience and competence to provide value-added products and services.

Market understanding: RS Software possesses a deep understanding of the global payments landscape, leveraging its exposure to this evolution across more than 20 years.

Expertise: RS Software helps clients address challenges emerging from a convergence of payment types, proliferation in mobile devices, the advent of Cloud computing and changes consumer in responsiveness.

Market awareness: The Company is continuously abreast of global marketplace changes translating into capability enhancement at its dedicated training center – RS School of Payments.

At the process level

Quality-conscious methodology: The Company maintains the highest standards of compliance, security and quality with corresponding certifications (ISO 9001:2015, and ISO 27001:2013).

Technological backbone: RS Software complies with ISO27001:2013 norms, marked by round-the-clock availability and 99.99% uptime.

Operational Highlights, FY2017-18

The learning asset

Growing the intellectual capital

As a corporate focused on the payments industry for over two decades, RS Software has made a name for itself across the payments value chain. Keeping immediate and long-term business objectives in mind, the Company has focused on building expertise, products and solutions in the acquisition side of the payments ecosystem.

Over the years, RS Software has strengthened its domain knowledge through the pillars of RS School of Payments, knowledge management systems and RS Innovation lab for payments. The Company is driven by an entrepreneurial mindset and willingness to embrace challenges. The Company's competitiveness is driven by a rich and diverse pool of talent, who are engage in continuous learning.

RS School of Payments

The RS School of Payments is the powerhouse of domain knowledge that has been acquired by playing a key role in the evolution of the payments industry. It maximises productivity and minimises learning curves on the back of a best-in-class knowledge management system that focuses on business functions, technologies and customised strategies. The RS School of Payments conducts courses covering the entire payment spectrum – from basic to advanced levels in niche areas. These advanced courses are crafted by industry and subject matter experts, and are attended by our employees as well as our clients. The Company's RS School of Payments is one of the top thought leaders of the global payments industry, and is highly respected by its peers.

RS Payments Lab

The RS Payments Lab plays a critical role in exploring proofs-of-concept and developing reference architecture in new technologies (mobile, analytics, test automation and tokenisation) well before the customer begins to use them. This empowers RS Software to propose solutions to customers that enhance productivity, reduce costs and reinforce quality, strengthening the customer's profitability and satisfaction. The Company built an encompassing repository of sectoral knowledge comprising customer interactions, market research, expert opinions, research reports and webinars that are white-labeled and curated in a knowledge center supported by a search facility. The Company will continue developing its expertise while focusing on core processing areas like advance payments and security, data management and analytics, and automation.

Human Resources

RS Software doesn't just merely create employees; it grooms them to become entrepreneurs and thereby fosters a distinctive culture of outperformance. The Company has made it happen by recruiting talented personnel, training and mentoring them, providing them with challenging assignments and recognising their achievements. This motivational environment encourages people to embrace challenges, walk the road less travelled and align personal goals with organisational ones.

Goals

- Integrate HR deliverables with business goals
- Align HR policies and practices with business goals
- Increase process efficiency

Key measures undertaken, FY2017-18

- Enhanced brand-building through employee engagement initiatives
- Implemented talent management strategies aligned with the business
- Realigned talent to address diverse client demands
- Enhanced offerings (products and platforms) in line with changing market dynamics in the US and India and generated recurring revenues
- Encouraged emotional ownership among employees and calculated risk-taking
- Executed training programs to hone domain, technological, security and behavioural skills
- Set up a training repository (a suite of secure cloud based paperless products) on its intranet to enhance employee knowledge
- Carried out on-the-job training drills to build domain knowledge of employees
- Conducted a needs assessment survey to enable employees to upgrade their technical abilities
- Implemented courses, gave employees opportunities to speak at seminars and contributed to relevant blogs

Initiatives, FY2017-18

- Retained key personnel, achieved a balance of experience and enthusiasm to meet incipient sectoral demands, a fact vindicated by the average organisational age of 36.2 years
- Undertook skill-strengthening initiatives to hone domain, technological, security and behavioural skills

Priorities, FY2018-19

- Undertake personal development programs to fast-track top performers
- Profile the members of the current resource base, understand cumulative capabilities and identify areas of improvement
- Isolate key resources who can contribute directly to the transformation of the organisation

The perfect blend of experience and enthusiasm
36.2 Years

Finance

RS Software has always believed that in a business where sectoral dynamics can change with the blink of an eye, the safest business initiative would be to foster a culture of austerity so as to ensure a strong Balance Sheet. The challenges are multiple to allow for significant investments during the transition phase of the strategy, while ensuring long term foundation for success. At the same time investor expectation management is the key. There are benchmarks of companies like Amazon who constantly emphasised long term direction of the Company and were able to build patience for periods exceeding 15 years at a stretch, with the Company not making profits and no dividends declared. Today Amazon has a market cap exceeding multi-hundred billion dollars.

Goals

- Maximise value for all stakeholders
- Foster a culture of financial discipline to emerge as partner-of-first-choice for all stakeholders

Key measures undertaken, FY2017-18

- Undertook a holistic approach to improve performance
- Deployed a sound budgetary control system to enable efficient cost and financial management
- Aligned financial statements with Ind-AS regulations

Initiatives, FY2017-18

- Enhanced internal financial controls and aligned them with best-in-class standards
- Laid the foundation for superior financial management and compliance with Ind-AS regulations

Priorities, FY2018-19

- Target optimal utilisation of resources and infrastructure to meet long-term goals
- Generate higher revenues from products and platforms
- Ensure better cost and resource management

Quality & Benchmarking initiatives

- Offered project initiation support
- Identifying and mitigating risks
- Defining project governance and delivery plans
- Developing a thorough understanding of project dynamics by detecting points of failure and generating alarms
- Conducting periodic reviews of software delivery process
- Conducting weekly reviews of project-reported metrics and customer status reports
- Reviewing products prior to delivery
- Conducting defect and root cause analyses
- Executing process improvement exercises
- Gauging customer satisfaction through independent surveys
- Enhancing the level of organisational automation
- Conducting metrical analysis and undertake corrective and preventive actions
- 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
- Acquiring Payment Application Data Security Standard certification for payment platforms

Business Development

The Company continued to invest in enhancing its sales engine in North America which is the largest market for the Company. Investments have also been made to expand the geographic reach in Europe and India. These investments are of long term nature and are expected to reward with increased revenue in the upcoming fiscal years.

Addressing business risks

RS Software identifies and analyses potential risks to take adequate precautionary steps, thereby minimising losses and maximising realisations.

Can an overt dependence on the payments sector affect growth in the event of a decline in the vertical?

Much of the growth in the electronic payments segment is being derived from the aggressive growth plans of downstream e-commerce and m-commerce players, along with emerging disruptive technologies facilitating user ease. The technology trends are being supported by the new generation's eagerness to shop anytime and anywhere. The National Payments Corporation of India is focusing on the creation of an end-to-end payment infrastructure by granting payment licenses and undertaking farsighted initiatives to boost financial inclusion (Jan Dhan Yojana, DBT and UID, among others). Growing internet connectivity and increasing preference for online shopping via smart phones are likely to propel growth. RS Software, owing to its domain expertise within the payment space, is playing a pivotal role in the Indian digital payments revolution.

Could attrition in a knowledge-driven space affect competitiveness?

RS Software provides a stimulating workplace where employees are adequately empowered in terms of decision-making, involvement and career progression. The Company created a training calendar to accelerate knowledge building. RS Software invested in skill replenishment and renewal through the RS School of Payments and RS Payments Lab. The Company created a knowledge management system as an information repository that can be referred to by others. The ongoing transformation within the Company was a result of a focus on emerging technologies. The result: people attrition was only 31.6%, largely owing to personnel who desired to stay with their legacy competencies.

Could growing competition (from startups as well as existing players) affect business sustainability?

RS Software has maintained a singular focus on the electronic payments domain, which has translated into in-depth understanding. This is vindicated by the fact that the National Payments Corporation of India partnered with RS Software to build a digital payments platform to support the growth of online payments and catalyze financial inclusion. To hone skills in emerging technologies, the Company intensified its learning capabilities, allocating substantial investments in the RS School of Payments and RS Payments Lab.

Board of Directors

Raj Jain

Chairman and Managing Director

Mr. Raj Jain has pioneered the domain-focused model for IT outsourcing, with a global focus in the area of digital payments. He is the founder CEO and CMD of RS software, a company engaged for more than 25 years in the core areas of electronic 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 the area of digital payments, and is currently building India's digital payment infrastructure, UPI and BBPS, which will transform India in the years to come.

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. Mr. Jain 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 15 million people and generate US$ 6 trillion in annual revenues.

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.

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.

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 and Canara Robeco.

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 20 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.

Senior executive profiles

Raj Jain

Chairman and Managing Director

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Bibek S Das

EVP, Business Development

Bibek S Das is Executive Vice President for all market facing functions at RS Software. With over 24 years of consulting and outsourcing experience in the Electronic Payments and Retail industry segments, Bibek has been providing leadership in almost all areas of corporate governance, such as customer delivery, account management, pre-sales and R&D.

Bibek has been part of the executive leadership team that was instrumental in achieving an accelerated growth for our company, successfully leading multi-million dollar customer engagements, driving account acquisition and building deep customer relationships. He has managed a gamut of activities ranging from business development, marketing & account management to software project management, development of business systems and quality systems implementation. Bibek has also been nominated to the technology committee of the Transact industry forum, where he represented RS Software.

Prior to this, Bibek has worked for Payments, E-Commerce and Retail industry leaders like PayPal, Wal-Mart and Kohl's. He led enterprise-wide, multi-million dollar strategic programs in PayPal to re-architect and implement a services-based mid-tier payments platform. He also founded his own internet-based payment company where he successfully created, developed and launched a cloud-based payment service.

Bibek holds a Bachelor's Degree in Mechanical Engineering and a Master's Degree in Systems Engineering and Management from the Indian Institute of Technology (IIT), Kharagpur.

Vijendra Surana

CFO and Company Secretary

Vijendra Surana, with 23 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. 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.

Prior to RS Software, Vijendra worked for VISA International as CFO & Company Secretary. He started his career with leading merchant bankers Prudential Capital Markets. During his career, he was associated with leading businesses such as SREI and Ispat and was also associated with Startup ITeS venture Teaauction.com in early 2000.

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).

Aniruddha Rai Chaudhuri

General Manager – Business Operations

Aniruddha Rai Chaudhuri is Head of Business Operations at RS Software, responsible for overseeing the physical and digital infrastructure of the Company as well as Enterprise Resource Planning and MIS. He brings more than 23 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 organisation, 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.

Sumit Misra
General Manager

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 26 years, Sumit 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, Mr. Misra 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 Master's degree in Electronics and Telecommunication Engineering.

Sanjay Guha
Deputy General Manager

Sanjay Guha has significant experience delivering large complex projects to leading organisations in the electronic payments industry in the US, Europe and India. His expertise includes the credit card segment, merchant boarding, agent residual management as well as charge-back and dispute management. In a career that spans more than 25 years, Sanjay has worked as a developer, project manager and business analyst. At RS Software Mr. Guha provides the entrepreneurial leadership necessary to expand our world-class delivery organisation, which is vital to our vision of being the global leader in providing technology solutions to the electronic payments industry. Sanjay holds a Master's degree in Science from Jadavpur University, Kolkata and is a Project Management Professional certified through the Project Management Institute.

STATUTORY SECTION

R S SOFTWARE (INDIA) LIMITED

(CIN: L72200WB1987PLC043375)
Registered Office & Corporate Office: 'FMC FORTUNA' 1st 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

Notice to Members

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Members of R. S. Software (India) Limited will be held on Friday, July 27, 2018 at 11:30 a.m. at Rabindra Tirtha, 33-1111, Major Arterial Road, 3rd Rotary, New Town, Kolkata - 700156 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, 2018 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, 2018 and the Report of Auditors thereon.
2. To appoint a Director in place of Mr. Rajnit Rai Jain (holding DIN 00122942), who retires by rotation and, being eligible, seeks re-appointment.
3. To re-appoint the appointment of 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 re-enactment or modification thereof, for the time being in force as amended from time to time and pursuant to the recommendations of the Audit Committee M/s. Deoki Bijay & Co. Chartered Accountants (Registration No. 313105E) be and is hereby re-appointed as the Statutory Auditors of the Company, to hold the office from the conclusion of this Thirtieth Annual General Meeting till the conclusion of Thirty First Annual General Meeting of the Company and that the Board of Directors be and is 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."

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
April 19, 2018

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

NOTES:

a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND, TO VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

   A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON CANNOT ACT AS A PROXY FOR ANY OTHER MEMBER OR SHAREHOLDER.

   THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE VALID AND EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DELIVERED AT THE REGISTERED/ CORPORATE OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS (48 HOURS) BEFORE THE COMMENCEMENT OF THE MEETING.THE PROXY FORM IS ATTACHED HEREWITH. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION OR AUTHORITY AS APPLICABLE.

b. Corporate members intending to send their authorized

representatives to attend the meeting are requested to send to the Company pursuant to the provision of Section 113 of the Companies Act, 2013, a duly certified copy of the Board Resolution/ Power of Attorney authorizing their representative(s) to attend and vote on their behalf at the meeting.

c. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.

d. Members / proxies / authorized representatives are requested to bring the duly filled Attendance Slip enclosed herewith to attend the meeting.

e. Members are requested to note that the Company's equity shares are under compulsory demat trading for all investors, subject to the provisions of SEBI Circular No.21/99 dated July 8, 1999. Members are, therefore, requested to dematerialize their shareholding to avoid inconvenience in future.

f. The Register of Members and Transfer Books of the Company will remain closed from Friday, July 20, 2018 to Friday, July 27, 2018 (both days inclusive) for the purpose of Annual General Meeting for Financial Year 2017-18.

g. The Ministry of Corporate Affairs had notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules). As per these Rules dividends which are not encashed/claimed by the Shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules also mandate the companies to transfer such shares of Members of whom dividends remain unpaid/unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the Members to encash / claim their respective dividend during the prescribed period.

h. Members who have not yet encashed their dividend warrant(s) issued by the Company since the Financial Year ended 2010-11 are requested to claim the amount of dividend from the Company or its Registrars and Share Transfer Agent immediately along with relevant Folio No. or DP ID and Client ID, for issuance of duplicate / revalidated dividend warrant(s).

i. Members holding shares in physical form are requested to immediately notify change in their addresses, if any, to the Registrar and Transfer Agent of the Company, quoting their Folio Number (s) with a self-attested copy of address proof, i.e. Voter Identity Card, Electric / Telephone (BSNL) Bill or Driving License or Passport on or before July 19, 2018.

j. In terms of Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 of Securities and Exchange Board of India for making cash payments to the investors Companies shall mandatorily print the bank account details of the investors on such payment instruments. Therefore the Members holding shares in physical form are requested to send to the Registrar and Transfer Agent of the Company, on or before July 19, 2018 the Bank Mandate (providing details of name and address of banker, branch, PIN code and particulars of the bank account) or changes therein, if not provided earlier, under the signature of the Sole /First holder quoting their Folio Numbers. Members may also avail of the Electronic Clearing Services (ECS) mandate facility provided by the Company.

k. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

l. Members holding shares in dematerialized mode are requested to intimate the changes pertaining to their bank account details, NECS mandates, email addresses, nominations, change of addresses, change of names etc. if any, to their Depository Participant (DP) only on or before July 19, 2018. Any such changes effected by the DPs will automatically reflect in the Company's subsequent records.

m. 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 days before the date of the Meeting to enable the Company to keep the information ready at the Meeting.

n. All the documents referred to in the Notice will be available for inspection by the Members at the Registered / Corporate Office of the Company between 10.30 a.m. and 12.30 p.m. on all working days from the date hereof up-to the date of the Meeting and shall also be available at the Meeting.

o. Shareholders holding shares in demat mode and desirous of receiving the Annual Report in physical form may visit the web page www.cbmsl.com/green.php to exercise their option. Likewise shareholders holding shares in physical mode are requested to visit the aforesaid web page to register their e-mail id and exercise their option accordingly.

p. The Ministry of Corporate Affairs (MCA), Government of India, has by its Circular Nos. 17 / 2011 and 18 / 2011, dated April 21, 2011 and April 29, 2011 respectively, permitted companies to send official documents to the shareholders electronically as a part of its green initiatives in corporate governance.

Recognizing the spirit of the circular issued by MCA, the documents like the Notice convening the General Meetings, Financial Statements, Directors' Report, and Auditor's Report etc. will be sent to the e-mail addresses as provided by the shareholders with their depositories.

q. Section 20 of the Companies Act, 2013 permits service of documents on Members by the Company through electronic mode. Therefore, in accordance with Companies Act, 2013 read with Rules framed thereunder, the Annual Report 2017-18 is being sent through electronic mode to those members whose e-mail address are registered with the Company/ Depository participant(s), unless any member has requested for a physical copy of the Report. For members who have not registered their e-mail addresses, physical copies of the Annual Report 2017-18 are being sent by the permitted mode. The Annual Report of the Company circulated to the Members of the Company, will also be made available on the Company's website at www.rssoftware.com.

r. Pursuant to the provisions of section 136 of the Act, the financial statements of the Company, consolidated financial statement along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company.

s. Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company.

t. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities market. Members holding shares in physical form are requested to submit their PAN details to the Company / Registrars and Share Transfer Agents, and Members holding shares in electronic forms are requested to submit their PAN details to their respective Depository Participants.

u. In accordance with Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile of the Direcftors seeking appointment and / or re-appointment at the AGM, forms part of the Notice.

v. The route map showing directions to reach the venue of the thirtieth AGM is annexed.

w. VOTING THROUGH ELECTRONIC MEANS :

1) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 , Company is pleased to provide the Members facility of voting by electronic means in respect of business to be transacted at the 30th 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 but before the 'Cut-off Date' of Friday, July 20, 2018 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 – 22806692/401 16700/22823643/22870263 Fax No. 91 – 033 – 4011 6739).

3) The e-voting period commences on Tuesday, July 24, 2018 at 9.00 a.m. and ends on Thursday, July 26, 2018 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.

4) **The instructions for shareholders voting electronically are as under:**

i) The voting period begins on Tuesday, July 24, 2018 at 9:00 a.m. and ends on Thursday, July 26, 2018 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 July 20, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

iii) The shareholders should log on to the e-voting website www.evotingindia.com.

iv) Click on Shareholders.

v) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.

vi) Next enter the Image Verification as displayed and Click on Login.

vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details **OR** 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. • 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 as mentioned in instruction (v).

ix) After entering these details appropriately, click on "SUBMIT" tab.

x) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.

xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

xiii) 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.

xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xv) 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.

xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

xviii) 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.

xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the

stamp and sign of the entity should be emailed to 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 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.

xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

5. The e-voting period commences on July 24, 2018 (9:00 a.m.) and ends on July 26, 2018 (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.

6. 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 July 20, 2018.

7. Shri Mohan Ram Goenka, Practicing Company Secretary (Membership No. F4515) had been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

8. The Scrutinizer shall, immediately after conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses who are not in employment of the Company within a period not exceeding 3 days from the conclusion of the Meeting make 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 for Counter Signature and who share declare the result of the voting forthwith.

9. The Scrutinizer's decision on the validity of the Ballot Paper/ polling paper form will be final.

10. The Chairman shall at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the scrutinizer be use of physical Ballot paper/polling paper for all those members who have not Cast their votes earlier either by e-voting.

11. Further, in accordance with Regulation 44 (3) of the SEBI (listing Obligations and Disclosure Requirement) Regulations, 2015, the company shall submit to the Stock Exchange, details of the voting results in the prescribed format within forty – eight hours of Conclusion of the Annual General Meeting.

12. The results declared along with the consolidated scrutinizer's report shall be placed on the Company's website www.rssoftware.com and on the webite of CDSL https://www.evotingindia.com. The result shall simultaneously be communicated to the BSE Limited.

13. Subject to the receipt of requisite number of votes, the resolution shall deemed to have been passed on the date of Annual General Meeting.

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
April 19, 2018

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

Details of Directors

DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT
IN THE THIRTIETH ANNUAL GENERAL MEETING
(Pursuant to Regulation 36(3) of Listing Regulations, 2015 & Secretarial Standard-II)

Name	Mr. Rajnit Rai Jain
DIN	00122942
Date of Birth	10th September, 1956
Date of appointment	2nd December, 1987.
Terms and Conditions of Appointment	As per Letter of Appointment
Qualification and Expertise in specific functional areas	Mr. Jain has over 30 years of industry experience and holds a BS and MBA from California State University. He has served on the Executive Council of National Association of Software and Services Companies (NASSCOM), both as a member and officer. In 1999, he was elected Chairman of NASSCOM by its Executive Council and, in that same year, acknowledged by Ernst & Young as one of the top 20 Outstanding Entrepreneurs of the Year. Mr. Jain remains an active member of NASSCOM and serves as a member of their Chairman Emeritus. He also has been a member of TIE (The IndUS Entrepreneurs) and YPO (Young Presidents Organization). He is the founder, main Promoter and the Chairman & Managing Director of your Company.
The Remuneration last drawn by Mr. Rajnit Rai Jain, if applicable	He has drawn ₹ 58.32 lacs in the financial year 2017-18.
Details of Remuneration sought to be paid	Existing package for Mr. Rajnit Rai Jain will remain unchanged.
List of Other Public Companies in which Directorship held (excluding foreign Companies)	None
List of other listed entities in which Directorship held	None
Chairman/Member of the Committees of the Board of Directors in other Listed Companies	None
Chairman/Member of the Committees of Board of Directors of the other public companies in which he is a Director(excluding foreign Companies)	None
Shareholdings in the Company	10035648 equity shares
Relationship with other Directors inter-se and Key Managerial Personnel	Mr. Rajnit Rai Jain is related with Mrs. Sarita Jain (Director)
The number of Meetings of the Board attended during the year	Mr. Rajnit Rai Jain attended 5 Board meeting out of total 5 Board meetings held during the year.

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
April 19, 2018

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

Directors' Report

Dear members

Your Directors have immense pleasure in presenting the Thirtieth Annual Report together with the Audited Statement of Accounts, highlighting the business operations and financial results for the Financial Year ended March 31, 2018.

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:

(₹ in Lacs)

Particulars	2017-18	2016-17
Total Revenue	6,595.52	8,317.77
Profit before Finance Charges, Tax, Depreciation/Amortization (PBITDA)	(3486.5)	(2197.40)
Less : Finance Charges	3.75	0.00
Profit before Depreciation/Amortization (PBTDA)	(3490.25)	(2197.40)
Less : Depreciation	208.84	396.49
Net Profit before Taxation (PBT)	(3,699.09)	(2,593.89)
Provision for taxation	(1,126.03)	(963.97)
Profit/(Loss) after Taxation (PAT)	(2,573.06)	(1,629.92)

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

(₹ in Lacs)

Particulars	2017-18	2016-17
Total Revenue	7,197.96	8,860.41
Profit before Finance charges, Tax, Depreciation/Amortization (PBITDA)	(3597.47)	(2229.87)
Less : Finance Charges	3.75	10.38
Profit before Depreciation/Amortization (PBTDA)	(3601.22)	(2240.25)
Less : Depreciation	224.15	398.30
Net Profit before Taxation (PBT)	(3,825.37)	(2,638.55)
Provision for taxation	(1,181.70)	(978.21)
Profit/(Loss) after Taxation (PAT)	(2,643.66)	(1,660.34)

Note: The above figures are extracted from the standalone and consolidated financial statements prepared under IND AS (Indian Accounting Standards) for the financial year ended on March 31, 2018 and the figures for the Financial Year ended 31.03.2017 differs with the Annual Report for the Year 2016-17 because of applicability of IND AS. The detailed explanation in this regard has been provided in the Financial Statements, forming part of this Annual Report.

2. STATE OF COMPANY'S AFFAIRS

Your company is undergoing a transitional Strategy wherein the company is making a strategic shift in its business focus while reducing client concentration, your company is focusing on building platforms, products and frameworks. The Company has focused exclusively on providing software solution to electronic payment. The company is engaged in development, testing and maintenances of software for their clients.

- Margins analysis

  On a standalone basis, the Company's profit/(loss) after tax stood at ₹ (2,573) Lacs in the financial year 2017-18, vis-à-vis ₹ (1,630) Lacs in the previous year. The net revenue at is ₹ 6,596 Lacs is down from the previous year's revenue of ₹ 8,318 Lacs.

  On a consolidated basis, the Company's profit/ (loss) after tax stood at ₹ (2,644) Lacs in the financial year 2017-18, vis-à-vis ₹ (1,660) Lacs in the previous year. The net revenue at is ₹ 7,198 Lacs is down from the previous year's revenue of ₹ 8,860 Lacs.

  The Company's PAT margin as per the consolidated financial results 2017-18 has been (36.73%) as compared to (18.74%) in 2016-17. The reason for decline in margin is attributable to the strategic shift made by the Company as it is making substantial investments in: a) developing tools and platforms, b) sales and marketing to enhance its customer base. The Company has focused on reducing its client concentration during the period under review.

- Capital employed

  The total capital employed as per the consolidated financial results decreased from ₹ 21,632.42 Lacs in 2016-17 to ₹ 18,790.38 Lacs in 2017-18 largely due to an increase in reserves and surplus.

- Economic Scenario, outlook and strategy

  As the economy is preparing for a cardless and cashless economy R S Software sees a huge opportunity in this transformation of Global Economy. R S Software has contributed to the development of UPI which is the core of cashless economy in India.

  The current market outlook and positioning of your Company has been covered separately as a part of this Annual Report in various sections as an addendum along with other analysis and discussion on performance.

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 ₹ 12, 85, 41,590 (Rupees Twelve Crore Eighty Five Lacs Forty One Thousand Five Hundred Ninety only) comprising of 2, 57, 08,318 equity shares of ₹ 5/- each.

There was no change in the Company's paid up share capital during the year under review.

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 2017-18.

7. DETAILS OF BOARD MEETING

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

Date of the meeting	No. of Directors attended the meeting
19.04.2017	4
20.07.2017	3
17.10.2017	4
25.01.2018	5
19.03.2018	5

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

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

Sl. No.	Name	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 Company Secretary of your Company acts as the Secretary to the Audit Committee. The terms of reference of the Audit Committee has been provided in the Corporate Governance Report forming part of this Report. During the Financial Year, the Committee had met four times as on April 19, 2017, July 20, 2017, October 17, 2017 and January 25, 2018.

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 releases 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. The Company's Whistle Blower Policy is available on the company's website 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. Rajasekhar Ramaraj (Chairman)	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	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 been provided in the Corporate Governance Report forming part of this Report. During the financial year, the Committee met four times as on April 19, 2017, July 21, 2017, October 17, 2017 and January 24, 2018. The Committee has formulated the Nomination and Remuneration Policy which broadly laid down the various principles of remuneration being support for strategic objectives, transparency, internal & external equity, flexibility, performance driven remuneration, affordability and sustainability and covers the procedure for selection, appointment and compensation structure of Board members, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) of your Company. The said Policy is available on your Company's website www.rssoftware.com and a link to the said Policy has been provided elsewhere in this Annual Report.

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

The terms of reference of the Committee has been provided in the Corporate Governance Report forming part of this Report. During the financial year, the Committee met three times as on April 18, 2017, July 20, 2017 and January 24, 2018.

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. Rajasekhar Ramaraj	00090279	Non-Executive & Independent Director

During the financial year, the Committee met on 24th January, 2018.

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. Rajasekhar Ramaraj	00090279	Non-Executive & Independent Director
4.	Mr. Richard Nicholas Launder	03375772	Non-Executive & Independent Director

During the financial year, the Committee met four times as on April 18, 2017, July 20, 2017, October 16, 2017 and January 24, 2018.

9. DISCLOSURES PURSUANT TO REGULATION 14 OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014

Your company believes in employees' participation in management and considers ESOP Scheme as an empowerment tool. Company's Stock Option Plans are in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("Employee Benefits Regulations") and there have been no material changes to the Company's existing Stock Option Plan during the financial year 2017-18. The existing ESOP was approved by the Shareholders in the Annual General Meeting held on July 21, 2016 for the period of 3 years from 1st April 2016. None of the employees were awarded any options under the Company's existing Employees Stock Option Plan (ESOP) in the financial year 2017-18.

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 www.rssoftware.com.

11. PROVISION OF MONEY BY THE COMPANY FOR PURCHASE OF ITS OWN SHARES FOR THE BENEFIT OF EMPLOYEES

The Company has a Trust named R S Software Employees Welfare Trust which is also holding 1148640 shares of the Company being purchased a couple of years back from the Secondary Market and no such provisions were required to be maintained as the shares are not sold out yet.

12. 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.

13. 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.

14. 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.

15. 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.

16. 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.

17. 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 of a company's subsidiaries, is given in AOC-I as "Annexure A", 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.

During the year no new subsidiary was formed or ceased. Further, the Company has no Joint Venture and Associate during the financial year ended 31st March, 2018.

18. 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 www.rsssoftware.com 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 to the Directors' Report and forms a part of this Annual Report. Members interested to inspect may write to the Company Secretary at your Company's Registered Office.

19. 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.

20. 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, subject to the ratification by the members at each Annual General Meeting. 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 2017-18.

21. 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. M R & Associates, a firm of Company Secretaries in Practice to conduct the Secretarial Audit of the Company. The Secretarial Auditor has submitted an un-qualified Secretarial Audit Report for the financial year 2017-18. The Report of the Secretarial Audit is annexed herewith as "Annexure B" and forms a part of this Annual Report.

22. EXTRACT OF THE ANNUAL RETURN

An extract of Annual Return as on the financial year ended on March 31, 2018 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, is set out as an "Annexure C" to the Director's Report and forms a part of this Annual Report.

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 this 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 this Report as "Annexure –D".

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. 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 at "Annexure E" to the Directors' Report, which forms a part of this Annual Report .

26. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the period under review, Mr. Rajnit Rai Jain, Chairman & Managing Director of the Company was re-appointed, for a period of 3 (three) years w.e.f. 1st October, 2017 after obtaining approval of the members at the Annual General Meeting held on 21.07.2017 in accordance with provisions of Sections 196, 197, 203 of Companies Act, 2013 read with relevant Rules,

In accordance with Section 152 and other applicable provisions of the Companies Act, 2013, read with relevant Rules, Mr. Rajnit Rai Jain, Chairman & Managing Director of the company retires by rotation at the ensuing Annual General Meeting and being interested, offers himself for re-appointment.

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.

Your Company has received declaration from each of the Independent Directors under Section 149(7) of the Companies Act, 2013 that they meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI Listing Regulations, 2015. All the declarations were placed before the Board.

The following directors/executives of your Company are whole-time Key Managerial Personnel (KMPs) as on March 31, 2018 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.

27. 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 www.rssoftware.com and a link to the said policy has been provided elsewhere in this Annual Report.

28. 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 www.rssoftware.com. Further, the Report on CSR Activities/ Initiatives along with other relevant disclosures is enclosed as "Annexure F".

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, 2018 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 www.rssoftware.com and a link to the said policy has been provided elsewhere in this Annual Report.

31. FAMILIARIZATIONS PROGRAMME FOR IDs'

In terms of 25(7) of Listing Regulations, 2015, the Company has conducted the Familiarization Programme for Independent Director to familiarize them with their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various initiatives.

32. 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. 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.

33. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company, during the period (the Trading Window is closed). The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

34. CORPORATE GOVERNANCE

The Corporate Governance which form an integral part of this Report, are set separately as "Annexure G", 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 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.

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 31st March, 2018, 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 31st March, 2018 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. 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.

Thanking you,

For and on behalf of the Board of Directors

Sd/-

Rajnit Rai Jain

Chairman And Managing Director

(DIN: 00122942)

Place: Kolkata

Date: April 19, 2018

ANNEXURE 'A'

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 DOLLAR

1.	Sl. No.:	1
2.	Name of the subsidiary:	Responsive Solutions, INC.
3.	The date since when subsidiary was acquired:	22nd August, 2003
4.	Reporting period for the subsidiary concerned:	April 1, 2017 to March 31, 2018
5.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries:	US Dollar at ₹65.04
6.	Share capital	USD 500,000
7.	Reserves & surplus	USD 747,248
8.	Total assets	USD 1,291,414
9.	Total Liabilities	USD 1,291,414
10.	Investments	0
11.	Turnover	USD 830,177
12.	Profit before taxation	USD 320,025
13.	Provision for taxation	USD 47,534
14.	Profit after taxation	USD 272,491
15.	Proposed Dividend	0
16.	Extent of shareholding	100%

INFORMATION IN RESPECT OF R S SOFTWARE (ASIA) PTE. LTD. TO BE PRESENTED WITH AMOUNTS SINGAPORE DOLLAR

1.	Sl. No.	2
2.	Name of the subsidiary	R S Software (Asia) Pte. Limited
3.	The date since when subsidiary was acquired	13th April, 2009
4.	Reporting period for the subsidiary concerned	April 1, 2017 to March 31, 2018.
5.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Singapore Dollar at ₹49.68
6.	Share capital	SGD 25,000
7.	Reserves & surplus	SGD 2,035,561
8.	Total assets	SGD 20,78,758
9.	Total Liabilities	SGD 20,78,758
10.	Investments	0
11.	Turnover	SGD 1 28,031
12.	Profit before taxation	SGD (691)
13.	Provision for taxation	SGD 5,021
14.	Profit after taxation	SGD (4330)
15.	Proposed Dividend	0
16.	Extent of shareholding	100%

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

1.	Sl. No.	3
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, 2017 to March 31, 2018
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	₹960 lacs
7.	Reserves & surplus	₹1175.28 lacs
8.	Total assets	₹ 2,166.85 lacs
9.	Total Liabilities	₹ 2,166.85 lacs
10.	Investments	0
11.	Turnover	₹1.30 lacs
12.	Profit before taxation	₹ (396.85) lacs
13.	Provision for taxation	₹ (84.09) lacs
14.	Profit after taxation	₹ (312.76) lacs
15.	Proposed Dividend	0
16.	Extent of shareholding	79.17%

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

1. Names of subsidiaries which are yet to commence operations – Not Applicable

2. Names of subsidiaries which have been liquidated or sold during the year. –Not Applicable

PART "B": ASSOCIATES AND JOINT VENTURES

The Company does not have any Associate or Joint Venture during the Financial Year 2017-18.

For CHATURVEDI & COMPANY
Chartered Accountants
(Reg. no : 302137E)

Sd/-
Nilima Joshi
Partner
M. No. 52122

Place: Kolkata
Date: April 19, 2018

For and on behalf of the Board of Directors

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

Sd/-
S.K. Jain
Director
DIN: 00047474

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

ANNEXURE 'B'

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

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

1. 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 conducts/statutory compliances and expressing our opinion thereon.

2. Based on our verification of the Company 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 31st March,2018 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:

3. 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 31st March, 2018 according to the provisions of:

   i) The Companies Act, 2013 (the Act) and the rules made thereunder;

   ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

   iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

   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 (Share Based Employee Benefits) Regulations, 2014;

      (d) 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;

      (e) 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.

   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, 2009;

(b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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 Trade Marks Act, 1999 etc.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and to the extent amended and notified from time to time.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

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

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 were no changes in the composition of the Board of Directors during the period under review.

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

All decisions 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 during the audit period, the Company had obtained approval of members by way of passing special resolution in Annual General Meeting held on 21.07.2017 for reappointment and revision in remuneration of Mr. Rajnit Rai Jain as Chairman and Managing Director of the Company for a period of 3 years w.e.f. 01.10.2017.

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 MR & Associates
Company Secretaries

[M R Goenka]
Partner
FCS No.:4515
C P No.:2551

Place: Kolkata
Date: 19.04.2018

"ANNEXURE – A"

(TO THE SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018)

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 MR & Associates
Company Secretaries

[M. R. Goenka]
Partner

Place: Kolkata
Date: 19.04.2018

FCS No.:4515
C P No.:2551

ANNEXURE 'C'

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

for the financial year ended on 31st March, 2018

of

R S SOFTWARE (INDIA)LTD.

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L72200WB1987PLC043375
ii)	Registration date	02/12/1987
iii)	Name of the company	R.S. Software (India) Ltd.
iv)	Category/ Sub category	Public company limited by Shares
v)	Address and Registered office and contract details	"FMC FORTUNA", 1ST FLOOR, A-2, 234/3A A.J.C. BOSE ROAD, KOLKATA-700020 Phone No. (033) 22875746/ 6254/6255 Fax: 033 22876256 Website: www.rssoftware.com
vi)	Whether listed company: Yes/No	Yes
vii)	Name, Address and Contact Details of Registrar and Transfer Agent, if any	C.B. MANAGEMENT SERVICES (P) LTD P-22, BONDEL ROAD, KOLKATA-700019 Phone No. 033 2280 6692, 9424862937 Fax No. 033 2287 0263

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Software Development	6202	100%

As per National Industrial Classification – Ministry of Statistics and programme implementation

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No	Name of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Responsive Solutions Inc	N.A.	Subsidiary	100%	2(87)
2.	R.S. Software (Asia) Pte. Ltd.	N.A.	Subsidiary	100%	2(87)
3.	Paypermint Pvt. Ltd.	U72900WB2016PTC217291	Subsidiary	79.17%	2(87)

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (April 01, 2017)				No. of Shares held at the end of the year (March 31, 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS AND PROMOTER GROUP									
1. INDIAN									
a) Individual/HUF	10402192	0	10402192	40.46	10402192	0	10402192	40.46	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corporate		-				-			-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	10402192	0	10402192	40.46	10402192	0	10402192	40.46	-
2. FOREIGN									
a) Individuals (NRIs)	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FIs	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter and Promoter Group (A)= (A)(1)+ (A)(2)	10402192	0	10402192	40.46	10402192	0	10402192	40.46	-
B. PUBLIC SHAREHOLDING									
1. INSTITUTIONS									
a) Mutual Funds	0	5888	5888	0.02	0	5888	5888	0.02	0.00
b) FIs/ Banks	126186	1792	127978	0.50	100136	1792	101928	0.40	-0.10
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt. (s)	0	5888	5888	0.02	0	5888	5888	0.02	0.00
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	690668	4608	695276	2.70	413799	4608	418407	1.63	-1.07
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
(i-i) UTI	0	23176	23176	0.09	0	23176	23176	0.09	0.00
Sub-total B)(1):-	816854	41352	858206	3.34	513935	41352	555287	2.16	-1.18

Category of Shareholders	No. of Shares held at the beginning of the year (April 01, 2017)				No. of Shares held at the end of the year (March 31, 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. NON-INSTITUTIONS									
a) Bodies Corporate									
i) Indian	1512932	4442	1517374	5.90	1702856	4442	1707298	6.64	0.74
ii) Overseas	0	3584	3584	0.01	0	3584	3584	0.01	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	9245424	511646	9757070	37.95	9305752	482974	9788726	38.08	0.13
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1181650	0	1181650	4.60	1415994	0	1415994	5.51	0.91
c) Others (specify)									
Non Resident Indians	664744	35936	700680	2.73	531176	35936	567112	2.21	-0.52
Clearing Members	88822	0	88822	0.35	71085	0	71085	0.28	-0.07
Trusts	1700	0	1700	0.01	0	0	0	0	-0.01
Foreign Nationals	48400	0	48400	0.19	48400	0	48400	0.19	0.00
Employees Trust	1148640	0	1148640	4.47	1148640	0	1148640	4.47	0.00
Sub-total (B)(2):-	**13892312**	**555608**	**14447920**	**56.20**	**14223903**	**526936**	**14750839**	**57.38**	**1.18**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**14709166**	**596960**	**15306126**	**59.54**	**14737838**	**568288**	**15306126**	**59.54**	**0.00**
Total (A) + (B)	**25111358**	**596960**	**25708318**	**100.00**	**25140030**	**568288**	**25708318**	**100.00**	**0.00**
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	-	-	-	-	-	-	-	-	-
Sub-Total (C)	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**25111358**	**596960**	**25708318**	**100.00**	**25140030**	**568288**	**25708318**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (April 01, 2017)			Shareholding at the end of the year (March 31, 2018)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Rajnit Rai Jain	10035648	39.04	0.00	10035648	39.04	0.00	0.00
2.	Sarita Jain	366544	1.43	0.00	366544	1.43	0.00	0.00
	Total	**10402192**	**40.46**	**0.00**	**10402192**	**40.46**	**0.00**	**0.00**

iii) Change in Promoters Shareholding: (please specify, if there is no changes): NIL

Sl. No.	Name of the promoter	Date	Reason	Shareholding at the beginning of the year (April 01, 2017)		Cumulative Shareholding during the year (March 31, 2018)	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	RAJNIT RAI JAIN						
	At the beginning of the year	01.04.2017		10035648	39.04	-	-
	Changes during the year	-		-	-	-	-
	At the end of the year	31.03.2018		-	-	10035648	39.04
2.	SARITA JAIN						
	At the beginning of the year	01.04.2017		366544	1.43	-	-
	Changes during the year	-		-	-	-	-
	At the end of the year	31.03.2018		-	-	366544	1.43

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

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	BARCLAYS WEALTH TRUSTEES INDIA PRIVATE LIMITED						
	At the beginning of the year	01/04/2017		1148640	4.47	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31/03/2018		-	-	1148640	4.47
2.	FIDELITY PURITAN TRUST- FIDELITY LOW-PRICED STOCK FUND						
	At the beginning of the year	01/04/2017		500000	1.94	-	-
	Changes during the year	14/07/2017	SELL	99488	0.39	400512	1.56
		21/07/2017	SELL	512	0.00	400000	1.56
		28/07/2017	SELL	16552	0.06	383448	1.49
		04/08/2017	SELL	51856	0.20	331592	1.29
		11/08/2017	SELL	98592	0.38	233000	0.91
		18/08/2017	SELL	74763	0.29	158237	0.62
		25/08/2017	SELL	69547	0.27	88690	0.34
		01/09/2017	SELL	53718	0.21	34972	0.14
		01/09/2017	SELL	34972	0.14	0	0.00
	At the end of the year	31/03/2018	-	-		0	0.00
3.	M KAVERI BAI						
	At the beginning of the year	01/04/2017		220500	0.86	-	-
	Changes during the year						
	At the end of the year	31/03/2018		-	-	220500	0.86

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
4.	ANGEL BROKING PVT. LTD.						
	At the beginning of the year	01/04/2017		200711	0.78	-	-
	Changes during the year	07/04/2017	SELL	1715	0.01	198996	0.77
		14/04/2017	SELL	4880	0.02	194116	0.76
		21/4/2017	BUY	4372	0.02	198488	0.77
		28/04/2017	SELL	14586	0.06	183902	0.72
		05/05/2017	SELL	21451	0.08	162451	0.63
		12/05/2017	SELL	5706	0.02	156745	0.61
		19/05/2017	SELL	1045	0.00	155700	0.61
		26/05/2017	SELL	6173	0.02	149527	0.58
		02/06/2017	SELL	26272	0.10	123255	0.48
		09/06/2017	SELL	2820	0.01	120435	0.47
		16/06/2017	SELL	2971	0.01	117464	0.46
		23/06/2017	SELL	3915	0.02	113549	0.44
		30/06/2017	SELL	5541	0.02	108008	0.42
		07/07/2017	SELL	17490	0.07	90518	0.35
		14/07/2017	BUY	3790	0.01	94308	0.37
		21/07/2017	BUY	9441	0.04	103749	0.40
		28/07/2017	SELL	2779	0.01	100970	0.39
		04/08/2017	BUY	3051	0.01	104021	0.40
		11/08/2017	SELL	634	0.00	103387	0.40
		18/08/2017	SELL	7235	0.03	96152	0.37
		25/08/2017	SELL	3017	0.01	93135	0.36
		01/09/2017	SELL	3077	0.01	90058	0.35
		08/09/2017	BUY	5965	0.02	96023	0.37
		15/09/2017	BUY	9788	0.04	105811	0.41
		22/09/2017	SELL	23358	0.09	82453	0.32
		29/09/2017	BUY	1619	0.01	84072	0.33
		06/10/2017	BUY	5421	0.02	89493	0.35
		13/10/2017	BUY	19140	0.07	108633	0.42
		20/10/2017	SELL	1965	0.01	106668	0.41
		27/10/2017	SELL	27706	0.11	78962	0.31
		31/10/2017	SELL	4531	0.02	74431	0.29
		03/11/2017	BUY	2918	0.01	77349	0.30
		10/11/2017	SELL	5932	0.02	71417	0.28
		17/11/2017	SELL	9469	0.04	61948	0.24
		24/11/2017	BUY	3254	0.01	65202	0.25
		01/12/2017	BUY	4250	0.02	69452	0.27

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
4.	ANGEL BROKING PVT. LTD. (contd...)						
		08/12/2017	BUY	11243	0.04	80695	0.31
		15/12/2017	SELL	6564	0.03	74131	0.29
		22/12/2017	BUY	1378	0.01	75509	0.29
		29/12/2017	BUY	3356	0.01	78865	0.31
		05/01/2018	BUY	7384	0.03	86249	0.34
		12/01/2018	BUY	6250	0.02	92499	0.36
		19/01/2018	BUY	41	0.00	92540	0.36
		26/01/2018	BUY	2743	0.01	95283	0.37
		02/02/2018	BUY	874	0.00	96157	0.37
		09/02/2018	SELL	244	0.00	95913	0.37
		16/02/2018	SELL	600	0.00	95313	0.37
		23/02/2018	BUY	1518	0.01	96831	0.38
		02/03/2018	SELL	4699	0.02	92132	0.36
		09/03/2018	SELL	652	0.00	91480	0.36
		16/03/2018	SELL	1776	0.01	89704	0.35
		23/03/2018	SELL	6257	0.02	83447	0.32
		30/03/2018	SELL	8844	0.03	74603	0.29
		31/03/2018	SELL	1163	0.00	73440	0.29
	At the end of the year	31/03/2018		-	-	73440	0.29
5.	ATHENAM VELAN						
	At the beginning of the year	01/04/2017		162245	0.63	-	-
	Changes during the year	30/06/2017	SELL	150610	0.59	11635	0.05
		14/07/2017	BUY	6328	0.02	17963	0.07
		21/07/2017	BUY	40260	0.16	58223	0.23
		28/07/2017	SELL	28223	0.11	30000	0.12
		22/09/2017	BUY	26000	0.10	56000	0.22
		10/11/2017	BUY	600	0.00	56600	0.22
		17/11/2017	SELL	56600	0.22	0	0.00
	At the end of the year	31/03/2018		-	-	0	0.00
6.	ROHIT TEKRIWAL						
	At the beginning of the year	01/04/2017		140000	0.54	-	-
	Changes during the year	26/05/2017	BUY	15000	0.06	155000	0.60
		18/08/2017	BUY	13484	0.05	168484	0.66
		08/09/2017	BUY	1516	0.01	170000	0.66
		24/11/2017	BUY	15000	0.06	185000	0.72
	At the end of the year	31/03/2018		-	-	185000	0.72

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
7.	PASSAGE TO INDIA MASTER FUND LIMITED						
	At the beginning of the year	01/04/2017		131000	0.51		-
	Changes during the year						
	At the end of the year	31/03/2018		-	-	131000	0.51
8.	ICICI BANK LIMITED						
	At the beginning of the year	01/04/2017		82398	0.32	-	-
	Changes during the year	14/04/2017	BUY	9204	0.04	91602	0.36
		21/04/2017	BUY	52	0.00	91654	0.36
		28/04/2017	BUY	2763	0.01	94417	0.37
		05/05/2017	SELL	172	0.00	94245	0.37
		12/05//2017	BUY	285	0.00	94530	0.37
		19/05/2017	BUY	6205	0.02	100735	0.39
		26/05/2017	SELL	205	0.00	100530	0.39
		02/06/2017	SELL	100	0.00	100430	0.39
		09/06/2017	SELL	4361	0.02	96069	0.37
		16/06/2017	SELL	600	0.00	95469	0.37
		23/06/2017	BUY	498	0.00	95967	0.37
		30/06/2017	SELL	450	0.00	95517	0.37
		07/07/2017	SELL	711	0.00	94806	0.37
		21/07/2017	BUY	88	0.00	94894	0.37
		28/07/2017	SELL	127	0.00	94767	0.37
		04/08/2017	SELL	14526	0.06	80241	0.31
		11/08/2017	SELL	1038	0.00	79203	0.31
		18/08/2017	SELL	37	0.00	79166	0.31
		01/09/2017	SELL	42549	0.17	36617	0.14
		08/09/2017	SELL	37	0.00	36580	0.14
		15/09/2017	SELL	311	0.00	36269	0.14
		22/09/2017	BUY	348	0.00	36617	0.14
		29/09/2017	SELL	4385	0.02	32232	0.13
		13/10/2017	SELL	2569	0.01	29663	0.12
		20/10/2017	SELL	1332	0.01	28331	0.11
		27/10/2017	BUY	5133	0.02	33464	0.13
		31/10/2017	SELL	2932	0.01	30532	0.12
		10/11/2017	BUY	249	0.00	30781	0.12
		17/11/2017	BUY	300	0.00	31081	0.12
		24/11/2017	SELL	310	0.00	30771	0.12
		01/12/2017	SELL	89	0.00	30682	0.12

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
8.	ICICI BANK LIMITED (contd...)						
		08/12/2017	SELL	4494	0.02	26188	0.10
		15/12/2017	BUY	10735	0.04	36923	0.14
		22/12/2017	BUY	39228	0.15	76151	0.30
		29/12/2017	SELL	39227	0.15	36924	0.14
		05/01/2018	BUY	10457	0.04	47381	0.18
		12/01/2018	BUY	10181	0.04	57562	0.22
		19/01/2018	SELL	25	0.00	57537	0.22
		26/01/2018	BUY	2289	0.01	59826	0.23
		02/02/2018	BUY	8005	0.03	67831	0.26
		09/02/2018	BUY	238	0.00	68069	0.26
		16/02/2018	SELL	1314	0.01	66755	0.26
		23/02/2018	SELL	3516	0.01	63239	0.25
		02/03/2018	BUY	1143	0.00	64382	0.25
		09/03/2018	BUY	13206	0.05	77588	0.30
		16/032018	SELL	778	0.00	76810	0.30
		23/03/2018	BUY	5661	0.02	82471	0.32
		30/03/2018	BUY	1328	0.01	83799	0.33
	At the end of the year	31/03/2018		-	-	83799	0.33
9.	GLOBE CAPITAL MARKET LTD						
	At the beginning of the year	01/04/2017		67527	0.26	-	-
	Changes during the year	07/04/2017	BUY	1500	0.01	69027	0.27
		14/04/2017	BUY	1930	0.01	70957	0.28
		21/04/2017	SELL	5366	0.02	65591	0.26
		28/04/2017	SELL	8280	0.03	57311	0.22
		05/05/2017	SELL	5735	0.02	51576	0.20
		12/05/2017	SELL	879	0.00	50697	0.20
		19/05/2017	BUY	168	0.00	50865	0.20
		26/05/2017	SELL	228	0.00	50637	0.20
		02/06/2017	SELL	4696	0.02	45941	0.18
		09/06/2017	SELL	776	0.00	45165	0.18
		16/06/2017	BUY	1350	0.01	46515	0.18
		23/06/2017	SELL	4554	0.02	41961	0.16
		30/06/2017	SELL	845	0.00	41116	0.16
		07/07/2017	BUY	1191	0.00	42307	0.16
		14/07/2017	SELL	401	0.00	41906	0.16
		21/07/2017	BUY	711	0.00	42617	0.17
		28/07/2017	BUY	137	0.00	42754	0.17

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
9.	GLOBE CAPITAL MARKET LTD (contd...)						
		04/08/2017	BUY	2951	0.01	45705	0.18
		11/08/2017	BUY	1122	0.00	46827	0.18
		18/08/2017	BUY	443	0.00	47270	0.18
		25/08/2017	BUY	1150	0.00	48420	0.19
		01/09/2017	SELL	1668	0.01	46752	0.18
		08/09/2017	SELL	1405	0.01	45347	0.18
		15/09/2017	SELL	75	0.00	45272	0.18
		22/09/2017	SELL	1064	0.00	44208	0.17
		29/09/2017	SELL	446	0.00	43762	0.17
		06/10/2017	BUY	484	0.00	44246	0.17
		13/10/2017	SELL	3933	0.02	40313	0.16
		20/10/2017	BUY	1060	0.00	41373	0.16
		27/10/2017	BUY	400	0.00	41773	0.16
		31/10/2017	SELL	7894	0.03	33879	0.13
		03/11/2017	SELL	681	0.00	33198	0.13
		10/11/2017	SELL	343	0.00	32855	0.13
		17/11/2017	SELL	595	0.00	32260	0.13
		24/11/2017	BUY	900	0.00	33160	0.13
		01/12/2017	SELL	50	0.00	33110	0.13
		08/12/2017	SELL	1532	0.01	31578	0.12
		15/12/2017	SELL	407	0.00	31171	0.12
		22/12/2017	BUY	700	0.00	31871	0.12
		29/12/2017	SELL	705	0.00	31166	0.12
		05/01/2018	BUY	22861	0.09	54027	0.21
		12/01/2018	SELL	4821	0.02	49206	0.19
		19/01/2018	SELL	10810	0.04	38396	0.15
		26/01/2018	BUY	2125	0.01	40521	0.16
		02/02/2018	SELL	8283	0.03	32238	0.13
		09/02/2018	BUY	4050	0.02	36288	0.14
		16/02/2018	SELL	275	0.00	36013	0.14
		23/02/2018	BUY	82	0.00	36095	0.14
		02/03/2018	SELL	1850	0.01	34245	0.13
		09/03/2018	BUY	400	0.00	34645	0.13
		16/03/2018	SELL	352	0.00	34293	0.13
		23/03/2018	SELL	200	0.00	34093	0.13
		30/03/2018	BUY	202	0.00	34295	0.13
	At the end of the year	31/03/2018		-	-	34295	0.13

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
10.	VENTURA SECURITIES LIMITED-COLLATERAL ACCOUNT						
	At the beginning of the year	01/04/2017		63873	0.25	-	-
	Changes during the year	07/04/2017	SELL	46431	0.18	17442	0.07
		14/04/2017	BUY	5687	0.02	23129	0.09
		21/04/2017	SELL	1649	0.01	21480	0.08
		28/04/2017	BUY	2657	0.01	24137	0.09
		05/05/2017	BUY	97320	0.38	121457	0.47
		12/05/2017	BUY	138084	0.54	259541	1.01
		19/05/2017	BUY	75420	0.29	334961	1.30
		26/05/2017	BUY	29450	0.11	364411	1.42
		02/06/2017	BUY	58896	0.23	423307	1.65
		09/06/2017	SELL	21191	0.08	402116	1.56
		16/06/2017	BUY	26929	0.10	429045	1.67
		23/06/2017	BUY	9005	0.04	438050	1.70
		30/06/2017	BUY	123151	0.48	561201	2.18
		07/07/2017	SELL	59248	0.23	501953	1.95
		14/07/2017	SELL	12745	0.05	489208	1.90
		21/07/2017	SELL	982	0.00	488226	1.90
		28/07/2017	SELL	2157	0.01	486069	1.89
		04/08/2017	SELL	708	0.00	485361	1.89
		11/08/2017	BUY	121653	0.47	607014	2.36
		18/08/2017	BUY	1716	0.01	608730	2.37
		25/08/2017	SELL	77	0.00	608653	2.37
		01/09/2017	BUY	642	0.00	609295	2.37
		08/09/2017	BUY	28871	0.11	638166	2.48
		15/09/2017	BUY	39511	0.15	677677	2.64
		22/09/2017	BUY	7304	0.03	684981	2.66
		29/09/2017	SELL	923	0.00	684058	2.66
		06/10/2017	BUY	745	0.00	684803	2.66
		13/10/2017	SELL	37355	0.15	647448	2.52
		20/10/2017	SELL	6060	0.02	641388	2.49
		27/10/2017	SELL	692	0.00	640696	2.49
		31/10/2017	SELL	1263	0.00	639433	2.49
		03/11/2017	SELL	1635	0.01	637798	2.48
		10/11/2017	SELL	199869	0.78	437929	1.70
		17/11/2017	SELL	10133	0.04	427796	1.66
		24/11/2017	BUY	2255	0.01	430051	1.67

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
10.	VENTURA SECURITIES LIMITED-COLLATERAL ACCOUNT (contd...)						
		01/12/2017	BUY	1101	0.00	431152	1.68
		08/12/2017	BUY	1423	0.01	432575	1.68
		15/12/2017	SELL	104	0.00	432471	1.68
		22/12/2017	BUY	2209	0.01	434680	1.69
		29/12/2017	SELL	3805	0.01	430875	1.68
		05/01/2018	BUY	1516	0.01	432391	1.68
		12/01/2018	SELL	1391	0.01	431000	1.68
		19/01/2018	BUY	7798	0.03	438798	1.71
		26/01/2018	SELL	8202	0.03	430596	1.67
		02/02/2018	SELL	820	0.00	429776	1.67
		09/02/2018	SELL	1911	0.01	427865	1.66
		16/02/2018	BUY	255	0.00	428120	1.67
		23/02/2018	SELL	1344	0.01	426776	1.66
		02/03/2018	BUY	675	0.00	427451	1.66
		09/03/2018	SELL	771	0.00	426680	1.66
		16/03/2018	BUY	3595	0.01	430275	1.67
		23/03/2018	BUY	179	0.00	430454	1.67
		30/03/2018	SELL	2078	0.01	428376	1.67
	At the end of the year	31/03/2018		-	-	428376	1.67
11.	PAWAN KUMAR KEJRIWAL						
	At the beginning of the year	01/04/2017		32075	0.12	-	-
	Changes during the year	21/04/2017	BUY	6625	0.03	38700	0.15
		05/05/2017	BUY	7200	0.03	45900	0.18
		16/03/2018	BUY	81264	0.32	127164	0.49
		23/03/2018	BUY	13236	0.05	140400	0.55
	At the end of the year	31/03/2018		-	-	140400	0.55
12.	VIJAY GUPTA						
	At the beginning of the year	01/04/2017		0	0.00	-	-
	Changes during the year	02/06/2017	BUY	10000	0.04	10000	0.04
		07/07/2017	BUY	1100	0.00	11100	0.04
		14/07/2017	BUY	3150	0.01	14250	0.06
		21/07/2017	SELL	609	0.00	13641	0.05
		28/07/2017	BUY	1755	0.01	15396	0.06
		04/08/2017	BUY	1455	0.01	16851	0.07
		11/08/2017	BUY	1166	0.00	18017	0.07
		01/09/2017	BUY	1000	0.00	19017	0.07

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
12.	VIJAY GUPTA (contd...)						
		08/09/2017	BUY	1000	0.00	20017	0.08
		22/09/2017	BUY	4000	0.02	24017	0.09
		29/09/2017	BUY	1000	0.00	25017	0.10
		10/11/2017	SELL	7443	0.03	17574	0.07
		17/11/2017	SELL	6059	0.02	11515	0.04
		24/11/2017	BUY	138485	0.54	150000	0.58
		29/12/2017	SELL	18000	0.07	132000	0.51
		05/01/2018	BUY	9000	0.04	141000	0.55
		12/01/2018	BUY	9529	0.04	150529	0.59
		19/01/2018	SELL	16529	0.06	134000	0.52
		26/01/2018	BUY	12594	0.05	146594	0.57
		02/02/2018	SELL	56594	0.22	90000	0.35
		30/03/2018	SELL	10000	0.04	80000	0.31
	At the end of the year	31/03/2018		-	-	80000	0.31
13.	MOTILAL OSWAL SECURITIES LTD.						
	At the beginning of the year	01/04/2017		30327	0.12	-	-
	Changes during the year	07/04/2017	SELL	397	0.00	29930	0.12
		14/04/2017	SELL	14590	0.06	15340	0.06
		21/04/2017	BUY	5496	0.02	20836	0.08
		28/04/2017	BUY	5885	0.02	26721	0.10
		05/05/2017	SELL	5629	0.02	21092	0.08
		12/05/2017	SELL	6298	0.02	14794	0.06
		19/05/2017	BUY	8757	0.03	23551	0.09
		26/05/2017	SELL	791	0.00	22760	0.09
		02/06/2017	BUY	357	0.00	23117	0.09
		09/06/2017	SELL	2707	0.01	20410	0.08
		16/06/2017	SELL	169	0.00	20241	0.08
		23/06/2017	SELL	1532	0.01	18709	0.07
		30/06/2017	BUY	1219	0.00	19928	0.08
		07/07/2017	BUY	9771	0.04	29699	0.12
		14/07/2017	BUY	983	0.00	30682	0.12
		21/07/2017	BUY	1277	0.00	31959	0.12
		28/07/2017	BUY	2910	0.01	34869	0.14
		04/08/2017	BUY	6547	0.03	41416	0.16
		11/08/2017	BUY	22431	0.09	63847	0.25

Sl. No.	Name of the Shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
13.	MOTILAL OSWAL SECURITIES LTD. (contd...)						
		18/08/2017	BUY	13328	0.05	77175	0.30
		25/08/2017	SELL	16731	0.07	60444	0.24
		01/09/2017	BUY	24161	0.09	84605	0.33
		08/09/2017	BUY	3925	0.02	88530	0.34
		15/09/2017	SELL	17238	0.07	71292	0.28
		22/09/2017	SELL	3761	0.01	67531	0.26
		29/09/2017	SELL	573	0.00	66958	0.26
		06/10/2017	BUY	483	0.00	67441	0.26
		13/10/2017	BUY	6094	0.02	73535	0.29
		20/10/2017	BUY	10398	0.04	83933	0.33
		27/10/2017	SELL	6254	0.02	77679	0.30
		31/10/2017	SELL	2893	0.01	74786	0.29
		03/11/2017	BUY	10359	0.04	85145	0.33
		10/11/2017	SELL	4404	0.02	80741	0.31
		17/11/2017	SELL	5356	0.02	75385	0.29
		24/11/2017	BUY	10433	0.04	85818	0.33
		01/12/2017	BUY	7762	0.03	93580	0.36
		08/12/2017	BUY	9694	0.04	103274	0.40
		15/12/2017	BUY	17285	0.07	120559	0.47
		22/12/2017	SELL	52986	0.21	67573	0.26
		29/12/2017	BUY	56547	0.22	124120	0.48
		05/01/2018	BUY	6373	0.02	130493	0.51
		12/01/2018	BUY	6366	0.02	136859	0.53
		19/01/2018	BUY	1465	0.01	138324	0.54
		26/01/2018	SELL	5684	0.02	132640	0.52
		02/02/2018	SELL	22310	0.09	110330	0.43
		09/02/2018	BUY	797	0.00	111127	0.43
		16/02/2018	SELL	5933	0.02	105194	0.41
		23/02/2018	SELL	11327	0.04	93867	0.37
		02/03/2018	BUY	7921	0.03	101788	0.40
		09/03/2018	SELL	14940	0.06	86848	0.34
		16/03/2018	SELL	4964	0.02	81884	0.32
		23/03/2018	SELL	5826	0.02	76058	0.30
		30/03/2018	BUY	2980	0.01	79038	0.31
	At the end of the year	31/03/2018		-	-	79038	0.31

(v). Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Directors and KMP	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	RAJNIT RAI JAIN (Chairman & Managing Director)						
	At the beginning of the year	01/04/2017		10035648	39.04	-	-
	At the end of the year	31/03/2018		-	-	10035648	39.04
2.	SARITA JAIN (Non-Executive & Non-Independent Director)						
	At the beginning of the year	01/04/2017		366544	1.43	-	-
	At the end of the year	31/03/2018		-	-	366544	1.43
3.	RAJASEKHAR RAMARAJ (Non-Executive & Independent Director)						
	At the beginning of the year	01/04/2017		68400	0.27	-	-
	At the end of the year	31/03/2018		-	-	68400	0.27
4.	RICHARD NICHOLAS LAUNDER (Non-Executive & Independent Director)						
	At the beginning of the year	01/04/2017		48400	0.19	-	-
	At the end of the year	31/03/2018		-	-	48400	0.19
5.	SHITAL KUMAR JAIN (Non-Executive Director)						
	At the beginning of the year	01/04/2017		0	0.00	-	-
	At the end of the year	31/03/2018		-	-	0	0.00
6.	VIJENDRA SURANA (CFO & CS)						
	At the beginning of the year	01/04/2017		14	0.00	-	-
	At the end of the year	31/03/2018		-	-	14	0.00

V. INDEBTEDNESS

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

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

(vi) Remuneration of Directors and Key Managerial Personnel

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

Sl. No.	Particulars of Remuneration	Mr. Rajnit Rai Jain (Chairman & Managing Director)	Total Amount (₹ In Lakhs)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	54.00	54.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	–	–
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	–	–
2	Stock Option	–	–
3	Sweat Equity	–	–
4	Commission - as % of profit - others, specify…	0.00	0.00
5	Others (Employer's Provident Fund)	4.32	4.32
	Total (A)	**58.32**	**58.32**
	Ceiling as per the Act	As per Part II of Schedule V of the Companies Act, 2013 (In absence of adequate profit no commission was paid to the Chairman & Managing Director)	

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration (₹)	Name of Directors				Total Amount (₹ In lakhs)
		Mr. Shital Kumar Jain	Mr. Rajasekhar Ramaraj	Mr. Richard Nicholas Launder	Mrs. Sarita Jain	
1	**Independent Directors**					
	Fee for attending board/committee meetings	7.60	6.00	6.40	-	20.00
	Commission	-	-	-	-	-
	Others, specify (if any)	-	-	-	-	-
	Total (1)	**7.60**	**6.00**	**6.40**	**-**	**20.00**
2.	**Other Non-Executive Directors**					
	Fee for attending board/ committee meetings	-	-	-	1.20	1.20
	Commission	-		-	-	
	Others, specify (if any)	-	-	-	-	
	Total (2)	**-**	**-**	**-**	**1.20**	**1.20**
	Total (B)=(1+2)	**7.60**	**6.00**	**6.40**	**1.20**	**21.20**
	Total Managerial Remuneration (A+B)	79.52				
	Overall Ceiling as per the Act	The limit as prescribed under Companies Act, 2013				

#Total managerial remuneration paid to Managing Director. The Non-executive directors are not being paid any remuneration except sitting fees.

C. Remuneration to Key Managerial Personnel other than MD / Manager/WTD

Sl. No.	Particulars of Remuneration (₹)	Key Managerial Personnel		
		Mr. Rajnit Rai Jain (CEO)	Mr. Vijendra Surana (CFO & Company Secretary)	Total (₹ in Lakhs)
1	**Gross salary** (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	54.00	63.54	117.54
2	Stock Option	–	–	–
3	Sweat Equity	–	–	–
4	Commission - as % of profit - others, specify…	–	–	–
5	Others (Employer's Provident Fund)	4.32	3.11	7.43
	Total	**58.32**	**66.65**	**124.97**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2018.

Type	Section of the Companies Act, 2013	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty	NIL				
Punishment					
Compounding					
B. Directors					
Penalty	NIL				
Punishment					
Compounding					
C. Other Officers in default					
Penalty	NIL				
Punishment					
Compounding					

For and behalf of the Board of Directors

Sd/-

Rajnit Rai Jain

(Chairman & Managing Director)

DIN : 00122942

Place: Kolkata

Date: April 19, 2018

ANNEXURE 'D'

ANNEXURE TO DIRECTORS' REPORT

Statement pursuant to Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended

i. The ratio of the remuneration of each director to the median remuneration of all the employees of the company for the financial year 2017-18 is as follows:

Sl. No	Name of the Directors	Remuneration (₹ In lacs)	Median Remuneration of Employees (₹ In Lacs)	Ratio
1.	Rajnit Rai Jain	58.32	8.5	6.86:1

ii. The percentage increase in remuneration of each Director, Chief Financial Officer & Company Secretary in the financial year 2017-18:

Sl. No	Name	Designation	Remuneration of previous year (₹ in lacs)	Remuneration of Current year (₹ in lacs)	% increase / (decrease) in remuneration
1.	Rajnit Rai Jain	Chairman & Managing Director	58.43	58.32	(0.19)
2.	Mr. Vijendra Surana	CFO & Company Secretary	65.02	66.65	2.51

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

Median remuneration of previous year (₹ In lacs)	Median remuneration of current year (₹ In lacs)	%increase
7.20	8.50	18.06

iv. The number of permanent employees on the rolls of company as on 31.03.2018 is 296

v. Average percentile increase already made 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	1.23
2.	Increase/ (decrease) in salary of employee (other than KMP)	7.2

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

INFORMATION PURSUANT TO SECTION 197(12) READ WITH RULE 5(2) AND (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, AS AMENDED FOR THE FINANCIAL YEAR ENDED 31.03.2018

List of top employees of the Company in terms of the remuneration drawn and names of every employee (if any) who was employed for throughout and part of the year and was in receipt of remuneration exceeding the limits laid down in the Companies Act, 2013.

Sl. No.	Name	Designation/Nature of Duties	Remuneration Received	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. Ranjit Rai Jain	Chairman & Managing Director	5832000	B.S., MBA	30	61.5	02-Dec-87	-	39.04
2.	Vijendra Surana	CFO & Company Secretary	6664771	MBA, FCA, ACS, AICMA	23	46.5	2-Nov-07	VISA Steel International	14%
3.	Sumit Misra	General Manager	4890266	M.E.	27	52.5	21-Apr-08	Praxis Softek Solutions	-
4.	Sanjay Guha	Deputy General Manager	4311552	M.SC., PMP	26.5	49.9	10-Dec-07	Praxis Softek Solutions	
5.	Aniruddha Rai Chaudhuri	General Manager (Q & B)	4237822	B.SC., PGCACS	24	46.4	3-May-99	Globsyn Technologies	-
6.	Chinmoy Das	Senior Technical Consultant	4077187	B.E.	23	46.4	28-Jan-08	CTS	
7.	Souvik Datta Ray	Senior Technical Consultant	3251134	B.E.	20	45.9	15-Feb-99	Air conditioning Corp Ltd	-
8.	Suparna Dhar	Assistant General Manager-Delivery	3097588	B.SC (H); M. STAT.,	23	48.6	1-Mar-99	Globsyn Technologies	-
9.	Swarup Saha	Technical Consultant	2662375	B.E.	12.5	35.2	15-Sep-16	SAPIENT	-
10.	Abir Mukhopadhyay	Senior Manager-Delivery	2729051	B.E.	21	43.4	1-Jul-97	-	

Notes:

1. In terms of the Proviso to Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rule 2014, particulars of the employees posted and working in a County outside India, not being directors or their relatives, have not been included in the above statement.
2. None of the Employees listed above is a relative of any director of the Company.
3. The nature of employment is contractual in all the above cases.
4. The above statement covers the remuneration paid by the Company and not by any subsidiary/ies.

Remuneration includes Basic Salary, HRA, Special Allowance, LTA, Medical, Employer's contribution to Provident Fund and variable pay.

For and behalf of the Board of Directors

Sd/-

Rajnit Rai Jain

(Chairman & Managing Director)

DIN : 00122942

Place: Kolkata

Date: April 19, 2018

ANNEXURE 'E'

ANNEXURE TO DIRECTORS' REPORT

(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/steps have been taken to conserve energy.

- Through periodic energy audits to identify potential areas for saving
- By incorporating energy- efficient equipment
- Through automation i.e., using timers, automatic level controllers etc.
- Whether company utilised any alternate sources of energy: NO
- Capital Investment on energy conservation equipments: NIL

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 RS Payments Lab on distributed data processing architecture like Hadoop, real time analytics frameworks like Spark, Python, Neo4J, Redis, device fingerprinting, Machine Learning techniques, Predictive Analytics applied to digital fraud analytics and business insights and decisions. Other initiatives include tokenization, cloud enablement, 3DS 2.0, API Platform, etc. New courses were created and offered to internal employees. A major transformative move was made towards development of digital products and platforms for banks, payment processors and aggregators in India and global markets.
2. Benefits expected from the R & D	The competence built is helping the company gain mileage to 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. These assets work as door openers to acquire new customers for services business as well.
3. Future plan of action	Continue technology exploration on Faster Payments, API-zation of Platform Data Lake, Fraud and Risk Management, Data Ingestion and Customer Segmentation, Digital Commerce, Targeted Loyalty, Digital Payments Platform, Cloud Computing, Blockchain and Open Source software across solution areas. We plan to increase the number of self-service courses so that it can be administered without trainer, location and time constraint.
4. The expenditure incurred on Reasearch & Development	₹ 524.74 Lacs

(a) Technology Absorption , Adaptation and Innovation

1. Efforts made towards technology absorption, adaptation and innovation	Technology exploration and absorption was done in RS Payments Lab on API platform development and management, building micro services, API platform, developer portal, sandbox, payment gateway, test automation, CRM, estate management, Wallets for UPI Pay and Bill Pay, automated underwriting. Open Source software products were reviewed, explored and then used for highly scalable and available systems. A open technology stack was used to architect a high performance and scalable financial fraud and risk management.
2. Benefits derived as a result of the above efforts	The efforts are translating to transforming Indian society towards adoption of digital payments. This is 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 effeort is effective in launching RS in platform business. It helps change the market perception of RS branding from technology services provider to business service provider.
3. Details of technology imported during last 3 years	RS has partnered with global leaders, Threat Matrix and Kount offering fraud management solution for digital payment industry. The Company has applied new technology stacks such as ELK and MEAN over the last couple of years to develop cutting edge payment solutions. The Company has made a wider foray into applying AI and ML techniques in image recognition and customer retaintion analytics.

C. Earnings and Expenditures in Foreign Currency

1. Initiatives like increasing exports, development of new export markets etc. to earnings in foreign currency.	Nil
2. Earning in Foreign Currency (₹ in Lacs)	4899.61
3. Expenditure in Foreign Currency (₹ in Lacs)	5502.44

For and behalf of the Board of Directors

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

Place: Kolkata
Date: April 19, 2018

ANNEXURE 'F'

CORPORATE SOCIAL RESPONSIBILITY

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

ACTIVITIES/ INITIATIVES FOR THE FY 2017-18

[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. Our Corporate Social Responsibility (CSR) initiatives insure we never loose sight of whom we are and what our obligations are to the communities where we operate.

   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/investors#investor_faq.

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

S. No.	Name	Designation
1.	Mr. Rajnit Rai Jain	Chairman & Managing Director (Chiarman of CSR Committee)
2.	Mr. Shital Kumar Jain	Independent Director
3.	Mr. Rajasekhar Ramaraj	Independent Director

3. **Average Net profit of the Company for last three Financial Years:** * ₹ 1387.75 lacs

   * Excluding appropriated Branch Profit

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** ₹ 27.76 lacs

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

   (a) **Total amount to be spent for the financial year:** ₹ 27.76 lacs

   (b) Amount unspent, if any: ₹ 27.76 lacs

(c) Manner in which the amount spent during the Financial Year is detailed below:

(Amount in lacs.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No	CSR Project/ activity identified	Sector in which the project is covered	Projects or program (1) Local area or other (2) specify the state and district where projects or program was undertaken	Amount outlay (budget) projects or programs wise	Amount Spent on the projects or programs Sub Heads: (1) Direct expenditure on projects or program (2) Overheads	Cumulative expebditure up to the reporting period	Amount spent direct/ through implementing agency
1.	Social Welfare Projects	Eradicating hunger and poverty and malnutrition, and making available safe drinking water and social welfare	Eastern Region	27.76	0.50	0.50	0.50

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:**

   The Company's CSR initiatives are on the focus areas approved by the Board benefiting the community. The company was in the process of identifying long term CSR projects to benefit the society on a long term basis. The company also took suitable measures to find out ways and means to spend on CSR activities including carrying out CSR activities.

   The company is incurring losses during the Financial year 2016 -17 and 2017–18 and for this reason, during the year the Company could not focus on CSR activities. The company is a well compliance – oriented and considers social responsibility as an integral part of its business activities and endeavor to utilize allocable CSR budget for the benefit of society. The CSR activities are scalable coupled with new initiatives that may be considered in future and moving forward the Company will endevour to spend the complete amount on CSR activities in accordance with the statutory requirements.

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

Sd/-

Mr. Rajnit Rai Jain

Chairman of CSR Committee

(Chairman & Managing Director)

DIN: 00122942

Date: April 19, 2018

Place: Kolkata

ANNEXURE 'G'

CORPORATE GOVERNANCE 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 work place 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 5 (Five) Directors consisting of 2 (Two) Promoter Directors of which 1(One) 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. During the fiscal year the Board met on 5 (Five) times on April 19, 2017, July 20, 2017, October 17, 2017, January 25, 2018 and March 19, 2018 as per the statutory requirements.

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

In Compliance with Regulation 25 of SEBI Listing Regulations, 2015, none of the Directors on the Board serve as an Independent Director of more than 7 (Seven) listed companies across all companies under which he/she is Director. Further, the Director on the Board serving as a Whole time Director in a listed company is not serving as an Independent Director of more than 3 (Three) listed companies across all companies in which he is a Director.

Further in compliance with Section 165 of the Companies Act, 2013, 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). 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, 2018 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, 2018 are as under:

S. No.	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 Director
5.	Mr. Richard Nicholas Launder	03375772	Independent Director

In accordance with the provision of Companies Act, 2013 and clarifications/ circulars issued from time to time, the Company has appointed Mr. Shital Kumar Jain (DIN 00047474), Mr. Rajasekhar Ramaraj (DIN 00090279) and Mr. Richard Nicholas Launder (DIN 03375772), as Independent Directors of the Company to hold office for a period of 5(Five) consecutive years from the date of the Twenty Sixth Annual General Meeting of the Company held on July 18, 2014.

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.

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. The Independent Directors met on 24th January, 2018 without the presence of the Chairman & Managing Director and other Non-Executive & Non-Independent Directors and the Management Team. The meeting was attended by all the Independent Directors and enables them to and inter- alia discussed:

- review the performance of non-independent directors and the Board as a whole
- review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors
- assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARIZATIONS PROGRAMME FOR INDEPENDENT DIRECTORS

In terms of Regulation 25(7) 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.rssoftwre.com and on the weblink http://www.rssoftware.com/investors#investor_faq

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.

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 *	Relation-ship with other Directors
	Board Meetings		Category	Last AGM	Other Directorship @	Commit-tee Membership #	Commit-tee Chairmanship #		
	Held	Attended							
Mr. Rajnit Rai Jain	5	4	Executive Director (Chairman & Managing Director)	Yes	-	2	-	10035648 Equity Shares	Husband of Mrs. Sarita Jain
Mr. Shital Kumar Jain	5	4	Non-Executive & Independent Director	Yes	2	2	2	Nil	-
Mrs. Sarita Jain	5	4.	Non-Executive & Non Independent Director	Yes	-	-	-	3,66,544 Equity Shares	Wife of Mr. Rajnit Rai Jain
Mr. Rajasekhar Ramaraj	5	4	Non-Executive & Independent Director	No	2	1	0	68,400 Equity Shares	-
Mr. Richard Nicholas Launder	5	5	Non-Executive & Independent Director	Yes	-	-	-	48,400 Equity Shares	-

@ 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 Non-Executive Directors as on 31.03.2018.*

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 and on the web link http://www.rssoftware.com/pdfs/RS-Software-Code-of-Conduct.pdf. 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 2017-18.

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 2 (Two) Non-Executive Independent Directors 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 Audit Committee Meetings	
		Held	Attended
Mr. Shital Kumar Jain (Chairman of the Audit Committee)	Non –Executive & Independent Director	4	3
Mr. Rajnit Rai Jain	Executive Director	4	4
Mr. Rajasekhar Ramaraj	Non-Executive & Independent Director	4	3

Mr. Vijendra Surana, the Company Secretary acts as the Secretary to the Audit Committee.

MEETINGS:

4 (Four) meetings of the Audit Committee were held during the year 2017-18 on April 19, 2017, July 20, 2017, October 17, 2017 and January 25, 2018 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.

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.
- 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

4. STAKEHOLDERS RELATIONSHIP COMMITTEE

COMPOSITION

The Stakeholders Relationship Committee comprises of 2 (Two) 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) and Mr. Vijendra 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 Stakeholders 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

Meetings:

During the year 2017-18, the Committee met 3 (Three) times on April 18, 2017, July 20, 2017 and January 24, 2018.

Terms of Reference

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.

INVESTORS' GRIEVANCES

During the Financial Year ended March 31, 2018, the Company did not receive any complaint from the Shareholders / Investors of the Company.

Particulars	Details
Number of complaint at the beginning of the year	Nil
Number of Shareholder's Complaints received during the year	0
Number of complaint not solved to the satisfaction of shareholders	0
Number of pending complaints at the end of the year	Nil

SEBI SCORES

No complaints are pending to be resolved as on date as per SEBI SCORES as well.

NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER:

Mr. Vijendra Surana, CFO & Company Secretary
R S Software (India) Limited
'FMC FORTUNA', 1st Floor, A-2,
234/3A, A.J.C. Bose Road, Kolkata - 700020

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 3 (Three) Non-Executive Independent Directors 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 Nomination & Remuneration Committee Meetings	
		Held	Attended
Mr. Rajasekhar Ramaraj (Chairman of the Committee)	Non –Executive & Independent Director	4	3
Mr. Rajnit Rai Jain	Executive Director	4	4
Mr. Shital Kumar Jain	Non-Executive & Independent Director	4	3
Mr. Richard Nicholas Launder	Non-Executive & Independent Director	4	4

MEETINGS:

During the year 2017-18 the Committee met 4 (Four) times on April 19, 2017, July 21, 2017, October 17, 2017 & January 24, 2018 and 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

Further this Committee recommends and reviews the Compensation packages of the individuals and grant of ESOP to eligible candidates. The Compensation Policy is directed towards rewarding performance based on review of achievements on a periodical basis and has the overall approval from the Board of Directors.

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 were 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 judgement, 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 Nomination and Remuneration 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 and on the weblink http://www.rssoftware.com/investors#investor_faq

REMUNEARTION 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 except for Corporate Social Responsibility Committee attended by them.

  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 2017-18 are as under:

Name of Non-Executive Directors	Sitting fees (₹ in Lacs)	
	Board Meeting	Committee Meeting
Mrs. Sarita Jain	1.20	0.00
Mr. Shital Kumar Jain	1.60	6.00
Mr. Rajasekhar Ramaraj	1.60	4.40
Mr. Richard Nicholas Launder	2.00	4.40
Total	**6.40**	**14.80**

- 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.

REMUNERATION TO EXECUTIVE DIRECTOR

(₹ in Lacs)

Name of the Director	Basic Salary	House Rent Allowance	Retiral Benefit	Other Allowances (Medical reimbursement)	Sitting Fees	Stock Option Details	Total Amount Paid (₹ In Lacs)
Mr. Rajnit Rai Jain, Chairman & Managing Director	36.00	18.00	4.32	-	-	-	58.32

(i) The above details of remuneration or fees paid are all elements of remuneration package of individual directors summarized under major groups.

(ii) Remuneration payable to Executive Director consists of fixed as well as variable. The fixed pay consists of Basic HRA and Retiral Benefit.

(iii) No Stock Option, Performance linked incentives and severance fees are given to Directors. No service contracts were entered into with Directors.

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.rssoftware.com and on the weblink http://www.rssoftware.com/investors#investor_faq

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

Members	Category	Attendance at CSR Committee Meetings	
		Held	Attended
Mr. Rajnit Rai Jain (Chairman of the Committee)	Executive Director	1	1
Mr. Shital Kumar Jain	Non –Executive & Independent Director	1	1
Mr. Rajasekhar Ramaraj	Non –Executive & Independent Director	1	1

MEETINGS:

During the financial year 2017-18, the Committee had met once on 24th January, 2018.

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 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	3
Mr. Rajasekhar Ramaraj	Non-Executive & Independent Director	4	3
Mr. Richard Nicholas Launder	Non-Executive & Independent Director	4	4

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:

4 (Four) meetings of the Executive committee were held during the year 2017-18 on April 18, 2017, July 20, 2017, October 16, 2017 and January 24, 2018.

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
2014-15	Friday, 10th July, 2015 at 1:30 p.m.	'Rabindra Tirtha', 33-1111,Major Arterial Road, 3rd Rotary, New Town, Kolkata-700156	-
2015-16	Thursday, July 21, 2016 at 11:30 a.m.	'Rabindra Tirtha', 33-1111, Major Arterial Road, 3rd Rotary, New Town, Kolkata-700156	1) To approve Company's Employee Stock Option Scheme 2016 (ESOP Scheme 2016)
2016-17	Friday, July 21, 2017 at 11:30 a.m	'Rabindra –Okakura Bhawan, Paschinbanga Bangla Academy, 27A/1 DD Block, Salt Lake City, (Near City Centre, Salt Lake), Kolkata-700 064	1) 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 2017-18, no special resolution was passed through Postal Ballot.

  There is no immediate proposal for passing any resolution through postal ballot. Pursuant to the provisions of the Companies Act, 2013, in view of the e-voting facilities provided by the Company, none of the businesses proposed to be transacted at the ensuing AGM require passing a resolution through postal ballot.

  No Extraordinary General Meeting of the members was held during the financial year 2017-18.

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 company's website www.rssoftware.com.

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 and on the web link http://www.rssoftware.com/investors#investor_faq.

  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.

There was no such non-compliance by the listed entity. Further no penalties or strictures have been imposed on the company by stock exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

- 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 and on the web link http://www.rssoftware.com/investors#investor_faq.

- COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON –MANDATORY REQUIREMENTSAND DISCRETIONARY REQUIREMENTS:

The Company has complied with the mandatory requirements as stipulated in SEBI LODR Regulations, 2015 with the Stock Exchanges.

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 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, and report the same to Stock Exchanges in terms of Regulation 44 of the SEBI Listing Regulations, 2015.
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 Chairman and Managing Director of the Company. The Company's Board consists of majority of Independent Directors.
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 and clause (b) to (i) of Sub regulation (2) of regulation 46 of SEBI (LODR) Regulation 2015. The disclosure of the said Regulation has been made in the section of this Corporate Governance Report.

There has been no such non compliance of any requirement of Corporate Governance Report.

- 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 and on the web link http://www.rssoftware.com/investors#investor_faq

  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 company's website www.rssoftware.com and on the weblink http://www.rssoftware.com/investors#investor_faq. 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 2018.

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".

  The Code is available on the company's website www.rssoftware.com and on the web link http://www.rssoftware.com/investors#investor_faq.

- 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 on the weblink http://www.rssoftware.com/investors#investor_faq.

- 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.

- 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 Aajkaal, 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. 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

No transfer has been made to Investor Education and Protection Fund during the year 2017-18.

GENERAL INFORMATION FOR SHAREHOLDERS AND INVESTORS

i.	Corporate Identification Number (CIN) of the Company	L72200WB1987PLC043375
ii.	Corporate Head quarter & Registered Office	"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.rssoftware.com
iii.	Financial Year	1st April, 2017 to 31st March, 2018
iv.	Date time and Venue of Annual General Meeting	July 27, 2018 'Rabindra Tirtha', 33-1111, Major Arterial Road, 3rd Rotary, New Town, Kolkata-700156 Time : 11:30 a.m.
v.	Dividend Payment date	The Company did not recommend any dividend during the year 2017-18
vi.	Book Closure for AGM	July 20, 2018 to July 27, 2018
vii.	Tentative Calendar of Events for the Financial Year 2018-19	First Quarter- July 2018 Second Quarter- October 2018 Third Quarter- January 2019 Financial Year- April 2019
viii.	Shareholders Services, Enquiries, Complaints	a. Name: Mr. Vijendra Surana Contact: vijendras@rssoftware.co.in b. Name: Mr. Anindya Sen Contact: anindyasen@rssoftware.co.in

ix.	Registrars & Share Transfer Agent	C.B. Management Services (P) Ltd. P-22, Bondel Road, Kolkata- 700019 Phone:033-22806692/ 40116700/ 22823643/ 22870263 Fax:033-40116739
x.	Listing on Equity Shares on Stock Exchanges in India at	Bombay Stock Exchange Ltd., 1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
		National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra- Kurla Complex, Bandra (E), Mumbai - 400 051
xi.	Stock Codes	NSE: RSSOFTWARE BSE: 517447
xii.	ISIN for Equity Shares	INE165B01029
xiii.	Trading of Equity Shares	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 2017-2018
xiv.	Share Transfer System	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 placed in the subsequent Stakeholders Relationship Committee Meeting and the Minutes of Stakeholders Relationship Committee are approved in the subsequent meeting of the Board of Directors of the Company.
xv.	Custodial fees to Depositories	Custodial fees to NSDL and CDSL paid up-to 31st March, 2018.
xvi.	Listing Fees	Listing fees paid to both the Stock Exchanges where the Company's equity shares are listed up-to 31st March, 2018.

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, 2017 to March 31, 2018 are as follows

➢ MONTHLY HIGH, LOW & CLOSING SHARE PRICE AT BSE

(Amount in ₹)

Month	BSE Ltd.		
	High Price	Low Price	Close Price
April, 2017	98.30	84.55	85.10
May, 2017	86.70	70.45	75.10
June, 2017	77.55	70.55	72.95
July, 2017	92.30	72.05	74.30
August, 2017	76.70	59.10	60.85
September, 2017	74.90	60.40	62.65
October, 2017	71.35	61.15	62.60
November, 2017	82.85	62.55	78.85
December, 2017	94.00	69.05	89.75
January, 2018	96.80	68.05	69.65
February, 2018	71.30	60.20	63.10
March, 2018	64.10	50.40	50.75

➢ MONTHLY HIGH, LOW & CLOSING SHARE PRICE AT NSE

(Amount in ₹)

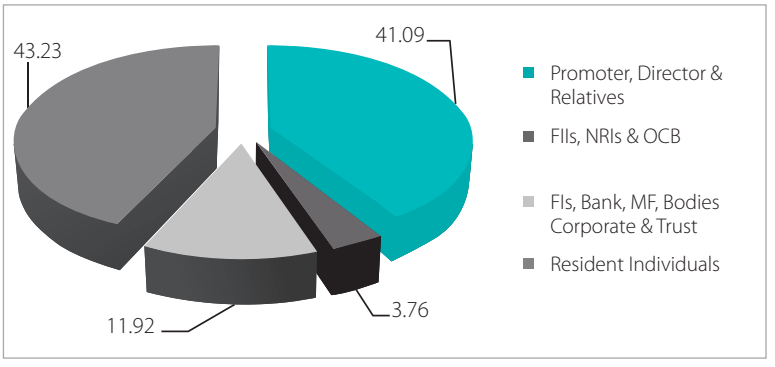
Month	NSE Ltd.		
	High Price	Low Price	Close Price
April, 2017	98.30	76.90	85.05
May, 2017	86.80	70.60	75.40
June, 2017	77.65	70.10	73.00
July, 2017	92.35	68.25	74.40
August, 2017	76.85	58.85	61.00
September, 2017	74.80	60.45	62.85
October, 2017	71.20	61.30	62.60
November, 2017	82.90	62.65	78.80
December, 2017	93.90	65.10	89.80
January, 2018	96.70	68.55	69.95
February, 2018	71.55	59.95	63.45
March, 2018	64.30	51.00	51.30

PERFORMANCE CHART IN COMPARISON WITH BSE SENSEX

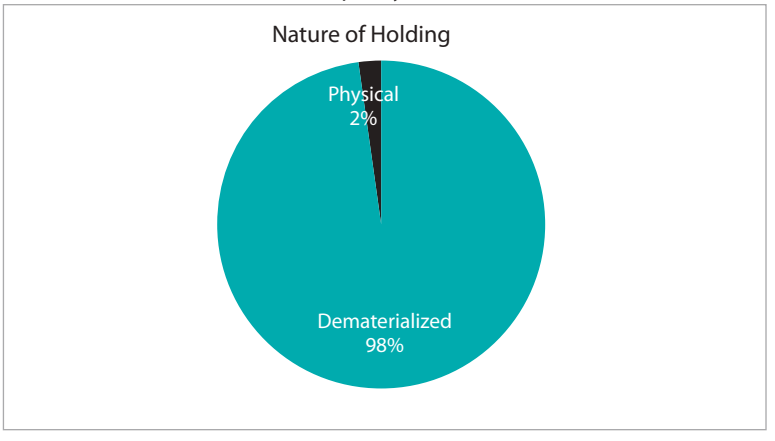
b. i. Distribution of shareholding as on March 31, 2018:

Range	No. of Shareholders	% to Total Shareholders	Issued Share Capital	% to Total Share Capital
1-500	21,744	82.19	16117185.00	12.54
501-1000	2657	10.04	9780620.00	7.61
1001-2000	1160	4.39	8520475.00	6.62
2001-3000	345	1.30	4383530.00	3.41
3001-4000	151	0.57	2703640.00	2.10
4001-5000	99	0.37	2288635.00	1.78
5001-10000	156	0.59	5662175.00	4.41
10001 & ABOVE	144	0.55	79085330.00	61.53
TOTAL	**26456**	**100.00**	**128541590.00**	**100.00**

ii. Share holding pattern as on March 31, 2018:



iii. Dematerialisation of shares and liquidity as on March 31, 2018:



iv. **Outstanding GDR/ADR/Warrants and Convertible Instruments, Conversion dates and likely 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.rssoftware.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

For and on behalf of the Board of Directors

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

Place: Kolkata
Date: April 19, 2018

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

The Board of Directors
R S Software (India) Ltd
Kolkata

Dear Board Members,

We Rajnit Rai Jain, Chairman and Managing Director, and Vijendra Surana, Chief Financial Officier and Company Secretary of the Company,

Pursuant to the provisions of Regulation 17 (8) of the Listing Regulation, to the best of our knowledge and belief we hereby certify that:

(a) We have reviewed the financial statements and the cash flow statement of the Company for the financial year ended 31st March 2018, 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) To the best of our knowledge and belief, there are no transactions entered into by the Company during the financial year 2017-18 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 of the Company and that

  (i) the effectiveness of internal control systems of the Company pertaining to financial reporting have been evaluated

  (ii) deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the Auditors and Audit Committee

  (iii) necessary steps have been proposed or taken to rectify those deficiencies, if any

(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 2017-18 ;

  (ii) significant changes, if any, in accounting policies during the financial year 2017-18 and that the same have been disclosed in the notes to the financial statements; and

  (iii) that 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) We further declare that, all 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 for the financial year 2017-18.

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

Sd/-
Vijendra Surana
Chief Financial Officer & Company Secretary
Membership No.: 11559

Place: Kolkata
Date: April 19, 2018

ANNUAL CERTIFICATE UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIRMENTS) REGULATIONS, 2015

DECLARATION

As required under Regulation 34 (3) read with Part D of schedule V of the 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, 2018.

Sd/-

Rajnit Rai Jain

Chairman & Managing Director

DIN: 00122942

Place: Kolkata

Date: April 19, 2018

COMPANY SECRETARY 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, 2018 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2), and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015").
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 management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015, to the extent applicable to the Company during the year under review.
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.
5. This certificate is issued solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations and it should not be used by any other person or for any other purpose.

For M R & Associates
Company Secretaries

M R Goenka
Partner
C P No.: 2551

Place: Kolkata
Date: April 19, 2018

Financial Statements

Independent Auditor's Report

To
The Members of
M/s. R S Software (India) Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of R S Software (India) Limited ("the Company"), which comprise of the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement for the year then ended, the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as Standalone Ind AS financial statements)

Management's Responsibility for the Standalone Ind AS 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 and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income & changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express and opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards required that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS of the state of affairs as at 31st March 2018 and its loss (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Reports on Other Legal and Regulatory Requirements

(i) 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

(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 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure B and

(g) With respect to the other matters to be 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 have long term contracts for which there are no material foreseeable losses as at the balance sheet date.

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 **DEOKI BIJAY & Co.**
Chartered Accountants
Firm Regn. No : 313105E

CA D.N.AGRAWAL
Partner
Memb No. 51157

Dated : 19th April, 2018
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 31st March, 2018, 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. 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, 2013.

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, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax (GST), cess and other statutory dues applicable to it. No statutory dues were outstanding, as at 31st March 2018 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, goods and service tax (GST) and other material statutory dues were outstanding, as at 31st March 2018 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 – 1 4	CIT (Appeals)
Income Tax	Income Tax	10.30 Crores	AY 2012 – 13	Appeal filed before the ITAT
Income Tax	Income Tax	--	AY 2014 – 15	CIT (Appeal)

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, government or debenture holders during the year.

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, paragraph3(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 **DEOKI BIJAY & Co.**
Chartered Accountants
Firm Regn. No : 313105E

CA D.N.AGRAWAL
Partner
Memb No. 51157

Dated : 19th April, 2018
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 31st March, 2018 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 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 fairy 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 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 31st March, 2018, 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

CA D.N.AGRAWAL
Partner
Memb No. 51157

Dated : 19th April, 2018
Place : Kolkata

Balance Sheet as at March 31, 2018

₹ in Lac

Particular	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
I. ASSETS				
NON CURRENT ASSETS				
A PROPERTY PLANT & EQUIPMENT				
(i) PROPERTY PLANT & EQUIPMENT	4a&b	479.85	515.99	778.19
(ii) OTHER INTANGIBLE ASSETS	4a&b	203.39	261.18	84.50
(iii) INTANGIBLE ASSETS UNDER DEVELOPMENT	4a &b	20.24	20.24	78.73
B FINANCIAL ASSETS				
(i) INVESTMENTS	5	3,251.22	1,398.29	992.07
(ii) LOANS	6	1,300.00	1,300.00	1300.00
(iii) OTHER FINANCIAL ASSET	7	605.65	799.75	1796.57
C DEFERRED TAX ASSETS (Net)	8	2,057.57	931.54	(32.43)
D OTHER NON CURRENT ASSETS	9	932.89	1,015.85	816.82
CURRENT ASSETS				
E FINANCIAL ASSETS				
(i) INVESTMENT	10	5,666.10	9,441.87	6651.40
(ii) TRADE RECEIVABLES	11	992.96	1,823.17	1186.91
(iii) CASH & CASH EQUIVALENTS	12	1,902.30	1,479.31	8493.39
(iv) OTHER BANK BALANCES	12	600.27	602.77	536.70
(v) OTHER FINANCIAL ASSETS	13	385.30	825.60	604.81
F OTHER CURRENT ASSETS	14	1,308.21	1,082.30	1,073.52
TOTAL ASSETS		19,705.97	21,497.87	24,361.18
II. EQUITY AND LIABILITIES :				
A EQUITY				
(i) EQUITY SHARE CAPITAL	15	1,285.42	1,285.42	1,284.67
(ii) OTHER EQUITY	16	16,246.68	18,816.09	20,522.83
LIABILITIES				
B NON CURRENT LIABILITIES				
(i) PROVISIONS	17	298.52	300.28	329.07
C CURRENT LIABILITIES				
D FINANCIAL LIABILITIES				
(i) SHORT TERM BORROWINGS	18	783.82	125.72	
(ii) TRADE PAYABLES	19	927.87	656.60	1,663.50
(iii) OTHER FINANCIAL LIABILITIES	20	59.16	59.16	59.16
E OTHER CURRENT LIABILITIES	21	92.74	243.05	181.08
F PROVISIONS	22	11.76	11.55	320.86
TOTAL LIABILITIES		19,705.97	21,497.87	24,361.18
Significant Accounting Policies and Notes on Accounts	1 to 46			

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)

On behalf of the Board

CA D.N.AGRAWAL
Partner
M. No. 51157

V. Surana
CFO & Company Secretary
M. No. 11559

S. K. Jain
Director
DIN : 00047474

R. R. Jain
Chairman & Managing Director
DIN : 00122942

Dated: 19th April, 2018
Place : Kolkata

Statement of Profit and Loss Account for the year ended March 31, 2018

₹ in Lac

Particular		Notes	Year ended March 31, 2018	Year ended March 31, 2017
I	REVENUE FROM OPERATION	25	5,739.33	7070.44
II	OTHER INCOME	26	856.19	1247.33
III	TOTAL REVENUE		6,595.52	8317.77
IV	EXPENSES :			
	PURCHASE OF STOCK IN TRADE	27	90.78	1012.71
	EMPLOYEE BENEFIT EXPENSES	28	6,927.65	6551.48
	SUBCONTRACTOR EXPENSES	29	848.71	198.31
	FINANCE COST	30	3.75	0.00
	DEPRECIATION& AMORTISATION	4a&b	208.84	396.49
	OPERATION AND OTHER EXPENSES	31	2,214.90	2752.67
	TOTAL EXPENSES		10,294.61	10911.66
V	PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS& TAX :	(III - IV)	(3,699.09)	(2593.89)
	EXCEPTIONAL ITEMS			
VI	TAX EXPENSES			
	PROFIT/(LOSS) BEFORE TAX			
	CURRENT TAX		-	0.00
	DEFERRED TAX		(1,126.03)	(963.97)
	PROFIT & LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS		(2,573.06)	(1629.92)
	OTHER COMPREHENSIVE INCOME			
	ITEMS WHICH WILL NOT BE CLASSIFIED INTO P&L RELATING TO ACTUARIAL GAIN/LOSS		(12.81)	(58.63)
	TOTAL COMPREHENSIVE INCOME		(12.81)	(58.63)
VII	PROFIT FOR THE PERIOD :	(V - VI)	(2,585.87)	(1688.55)
VIII	EARNINGS PER EQUITY SHARE(FOR CONTINUING OPERATIONS) :			
	BASIC	38	(10.01)	(6.34)
	DILLUTED	38	(10.01)	(6.34)
Significant Accounting Policies and Notes on Accounts		1 to 46		

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)

On behalf of the Board

CA D.N.AGRAWAL
Partner
M. No. 51157

V. Surana
CFO & Company Secretary
M. No. 11559

S. K. Jain
Director
DIN : 00047474

R. R. Jain
Chairman & Managing Director
DIN : 00122942

Dated: 19th April, 2018
Place : Kolkata

Cash Flow Statement for the year ended March 31, 2018

₹ in Lac

Particular	Year ended March 31, 2018	Year ended March 31, 2017
A CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAX	(3,699.09)	(2,595.95)
ADJUSTMENT FOR :		
DEPRECIATION	208.84	396.49
INTERESTPAID	3.75	10.38
FOREIGN EXCHANGE FLUCTUATION RESERVE	16.94	(23.29)
PROVISION FOR GRATUITY, LEAVE ENCASHMENT	100.67	120.78
INTEREST RECEIVED	(881.64)	(1,324.63)
DIVIDEND RECEIVED		-
EMPLOYEES EXPENSES AMORTIZATION	(14.57)	(150.60)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**(4,265.10)**	**(3,566.82)**
ADJUSTMENT FOR :		
TRADE AND OTHER RECEIVABLES	1,044.59	(901.88)
LOANS AND ADVANCES AND OTHER ASSETS	1,237.17	933.10
TRADE PAYABLES & OTHER LIABILITIES(INCLUDES EMPLOYEE AMORTISATION & FOREX)	(535.60)	(819.22)
CASH GENERATED FROM OPERATIONS	**(2,518.94)**	**(4,354.82)**
CASH FLOW BEFORE EXTRAORDINARY ITEMS	**(2,518.94)**	**(4,354.82)**
NET CASH FROM OPERATING ACTIVITIES	**(2,518.94)**	**(4,354.82)**
B CASH FLOW FROM INVESTMENT ACTIVITIES :		
PURCHASE OF PROPERTY PLANT & EQUIPMENT	114.91	(252.50)
INTEREST RECEIVED	905.39	1,324.63
DIVIDEND RECEIVED		
INVESTMENT MADE DURING THE YEAR	1,922.84	(3,293.33)
NET CASH FROM INVESTMENT ACTIVITIES	2,943.14	(2,221.20)
C CASH FLOW FROM FINANCE ACTIVITIES:		
PROCEEDS FROM SHARE APPLICATION	-	6.36
INTEREST PAID	(3.75)	(10.38)
DIVIDEND AND DIVIDEND TAX PAID		(308.31)
PAYMENT OF CSR FUND	-	(0.50)
NET CASH FROM FINANCING ACTIVITIES	**(3.75)**	**(312.83)**
NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**420.46**	**(6,888.85)**
OPENING CASH AND CASH EQUIVALENTS	2,082.08	8,970.93
CLOSING CASH AND CASH EQUIVALENTS	2,502.56	2,082.08

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)

On behalf of the Board

CA D.N.AGRAWAL
Partner
M. No. 51157

V. Surana
CFO & Company Secretary
M. No. 11559

S. K. Jain
Director
DIN : 00047474

R. R. Jain
Chairman & Managing Director
DIN : 00122942

Dated: 19th April, 2018
Place : Kolkata

Notes on accounts for the year ended March 31, 2018

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 19th April 2018.

2. Significant Accounting Policies

a Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. Previous period numbers in the financial statements have been restated to Ind AS. in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under section Section 133 with the Companies Act and the Companies (Accounting Standards) Rules, 2006 (as amended in previous Gaap) to Ind AS of Shareholders' equity as at March 31, 2017 and April 1, 2016 and of the comprehensive net income for the period ended March 31st 2017.

b Basis of preparation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

c Use of estimates

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.

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.

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(n).

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. Cheques issued in USA which are not encased for two years are there after written back.

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."

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 and brokerage, 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 ₹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.

Notes on accounts for the year ended March 31, 2018

Intangible assets/Software Licenses 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:

COMPUTER SOFTWARE & LICENCES	6 Years

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 methodwhereby profit for the period is adjustedfor the effectsof transactions of non cash nature,any deferrals, accrualsof past and futureoperating 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 operator is determined in accordance with the laws applicable in accordance with tax 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

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.

Initial recognition

i) 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

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

Lease rentals on operating leases are charged on a monthly basis to accounts

Notes on accounts for the year ended March 31, 2018

Assets taken on Finance Lease have been capitalized during the year of agreement and charged off in accordance with the applicable rate of Depreciation.

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.

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.

3.1 First-time adoption of Ind-AS

These standalone financial statements of R S Software Limited for year ended March 31, 2018 have been prepared in accordance with Ind AS. This is the Company's first set of financial statements in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 - First Time adoption of Indian Accounting Standard, with April 1, 2016 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principleaccounting policies set out in note 2 have been applied in preparing the standalone financial statements for the year ended March 31, 2018 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance sheet , Statement of profit and loss, is set out in Note 3.2.1 and 3.2.2. Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in note 3.1.1.

3.1.1 Exemptions availed on first time adoption of Ind-AS 101

Ind-AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The company has accordingly applied the following exemptions.

a) Investments in subsidiaries.

The Company has elected to measure investment in subsidiaries at cost.

b) Deemed Cost Exemption

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date.

3.2 Reconciliation :

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

1. Equity as at March 31, 2017

2. Net profit for the year ended March 31, 2017

Notes on accounts for the year ended March 31, 2018

3.2.1 Reconciliation Statement of Profit and loss as previously reported under IGAAP to Ind AS

₹ in Lac

Particulars		Notes	Year ended March 31, 2017		
			Previous GAAP	Effects of transition to Ind-AS	Ind AS
I	REVENUE FROM OPERATION	25	7070.44	0.00	7070.44
II	OTHER INCOME	26	1350.94	(103.61)	1247.33
III	**TOTAL REVENUE**		**8421.38**	**(103.61)**	**8317.77**
IV	**EXPENSES :**				
	Purchases of Stock-in-Trade	27	1012.71	0.00	1012.71
	Employee benefits expense	28	6610.11	(58.63)	6551.48
	SUBCONTRACTOR EXPENSES	29	198.31	0.00	198.31
	Finance costs	30		0.00	0.00
	Depreciation and amortization expense	4a&b	396.49	0.00	396.49
	Other expenses	31	2759.64	(6.97)	2752.67
	Total Expenses		**10977.25**	**(65.59)**	**10911.66**
V	**Profit/(loss) before exceptional items and tax**		**(2555.87)**	**(38.02)**	**(2593.89)**
VI	**Exceptional Items**			**0.00**	**0.00**
VII	**Profit/(loss) before tax**		**(2555.87)**	**(38.02)**	**(2593.89)**
VIII	**Tax expense:**				
	1 Current tax		0.00	0.00	0.00
	2 Deferred tax		(801.63)	(162.34)	(963.97)
IX	Profit (Loss) for the period from continuing operations		(1754.24)	124.33	(1629.92)
X	Other Comprehensive Income			0.00	
	A (i) Items that will not be reclassified to profit or loss		0.00	(58.63)	(58.63)
	Total Other Comprehensive Income		0.00	(58.63)	(58.63)
	Total Comprehensive Income From the Period			(1688.55)	(1688.55)

Explanations for reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind AS

Employee Benefit expenses

As per Ind-AS 19, actuarial gain and losses are recognized in other comprehensive income and not reclassified to profit and loss in a subsequent period.

Adjustments reflect unamortised negative past service cost arising on modification of the gratuity plan in an earlier period. Ind AS 19 requires such gains and losses to be adjusted to retained earnings.

Notes on accounts for the year ended March 31, 2018

3.2.2 Reconciliation of equity as previously reported under IGAAP to Ind AS

₹ in Lac

Particulars	Balance Sheet as at March 31, 2017		
	Previous GAAP	Effects of transition to Ind-AS	Ind AS
EQUITY AND LIABILITIES			
Equity			
(A) EQUITY SHARE CAPITAL	1285.42	0.00	1285.42
TOTAL (A)	**1285.42**	**0.00**	**1285.42**
(B) Other Equity			
SHARE FORFEITURE	43.50	0.00	43.50
SECURITIES PREMIUM ACCOUNT	2586.38	0.00	2586.38
PREFERENCE SHARE REDEMPTION RESERVE	255.31	0.00	255.31
CSR FUND	118.15	0.00	118.15
INTER BRANCH FOREIGN FLUCTUATION RESERVE	491.62	0.00	491.62
SURPLUS IN STATEMENT PROFIT & LOSS ACCOUNT	14971.83	495.00	15466.83
OTHER COMPREHENSIVE INCOME	0.00	(145.70)	(145.70)
TOTAL (B)	18466.79	349.30	18816.09
TOTAL(A+B)	19752.21	349.30	20101.51

Other Equity

Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.

Notes on accounts for the year ended March 31, 2018

3.2.2 Reconciliation of equity under IGAAP and Ind AS

₹ in Lac

Particulars	Notes	Balance Sheet as at March 31, 2017		
		Previous GAAP	Effects of transition to Ind-AS	Ind AS
Non-current assets				
(a) Property, Plant and Equipment	4a&b	516.00		515.99
(b) Other Intangible assets	4a&b	261.18		261.18
(c) Intangible assets under development	4a &b	20.24		20.24
(d) Financial Assets				
(i) Investments	5	1271.32	126.97	1,398.29
(ii) Loans	6	1738.80		1,300.00
(iii) Others Financial Asset	7	360.95		799.75
(e) Deferred tax assets (net)	8	919.31	12.23	931.54
(f) Other non-current assets	9	1015.85		1,015.85
Current assets				
(a) Financial Assets				
(i) Investments	10	9231.76	210.11	9,441.87
(ii) Trade receivables	11	1823.17		1,823.17
(iii) Cash and cash equivalents	12	1479.31		1,479.31
(iv) other Bank balances	12	543.61	59.16	602.77
(vi) Others Financial Asset	13	825.60		825.60
(c) Other current assets	14	1082.30		1,082.30
Total Assets		21,089.40		21,497.88
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	15	1285.42		1,284.67
(b) Other Equity	16	18466.79	349.30	18,816.09
LIABILITIES				
1) Non-current liabilities				
(a) Provisions	17	300.28		300.28
2) Current liabilities				
(a) Financial Liabilities				
(i) Short Term Borrowing	18	125.72		125.72
(ii) Trade payables	19	656.60		656.60
(iii) Other financial liabilities	20	0.00	59.16	59.16
(b) Other current liabilities	21	243.04		243.05
(c) Provisions	22	11.55		11.55
Total Equity and Liabilities		21089.40		21497.88

Explanations for Reconciliation of Balance Sheet as previously reported under IGAAP to INDAS

1) Investment

   Investments in Mutual Funds are carried at fair value through Profit and loss in Ind AS compared to being carried at cost under IGAAP.

2) Loans

   Loans to trust are carried at fair value through Other Comprehensive Income in Ind AS compared to being carried at cost under IGAAP.

3) Deferred tax assets (net)

   Deferred Tax has been Calculated in the Accordance with the INDAS.

4) Other financial liabilities

   The Company has accounted the Unclaimed Dividend amount in the Books of Accounts Due to INDAS.

5) Other Equity

   a) Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.

   b) In addition, as per Ind-AS 19, actuarial gain and losses are recognized in other comprehensive income as compared to being recognized in the Statement of Profit and Loss under IGAAP.

Notes on accounts for the year ended March 31, 2018

SCHEDULE 4A & B PROPERTY PLANT AND EQUIPMENT

₹ in Lac

Particulars	Gross Carrying Amount				Accumulated Depreciation & Amortisation				Net Carrying Amount	
	Deemed cost as on April 1 2017	Additions	Ded/Adj	As at Mar 31 2018(A)	Opening Balance as on April 1 2017	Additions	Ded/Adj	As at Mar 31 2018(B)	As on Mar 31 2018(A-B)	As on Mar 31 2017
Land	7.76	0.00	0.00	7.76	0.00		0.00	0.00	7.76	7.76
Building	105.37	0.00		105.37	4.09	4.09		8.20	97.17	101.28
Plant & Equipment	334.11	62.32		396.43	156.79	59.67		216.44	179.99	159.36
Furniture & Fittings	143.70	15.10		158.80	53.43	23.23		76.75	82.04	90.14
Motor Vehicles	16.19	0.00	0.05	16.14	5.80	5.76	0.04	11.52	4.62	10.39
Office Equipment	95.17	1.98	0.62	96.53	32.82	24.43	0.57	56.67	39.85	62.34
Air Conditioner	62.86	1.00	0.14	63.72	5.58	5.62		11.20	52.52	57.28
Electrical Installations	64.55	0.00		64.55	37.11	11.56		48.66	15.89	27.44
Total (1)	**829.72**	**80.40**	**0.81**	**909.30**	**295.63**	**134.36**	**0.61**	**429.45**	**479.85**	**515.99**
Other Intangible Assets										
Computer Software	339.54	34.67		374.21	96.34	74.48		170.81	203.39	261.18
Total (2)	**339.54**	**34.67**	**0.00**	**374.21**	**96.34**	**74.48**	**0.00**	**170.81**	**203.39**	**261.18**
Total (1&2)	**1169.25**	**115.07**	**0.81**	**1283.51**	**391.98**	**208.84**	**0.61**	**600.27**	**683.24**	**777.17**

₹ in Lac

Particulars	Gross Carrying Amount				Accumulated Depreciation & Amortisation				Net Carrying Amount	
	Deemed cost as on April 1 2016	Additions	Ded/Adj	As at June 30 2017(A)	Opening Balance as on April 1 2016	Additions	Ded/Adj	As at Mar 31 2017(B)	As on Mar 31 2017(A-B)	As on Mar 31 2016
Land	7.76			7.76				0.00	7.76	7.76
Building	105.37			105.37		4.09		4.09	101.28	105.37
Plant & Equipment	309.00	24.28	19.17	314.11		156.43	1.66	154.77	159.34	309.00
Furniture & Fittings	118.24	25.46		143.70		53.55		53.55	90.15	118.24
Motor Vehicles	16.19			16.19		5.80		5.80	10.39	16.19
Office Equipment	94.21	3.14	2.18	95.17		32.82		32.82	62.35	94.21
Air Conditioner	62.86			62.86		5.58		5.58	57.28	62.86
Electrical Installations	64.55			64.55		37.11		37.11	27.44	64.55
Total (1)	**778.18**	**52.88**	**21.35**	**809.71**	**0.00**	**295.38**	**1.66**	**293.72**	**515.99**	**778.18**
Other Intangible Assets										
Computer Software	84.50	281.05	6.03	359.52		98.33		98.33	261.19	84.50
Total (2)	**84.50**	**281.05**	**6.03**	**359.52**	**0.00**	**98.33**	**0.00**	**98.33**	**261.19**	**84.50**
Total (1&2)	**862.68**	**333.93**	**27.38**	**1169.23**	**0.00**	**393.71**	**1.66**	**392.05**	**777.18**	**862.68**

1) Land includes Leasehold land amounting to ₹458,694/-. The lease expires in year 2086.
2) Building of Sector V has been taken onnlease and lease term extended till April'19
3) The Aggregate Depreciation has been included under depreciation and amortisation Expense in the statement of Profit and loss.

4 INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
ERP IMPLEMENTATION	-	-	-
Others	20.24	20.24	78.73
TOTAL	**20.24**	**20.24**	**78.73**

Notes on accounts for the year ended March 31, 2018

5. NON-CURRENT INVESTMENTS (AT COST)

(Others-unquoted)

₹ in Lac

	March 31, 2018		March 31, 2017		April 1, 2016	
In Wholly Owned Subsidiary						
RS SOFTWARE ASIA PTE LTD.		8.02		8.02		8.00
(25000 no. (previous year 25000 no.) Equity share of SGD 1 each fully paid up)						
RESPONSIVE SOLUTION INC.		163.30		163.30		163.00
(500 no. (Previous year 500 no.) Equity Share of USD 0.01 each fully paid up)						
In Subsidiary		**171.32**		**171.32**		**171.32**
Paypermint Pvt Ltd		2360.00		600.00		
(7600000 nos of equity shares of ₹10 each fully paid up)						
		2531.32		**771.32**		**171.32**
	No. of unit		No. of unit		No. of unit	
In Mutual Fund -(AT FMV through Profit & LOSS)						
Reliance Fixed Horizon Fund - XXV- series 14- Growth plan	3000000	395.97	3000000	366.11	3000000	331
Reliance Fixed Horizon Fund - XXV- series 9- Growth plan	3000000	323.93	2000000	260.86	4000000	490
(Aggregate amount of investment as on MAR 31, 2018 INR 719.9 Lac) (As on March 31, 2017 INR 771.32 Lac)						
		3,251.22		**1,398.29**		**992.07**

6. LOANS

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
Advance to R S Employee Welfare Trust*	1300.00	1300.00	1300.00
*(net of provision for expected credit loss)	1300.00	1300.00	1300.00

7. OTHER FINANCIAL ASSETS

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
Bank Deposits (with original Maturity more than 12 Months)			
Interest Accrued on R S EMPLOYEE WELFARE TRUST	541.17	438.80	438.80
Interest Accrued on Fixed Deposits	64.48	60.95	44.83
	605.65	**799.75**	**1962.58**

Notes on accounts for the year ended March 31, 2018

8. DEFERRED TAX ASSETS (NET)

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
a) DEFERRED TAX LIABILTY			
PPE AND INTANGIBLE ASSETS DEP ADJ	(1.40)	(8.66)	(197.98)
b) DEFERRED TAX ASSET			
OTHER PROVS ACCRUED EMPLOYEE BENEFITS & UNUSE BUSINESS TAX CREDIT LOSSES	2058.97	940.20	165.55
NET DEFERRED TAX ASSETS (Net)	2057.57	931.54	(32.43)

NOTE : Deferred tax assets and deferred tax liabilities have been offset, where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

9. OTHER NON CURRENT ASSETS

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
ADVANCES (OTHER THAN CAPITAL ADVANCES)	40.08	40.08	
PREPAID EXPENSES	4.57	40.40	26.56
SECURITY DEPOSITS	69.39	69.39	
ADVANCE TO STAFF	0.00	0.00	
ADVANCE TAXES (Net of Provisions)	473.58	629.80	332.86
BALANCES WITH GOVT. AUTHORITIES	345.28	236.18	457.40
	932.89	1015.85	816.82

10. CURRENT INVESTMENT

₹ in Lac

	No. of unit	March 31, 2018	No. of unit	March 31, 2017	No. of unit	April 1, 2016
(At Cost or Fair value whichever is less)						
Investment in Mutual Fund (Others - unquoted)						
DHFL Pramerica Ultra Short Term Bond Fund- Direct Plan- Growth	NIL	-	NIL	0.00	1248156.22	259.37
HDFC FMC 92D MARCH 2016 - DIRECT GR	NIL	-	NIL	0.00	4292858.00	429.61
Reliance Floating rate Fund -ST Plan- Direct Growth	NIL	-	NIL	0.00	1892568.36	457.47
Reliance Fixed Horizen Fund - Series II- Direct Growth Plan	NIL	-	NIL	0.00	1463635.96	303.68
Reliance Quarterly Interval Fund - Series III- Direct Growth Plan	NIL	-	NIL	0.00	2820578.94	352.34
Birla Sun Life cash plus -D DIP	NIL	-	NIL	0.00	89216.49	217.08
DSP BlackRock Strategic Bond Fund -	2099112	267.49	8429940.26	1003.81	17595.21	316.06
HDFC Floating Rate Income fund ST plan	99287	30.14	1421347.94	403.09	1536310.03	400.98
ICICI Prudential Flexible Income Plan - Direct Plan- Growth					143724.68	412.48

Notes on accounts for the year ended March 31, 2018

10. CURRENT INVESTMENT (Contd.)

₹ in Lac

	No. of unit	March 31, 2018	No. of unit	March 31, 2017	No. of unit	April 1, 2016
ICICI Prudential Liquid - Direct Plan- Growth	NIL	0.00	NIL	0.00	232205.62	520.81
IDFC Dynamic Bond fund growth - Direct Plan	558620	120.71	3627934.80	760.10	1672231.48	307.04
IDFC Liquid fund	NIL	0.00	NIL	0.00	17144.30	315.77
JM High Liquidity Fund (Direct) - DDO	NIL		NIL		625846.46	259.32
Kotak Bond (Short Term) - Direct Plan - Growth	92399	31.11	2444571.66	773.48	1157197.58	332.58
Kotak Bond scheme plan A - Direct Plan - Growth	6605385	790.70	1293542.65	1036.58	493910.09	212.49
L and T liquid fund - Collection Account	NIL		NIL		15199.12	315.82
Reliance Qtrly interval fund series 2	4254548	1021.21	8718355.72	1031.55	3000000.00	324.22
Reliance Liquidity Fund DDD,	363	15.39	29087.10	1153.99	102.39	2.34
Reliance Short Term Fund	2432572	819.41	1447319.66	457.36	1429194.15	411.95
Religare Invesco Medium Term Bond fund	13159	239.43	29728.72	503.59	32267.05	500.00
Reliance Corporate Bond	7464510	1080.82	3803785.53	512.35		
Reliance FMP	10000000	1099.16	10000000.00	1004.56		
SBI Ultra Short Term Debt Fund	6682	150.53	38018.80	801.41		
		5666.10		**9441.87**		**6651.40**

(Aggregate NAV of Mutual Fund as on March 31 2018 ₹5682.04 lacs) (as on March 31, 2017 ₹9444 lac)

11. TRADE RECEIVABLES

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
(Unsecured and Considered good)	992.96	1823.17	1186.91
(includes dues from subsidiaries)	**992.96**	**1823.17**	**1186.91**

UNBILLED REVENUE:

Unbilled but accrued revenue included in Trade receivable valued as on MAR 31st, 2018 amounts to ₹395.49 lacs (MARCH 31 ' 2017 ₹825.60 Lac) primarily comprises of revenue recognised in relation to a percentage of work completed during the period which would be invoiced on achieving the particular milestone i.e based on the work order or contractual terms.

12. CASH AND BANK BALANCE

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
CASH & CASH EQUIVALENTS			
CASH IN HAND*	3.76	8.62	12.73
Cheques DD in Hand			
BALANCE WITH BANK :			
SCHEDULED BANKS			
- in Current Account (Axis bank)	32.06	14.43	13.56
- in Current Account Allahabad Bank)	**0.33**	**0.33**	**0.00**

Notes on accounts for the year ended March 31, 2018

12. CASH AND BANK BALANCE (Contd.)

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
- in Current Account (HDFC Bank)	425.09	19.98	3.84
- in Current Account (ICICI Bank)	10.41	197.67	138.95
- in Current Account (YES Bank)	85.93	124.56	42.28
- in Current Account (SBI Bank)	27.51	28.60	2.11
FOREIGN BANK			
- in Current Account (with ICICI, BOA, SILICON VALLEY BANK)	116.74	18.30	1132.06
FIXED DEPOSITS - with original maturity less than 12 Months			
Fixed Deposits with Yes Bank	0.00	1066.82	7147.84
Fixed Deposits with ICICI Bank	1200.46	0.00	
	1902.30	**1479.31**	**8493.38**
OTHER BANK BALANCES			
ICICI Bank (IN MARGIN MARGIN DEPOSITS AGAINST GUARANTEES (IN LIEN)	226.50	196.52	152.57
Allahabad Bank*	9.05	8.75	8.63
Yes Bank	305.56	338.34	316.34
Earmarked Balances With Banks (Unclaimed Dividend A/C)	59.16	59.16	59.16
	600.27	**602.77**	**536.70**

13. OTHER FINANCIAL ASSETS

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
Unbilled Revenue	385.30	825.60	604.81
	385.30	**825.60**	**604.81**

14. OTHER CURRENT ASSETS

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
ADVANCES OTHER THAN CAPITAL ADVANCES	299.41	390.05	141.21
PREPAID EXPENSES	75.41	76.15	-
DEPOSITS	53.17	55.38	-
ADVANCE TO STAFF	8.27	9.98	8.17
ADVANCE TAXES (Net of Provisions)	871.95	396.62	449.14
BALANCES WITH GOVT. AUTHORITIES	-	154.12	475.00
	1308.21	**1082.30**	**1073.52**

Notes on accounts for the year ended March 31, 2018

15. SHARE CAPITAL

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
a. The AUTHORISED CAPITAL IS :			
40000000 EQUITY SHARE OF INR 5/- EACH	2000.00	2000.00	2000.00
25,00,000 PREFERENCE SHARE OF INR 100/- EACH	2500.00	2500.00	2500.00
	4500.00	**4500.00**	**4500.00**
b ISSUED SUBSCRIBED AND PAID-UP-FULLY CALLED AND PAID UP			
25708318 EQUITY SHARE OF INR 5/- EACH	1285.42	1285.42	1284.67
(Previous Year 2,56,78,318 shares of INR 5 each)			
	1285.42	**1285.42**	**1284.67**

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 has allotted 8372 equity share in FY 13-14 as bonus share.

c Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

₹ in Lac

	March 31, 2018		March 31, 2017		April 1, 2016	
	No. of Share	₹ in Lac	No. of Share	₹ in Lac	No. of Share	₹ in Lac
Equity Share						
Number of shares at the beginning	25708318	1285.42	2,56,93,318	1,284.67	2,56,78,318	1284.00
Add : Shares issued as Preferential Allotment						
Add : Shares issued as Bonus						
Add : Shares issued on exercise of Employee Stock option	-	-	15,000	0.75	15,000	0.67
Add : Bonus Shares issued on Employee Stock option						
Add : Share issued as a part of subdivision of shares	0	0.00	-	-	-	-
	25708318	**1285.42**	**2,57,08,318**	**1,285.42**	**2,56,93,318**	**1284.67**

d SHAREHOLDER HOLDING MORE THAN 5% OF THE SHARE as on MAR 31, 2018

	March 31, 2018	March 31, 2017	April 1, 2016
Mr. Rajnit Rai Jain	10035648 shares of INR 5 each (39.94% of total shareholding)	10035648 shares of INR 5 each (39.94% of total shareholding)	9746648 shares of INR 5 each (37.97% 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	2013-13 (16226 equity Bonus shares)	2013-14 (8372 equity bonus shares)	

Notes on accounts for the year ended March 31, 2018

16. STATEMENT OF CHANGE IN EQUITY FOR THE YEAR MARCH 2018

₹ in Lac

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	
Balance as of April 1, 2017	2586.38	15321.14	118.15	491.62	43.50	255.31	0.00	(143.64)	18816.09
Changes in equity for the 9 months ended DEC31, 2017									
Increase in share capital on account of bonus issue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfer to general reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amounts utilized for bonus issue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Share based payment to employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Remeasurement of the net defined benefit liability / asset, net of tax effect	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(12.81)	0.00
Equity instruments through other comprehensive income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes due INTER BRANCH FOREIGN FLUCTUATION ACCOUNT	0.00	0.00	0.00	16.94	0.00	0.00	0.00	0.00	16.94
Changes during the period	0.00	(2586.37)		0.00	0.00	0.00	0.00	0.00	(2586.37)
Balance as of MAR 31, 2018	**2586.38**	**12734.77**	**118.15**	**508.56**	**43.50**	**255.31**	**0.00**	**(156.45)**	**16246.68**

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR MARCH 2017

₹ in Lac

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	
Balance as of April 1, 2016	2580.77	17096.76	118.65	514.91	43.50	255.31	0.00	(87.07)	20609.90
Changes in equity for the three months ended June 30, 2016									
Increase in share capital on account of bonus issue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfer to general reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amounts utilized for bonus issue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Share based payment to employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Remeasurement of the net defined benefit liability / asset, net of tax effect	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Equity instruments through other comprehensive income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividends (including corporate dividend tax)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes during the period	5.61	(1775.62)	(0.50)	(23.29)	0.00	0.00	0.00	(58.63)	(1793.80)
Balance as of March 2017	**2586.38**	**15321.14**	**118.15**	**491.62**	**43.50**	**255.31**	**0.00**	**(145.70)**	**18816.09**

Notes on accounts for the year ended March 31, 2018

17. NON CURRENT PROVISIONS

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
PROVISION FOR LEAVE ENCASHMENT *	33.08	36.46	50.45
PROVISION FOR GRATUITY *	265.44	263.82	278.62
DISCLOSURE:SEPARATE SHEET			
	298.52	**300.28**	**329.07**

18. SHORT TERM BORROWINGS

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
Secured Loans	783.81	125.72	-
	783.82	**125.72**	**-**

Secured overdraft from bank are secured

19. CURRENT _TRADE PAYABLE

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
TRADE PAYABLE	927.87	656.60	1663.50
	927.87	**656.60**	**1663.50**

20. CURRENT OTHER FINANCIAL LIABILITIES

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
Unpaid Dividend	59.16	59.16	59.16
	59.16	**59.16**	**59.16**

21. OTHER CURRENT LIABILITIES

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
SALARY PAYABLE	122.62	150.23	81.18
STATUTORY LIABILITY including PF, TDS, ESI etc.	(31.76)	91.24	98.52
OTHER PAYABLES	1.88	1.58	1.38
(Above Includes DR balance of STATE TAX LIABILTY of 2015)	**92.74**	**243.04**	**181.08**

22. CURRENT PROVISIONS

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
PROVISION FOR LEAVE ENCASHMENT *	1.38	1.49	1.73
PROVISION FOR GRATUITY *	10.38	10.05	10.84
PROVISION FOR PROPOSED EQ DIVIDEND	0.00	-	256.93
PROVISION FOR PROPOSED DIVIDEND TAX	0.00	-	51.37
	11.76	**11.55**	**320.87**

Notes on accounts for the year ended March 31, 2018

23. CONTINGENT LIABILITIES(TO THE EXTENT NOT PROVIDED FOR)

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
(To the extent not provided for in the books)			
a) Guarantee Outstanding	135.00	467.54	458.80
b) Invoice funding with Silicon Valley Bank	220.97	157.52	0.00

In response to order received for demand of INR 3.99 Cr (FY2007-12) , the company has filled an apeal with CESTAT and the same is pending as on date.

In response of the demand order received for AY 2013-14 of INR 4.3 Cr, the company has filed an appeal with CIT(A) and the same is pending as on date.

In respect of AY 12-13 demand order recived for INR 10.30 crs, the company has filed appeal with ITAT which is still pending for hearing

24. COMMITMENTS(TO THE EXTENT NOT PROVIDED FOR)

Company has a lease agreement for the premises of Saltlake City, Sector V, Kolkata, The Lease has been renewed till 2019.

25. REVENUE FROM OPERATION

₹ in Lac

	March 31, 2018	March 31, 2017
Export of Software Services Income	4899.61	4173.15
Domestic Income from Software Services	740.50	1599.26
Domestic Sales of stock in trade	99.22	1298.03
	5739.33	**7070.44**

26. DETAILS OF OTHER INCOME

₹ in Lac

	March 31, 2018	March 31, 2017
Interest Received from Bank Fixed Deposit**	66.68	549.18
Net gain on Investments in Mutual Funds	562.64	661.69
Interest from Employee Welfare Trust	113.75	113.75
Unrealised gain/loss on Investment carried at FV through P&L.	75.52	(96.64)
Other Non-operating Income From Subsidiary	26.32	26.31
Other Income	11.28	(6.97)
	856.19	**1247.33**

**Allahabad Bank FD is subject to confirmation and the relevant interest is booked on estimated basis.

27. PURCHASE OF STOCK IN TRADE

₹ in Lac

	March 31, 2018	March 31, 2017
Purchase of stock in trade	90.78	1012.71
	90.78	**1012.71**

Notes on accounts for the year ended March 31, 2018

28. EMPLOYEE BENEFIT EXPENSES

₹ in Lac

	March 31, 2018	March 31, 2017
Salary Wages and Bonus	6237.96	5941.90
Contribution to PF and Other Funds	282.60	317.61
Staff Welfare Expenses	419.90	294.04
	6927.65	**6553.55**

29. SUBCONTRACTOR EXPENSES

₹ in Lac

	March 31, 2018	March 31, 2017
Subcontractor expenses	848.71	198.31

30. FINANCE COST

₹ in Lac

	March 31, 2018	March 31, 2017
Interest Expenses	-	10.38
Other Borrowing Cost	3.75	-
	3.75	**10.38**

31. OPERATION AND OTHER EXPENSES

₹ in Lac

	March 31, 2018	March 31, 2017
Travelling	420.61	571.96
Conveyance	52.26	73.11
Staff Welfare	33.14	37.48
Communication	222.36	233.81
Printing and Stationery	13.43	14.87
Electricity and Power	135.78	135.89
Rent - Apartment & Ground	336.71	359.59
Repairs - Machinery	137.58	143.24
Repairs - Building	68.41	67.73
Repairs - Others	5.33	3.64
Education and Training Expenses	15.58	54.10
insurance	67.96	96.50
Auditors' Remuneration - Refer Note no.32	3.85	3.85
Books and Periodicals	0.42	0.33
Directors' Fees *	21.92	21.60
Rates & Taxes	70.18	51.50
Legal / Professional Fee	202.21	374.35
Consultancy Charges	133.80	200.97
Recruitment & Relocation Expenses	43.38	108.68

Notes on accounts for the year ended March 31, 2018

31. OPERATION AND OTHER EXPENSES (Contd.)

₹ in Lac

	March 31, 2018	March 31, 2017
General and Board Meeting expenses	2.14	8.60
Membership and Subscription	47.06	20.60
Business Promotion	152.93	150.30
Advertisement	6.20	3.31
Net loss on Foreign currency Transaction		
Bank Changes	21.64	6.20
CSR	0.00	0.00
Donation	0.01	0.07
Loss on Discard of Assets	-	-
	2214.90	2742.29

* Its inclusive of service tax & GST

32. AUDITOR'S REMUNERATION

₹ in Lac

	March 31, 2018	March 31, 2017
As Statutory Auditors	2.51	2.51
Other certification	1.35	1.34
The above remunerations are not inclusive of service tax and GST		
	3.85	3.85

33. There is no Impairment of assets during the quarter ended as on MAR 31 2018.

34. In respect of service tax & GST which are non cenvatable or non refundable the same amount is being charged to respective expense account.

35. The Company has renewed lease for Building with Saltee Infotex (India) Pvt. Ltd. for the period of 4 years expiring on 30th April'19. The amount of INR 239.84 lacs relates to FY17-18 and (₹ 99.94 lacs has been charged to PL Account as on 31st of March 2017.)

₹ in Lac

	March 31, 2018
Total Minimum Lease Payment outstanding as at	
Within One Year	239.84
More than One Year	251.84

36. EMPLOYEE BENEFIT PROVISIONS

₹ in Lac

The company has got the actuarial valuation of employee benefit done at the year end and classification of such liability has been done based on 2017-18 actuarial report.

	March 31, 2018	March 31, 2017
Provision for Leave Encashment in Profit and Loss statement	12.44	9.73
Provision for Gratuity in Profit and Loss statement	88.23	111.05
	100.67	120.78

Notes on accounts for the year ended March 31, 2018

ACTUARIAL VALUATION DISCLOSURE

Particulars	2018 GRATUITY	2018 LEAVE ENCASHMENT	2017 GRATUITY	2018 LEAVE ENCASHMENT
1) EXPENSE RECOGNISED IN THE INCOME STATEMENT				
Current Service Cost				
as on 31/03/2017	2751011	825009	2954202	767280
Past Service Cost	2766952			
Loss / (Gain) on settlement				
Net Interest Income / (cost) on the Net Defined Benefit Liability (Asset)				
Actuarial (gains) / losses due to :	2023943	280448	2286811	412178
change in demographic assumptions				
Change in financial assumptions				
Experience variance	(777249)	(114021)	1371196	205054
others	2058665	252120	4492103	(411367)
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 benifit costs recognised in Other				
Comprehensive Income	1281416	1243556	5863299	973145
2) Net Asset				
Funded Status				
Present value of Defined Benefit Obligati				
Fair value of plan assets	27582034	3446428	27387595	3794970
Funded status [Surplus/(Deficit)]				
Effect of balance sheet asset limit	(27582034)	(3446428)	(27387595)	(3794970)
Unrecognised Past Service Costs				
Present value of Defined Benefit Obligation				
Net asset/(liability) recognised in balance sheet				
Net asset/(liability) recognised in balance sheet at beginning of period	(27582034)	(3446428)	(27387595)	(3794970)
Expense recognised in Income Statement	(27387595)	(3794970)	(28946971)	(5217444)
Expense recognised in Other Comprehensive Income				
Employer contributions	7541906	1243556	5241013	973145
Net Acquisitions / Business Combinations	1281416	1592098	5863299	2395619
Net asset/(liability) recognised in balance sheet at end of the period	8628883		12663688	
	(27582034)	(3446428)	(27387595)	(3794970)

Notes on accounts for the year ended March 31, 2018

Particulars	2018 GRATUITY	2018 LEAVE ENCASHMENT	2017 GRATUITY	2018 LEAVE ENCASHMENT
3) Change in Defined Benefit Obligations (DBO)				
Present Value of DBO at beginning of period				
Current Service cost	27387595	3794970	28946971	5217444
Interest cost	2751011	825009	2954202	767280
Curtailment cost/(credit)	2023943	280448	2286811	412178
Settlement cost/(credit)				
Employee contribution				
Past Service Cost				
Acquisitions	2766952			
Re-measurement (or Actuarial (gains)/ losses) arising from				
change in demographic assumptions				
Change in financial assumptions				
- experience varience (i.e. Actual experience vs assumptions	(777249)	(114021)	1371196	205054
others	2058665	252120	4492103	(411367)
Benefits paid				
Present Value of DBO at the end of period	(8628883)	1592098	(12663688)	(2395619)
	27582034	**3446428**	**27387595**	**3794970**
4) Change in Fair Value of Assets				
Plan assets at beginning of period				
Investment Income	0	0	0	0
Return on Plan Assets, Excluding amount recognised in Net Interest expense	0	0	0	0
Actual Company contributions	0	0	0	0
Fund Transferred	8628883	1592098	12663688	2395619
Employee contributions				
Benefits paid				
Plan assets at the end of period	(8628883)	(1592098)	(12663688)	(2395619)
5) Actuarial Assumptions				
Financial Assumptions				
Discount Rate	0.077	0.077	0.0739	0.0739
Rate of increase in salaries	0.03	0.03	0.03	0.03
Demographic Assumptions				
Mortality Rate (% of IALM 06-08)				
Normal Retirement Age	1	1	1	1
Attrition Rates, based on age (% p.a.)	58 years	58 years	58 years	58 years
	2	2	2	2

Notes on accounts for the year ended March 31, 2018

37A. ENTERPRISES WHERE CONTROL EXISTS:

	% of holding	Country of Incorporation
Responsive Solutions Inc	100%	USA
RS Software (Asia) Pte. Ltd.	100%	Singapore
B. SUBSIDIARY		
Paypermint Pvt Ltd	79.17%	INDIA
C. KEY MANAGEMENT PERSONNEL:		
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. Raghav Raj Jain	-	Executive - Sales
Ms. Shrishti Jain	-	Executive - BSG
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) ₹ in Lac

Particulars	March 31, 2018	March 31, 2017
Reimbursement of Cost of services incurred on behalf of Subsidiary including margin on actual cost thereon.		
Responsive Solution Inc	247.91	485.90
Paypermint	826.88	242.15
Advance Received From Subsidiary	0.00	0.00
R S Software Asia (Pte.) Ltd.	146.87	0.00
Balance as on DEC31, 2017 :		
Reimbursement of Cost of services incurred on behalf of Subsidiary including margin on actual cost thereon		
Responsive Solution Inc	(883.06)	59.59
Reimbursing of expenses payable and amount receivable towards invoicing		
Paypermint Pvt Ltd	13.30	163.48
Maximum balance outstanding during the year		
Reimbursement of Cost of services incurred on behalf of Subsidiary including margin on actual cost thereon		
Responsive Solution Inc	(883.06)	59.59
Reimbursing the other cost from subsidiary on actual		
Paypermint Pvt Ltd	13.30	674.32
R S Software Asia (Pte.) Ltd.	0.00	0.00

Notes on accounts for the year ended March 31, 2018

II. With Related parties		₹ in Lac
Particulars	March 31, 2018	March 31, 2017
Remuneration to Key Personnel:		
- Directors (Sitting Fees)	21.20	18.80
- Managing Director	54.00	58.43
- Relative of Managing Director	200.69	177.63

38. EPS has been calculated as per the provisions of IAS-33, issued by the Institute of Chartered Accountants of India. The details of calculation are as follows:

₹ in Lac

Particulars	March 31, 2018	March 31, 2017
Numerator for Basic and Diluted EPS:		
Profit & Loss for the Year ended	(2573.06)	(1631.98)
Denominator for Basic EPS:		
Equity Shares	25708318.00	25708318.00
Add: ESOP Conversion	0.00	15000.00
Add: Preferential Issue	0.00	0.00
Add : Bonus Issue	0.00	0.00
Add : Share issued for subdivision of shares	0.00	0.00
Weighted no. of Equity Shares	**25708318.00**	**25723318.00**
Denominator for Diluted Shares		
Weighted No. of Basic Equity Shares	25708318.00	25693318.00
Add: ESOP Conversion		
ESOP Dilutive		
Pref Share allotment		
Weighted no. of Equity Shares	**25708318**	**25693318**
Nominal Value of share	5.00	5.00
Basic Earning per Share	(10.01)	(6.34)
Diluted Earning per Share	(10.01)	(6.34)

39. OTHER COMPREHENSIVE INCOME (Pension Plan Gains or Losses)

₹ in Lac

Particulars	March 31, 2018	March 31, 2017
Other comprehensive income	12.81	58.63

40. There is no declaration received from Micro,Small and Medium Enterprises under section 22 of MSMED Act 2006

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.

₹ in Lac

Particulars	March 31, 2018	March 31, 2017
Expenditure in Foreign Currency:		
Foreign branch expenditure	5502.44	5406.47
Earning in Foreign Currency		
Export of services	4899.61	4173.15

Notes on accounts for the year ended March 31, 2018

41. Additional Information pursuant to provisions of the Para 5 (vii) (b) of Part II Schedule III for the Companies Act, 2013: (contd.)

b Remittance in Foreign Currency

The Company has remitted ₹ Nil (MAR2018: ₹ Nil) in foreign currencies on accounts of dividends during the year 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
Final dividend for 2010-11 declared in July, 11	134	205495	March, 2011	4,10,990.00
Interim Dividend for 2011-12 declared in January, 12	130	126018	March, 2012	1,26,018.00
Final dividend for 2011-12 declared in July, 12	134	468631	March, 2012	9,37,262.00
Interim Dividend for 2012-13 declared in January, 13	202	511382	March, 2013	7,67,073.00
Final dividend for 2012-13 declared in July, 13	201	533149	March, 2013	10,66,298.00
Interim Dividend for 2013-14 declared in October, 13	207	588430	March, 2014	14,71,075.00
Interim Q3 Dividend for 2013-14 declared in January, 14	197	506065	March, 2014	5,06,065.00
Final dividend for 2013-14 declared in July, 14	290	434205	March, 2014	10,85, 512.50
Interim dividend for 2014-15 declared in July,14	344	463450	March, 2015	4,63,450.00
2nd Interim dividend for 2014-15 declared in October,14	382	545321	March, 2015	8,17,981.50
3rd Interim dividend for 2014-15 declared in January,15	442	2120830	March, 2015	15,90,622.50
Final dividend for 2014-15 declared in July,15	588	2229422	March, 2015	27,86,777.50
Dividend for 2015-16 declared in July,2016	564	1790888	March, 2016	17,90,888.00

Notes on accounts for the year ended March 31, 2018

42. REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED:

₹ in Lac

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
1. Segment Revenue (net sale / income from each segment should be disclosed		
a. Segment - A (USA)	4675.64	3891.98
b. Segment - B (ROW)	1063.68	3178.47
Total	5739.33	7070.44
Other Income		
Segment -A(USA)& B (ROW)	856.19	1247.33
Total	6595.52	8317.77
Less : Inter - segment revenue	0.00	0.00
Net Revenue from Operations	6595.52	8317.77
2. Segment Results Profit/(Loss) before Tax & Interest from each segment		
a. Segment - A (USA)	(2757.94)	(3237.31)
b. Segment - B (ROW)	304.52	2193.60
Total	(2453.42)	(1043.71)
Less : Interest	3.75	16.58
Less : Depreciation	208.84	396.49
Less : Unallocable Selling, General & Administrative Expenses	1033.09	1137.11
Profit before tax	(3699.09)	(2593.89)
3. Capital Employed		
Total Assets	19705.97	19335.15
Total Liability	19705.97	19335.15

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

₹ in Lac

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Outstanding as on		
Responsive Solution Inc	(883.06)	59.59
RS Software (Asia) Pte Ltd	NIL	NIL
Paypermint Pvt Ltd	13.30	163.48
Maximum balance outstanding during the period		
Responsive Solution Inc	(883.06)	59.59
RS Software (Asia) Pte Ltd	NIL	NIL
Paypermint Pvt Ltd	13.30	674.32

Notes on accounts for the year ended March 31, 2018

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.

46 Financial figures have been rounded off to nearest ₹ Lac.

For **DEOKI BIJAY & CO**
Chartered Accountants
(Reg. no : 313105E)

CA D.N.AGRAWAL
Partner
M. No. 51157

Dated: 19th April, 2018
Place : Kolkata

On behalf of the Board

V. Surana
CFO & Company Secretary
M. No. 11559

S. K. Jain
Director
DIN : 00047474

R. R. Jain
Chairman & Managing Director
DIN : 00122942

RESPONSIVE SOLUTIONS, INC.

Independent Auditor's Report

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, 2018, and the related statement of operations, stockholders' equity and cash flows for the three and twelve month ended March 31, 2018, 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, 2018, and the results of its operations and its cash flows for the three and twelve month ended March 31, 2018 in accordance with accounting principles generally accepted in the United States of America.

San Francisco, California
April 10, 2018

RESPONSIVE SOLUTIONS, INC.

Directors' Report

The Directors present their report together with the audited accounts for the period ended 31st March, 2018.

Review of Financial Performance & Dividend

The company during the year under review reported a profit of US$ 0.27 million (Previous year Profit US$ 0.13 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 2018-19.

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 31st March, 2018 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

Sd/-
R R Jain
Chairman

Milpitas
April 10, 2018

RESPONSIVE SOLUTIONS, INC.

Balance Sheet as at March 31, 2018

USD $

	As at March 31, 2018	As at March 31, 2017
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	57834	770189
Related party note receivable	1202631	283190
Accounts receivable	30949	69519
Total assets	**1291414**	**1122898**
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable		91899
Income taxes payable	44166	56242
Total Current Liabilities	**44166**	**148141**
STOCKHOLDERS' EQUITY		
Common stock, $.01 par value, Authorized 1,000 shares;		
Issued and outstanding 500 shares as of March 31, 2018	5	5
Additional paid-in capital	499995	499995
Retained earnings	747248	474757
Stockholders' equity	**1247248**	**974757**
Liabilities and Stockholders' equity	**1291414**	**1122898**

Statement of Operations for the twelve months ended 2018 and 2017

USD $

	Year ended March 31, 2018	Year ended March 31, 2017
REVENUES		
Consulting revenue	830177	673262
Total Revenues	**830177**	**673262**
COST AND EXPENSES		
Consulting fees	381160	366191
Salary, wages and payroll taxes	90365	90373
Professional fees	17000	14500
Payroll processing fees	5002	4471
Miscellaneous expense	1130	332
Bank fees	0	15
Mileage and reimbursements	15495	11000
Total Expenses	**510152**	**486882**
Net Income Before Income Taxes	320025	186380
Provision for income taxes	47534	56157
Net Income	**272491**	**130223**

RESPONSIVE SOLUTIONS, INC.

Statement of Cash Flows for the twelve months ended 2018 and 2017

USD $

	Year ended March 31, 2018	Year ended March 31, 2017
CASH FLOWS FROM OPERATING ACTIVITIES	2,72,491.00	1,30,223.00
Adjustments to reconcile net income to net cash		
provided by operating activities:		
Changes in assets and liabilities:		
Accounts receivable	38,570.00	15,144.00
Accounts payable	(91,899.00)	91,899.00
Deferred revenue		
Income taxes payable	(12,076.00)	40,471.00
Net Cash Provided by Operating Activities		
Net Cash Provided by Operating Activities	**2,07,086.00**	**2,77,737.00**
CASH FLOWS FROM FINANCING ACTIVITIES		
Related party note receivable (181,748) (919,441)	(9,19,441.00)	(2,83,190.00)
Net Cash Provided by Financing Activities	(9,19,441.00)	(2,83,190.00)
Net Change in Cash and Cash Equivalents	(7,12,355.00)	(35,741.00)
Cash and cash equivalents, beginning balance	7,70,189.00	8,05,930.00
CASH AND CASH EQUIVALENTS, ending balance	**57,834.00**	**7,70,189.00**
SUPPLEMENTAL CASH-FLOW INFORMATION		
Interest paid	-	-
Income taxes paid	-	15,345.00

R S SOFTWARE (ASIA) PTE. LIMITED

Independent Auditor's Report

To
The Members of
R S Software (Asia) Pte. Limited

Report on the Audit of the Financial Statements

Our opinion

We have audited the accompanying financial statements of R S Software (Asia) Pte. Limited (the "Company"), which comprise the statement of financial position as at 31 March 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2018 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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 directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities 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 SSAs 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 SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 control relevant to the audit 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 Company's internal control.
- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

ENTRUST PUBLIC ACCOUNTING CORPORATION
Public Accountants and
Chartered Accountants
Singapore
18 April 2018

R S SOFTWARE (ASIA) PTE. LIMITED

Directors' Statement For the financial year ended 31 March, 2018

The directors present their statement to the members together with the audited financial statements of the Company for the financial year ended 31 March 2018.

In the opinion of the directors,

(a) the statement of comprehensive income, statement of financial position, statement of changes in equity and statement of cash flows together with the notes thereto are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2018 and the financial performance, changes in equity and cash flows of the Company for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Rajnit Rai Jain

Vijendra Kumar Surana

Steven Luk Chiew Peng

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
	At 01.04.2017	At 31.03.2018	At 01.04.2017	At 31.03.2018
The Company (Ordinary shares) Rajnit Rai Jain	-	-	25,000	25,000
R. S. Software (India) Limited - holding company (Ordinary shares) Rajnit Rai Jain	10,035,648	10,035,648	-	-

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Independent auditor

The independent auditor, Entrust Public Accounting Corporation, has expressed its willingness to accept re-appointment.

On behalf of the directors:

Sd/-
Rajnit Rai Jain
Director

Sd/-
Vijendra Kumar Surana
Director

18 April, 2018

R S SOFTWARE (ASIA) PTE. LIMITED

Statement of Comprehensive Income for the financial year ended 31 March 2018

Particulars	Notes	2018 SGD	2017 SGD
Revenue	4	128,031	228,399
Expenses:			
Employee compensation	5	(93,074)	(251,830)
Other expenses	6	(35,648)	(43,915)
Loss before income tax		**(691)**	**(67,346)**
Income tax expense	7	5,021	1,337
Profit/(loss) for the financial year		4,330	(66,009)
Total comprehensive income		4,330	(66,009)

Statement of Financial Position as at 31 March 2018

Particulars	Notes	2018 SGD	2017 SGD
ASSETS			
Current assets			
Trade and other receivables	8	14,765	40,870
Cash and cash equivalents	9	2,063,993	2,030,615
		2,078,758	**2,071,485**
Total assets		**2,078,758**	**2,071,485**
LIABILITIES			
Current liabilities			
Other payables	10	18,106	15,254
Current income tax liabilities	7	91	-
Total liabilities		**18,197**	**15,254**
Net assets		**2,060,561**	**2,056,231**
EQUITY			
Share capital	11	25,000	25,000
Retained earnings		2,035,561	2,031,231
Total equity		**2,060,561**	**2,056,231**

R S SOFTWARE (ASIA) PTE. LIMITED

Statement of Changes in Equity for the financial year ended 31 March 2018

Particulars	Share capital SGD	Retained earnings SGD	Total equity SGD
Balance at 1 April 2016	25,000	2,097,240	2,122,240
Total comprehensive income for the financial year	-	(66,009)	(66,009)
Balance at 31 March 2017	**25,000**	**2,031,231**	**2,056,231**
Balance at 1 April 2017	25,000	2,031,231	2,056,231
Total comprehensive income for the financial year	-	4,330	4,330
Balance at 31 March 2018	**25,000**	**2,035,561**	**2,060,561**

Statement of Cash Flows for the financial year ended 31 March 2018

Particulars	Note	2018 SGD	2017 SGD
Cash flows from operating activities			
Loss before income tax		(691)	(67,346)
Adjustment for:			
Provision for unutilised leave		(2,229)	(3,908)
Operating cash flow before working capital changes		(2,920)	(71,254)
Changes in working capital:			
Trade and other receivables		26,105	(1,695)
Other payables		5,081	(18,091)
Cash generated from/(used in) operations		28,266	(91,040)
Income tax refund/(paid)		5,112	(31,464)
Net cash inflow/(outflow) from operating activities and net increase/(decrease) in cash and cash equivalents held		33,378	(122,504)
Cash and cash equivalents at the beginning of financial year		2,030,615	2,153,119
Cash and cash equivalents at the end of financial year	9	2,063,993	2,030,615

PAYPERMINT PVT LTD

Board Report

To

The Members,

Your Directors have pleasure in presenting their 2nd Annual Report of the Company together with the Audited Statement of Accounts of Paypermint Private Limited for the Financial Year ended March 31, 2018.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The financial performance is tabled below:

₹ in Lac

Particulars	31st March, 2018	31st March, 2017
Revenue from operations	0.04	-
Other income	1.26	0.28
Total revenue	1.30	0.28
Profit before finance charges, Tax, Depreciation/ Amortization		
Less : Finance Charges	-	-
Less : Depreciation and Amortization Expense	15.32	1.81
Profit before Taxation (PBT)	(396.85)	(161.96)
Less : Provision for taxation	-	-
Profit/(Loss) after Taxation (PAT)	(396.85)	(161.96)

2. STATE OF THE COMPANY'S AFFAIRS AND FUTURE OUTLOOK

During the year the Company had incurred loss of ₹ 396.85 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 2018-19.

3. DIVIDEND

In view absence of profit, your Directors do not propose any dividend for the Financial Year ended March 31, 2018.

4. TRANSFER TO RESERVES

No amount was transferred to the reserves by your Company during the financial year ended 31st March, 2018.

5. 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, 2018.

6. CHANGE(S) IN SHARE CAPITAL

During the Financial Year 2017-18, the Company had made further issue of share Capital by way of issue of 16,00,000/- Equity Shares of nominal Value of ₹ 10/- each. The Present Paid up Share capital of the Company stood at ₹ 9,60,00,000/-

7. 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 2018, being the end of the Financial Year of the Company to which financial statements relate and the date of the report.

8. 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.

9. 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.

10. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary or Joint Venture Company or an Associate Company.

11. 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

PAYPERMINT PVT LTD

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.

12. 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.

13. AUDITORS

Pursuant to Section 139 of the Companies Act, 2013, read with relevant applicable rules the Company Auditor M/s. Chaturvedi & Co. (Firm Registration No. 302137E), Chartered Accountants, retire at ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

The directors recommend their re- appointment as statutory auditor of the Company to hold office from the conclusion of this annual general meeting till the conclusion of ensuing Annual General Meeting at such remuneration as may be agreed between the auditor and the Board of Directors of the Company. The Company has received a certificate from above auditor to the effect that if they are re- appointed, it would be accordance with the provisions of section 141 of the Companies Act, 2013.

The Statutory Auditor has submitted an unqualified Audit Report for the Financial Year 2017-18.

14. EXTRACT OF THE ANNUAL RETURN

An extract of Annual Return as on the financial year ended on March 31, 2018 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.

15. 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.

16. DIRECTORS AND KEY MANAGERIAL PERSON

There had been no change in the constitution of Board during the year under review .

17. NUMBER OF MEETINGS OF BOARD OF DIRECTORS

The Company has duly complied with section 173 of the Companies Act, 2013. During the Financial Year 2017-18, 4 (four) 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 19th April 2017, 20th July 2017, 17th October 2017 and 24th January 2018.

18. MANAGERIAL REMUNERATION

The company had not paid any remuneration to its Directors during the Financial Year 2017-18.

19. 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.

20. 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.

21. 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.

22. 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. Therefore no need to comply provisions of section 186 of Companies Act, 2013.

PAYPERMINT PVT LTD

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year ended 31st March, 2018 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.

24. 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. No cases have been filed under the Act as the Company is keeping the working environment healthy.

25. SECRETARIAL STANDARDS

Your Company had complied with the applicable Secretarial Standards as issued and notified by The Institute of Company Secretaries of India.

26. 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, 2018, 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, 2018 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.

27. 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

Sd/-	Sd/-
Rajnit Rai Jain	**Rajasekhar Ramaraj**
Director	Director
(DIN: 00122942)	(DIN: 00090279)

Place: Kolkata
Date: 19th April 2018.

PAYPERMINT PVT LTD

"ANNEXURE 1" TO BOARD'S REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2018
of

PAYPERMINT PRIVATE LIMITED

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1.	CIN:	U72900WB2016PTC217291
2.	Registration Date:	26/08/2016
3.	Name of the Company	PAYPERMINT PRIVATE LIMITED
4.	Category / Sub-Category of the Company:	Company Limited by shares/ Indian Non-Government Company
5.	Address of the Registered office and contact details:	A-2, FMC FORTUNA, 234/3A, A.J.C. BOSE ROAD KOLKATA WB 700020 IN Phone Number: (033) 22875746/ 6254/6255 Email Id: vijendras@rssoftware.com
6.	Whether listed Company Yes / No	No
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Software Development	6202	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% of share held	Applicable Section
RS Software(India) Ltd	L72200WB1987PLC043375	HOLDING	79.17	2(46)

PAYPERMINT PVT LTD

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held as on 01/04/2017				No. of Shares held as on 31/03/2018				% Change during the period
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	-	20,00,000	20,00,000	25	-	20,00,000	20,00,000	20.83	(4.17)
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c)State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	-	60,00,000	60,00,000	75	-	76,00,000	76,00,000	79.17	4.17
e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	80,00,000	80,00,000	100	-	96,00,000	96,00,000	100	-
(2) Foreign									
(a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
(b) Other – Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	80,00,000	80,00,000	100	96,00,000	-	96,00,000	100	-
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks / FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
(a) Bodies Corp.									
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i)Individual shareholders holding nominal share capital upto ₹1 lacs	-	-	-	-	-	-	-	-	-

PAYPERMINT PVT LTD

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

(i) Category-wise Share Holding (Contd.)

Category of Shareholders	No. of Shares held as on 01/04/2017				No. of Shares held as on 31/03/2018				% Change during the period
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(ii) Individual shareholders holding nominal share capital in excess of ₹1 lacs	-	-	-	-	-	-	-	-	-
(c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):- Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	80,00,000	80,00,000	100	-	96,00,000	96,00,000	100	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding as on 01/04/2017			Shareholding as on 31/03/2018			% change in share holding during the period
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mr. Rajnit Rai Jain	20,00,000	25	-	19,90,000	20.73	-	(4.27)
2.	RS Software (India) Ltd	60,00,000	75	-	76,00,000	79.17	-	4.17
3.	Vijendra Surana	-	-	-	10,000	0.10	-	0.10

(iii) Change in Promoters Shareholding:

Sl. No.	Name of the promoter	Date	Reason	Shareholding		Cumulative Shareholding	
				No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	RAJNIT RAI JAIN						
	At the beginning	01/04/2017		20,00,000	25	20,00,000	25
	Changes during the Year	19/04/2017	Transfer to Vijendra Surana	(10,000)	(0.13)	19,90,000	(0.13)
	At the End of the Year	31/03/2018		19,90,000	20.73	19,90,000	20.73
2.	RS SOFTWARE (INDIA) LTD						
	At the beginning	01/04/2017		60,00,000	75	60,00,000	75
	Changes during the Year	26/03/2018	Allotment	16,00,000	-	16,00,000	-
	At the End of the Year	31/03/2018		76,00,000	79.17	76,00,000	79.17
3.	VIJENDRA SURANA						
	At the beginning	01/04/2017		-	-	-	-
	Changes during the Year	19/04/2017	Transfer from R. R. Jain	10,000	0.13	10,000	0.13
	At the End of the Year	31/03/2018		10,000	0.13	10,000	0.13

Note : Percentage of shareholdings are calculated on the basis of Paid Up Share Capital standing as on that date.

PAYPERMINT PVT LTD

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding as on 01/04/2017		Shareholding as on 31/03/2018	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning 01/04/2017	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the period specifying the reasons for increase / decrease (e.g.allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End: 31/03/2018 (or on the date of separation, if Separated during the period)	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of the Directors and KMP	Date	Reason	Shareholding		Cumulative Shareholding	
				No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	RAJNIT RAI JAIN						
	At the beginning	01/04/2017		20,00,000	25	20,00,000	25
	Changes during the period	19/04/2017	Transfer to Vijendra Surana	(10,000)	(0.13)	19,90,000	(0.13)
	At the end	31/03/2018		19,90,000	20.73	19,90,000	20.73
2.	RAJASEKHAR RAMARAJ						
	At the beginning	01/04/2017		-	-	-	-
	At the end	31/03/2018		-	-	-	-

V. INDEBTEDNESS

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

Sl. No.	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning 01/04/2017	-	-	-	-
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the period	-	-	-	-
• Addition				
• Reduction				
Net Change	-	-	-	-
Indebtedness at the end 31/03/2018	-	-	-	-
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	-	-	-	-

PAYPERMINT PVT LTD

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

The Company does not have any MD/WTD/Manager

B. **Remuneration to other directors:**

Nil

C. **Remuneration to Key Managerial Personnel Other Than MD/ Manager/WTD:**

Nil

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Nil

For and on behalf of the Board of Director

Sd/-
Rajnit Rai Jain
Director
(DIN: 00122942)

Sd/-
Rajasekhar Ramaraj
Director
(DIN: 00090279)

Place: Kolkata
Date: 19th April 2018.

Independent Auditor's Report

To
The Members of
M/s. Paypermint Pvt. Limited

We have audited the accompanying standalone Ind AS financial statements of Paypermint Pvt. Limited ("the Company"), which comprise of the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement for the year then ended, the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as Standalone Ind AS financial statements)

Management's Responsibility for the Standalone Ind AS 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 and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income & changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error..

Auditor's Responsibility

Our responsibility is to express and opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards required that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS of the state of affairs as at 31st March 2018 and its loss (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

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 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, the company is not required to have internal financial control in place vide MCA notification dated 13th June,2017 (G.S.R 583-E), hence not required to be commented upon.

(g) 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 Regn. No : 302137E

Nilima Joshi
Partner
Memb No. 52122

Dated : 19th April, 2018
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 31st March, 2018, 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, sales tax, service tax, duty of custom, duty of excise, value added tax, goods & service tax, cess and other statutory dues applicable to it except some delay in deposit of TDS. No statutory dues were outstanding, as at 31st March 2018 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 31st March 2018 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, no Managerial remuneration is required to be paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act. 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 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, paragraph3(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 Regn. No : 302137E

Nilima Joshi
Partner
Memb No. 52122

Dated : 19th April, 2018
Place : Kolkata

PAYPERMINT PVT LTD

Balance Sheet as at March 31, 2018

₹ in Lac

Particular	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
NON CURRENT ASSETS			
a. PROPERTY PLANT & EQUIPMENT			
a) PROPERTY PLANT & EQUIPMENT	4ab	13.67	16.44
b) INTANGIBLE ASSETS	4ab	697.63	
c) INTANGIBLE ASSETS UNDER DEVELOPMENT	5	-	697.63
d) FINANCIAL ASSETS			
DEFERRED TAX ASSETS (Net)	6	134.09	50.00
OTHER NON CURRENT ASSETS	7	103.55	97.62
CURRENT ASSETS			
a. FINANCIAL ASSETS			
CASH & CASH EQUIVALENTS	8	1,217.87	412.33
b. OTHER CURRENT ASSETS			
TOTAL		2,166.81	1,274.01
1 EQUITY			
a. SHARE CAPITAL	9	960.00	800.0
b. OTHER EQUITY	10	1175.24	(111.96)
2 LIABILITIES			
3 CURRENT LIABILITIES			
FINANCIAL LIABILITY			
i) TRADE PAYABLES	11	20.85	518.63
ii) OTHER FINANCIAL LIABILITIES	12	10.72	67.34
TOTAL		2,166.81	1,274.01
Significant Accounting Policies and Notes on Accounts	1 to 23		

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 **CHATURVEDI & COMPANY**
Chartered Accountants
(Reg. no : 302137E)

On behalf of the Board

NILIMA JOSHI
Partner
M. No. 52122

R. R. Jain
Director
DIN: 00122942

R RAMARAJ
Director
DIN: 00090279

Dated: 19th April, 2018
Place : Kolkata

PAYPERMINT PVT LTD

Statement of Profit and Loss Account for the year ended March 31, 2018

₹ in Lac

Particular	Notes	Year ended March 31, 2018	Year ended March 31, 2017
I REVENUE FROM OPERATION	13	0.04	-
II OTHER INCOME	14	1.26	0.28
III TOTAL REVENUE		1.30	0.28
IV EXPENSES :			
EMPLOYEE BENEFIT EXPENSES	15	343.34	135.98
SUBCONTRACTOR EXPENSES		-	6.00
DEPRECIATION	4ab	15.32	1.81
OPERATION AND OTHER EXPENSES	16	39.50	18.44
TOTAL		398.16	162.24
V PROFIT BEFORE TAX:	(III - IV)	(396.85)	(161.96)
VI TAX EXPENSES			
CURRENT TAX	6	(84.09)	(50)
DEFERRED TAX			
VII PROFIT & LOSS FROM CONTINUOUS OPERATIONS :	(V - VI)	(312.76)	(111.96)
OTHER COMPREHENSIVE INCOME			
Iitems which will not be classified into profit or loss			
TOTAL COMPREHENSIVE INCOME			
PROFIT FOR THE PERIOD :		(312.76)	(111.96)
EARNING PER EQUITY SHARE :			
BASIC	22	(3.26)	(2.02)
DILLUTED	22	(3.26)	(2.02)
Significant Accounting Policies and Notes on Accounts	1 to 23		

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 **CHATURVEDI & COMPANY**
Chartered Accountants
(Reg. no : 302137E)

On behalf of the Board

NILIMA JOSHI
Partner
M. No. 52122

R. R. Jain
Director
DIN: 00122942

R RAMARAJ
Director
DIN: 00090279

Dated: 19th April, 2018
Place : Kolkata

PAYPERMINT PVT LTD

Cash Flow Statement for the year ended March 31, 2018

₹ in Lac

Particular	Year ended March 31, 2018	Year ended March 31, 2017
A CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAX	(396.85)	(161.96)
ADJUSTMENT FOR :		
DEPRECIATION	15.32	(23.35)
INTERESTPAID		
FOREIGN EXCHANGE FLUCTUATION RESERVE		
PROVISION FOR GRATUITY, LEAVE ENCASHMENT	(19.10)	
INTEREST RECEIVED		
DIVIDEND RECEIVED		
EMPLOYEES EXPENSES AMORTIZATION& deferred taxation	84.09	
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**(316.54)**	**(185.31)**
ADJUSTMENT FOR :		
TRADE AND OTHER RECEIVABLES	5.93	
LOANS AND ADVANCES AND OTHER ASSETS	84.09	97.90
TRADE PAYABLES & OTHER LIABILITIES	(525.26)	585.97
CASH GENERATED FROM OPERATIONS	(751.83)	498.56
CASH FLOW BEFORE EXTRAORDINARY ITEMS	(751.83)	498.56
NET CASH FROM OPERATING ACTIVITIES	**(751.83)**	**498.56**
B CASH FLOW FROM INVESTMENT ACTIVITIES :		
PURCHASE OF FIXED ASSETS	1,398.03	713.78
INTEREST RECEIVED	-	
DIVIDEND RECEIVED	-	
INVESTMENT MADE DURING THE YEAR		
NET CASH FROM INVESTMENT ACTIVITIES	1,398.03	713.78
C CASH FLOW FROM FINANCE ACTIVITIES:		
PROCEEDS FROM SHARE APPLICATION	160.00	(800.00)
INTEREST PAID		
DIVIDEND AND DIVIDEND TAX PAID		
PAYMENT OF CSR FUND		
NET CASH FROM FINANCING ACTIVITIES	**160.00**	**(800.00)**
NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	806.25	412.34
OPENING CASH AND CASH EQUIVALENTS	412.33	
CLOSING CASH AND CASH EQUIVALENTS	1,217.91	412.34

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 **CHATURVEDI & COMPANY**
Chartered Accountants
(Reg. no : 302137E)

On behalf of the Board

NILIMA JOSHI
Partner
M. No. 52122

R. R. Jain
Director
DIN: 00122942

R RAMARAJ
Director
DIN: 00090279

Dated: 19th April, 2018
Place : Kolkata

PAYPERMINT PVT LTD

Notes on accounts for the year ended March 31, 2018

1. Corporate Information

Paypermint is engaged in digital payment platform ,experimenting and innovating latest trends in the payment space.Paypermint Pvt Ltd is a subsidiary of RS Software India Ltd. The Financial Statement are approved for issue by the company's Board of Directors on 19th of APRIL2018.

2. Significant Accounting Policies

a Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. Previous period numbers in the financial statements have been restated to Ind AS. in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under section Section 133 with the Companies Act and the Companies (Accounting Standards) Rules, 2006 (as amended in previous Gaap) to Ind AS of Shareholders' equity as at March 31, 2017.

b Basis of preparation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

c Use of estimates

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.

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.

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).

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 commission which is being earned on transactions on accrual basis occurred through online payment gateway services provided to merchants who are on boarded with Paypermint has been booked.

PAYPERMINT PVT LTD

Notes on accounts for the year ended March 31, 2018

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 and brokerage, bank charges, freight, Postage etc.

f Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any.

Property, plant and equipment individually costing ₹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 Licenses 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:

COMPUTER SOFTWARE & LICENCES	7 Years

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 Indas.

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

Computer spares, accessories and stationery are charged to revenue in the year they are purchased.

k Employee Benefits

Contribution of Employers share to Employees' Provident Fund and ESI are worked on accrual basis and charged to Profit & Loss Account.

PAYPERMINT PVT LTD

Notes on accounts for the year ended March 31, 2018

l 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 operator is determined in accordance with the laws applicable in accordance with tax 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.

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.

m 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.

n 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.

3 Notes to the financial statements for the year ended MARCH 2018

3.1 First-time adoption of Ind-AS

These financial statements of Paypermint Pvt. Ltd. for year ended March 31, 2018 have been prepared in accordance with Ind AS. This is the Company's first set of financial statements in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 - First Time adoption of Indian Accounting Standard, with effect from FY 2016-17 as the transition date and IGAAP as the previous GAAP.

PAYPERMINT PVT LTD

Notes on accounts for the year ended March 31, 2018

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in note 2 have been applied in preparing the financial statement for the year ended 2018 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance sheet , Statement of profit and loss, is set out in Note 3.2.1 and 3.2.2. Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in note 3.1.1.

3.2 Reconciliation :

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

1. Equity March 31, 2017
2. Net profit for the year ended March 31,2017

NOTE: As the company commenced operations from August 2016 ,hence the comparitive numbers for April1,2016 are not availble and hence not reported.

NOTE 4AB PROPERTY PLANT & EQUIPMENT

₹ in Lac

	AS ON 31.03.18 P&M	AS ON 31.03.18 INTANGIBLE	AS ON 31.03.18 TOTAL	AS ON 31.03.17
Gross Block				
Opening Balance	19.91		19.91	19.91
Additions during the period	3.98	706.19	710.17	
Sub-total	23.89	706.19	730.08	19.91
Less: Disposals			-	
Gross block as on closing	23.89	706.19	730.08	19.91
Less: Depreciation / Amortization				
opening depreciation / amortization	3.47		3.47	1.66
Depreciation/Amortization of the period	6.75	8.56	15.31	1.81
Total depreciation as on closing	10.22	8.56	18.78	3.47
Net Carrying Value (Closing)	13.67	697.63	711.30	16.44

5. INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Lac

	March 31, 2018	March 31, 2017
ERP IMPLEMENTATION	-	697.63
Others	-	-
	-	697.63

6. DEFERRED TAX ASSETS / (NET)

₹ in Lac

	March 31, 2018	March 31, 2017
DTL on Account of Fixed Assets	(41.95)	50.00
DTA on Account of B/f other Losses	176.04	-
Net Deferred Tax Assets /(NET)	134.09	50.00

PAYPERMINT PVT LTD

Notes on accounts for the year ended March 31, 2018

7. OTHER NON CURRENT ASSETS

₹ in Lac

	March 31, 2018	March 31, 2017
(Unsecured and Considered good)		
BALANCES WITH GOVT. AUTHORITIES	103.55	97.62
	103.55	97.62

8. CASH AND BANK BALANCE

₹ in Lac

	March 31, 2018	March 31, 2017
CASH & CASH EQUIVALENTS*		
BALANCE WITH BANK :		
SCHEDULED BANKS		
- in Current Account (HDFC Bank)	0.41	397.07
- FD (HDFC Bank)	1217.46	15.27
	1217.87	412.33

9. SHARE CAPITAL

₹ in Lac

	March 31, 2018	March 31, 2017
a. THE AUTHORISED CAPITAL IS :		
1,00,00,000 EQUITY SHARE OF INR 10/- EACH	1000.00	1000.00
	1000.00	1000.00
b. ISSUED SUBSCRIBED AND PAID-UP-FULLY CALLED AND PAID UP		
96,00,000 EQUITY SHARE OF INR 10/- EACH	960.00	800.00
	960.00	800.00

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 76 lacs equity shares (79.17% holding) of ₹ 10/each.

c Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Equity Share	MAR 31, 2018		MAR 31, 2017	
	No. of Share	₹ in Lac	No. of Share	₹ in Lac
Number of shares at the beginning	80,00,000	800.00	NIL	NIL
9600000 Equity SHARES (Includes1600000 equity shares as Right Issue) at ₹10 per share	16,00,000	160.00	80,00,000	800.00
	96,00,000	960.00	80,00,000	800.00

d SHAREHOLDER HOLDING MORE THAN 5% OF THE SHARE as on MAR 31st, 2018

Mr. Rajnit Rai Jain

1990000 Equity shares of ₹10 each)

RS Software (India) Ltd

7600000 Equity shares of ₹10 each)

PAYPERMINT PVT LTD

10. STATEMENT OF CHANGE IN EQUITY FOR THE YEAR MARCH 2018

₹ in Lac

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	
Balance as of April 1, 2017		(111.96)		0.00			0.00		(111.96)
Changes in equity for the 9 months ended DEC31, 2017									
Increase in share capital on account of bonus issue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfer to general reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amounts utilized for bonus issue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Share based payment to employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Remeasurement of the net defined benefit liability / asset, net of tax effect	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Equity instruments through other comprehensive income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes due INTER BRANCH FOREIGN FLUCTUATION ACCOUNT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes during the period	1600.00	(312.76)	0.00	0.00	0.00	0.00	0.00	0.00	1287.24
Balance as of MAR 31, 2018	**1600.00**	**(424.72)**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**1175.28**

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 2017

₹ in Lac

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	
Balance as of April 1, 2016									0.00
Changes in equity for the year March2017									
Increase in share capital on account of bonus issue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfer to general reserve	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amounts utilized for bonus issue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Share based payment to employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Remeasurement of the net defined benefit liability / asset, net of tax effect	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
Equity instruments through other comprehensive income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividends (including corporate dividend tax)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Changes during the period		(111.96)							(111.96)
Balance as of March 2017		**(111.96)**							**(111.96)**

PAYPERMINT PVT LTD

Notes on accounts for the year ended March 31, 2018

11. TRADE PAYABLE (SHORT TERM)

₹ in Lac

	March 31, 2018	March 31, 2017
Other Than Acceptances	20.85	518.63
	20.85	**518.63**

12. OTHER CURRENT LIABILITIES

₹ in Lac

	March 31, 2018	March 31, 2017
SALARY PAYABLE	1.74	67.34
STATUTORY LIABILITY including PF, TDS, ESI etc.	8.98	-
	10.72	**67.34**

13. REVENUE FROM OPERATION

₹ in Lac

	March 31, 2018	March 31, 2017
Domestic Income from Software Services	0.04	0.00
	0.04	**0.00**

14. OTHER INCOME

₹ in Lac

	March 31, 2018	March 31, 2017
Interest Received from Bank Fixed Deposit	1.22	0.28
	1.22	**0.28**

15. EMPLOYEE BENEFIT EXPENSES

₹ in Lac

	March 31, 2018	March 31, 2017
Salary Wages And Bonus	324.05	130.32
Contribution to PF And Other Funds	19.10	5.66
Staff Welfare Expenses	0.20	0.00
	343.34	**135.98**

Payment in respect of PF and Professional Tax of the Company employees is being made to the PF and Professional Tax Account of the Holding Company RS Software (india) Ltd and also the Group gratuity of the holding company.

PAYPERMINT PVT LTD

Notes on accounts for the year ended March 31, 2018

16. OPERATION AND OTHER EXPENSES

₹ in Lac

	March 31, 2018	March 31, 2017
Travelling	1.59	2.01
Conveyance	2.07	0.21
Staff Welfare	0.01	0.12
Communication	1.09	0.03
Printing and Stationery	0.29	0.57
Repairs - Machinery	13.39	0.34
Auditors' Remuneration	0.38	0.15
Legal / Professional Fee	**9.47**	**9.63**
Recruitment & Relocation Expenses	**0.61**	**0.80**
Business Promotion	**10.57**	**4.48**
Bank Changes	**0.04**	**0.12**
	39.50	**18.43**

17. AUDITOR'S REMUNERATION

₹ in Lac

	March 31, 2018	March 31, 2017
STATUTORY AUDIT	0.38	0.15
OTHER CERTIFICATION		
	0.38	0.15

There is no Impairment of assets during the yearended as on MAR 31 2018.

In respect of service tax & GST which are non cenvatable or non refundable the same amount is being charged to respective expense account.

18. ENTERPRISES OF WHICH CONTROL EXISTS

HOLDING COMPANY	'% of holding	Country of Incorporation
R S SOFTWARE INDIA LTD	79.17%	INDIA
PERSON WITH SIGNIFICANT INFLUENCE		
RAJNIT RAI JAIN	20.73%	
KEY MANAGEMENT PERSONNEL		
RAJNIT RAI JAIN (DIRECTOR)		
RAM RAJ (DIRECTOR)		

PAYPERMINT PVT LTD

Notes on accounts for the year ended March 31, 2018

19. DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES

₹ in Lac

I With Holding Company

Particulars	March 31, 2018	March 31, 2017
Reimbursement of Cost of services incurred on behalf of Subsidiary including margin on actual cost thereon .		
RS Software India Ltd	826.88	674.33
Maximum balance outstanding during the year		
Reimbursement of expenses payable		
RS Software India Ltd	13.13	674.33

20 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 .

21 Segment Reporting is not applicable as company has no geographical and operating segments

22

EARNING PER EQUITY SHARE AS PER IAS 33 :	March 31, 2018	March 31, 2017
BASIC	(3.26)	(2.02)
DILLUTED	(3.26)	(2.02)

23 Figures of 2 comparitive financial year has been provided as company was incorporated in August 2016 .Figures reported in INR lacs and rounded off to nearest rupee

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 **CHATURVEDI & COMPANY**
Chartered Accountants
(Reg. no : 302137E)

On behalf of the Board

NILIMA JOSHI
Partner
M. No. 52122

R. R. Jain
Director
DIN: 00122942

R RAMARAJ
Director
DIN: 00090279

Dated: 19th April, 2018
Place : Kolkata

PAYPERMINT PVT LTD

Notes on accounts for the year ended March 31, 2018

Reconciliation Statement of Profit and loss as previously reported under IGAAP to Ind AS

₹ in Lac

Particulars		Notes	Year ended March 31, 2017		
			Previous GAAP	Effects of transition to Ind-AS	Ind AS
I	REVENUE FROM OPERATION	13	0.00	0.00	0.00
II	OTHER INCOME	14	0.28	0.00	0.28
III	**TOTAL REVENUE**		**0.28**	**0.00**	**0.28**
IV	**EXPENSES :**				
	Purchases of Stock-in-Trade			0.00	
	Employee benefits expense	15	135.98	0.00	135.98
	SUBCONTRACTOR EXPENSES		6.00	0.00	6.00
	Finance costs			0.00	
	Depreciation and amortization expense	4ab	1.81	0.00	1.81
	Other expenses	16	18.44	0.00	18.44
	Total Expenses		**162.23**	**0.00**	**162.23**
V	Profit/(loss) before exceptional items and tax		(161.95)	0.00	(161.95)
VI	Exceptional Items			0.00	0.00
VII	Profit/(loss) before tax		(161.95)	0.00	(161.95)
VIII	Tax expense:			0.00	
1	Current tax		0.00	0.00	0
2	Deferred tax	6	(50.00)	0.00	(50.00)
IX	Profit (Loss) for the period from continuing operations		(111.95)	0.00	(111.95)
X	Other Comprehensive Income			0.00	
A (i)	Items that will not be reclassified to profit or loss		0.00	(58.63)	(58.63)
	Total Other Comprehensive Income		**0.00**	**(58.63)**	
	Total Comprehensive Income From the Period		**(111.95)**	**0.00**	**(111.95)**

Explanations for reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind AS

PAYPERMINT PVT LTD

Notes on accounts for the year ended March 31, 2018

Reconciliation of equity as previously reported under IGAAP to Ind AS

₹ in Lac

PARTICULARS	Notes	Year ended March 31 2017		
		Previous GAAP	Effects of transition to Ind-AS	Ind AS
Non-current assets				
(a) Property, Plant and Equipment	4ab	16.44	0.00	16.44
(c) Intangible assets under development	5	697.63	0.00	697.63
(d) Financial Assets				
(e) Deferred tax assets (net)	6	50.00	0.00	50.00
(f) Other non-current assets	7	97.62	0.00	97.62
Current assets				
(a) Financial Assets				
(iii) Cash and cash equivalents	8	412.33	0.00	412.33
(c) Other current assets				
Total Assets		1,274.01	0.00	1,274.01
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	9	800.00	0.00	800.00
(b) Other Equity	10	(111.96)	0.00	(111.96)
LIABILITIES				
(a) Financial Liabilities				
(ii) Trade payables	11	518.63	0.00	518.63
(iii) Other financial liabilities	12	67.34	0.00	67.34
Total Equity and Liabilities		1274.01	0.00	1274.01

Independent Auditor's Report

To
The Members of
M/s. R S Software (India) Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of M/s. R S Software India Limited ("hereinafter referred to as the Holding Company") and its subsidiaries M/s. Responsive Solutions Inc., R. S. Software (Asia) Pte. Ltd., and Paypermint Pvt. Limited (the Company and its subsidiaries together referred to as "the Group") which comprise of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as standalone IND AS financial statements)

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flow and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act, 2013 (hereinafter referred to as 'the Act') with relevant rules issued thereunder. The respective Board of Directors of the Company included in the group is 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated IND AS financial statements based on our audit while conducting the audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards required that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from materials misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including

the Ind AS of the consolidated state of affairs of the Group as at 31st March, 2018 and its consolidated loss (financial performance including other comprehensive income, its consolidated cash flow and the changes in equity for the year ended on that date.

Other maters

We did not audit the financial statement of M/s. Responsive Solutions Inc, M/s. R. S. Software (Asia) Pte. Ltd and M/s. Paypermint Pvt. Ltd. (the subsidiaries) whose financial statements reflect total assets of ₹ 4039.48 Lac as at 31st March, 2018 and total revenue of ₹ 603.60 Lac and net cash flows amounting to ₹ 242.75 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 two foreign subsidiaries namely M/s. Responsive Solutions Inc and M/s. R. S. Software (Asia) Pte. Ltd 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 report is not qualified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the Consolidated Financial Statement.

   b. In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the relevant books of account.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and report of the Statutory Auditor of the Subsidiary Incorporated in India none of the directors of the Group Companies incorporated in India are disqualified as on 31st March, 2018 from being appointed as a director in terms of section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary incorporated in India and outside India and the operating effectiveness of such controls, refer to our separate Report in Annexure A. and

   g. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

      i. The group does not have any pending litigations which would impact its financial position in its financial statements.

      ii. The Group does have long term contracts for which there are no material foreseeable losses at the Balance Sheet date.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by "the company" during the year by the Holdings Company and the subsidiaries incorporated in India and outside India.

For **DEOKI BIJAY & Co.**
Chartered Accountants
Firm Regn. No : 313105E

CA D.N.AGRAWAL
Partner
Memb No. 51157

Dated : 19th April, 2018
Place : Kolkata

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 31st March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date. (Two Companies of the group whichhave 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 13th June,2017 respectively.

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 fairy 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 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 31st March, 2018, 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

CA D.N.AGRAWAL
Partner
Memb No. 51157

Dated : 19th April, 2018
Place : Kolkata

Consolidated Balance Sheet as at March 31, 2018

After consolidating the results of the Company with those of its wholly owned foreign subsidiaries Responsive Solution INC., RS Software Asia Pte. Ltd and Paypermint Pvt LTD

₹ in Lac

Particular	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
NON CURRENT ASSETS				
A PROPERTY PLANT & EQUIPMENT				
(i) PROPERTY PLANT & EQUIPMENT	4a&b	493.52	532.43	778.19
(ii) OTHER INTANGIBLE ASSETS	4a&b	829.68	261.19	84.50
(iii) INTANGIBLE ASSETS UNDER DEVELOPMENT	4a &b	20.24	646.25	78.73
B FINANCIAL ASSETS				
(i) INVESTMENTS	5	719.90	626.97	820.75
(ii) LOANS	6	1,300.00	1,300.00	1300.00
(iii) OTHER FINANCIAL ASSET	7	605.65	799.75	1796.57
C DEFERRED TAX ASSETS (Net)	8	2,191.67	981.58	(32.43)
D OTHER NON CURRENT ASSETS	9	1,036.44	1,113.75	816.82
E CURRENT ASSETS				
FINANCIAL ASSETS				
(i) INVESTMENT	10	5,666.10	9,441.87	6651.40
(ii) TRADE RECEIVABLES	11	1,004.64	1,404.58	1222.98
(iii) CASH & CASH EQUIVALENTS	12	4,183.18	3,517.47	10086.20
(iv) OTHER BANK BALANCES	12	600.27	602.77	536.71
(v) OTHER FINANCIAL ASSETS	13	385.30	825.60	604.81
F OTHER CURRENT ASSETS	14	1,309.07	1,084.21	1087.86
TOTAL ASSETS		20345.66	23,138.42	25833.09
EQUITY AND LIABILITIES :				
A EQUITY				
(i) EQUITY SHARE CAPITAL	15	1285.42	1285.42	1284.67
(ii) OTHER EQUITY	16	17504.97	20077.00	21926.87
(iii) NON CONTROLLING INTEREST	17	109.19	172.01	-
B LIABILITIES				
1 NON CURRENT LIABILITIES				
(i) PROVISIONS	18	298.52	300.28	329.07
C CURRENT LIABILITIES				
D FINANCIAL LIABILITIES				
(i) SHORT TERM BORROWINGS	19	0.00	125.67	0.00
(ii) TRADE PAYABLES	20	938.25	825.25	1663.50
(iii) OTHER FINANCIAL LIABILITIES	21	59.16	59.16	59.16
E OTHER CURRENT LIABILITIES	22	132.73	282.08	248.95
F PROVISIONS	23	17.42	11.55	320.87
TOTAL LIABILITIES		20345.66	23138.42	25833.09
Significant Accounting Policies and Notes on Accounts	1 to 47			

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)

On behalf of the Board

CA D.N.AGRAWAL
Partner
M. No. 51157

V. Surana
CFO & Company Secretary
M. No. 11559

S. K. Jain
Director
DIN : 00047474

R. R. Jain
Chairman & Managing Director
DIN : 00122942

Dated: 19th April, 2018
Place : Kolkata

Consolidated Statement of Profit and Loss Account for the year ended March 31, 2018

After consolidating the results of the Company with those of its wholly owned foreign subsidiaries Responsive Solution INC., RS Software Asia Pte. Ltd and Paypermint Pvt LTD

₹ in Lac

	Particular	Notes	Year ended March 31, 2018	Year ended March 31, 2017
I	REVENUE FROM OPERATION	25	6,342.92	7,613.03
II	OTHER INCOME	26	855.04	1,247.38
III	TOTAL REVENUE		7,197.96	8,860.41
IV	EXPENSES :			
	PURCHASE OF STOCK IN TRADE	27	90.78	1,250.15
	EMPLOYEE BENEFIT EXPENSES	28	7,389.33	6,875.75
	SUBCONTRACTOR EXPENSES	29	848.71	204.31
	FINANCE COST	30	3.75	10.38
	DEPRECIATION& AMORTISATION	4a&b	224.15	398.30
	OPERATION AND OTHER EXPENSES	31	2,529.44	2,788.06
	NON CONTROLLING INTEREST	17	(62.82)	(27.99)
	TOTAL EXPENSES		11023.33	11,498.96
V	PROFIT / (LOSS) BEFORE EXCEPTIONAL ITEMS& TAX :	(III - IV)	(3825.37)	(2,638.55)
VI	EXCEPTIONAL ITEMS			
VII	TAX EXPENSES			
	CURRENT TAX		28.42	35.79
	DEFERRED TAX		(1,210.13)	(1,014.00)
	PROFIT /(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		(2643.66)	(1,660.34)
	ATTRIBUTABLE TO:			
	SHAREHOLDERS' OF THE COMPANY		(2,580.84)	(1,632.35)
	NON CONTROLLING INTEREST		(62.82)	(27.99)
	ITEMS WHICH WILL NOT BE CLASSIFIED INTO P&L RELATING TO ACTUARIAL GAIN/LOSS		(12.81)	(58.63)
	TOTAL OTHER COMPREHENSIVE INCOME		(12.81)	(58.63)
VIII	PROFIT/(LOSS) FOR THE PERIOD :	(V - VI)	(2656.47)	(1,718.97)
	ATTRIBUTABLE TO:			
	SHAREHOLDERS' OF THE COMPANY		(2,593.65)	(1,690.98)
	NON CONTROLLING INTEREST		(62.82)	(27.99)
IX	EARNINGS PER EQUITY SHARE(FOR CONTINUING OPERATIONS) :			
	BASIC	39	(10.28)	(6.46)
	DILLUTED	39	(10.28)	(6.46)
	Significant Accounting Policies and Notes on Accounts	1 to 47		

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)

On behalf of the Board

CA D.N.AGRAWAL
Partner
M. No. 51157

V. Surana
CFO & Company Secretary
M. No. 11559

S. K. Jain
Director
DIN : 00047474

R. R. Jain
Chairman & Managing Director
DIN : 00122942

Dated: 19th April, 2018
Place : Kolkata

Consolidated Cash Flow Statement for the year ended March 31, 2018

After consolidating the results of the Company with those of its wholly owned foreign subsidiaries Responsive Solution INC., RS Software Asia Pte. Ltd and Paypermint Pvt Ltd

₹ in Lac

Particular	Year ended March 31, 2018	Year ended March 31, 2017
CASH FLOW STATEMENT		
A CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAX	(3,825.37)	(2,587.75)
ADJUSTMENT FOR :		
DEPRECIATION	224.15	398.30
INTERESTPAID	3.75	10.38
FOREIGN EXCHANGE FLUCTUATION RESERVE	87.16	
PROVISION FOR GRATUITY, LEAVE ENCASHMENT	73.96	
INTEREST RECEIVED	(8,55.04)	(1,324.91)
DIVIDEND RECEIVED	-	
EMPLOYEES EXPENSES AMORTIZATION	977.71	(29.82)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**(3,313.68)**	**(3,533.80)**
ADJUSTMENT FOR :		
TRADE AND OTHER RECEIVABLES	(840.24)	(447.22)
LOANS AND ADVANCES AND OTHER ASSETS	713.82	794.77
TRADE PAYABLES & OTHER LIABILITIES(INCLUDES EMPLOYEE AMORTISATION & FOREX)	(220.72)	(679.41)
CASH GENERATED FROM OPERATIONS	**(3,660.82)**	**(3,865.66)**
CASH FLOW BEFORE EXTRAORDINARY ITEMS	**(3,660.82)**	**(3,865.66)**
NET CASH FROM OPERATING ACTIVITIES	**(3,660.82)**	**(3,865.66)**
B CASH FLOW FROM INVESTMENT ACTIVITIES :		
PURCHASE OF PROPERTY PLANT & EQUIPMENT	(320.58)	(896.75)
INTEREST RECEIVED	965.51	1,324.91
DIVIDEND RECEIVED	-	
INVESTMENT MADE DURING THE YEAR	3,682.84	(2,693.33)
NET CASH FROM INVESTMENT ACTIVITIES	4,327.77)	(2,265.17)
C CASH FLOW FROM FINANCE ACTIVITIES:		
PROCEEDS FROM SHARE APPLICATION	-	6.00
INTEREST PAID	(3.75)	(10.38)
DIVIDEND AND DIVIDEND TAX PAID	-	(308.31)
PAYMENT OF CSR FUND	-	
NET CASH FROM FINANCING ACTIVITIES	**(3.75)**	**(312.69)**
NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**663.21**	**(6,443.52)**
OPENING CASH AND CASH EQUIVALENTS	4,120.24	10,563.76
CLOSING CASH AND CASH EQUIVALENTS	4,783.45	4,120.24

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)

On behalf of the Board

CA D.N.AGRAWAL
Partner
M. No. 51157

V. Surana
CFO & Company Secretary
M. No. 11559

S. K. Jain
Director
DIN : 00047474

R. R. Jain
Chairman & Managing Director
DIN : 00122942

Dated: 19th April, 2018
Place : Kolkata

Consolidated notes on accounts for the year ended March 31, 2018

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 has three subsidiaries which form part of the consolidated accounts.

2. Significant Accounting Policies

a Statement of compliance

"In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. Previous period numbers in the financial statements have been restated to Ind AS. in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Accounting Standards notified under section Section 133 with the Companies Act and the Companies(Accounting Standards) Rules, 2006(as amended in previous GAAP) to Ind AS of Shareholders' equity as at March 31, 2017 and April 1, 2016 and of the comprehensive net income for the period ended March 31st 2017.

b Basis of preparation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The assets and liabilities, income and expenditure of subsidiaries are aggregated and consolidated, line by line from the date of control is acquired by any group entity to the date it ceases.

c Use of estimates

The preparation of these consolidated 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.

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.

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).

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 (exc

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 Time sheets.Revenue commission which is being earned on transactions on accrual basis occurred through online payment gateway services provided to merchants who are on boarded with Paypermint has been booked.

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.

f Property ,Plant & Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Consolidated notes on accounts for the year ended March 31, 2018

Property, plant and equipment individually costing ₹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

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 Licenses 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:

COMPUTER SOFTWARE & LICENCES 6 Years

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 and 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.

k Spares and Consumables

Computers spares accessories and stationery re charged to revenue in the year they are purchased.

l Cash Flow Statement

Consolidated Cash Flows are reported using the indirect method whereby profit for the period is adjusted for the the effects of transactions of non cash nature,any deferrals or accruals of past or future operationg cash receipts and payments or item of income and expenses. 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

Consolidated notes on accounts for the year ended March 31, 2018

Account. The Company also provides for Gratuity and Leave Encashment based on actuarial valuation made by an independent actuary.

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 determination in accordance with the provision of Income 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 the Balance Sheet date.

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.

o Financial instruments

Initial recognition

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 receivable which are initially measured at transaction price. Transaction cost 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) Assets taken on lease

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 receivable.

iii) Financial assets at fair value through other comprehensive income

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 finance.

iv) 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 term.

v) 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.

p Asset taken on Lease

Lease rentals on operating leases are charged on a monthly basis to accounts.

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 notes.

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.

Consolidated notes on accounts for the year ended March 31, 2018

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 share

3 NOTES ON FIRST TIME ADOPTION

3.1 These consolidated financial statements of R S Software Limited for the year ended MARCH 31, 2018 have been prepared in accordance with Ind AS. This is the Company's first set of financial statements in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101 - First Time adoption of Indian Accounting Standard, with April 1, 2016 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the consolidatedfinancial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in note 2 have been applied in preparing the consolidated financial statements for the year ended March 31, 2018 and the comparative information. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's Balance sheet , Statement of profit and loss, is set out in Note 3.2.1 and 3.2.2. Exemptions on first time adoption of Ind AS availed in accordance with Ind AS 101 have been set out in note 3.1.1.

3.2 Exemptions availed on first time adoption of Ind-AS 101

Ind-AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The company has accordingly applied the following exemptions.

Deemed Cost Exemption

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date.

Reconciliation :

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

1. Equity as at March 31, 2017
2. Net profit for the year ended March 31, 2017

Consolidated notes on accounts for the year ended March 31, 2018

3.2.1. Reconciliation Statement of Consolidated Profit and loss as previously reported under IGAAP to Ind AS

₹ in Lac

Particulars	Note	Year ended March 31, 2017		
		Previous GAAP	Effects of transition to Ind-AS	Ind AS
Revenue from Operation	25	7613.03	0.00	7613.03
Other Income	26	1351.22	(103.84)	1247.38
TOTAL REVENUE		**8,964.25**	**(103.84)**	**8,860.41**
EXPENSES :				
Purchases of Stock-in-Trade	27	1250.15	0.00	1250.15
Employee benefits expense	28	7,138.59	(58.53)	7080.06
Finance costs	30	0.00	0.00	0.00
Depreciation and amortization expense	4a&b	398.30	0.00	398.30
Other expenses	31	2764.97	5.48	2770.45
Total Expenses		**11,552.01**	**(53.05)**	**11,498.96**
Profit/(loss) before exceptional items and tax		**(2,587.76)**	**(50.79)**	**(2,638.55)**
Exceptional Items		0	-	0.00
Profit/(loss) before tax		**(2,587.76)**	**(50.79)**	**(2,638.55)**
Tax expense:		-	-	
Current tax		35.79	0.00	35.79
Deferred tax		(801.63)	(212.37)	(1014.00)
Profit (Loss) for the period from continuing operations		(1,821.92)	161.58	(1,660.34)
Other Comprehensive Income			-	
Items that will not be reclassified to profit or loss		0	(58.63)	(58.63)
Total Other Comprehensive Income		0.00	(58.63)	(58.63)
Total Comprehensive Income From the Period		**(1821.92)**	**102.95**	**(1718.97)**

Explaination for reconciliation of Statement of Profit and loss as previously reported under IGAAP to Ind AS

As per Ind-AS 19, actuarial gain and losses are recognized in other comprehensive income and not reclassified to profit and loss in a subsequent period.

Adjustments reflect unamortised negative past service cost arising on modification of the gratuity plan in an earlier period. Ind AS 19 requires such gains and losses to be adjusted to retained earnings.

Consolidated notes on accounts for the year ended March 31, 2018

3.2.1. Reconciliation of equity as previously reported under IGAAP to Ind AS as at March, 31 2017

Particulars	Consolidated Balance Sheet as at March 31, 2017		
	Previous GAAP	Effects of transition to Ind-AS	Ind AS
EQUITY AND LIABILITIES			
Equity			
(a)EQUITY SHARE CAPITAL	1285.42	0.00	1285.42
TOTAL (a)	**1285.42**	**0.00**	**1285.42**
(b) Other Equity			
SHARE FORFEITURE	43.50	0.00	43.50
SECURITIES PREMIUM ACCOUNT	2586.38	0.00	2586.38
PREFERENCE SHARE REDEMPTION RESERVE	255.31	0.00	255.31
CSR FUND	118.65	0.00	118.65
INTER BRANCH FOREIGN FLUCTUATION RESERVE	624.16	0.00	624.16
SURPLUS IN STATEMENT PROFIT & LOSS ACCOUNT	16076.76	532.75	16609.51
CAPITAL RESERVE	56.68	0.00	56.68
UNREALISED PROFIT ON SALE SOFTWARE TO PAYPERMINT PVT LTD	(71.34)	0.00	(71.34)
OTHER COMPREHENSIVE INCOME		(145.70)	(145.70)
TOTAL (b)	**19690.10**	**387.05**	**20077.15**
TOTAL(a+b)	**20975.52**	**387.05**	**21362.57**

Other Equity

a) Adjustments to retained earnings and other comprehensive income has been made in accordance with Ind AS, for the above mentioned line items.

SCHEULE 4A & B PROPERTY PLANT AND EQUIPMENT

₹ in Lac

Particulars	Gross carrying Amount				Accumulated Depreciation & Amortisation				Net carrying Amount	
	DEEMED COST AS ON 1st of APRIL17	Additions	Ded/Adj	AS AT MAR 31 2018(A)	DEEMED ACCM DEPAS ON APR17	ADDITIONS	DED/ADJ	AS AT MAR 31 2018(B)	AS AT MAR 31 2018(A-B)	AS ON 31st MARCH 17
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	4.09	4.11	0.00	8.20	97.17	101.28
PLANT & EQUIPMENT	354.02	66.30	0.00	420.32	160.26	59.65	0.00	219.91	200.41	175.80
FURNITURE & FITTINGS	143.70	15.10	0.00	158.80	53.43	23.32	0.00	76.75	82.04	90.14
MOTOR VEHICLES	16.19	0.00	0.05	16.14	5.80	5.76	0.04	11.52	4.62	10.39
OFFICE EQUIPMENT	95.17	1.98	0.62	96.53	32.82	31.17	0.57	63.42	33.10	62.34
AIR CONDITIONER	62.86	1.00	0.14	63.72	5.58	5.62	0.00	11.20	52.52	57.28
ELECTRICAL INSTALLATIONS	64.55	0.00	0.00	64.55	37.11	11.55	0.00	48.66	15.89	27.44
TOTAL (i)	**849.63**	**84.38**	**0.81**	**933.19**	**299.10**	**141.18**	**0.61**	**439.67**	**493.52**	**532.43**
OTHER INTANGIBLE ASSETS										
COMPUTER SOFTWARE	**339.54**	**740.86**	**0.00**	**1080.40**	**96.34**	**154.37**	**-**	**250.71**	**829.68**	**261.18**
TOTAL(ii)	**339.54**	**740.86**	**0**	**1080.40**	**96.34**	**154.37**	**0.00**	**250.71**	**829.68**	**261.18**
TOTAL (i&ii)	**1189.16**	**825.24**	**0.81**	**2013.59**	**395.45**	**295.55**	**0.61**	**690.39**	**1323.20**	**793.61**

Consolidated notes on accounts for the year ended March 31, 2018

SCHEULE 4A & B PROPERTY PLANT AND EQUIPMENT (Contd.)

₹ in Lac

Particulars	Gross carrying Amount				Accumulated Depreciation & Amortisation				Net carrying Amount	
	Deemed cost as on April 1 2016	Additions	Ded/Adj	As at Mar 31 2017	Deemed cost as on April 1 2016	Additions	Ded/Adj	As at Mar 31 2017(B)	As on Mar 31 2017(A-B)	As on Mar 31 2016
Land	7.76			7.76				0.00	7.76	7.76
Building	105.37			105.37		4.09		4.09	101.28	105.37
Plant & Equipment	309	42.53	19.17	332.36		158.24	1.66	156.58	175.78	309
Furniture & Fittings	118.24	25.46		143.70		53.55		53.55	90.15	118.24
Motor Vehicles	16.19			16.19		5.80		5.80	10.39	16.19
Office Equipment	94.21	3.14	2.18	95.17		32.82		32.82	62.35	94.21
Air Conditioner	62.86			62.86		5.58		5.58	57.28	62.86
Electrical Installations	64.55			64.55		37.11		37.11	27.44	64.55
Total (1)	**778.18**	**71.13**	**21.35**	**827.96**	**0.00**	**297.19**	**1.66**	**295.53**	**532.43**	**778.18**
Other Intangible Assets										
Computer Software	84.50	281.05	6.03	359.52		98.33		98.33	261.19	84.50
Total	**84.50**	**281.05**	**6.03**	**359.52**	**0.00**	**98.33**	**0.00**	**98.33**	**261.19**	**84.50**
Total (1&2)	**862.68**	**352.18**	**27.38**	**1187.48**	**0.00**	**395.52**	**1.66**	**393.86**	**793.62**	**862.68**

1) Land includes Leasehold land amounting to ₹ 458,694/-. The lease expires in year 2086.
2) Building of Sector V has been taken onnlease and lease term extended till April'19
3) The Aggregate Depreciation has been included under depreciation and amortisation Expense in the statement of Profit and loss.

INTANGIBLE ASSETS UNDER DEVELOPMENT	MAR 31, 2018	MAR 31, 2017	APR 1, 2016
ERP IMPLEMENTATION	-		
Others	20.24	646.25	78.73
TOTAL	**20.24**	**646.25**	**78.73**

Consolidated notes on accounts for the year ended March 31, 2018

5. NON-CURRENT INVESTMENTS

	March 31, 2018		March 31, 2017		April 1, 2016	
	No. of unit	₹ in Lac	No. of unit	₹ in Lac	No. of unit	₹ in Lac
Reliance Fixed Horizon Fund - XXV- series 14- Growth plan	3000000	395.97	3000000	366.11	3000000.00	330.69
Reliance Fixed Horizon Fund - XXV- series 16- Growth plan	3000000	323.93	2000000	260.86	4000000.00	490.06
HDFC FMP 371D December 2013 (2) series 29 - Direct growth		0.00		0.00		
HDFC FMP 554D NOV 2013-1-DIRECT-GR		0.00		0.00		
		719.90		626.97		820.75

6. LOANS

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
Advance to R S Employee Welfare Trust*	1300.00	1300.00	1300.00
*(net of provision for expected credit (loss)			
	1300.00	1300.00	1300.00

7. OTHER FINANCIAL ASSETS

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
Bank Deposits (with original Maturity more than 12 Months)	-	300.00	1288.81
Interest Accrued on R S EMPLOYEE WELFARE TRUST	541.17	438.80	438.80
Interest Accrued on Fixed Deposits	64.48	60.95	68.96
TOTAL	605.65	799.75	1796.57

8. DEFERRED TAX ASSETS (NET)

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
a) DEFERRED TAX LIABILTY ON A/C OF TEMPORARY DIFFERENCES (PPE AND INTANGIBLE ASSETS DEP ADJ)	(43.35)	(8.66)	(197.98)
b) DEFERRED TAX ASSET ON A/C OF TEMPORARY DIFFERENCES (OTHER PROVS ACCRUED EMPLOYEE BENEFITS & UNUSE BUSINESS TAX CREDIT LOSSES)	2235.01	990.24	165.55
NET DEFERRED TAX ASSETS (Net)	2191.67	981.58	(32.43)

Consolidated notes on accounts for the year ended March 31, 2018

9. OTHER NON CURRENT ASSETS

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
(Unsecured and Considered good)			
ADVANCES			
(Recoverable in cash or in kind or for value to be received)			
ADVANCE AGAINST EXPENSES	40.08	40.08	
PREPAID EXPENSES	108.12	138.30	26.56
DEPOSITS	69.39	69.39	
ADVANCE TO STAFF	0.00	0.00	
ADVANCE TAXES (Net of Provisions)	473.58	629.80	332.86
BALANCES WITH GOVT. AUTHORITIES	345.28	236.18	457.40
	1036.44	1113.75	816.82

10. CURRENT INVESTMENT

₹ in Lac

	No. of unit	March 31, 2018	No. of unit	March 31, 2017	No. of unit	April 1, 2016
(At Cost or Fair value whichever is less)						
Investment in Mutual Fund (Others - unquoted)						
Investment in Mutual Fund (Others - unquoted)						
DHFL Pramerica Ultra Short Term Bond Fund- Direct Plan- Growth	NIL	0.00	NIL	0.00	1248156.22	259.37
HDFC FMC 92D MARCH 2016 - DIRECT GR	NIL	0.00	NIL	0.00	4292858.00	429.61
Reliance Floating rate Fund -ST Plan- Direct Growth	NIL	0.00	NIL	0.00	1892568.36	457.47
Reliance Quarterly Interval Fund - Series II- Direct Growth Plan	NIL	0.00	NIL	0.00	1463635.96	303.68
Reliance Quarterly Interval Fund - Series III- Direct Growth Plan	NIL	0.00	NIL	0.00	2820578.94	352.34
Birla Sun Life cash plus -D DIP	NIL	0.00	NIL		89216.49	217.08
DSP BlackRock Strategic Bond Fund -	2099112	267.49	8429940	1003.81	17595.21	316.06
HDFC Floating Rate Income fund ST plan	99287	30.14	1421348	403.09	1536310.03	400.98
ICICI Prudential Flexible Income Plan - Direct Plan- Growth			NIL		143724.68	412.48
ICICI Prudential Liquid - Direct Plan- Growth	NIL	0.00	NIL	0.00	232205.62	520.81
IDFC Dynamic Bond fund growth - Direct Plan	558620	120.71	3627935	760.10	1672231.48	307.04
IDFC Liquid fund	NIL	0.00	NIL	0.00	17144.30	315.77
JM High Liquidity Fund (Direct) - DDO	NIL		NIL		625846.46	259.32
Kotak Bond (Short Term) - Direct Plan - Growth	92399	31.11	2444572	773.48	1157197.58	332.58
Kotak Bond scheme plan A - Direct Plan - Growth	6605385	790.70	1293543	1036.58	493910.09	212.49

Consolidated notes on accounts for the year ended March 31, 2018

10. CURRENT INVESTMENT (Contd.)

₹ in Lac

	No. of unit	March 31, 2018	No. of unit	March 31, 2017	No. of unit	April 1, 2016
L and T liquid fund - Collection Account	NIL				15199.12	315.82
Reliance Banking & PSU Debt Fund- DGP	4254548	1021.21	8718356	1031.55	3000000.00	324.22
Reliance Liquidity Fund DDD,	363	15.39	29087	1153.99	102.39	2.34
Reliance Short Term Fund	2432572	819.41	1447320	457.36	1429194.15	411.95
Religare Invesco Medium Term Bond fund	13159	239.43	29729	503.59	32267.05	500.00
Reliance Corporate Bond	7464510	1080.82	3803786	512.35		
Reliance FMP	10000000	1099.16	10000000	1004.56		
SBI Ultra Short Term Debt Fund	6682	150.53	38019	801.41		
(Aggregate NAV of Mutual Fund as on Mar 31 2018 ₹5,666.10 lacs) (as on 'MARCH 31, 2017 ₹9,444 Lac)						
		5666.10		**9441.87**		**6651.40**

11. TRADE RECEIVABLES

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
(Unsecured and Considered good)	1004.64	1404.58	1222.98
(includes dues from subsidiaries)	**1004.64**	**1404.58**	**1222.98**

UNBILLED REVENUE:

Unbilled but accrued revenue included in Trade receivable valued as onmar 31st, 2018 amounts to ₹395.49 lacs (March 31, 2017 ₹825.60 Lac) primarily comprises of revenue recognised in relation to a percentage of work completed during the period.

12. CASH AND BANK BALANCE

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
CASH & CASH EQUIVALENTS			
CASH IN HAND*	3.76	8.62	12.73
Fixed deposits with Yes Bank - with original maturity less than 3 months	0.00	0.00	
BALANCE WITH BANK :			
SCHEDULED BANKS			
- in Current Account (Axis bank)	32.06	14.43	13.57
- in Current Account (Allahabad Bank)	0.33	0.33	0.00
- in Current Account (HDFC Bank)	425.09	19.98	3.84
- in Current Account (ICICI Bank)	10.41	197.67	138.95
- in Current Account (YES Bank)	85.93	124.56	42.28
- in Current Account (SBI Bank)	27.51	28.60	2.11
FOREIGN BANK			
- in Current Account (with ICICI, BOA, SILICON VALLEY BANK)	2397.62	2056.46	2724.89
FIXED DEPOSITS - with original maturity less than 12 Months			
Fixed Deposits with Yes Bank	0.00	1066.82	7147.84
Fixed Deposits with ICICI Bank	1200.46	0.00	-
TOTAL	**4183.18**	**3517.47**	**10086.20**
OTHER BANK BALANCES			

Consolidated notes on accounts for the year ended March 31, 2018

12. CASH AND BANK BALANCE (Contd.)

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
ICICI bank (in margin margin deposits against guarantees (in lien)	226.50	196.52	152.57
Allahabad Bank	9.05	8.75	8.63
Yes Bank	305.56	338.34	316.35
Earmarked Balances With Banks (Unclaimed Dividend A/C)	59.16	59.16	59.16
TOTAL	600.27	602.77	536.71

13. OTHER FINANCIAL ASSETS

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
Unbilled Revenue	385.30	825.60	604.81
	385.30	825.60	604.81

14. OTHER CURRENT ASSETS

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
ADVANCES			
(Recoverable in cash or in kind or for value to be received)			
ADVANCE AGAINST EXPENSES	299.41	390.05	-
PREPAID EXPENSES	76.26	78.06	142.94
DEPOSITS	53.17	55.38	-
ADVANCE TO STAFF	8.27	9.98	8.18
ADVANCE TAXES (Net of Provisions)	871.95	396.62	449.14
BALANCES WITH GOVT. AUTHORITIES	0.00	154.12	487.60
	1309.07	1084.21	1087.86

15. SHARE CAPITAL

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
a. The AUTHORISED CAPITAL IS :			
40000000 EQUITY SHARE OF INR 5/- EACH	2000.00	2000.00	2000.00
25,00,000 PREFERENCE SHARE OF INR 100/- EACH	2500.00	2500.00	2500.00
	4500.00	4500.00	4500.00
b ISSUED SUBSCRIBED AND PAID-UP-FULLY CALLED AND PAID UP			
25708318 EQUITY SHARE OF INR 5/- EACH	1285.42	1285.42	1284.67
(Previous Year 2,56,78,318 shares of INR 5 each)			
	1285.42	1285.42	1284.67

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 has allotted 8372 equity share in FY 13-14 as bonus share.

Consolidated notes on accounts for the year ended March 31, 2018

14. OTHER CURRENT ASSETS (Contd.)

c Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period ₹ in Lac

	March 31, 2018		March 31, 2017		April 1, 2016	
	No. of Share	₹ in Lac	No. of Share	₹ in Lac	No. of Share	₹ in Lac
Equity Share						
Number of shares at the beginning	25723318.00	1285.42	25708318.00	1284.67	25678318.00	1283.91
Add : Shares issued as Preferential Allotment						
Add : Shares issued as Bonus						
Add: Shares issued on exercise of Employee Stock option	0.00	0.00	0.00	0.00	0.00	0.00
Add: Bonus Shares issued on Employee Stock option	0.00	0.00	15000.00	0.75	15000.00	0.76
Add: Share issued as a part of subdivision of shares	0.00	0.00	0.00	0.00	0.00	0.00
	25723318.00	1285.42	25723318.00	1285.42	25693318.00	1284.67

d SHAREHOLDER HOLDING MORE THAN 5% OF THE SHARE as on March 31, 2018

	March 31, 2018	March 31, 2017	April 1, 2016
Mr. Rajnit Rai Jain	10035648 shares of INR 5 each (39.94% of total shareholding)	10035648 shares of INR 5 each (39.94% of total shareholding)	9756648 shares of INR 5 each (37.97% 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)	2013-14 (8372 equity bonus shares)	

f Employee Stock option Plan

The Employees' Stock Option Scheme 10 lacs ESOP Option approved by the shareholders'at the AGM, held on July 21st 2016 and none of the employees are eligible for options being awarded.

Consolidated notes on accounts for the year ended March 31, 2018

16. CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 2018

₹ in Lac

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	Capital Reserve	Unrealised Profit on Subsidiary Transaction	Equity Instruments through other comprehensive income	Other items of other comprehensive income	
Balance as of April 1, 2017	2586.38	16609.51	118.15	624.16	43.50	255.31	56.68	(71.34)	0.00	(145.70)	20076.65
Increase in share capital on account of bonus issue											0.00
Transfer to general reserve											0.00
Amounts utilized for bonus issue											0.00
Share based payment to employees											0.00
Remeasurement of the net defined benefit liability / asset, net of tax effect										(12.81)	(12.81)
Equity instruments through other comprehensive income											0.00
Changes due inter branch foreign fluctuation account				84.79							84.79
Profit for the period		(2,643.66)									(2643.66)
Balance as of MARCH 31, 2018	**2586.38**	**13965.85**	**118.15**	**708.95**	**43.50**	**255.31**	**56.68**	**(71.34)**		**(158.51)**	**17504.97**

Consolidated notes on accounts for the year ended March 31, 2018

16. CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 2017 (Contd.)

₹ in Lac

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	Capital Reserve	Unrealised Profit on Subsidiary Transaction	Equity Instruments through other comprehensive income	Other items of other comprehensive income	
Balance as of April 1, 2016	2580.77	18269.35	118.65	689.68	43.50	255.31	56.68		0.00	(87.07)	21926.87
Changes in equity for the three months ended MARCH312017											
Increase in share capital on account of bonus issue	0.00	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00
Transfer to general reserve	0.00	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00
Amounts utilized for bonus issue	0.00	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00
Share based payment to employees	0.00	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00
Remeasurement of the net defined benefit liability / asset, net of tax effect	0.00	0.00	0.00	0.00	0.00	0.00			0.00		
Equity instruments through other comprehensive income	0.00	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00
Dividends (including corporate dividend tax)	0.00	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00
Changes during the period	5.61	(1659.84)	0.00	(65.52)	0.00	0.00	0.00	(71.34)	0.00	(58.63)	(1850.21)
Balance as of MARCH 31 2017	**2586.38**	**16609.51**	**118.15**	**624.16**	**43.50**	**255.31**	**56.68**	**(71.34)**	**0.00**	**(145.70)**	**20076.65**

Consolidated notes on accounts for the year ended March 31, 2018

17. NON CONTROLLING INTEREST

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
MINORITY INTEREST	109.19	172.01	-
	109.19	172.01	-

18. NON-CURRENT PROVISION

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
PROVISION FOR LEAVE ENCASHMENT	33.08	36.46	50.45
PROVISION FOR GRATUITY	265.44	263.82	278.62
	0.00	0.00	
	0.00	0.00	
PROVISION FOR PROPOSED EQ DIVIDEND	0.00	0.00	
PROVISION FOR PROPOSED DIVIDEND TAX	0.00	0.00	
DISCLOSURE SEPARATE SHEET			
	298.52	300.28	329.07

19. SHORT TERM BORROWINGS

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
Short term Advances	0.00	125.67	0.00
Secured Overdraft From Banks are Secured Against	0.00	125.67	0.00

20. CURRENT TRADE PAYABLE

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
TRADE PAYABLE	938.25	825.25	1663.50
	938.25	825.25	1663.50

21. CURRENT OTHER FINANCIAL LIABILITIES(UNPAID DIVIDEND A/C)

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
Current other financial liabilities (unpaid dividend a/c)	59.16	59.16	59.16
	59.16	59.16	59.16

22. OTHER CURRENT LIABILITIES

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
SALARY PAYABLE	133.34	150.23	81.18
STATUTORY LIABILITY including PF, TDS, ESI etc.	(2.49)	130.27	166.39
OTHER PAYABLES (Above Includes DR balance of STATE TAX LIABILTY of 2015)	1.88	1.58	1.38
	132.73	282.08	248.95

Consolidated notes on accounts for the year ended March 31, 2018

23. CURRENT PROVISIONS

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
PROVISION FOR LEAVE ENCASHMENT *	7.04	1.49	1.73
PROVISION FOR GRATUITY *	10.38	10.05	10.84
PROVISION FOR PROPOSED EQ DIVIDEND	0.00	-	256.93
PROVISION FOR PROPOSED DIVIDEND TAX	0.00	-	51.37
	17.42	**11.55**	**320.87**

24. CONTINGENT LIABILITIES(TO THE EXTENT NOT PROVIDED FOR)

₹ in Lac

	March 31, 2018	March 31, 2017	April 1, 2016
(To the extent not provided for in the books)			
a) Guarantee Outstanding	135.00	467.54	458.80
b) Invoice funding with Silicon Valley Bank	220.97	157.52	0.00

In response to order received for demand of INR 3.99 Cr (FY2007-12) , the company has filled an apeal with CESTAT and the same is pending as on date.

In response of the demand order received for AY2013-14 of INR 4.3 Cr, the company has filed an appeal with CIT(A) and the same is pending as on date.

In response of the demand order received for AY2012-13of INR 10.30 Cr, the company has filed an appeal with ITAT and the same is still pending as on datefor hearing

Other Commitment (to the extent not provided for)

Company has a lease agreement for the premises of Saltlake City, Sector V, Kolkata, The Lease has been renewed till 2019.

25. REVENUE FROM OPERATION

₹ in Lac

	March 31, 2018	March 31, 2017
Export of Software Services Income	5503.16	4715.74
Domestic Income from Software Services	740.54	1599.26
Domestic Sales of stock in trade	99.22	1298.03
	6342.92	**7613.03**

26. DETAILS OF OTHER INCOME

₹ in Lac

	March 31, 2018	March 31, 2017
Interest Received from Bank & Other Investment*	67.89	549.18
Net gain on Investments in Mutual Funds	562.64	661.69
Dividend Income	0.00	
Interest from Employee Welfare Trust	113.75	113.75
Unrealised gains / losses on investments carried at fair value	0.00	(96.64)
Interest from Income Tax Refund	0.00	0.00
Other Non-operating Income From Subsidiary	0.00	
Other Income	8.91	0.00
Provision on subsidiary written back	26.32	26.31
Profit on sale of Fixed Assets	0.00	0.00
Unrealised gain/loss on Investment carried at FV through P&L.	75.52	(6.91)
	855.04	**1247.38**

Consolidated notes on accounts for the year ended March 31, 2018

27. PURCHASE OF STOCK IN TRADE

₹ in Lac

	March 31, 2018	March 31, 2017
Purchase of stock in trade	90.78	1250.15
	90.78	**1250.15**

28. EMPLOYEE BENEFIT EXPENSES

₹ in Lac

	March 31, 2018	March 31, 2017
Salary Wages and Bonus	6680.34	6256.69
Contribution to PF and Other Funds	301.69	323.37
Staff Welfare Expenses	420.10	354.32
	7402.14	**6934.38**

29. SUBCONTRACTOR EXPENSES

₹ in Lac

	March 31, 2018	March 31, 2017
Subcontractor expenses	848.71	204.31

30. FINANCE COST

₹ in Lac

	March 31, 2018	March 31, 2017
Interest Expenses	0	10.38
Other Borrowing Cost	3.75	
Interest Paid on dividend tax	0.00	0.00
Interest paid on Income Tax	0.00	
	3.75	**10.38**

31. OPERATION AND OTHER EXPENSES

₹ in Lac

	March 31, 2018	March 31, 2017
Travelling	422.20	574.53
Conveyance	54.33	73.32
Staff Welfare	33.15	37.82
Communication	223.45	233.84
Printing and Stationery	14.22	15.78
Electricity and Power	135.78	135.89
Rent - Apartment & Ground	336.71	359.59
Repairs - Machinery	150.98	143.59
Repairs - Building	68.41	67.73
Repairs - Others	5.33	3.64
Education and Training Expenses	15.58	54.10
insurance	67.96	96.50

Consolidated notes on accounts for the year ended March 31, 2018

31. OPERATION AND OTHER EXPENSES (Contd.)

₹ in Lac

	March 31, 2018	March 31, 2017
Auditors' Remuneration - Refer Note no.33	4.21	5.10
Books and Periodicals	0.42	0.33
Directors' Fees *	21.92	21.60
Rates & Taxes	81.68	65.35
Legal / Professional Fee	214.95	395.18
Consultancy Charges	393.50	200.97
Recruitment & Relocation Expenses	43.99	109.48
General and Board Meeting expenses	2.14	8.60
Membership and Subscription	47.06	20.60
Business Promotion	163.49	154.78
Advertisement	6.20	3.31
Net loss on Foreign currency Transaction	0.00	6.97
Bank Changes	21.78	6.41
Donation against CSR	0.00	0.00
Loss on Discard of Assets	0.00	0.07
	2529.44	**2795.08**

* Its inclusive of service tax for current year

32. INCOME TAX DEDUCTED ON DOMESTIC INCOME

₹ in Lac

	March 31, 2018	March 31, 2017
Income Tax deducted on domestic income	NIL	NIL
	NIL	**NIL**

33. AUDITOR'S REMUNERATION

₹ in Lac

	March 31, 2018	March 31, 2017
As Statutory Auditors	2.51	1.26
Foreign Audit	0.35	0.25
Other certification	1.35	0.63
The above remunerations are not inclusive of service tax		0.00
	4.21	**2.14**

34. There is no Impairment of assets during the year ended as on March 31, 2018.

35. In respect of service tax & GST which are non cenvatable or non refundable the same amount is being charged to respective expense account.

36. The Company has renewed lease for Building with Saltee Infotex (India) Pvt. Ltd. for the period of 4 years expiring on 30th April' 19. The amount of INR 239.84 lacs relates to FY17-18 and (₹99.94 lacs has been charged to PL Account as on 31st of March

Consolidated notes on accounts for the year ended March 31, 2018

₹ in Lac

	March 31, 2018
Total Minimum Lease Payment outstanding as at	
Within One Year	239.84
More than One Year	251.84

37. EMPLOYEE BENEFIT PROVISIONS

₹ in Lac

The company has got the actuarial valuation of employee benefit done at the year end and classification of such liability has been done based on 2017-18 actuarial report.

	March 31, 2018	March 31, 2017
Provision for Leave Encashment in Profit and Loss statement	12.44	9.73
Provision for Gratuity in Profit and Loss statement	88.23	111.05
	100.67	120.78

ACTUARIAL VALUATION DISCLOSURE

Particulars	2018 GRATUITY	2018 LEAVE ENCASHMENT	2017 GRATUITY	2018 LEAVE ENCASHMENT
1) EXPENSE RECOGNISED IN THE INCOME STATEMENT				
Current Service Cost				
as on 31/03/2017	2751011	825009	2954202	767280
Past Service Cost	2766952			
Loss / (Gain) on settlement				
Net Interest Income / (cost) on the Net Defined Benefit Liability (Asset)				
Actuarial (gains) / losses due to :	2023943	280448	2286811	412178
change in demographic assumptions				
Change in financial assumptions				
Experience variance	(777249)	(114021)	1371196	205054
others	2058665	252120	4492103	(411367)
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 benifit costs recognised in Other				
Comprehensive Income	1281416	1243556	5863299	973145

Consolidated notes on accounts for the year ended March 31, 2018

Particulars	2018 GRATUITY	2018 LEAVE ENCASHMENT	2017 GRATUITY	2018 LEAVE ENCASHMENT
2) Net Asset				
Funded Status				
Present value of Defined Benefit Obligati				
Fair value of plan assets	27582034	3446428	27387595	3794970
Funded status [Surplus/(Deficit)]				
Effect of balance sheet asset limit	(27582034)	(3446428)	(27387595)	(3794970)
Unrecognised Past Service Costs				
Present value of Defined Benefit Obligation				
Net asset/(liability) recognised in balance sheet				
Net asset/(liability) recognised in balance sheet at beginning of period	(27582034)	(3446428)	(27387595)	(3794970)
Expense recognised in Income Statement	(27387595)	(3794970)	(28946971)	(5217444)
Expense recognised in Other Comprehensive Income				
Employer contributions	7541906	1243556	5241013	973145
Net Acquisitions / Business Combinations	1281416	1592098	5863299	2395619
Net asset/(liability) recognised in balance sheet at end of the period	8628883		12663688	
3) Change in Defined Benefit Obligations (DBO)				
Present Value of DBO at beginning of period				
Current Service cost	27387595	3794970	28946971	5217444
Interest cost	2751011	825009	2954202	767280
Curtailment cost/(credit)	2023943	280448	2286811	412178
Settlement cost/(credit)				
Employee contribution				
Past Service Cost				
Acquisitions	2766952			
Re-measurement (or Actuarial (gains)/ losses) arising from				
change in demographic assumptions				
Change in financial assumptions				
- experience varience (i.e. Actual experience vs assumptions	(777249)	(114021)	1371196	205054
others	2058665	252120	4492103	(411367)
Benefits paid				
Present Value of DBO at the end of period	(8628883)	1592098	(12663688)	(2395619)
	27582034	**3446428**	**27387595**	**3794970**
4) Change in Fair Value of Assets				
Plan assets at beginning of period				
Investment Income	0	0	0	0
Return on Plan Assets, Excluding amount recognised in Net Interest expense	0	0	0	0
Actual Company contributions	0	0	0	0
Fund Transferred	8628883	1592098	12663688	2395619
Employee contributions				
Benefits paid				
Plan assets at the end of period	(8628883)	(1592098)	(12663688)	(2395619)

Consolidated notes on accounts for the year ended March 31, 2018

Particulars	2018 GRATUITY	2018 LEAVE ENCASHMENT	2017 GRATUITY	2018 LEAVE ENCASHMENT
5) Actuarial Assumptions				
Financial Assumptions				
Discount Rate				
Rate of increase in salaries	0.077	0.077	0.0739	0.0739
	0.03	0.03	0.03	0.03
Demographic Assumptions				
Mortality Rate (% of IALM 06-08)				
Normal Retirement Age	1	1	1	1
Attrition Rates, based on age (% p.a.) FOR ALL AGES	58 years	58 years	58 years	58 years
	2	2	2	2

38. RELATED PARTY TRANSACTION

a. Enterprises where control exists:

	% of holding	Country of Incorporation
Responsive Solutions Inc	100%	USA
RS Software (Asia) Pte. Ltd.	100%	Singapore
b. Subsidiary		
Paypermint Pvt Ltd	75%	INDIA
c. Key Management Personnel:		
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. Raghav Raj Jain	-	Executive - Sales
Ms. Shrishti Jain	-	Executive - BSG
Mr. Vijendra Surana	-	CFO & Company Secretary

Consolidated notes on accounts for the year ended March 31, 2018

d. Disclosure of transactions between the company and related parties and the status of outstanding balances

I. With Wholly Owned Subsidiary (WOS)

₹ in Lac

Particulars	March 31, 2018	March 31, 2017
Reimbursement of Cost of services incurred on behalf of Subsidiary including margin on actual cost thereon.		
Responsive Solution Inc	247.91	485.90
Paypermint Pvt Ltd	826.88	755.15
Advance Received From Subsidiary	0.00	-
R S Software Asia (Pte.) Ltd.	146.87	-
Balance as on MARCH 31, 2018:		
Reimbursement of Cost of services incurred on behalf of Subsidiary including margin on actual cost thereon .		
Responsive Solution Inc	(883.06)	59.59
Reimbursement of expenses payable by		
Paypermint Pvt Ltd	13.30	163.48
Maximum balance outstanding during the year		
Reimbursement of Cost of services incurred on behalf of Subsidiary including margin on actual cost thereon		
Responsive Solution Inc	(883.06)	59.59
Reimbursement of expenses payable by		
Paypermint Pvt Ltd	13.30	674.32

II. With Related parties

₹ in Lac

Particulars	March 31, 2018	March 31, 2017
Remuneration to Key Personnel:		
- Directors (Sitting Fees)	21.20	18.80
- Managing Director	54.00	58.43
- Relative of Managing Director	185.28	177.63

Consolidated notes on accounts for the year ended March 31, 2018

39. EPS has been calculated as per the provisions of IAS 33 issued by the Institute of Chartered Accountants of India. The details of calculation are as follows:

₹ in Lac

Particulars	March 31, 2018	March 31, 2017
Numerator for Basic and Diluted EPS:		
Profit for the Year ended	(2643.66)	(1660.34)
Denominator for Basic EPS:		
Equity Shares	25723318.00	25693318
Add: ESOP Conversion		
Add: Preferential Issue		15000
Add : Bonus Issue		
Add : Share issued for subdivision of shares		
Weighted no. of Equity Shares	25723318	25708318
Denominator for Diluted Shares		
Weighted No. of Basic Equity Shares	25723318.00	25708318
Add: ESOP Conversion		
ESOP Dilutive		
Pref Share allotment		
Weighted no. of Equity Shares	25723318	25708318
Nominal Value of share	5.00	5.00
Basic Earning per Share	(10.28)	(6.46)
Diluted Earning per Share	(10.28)	(6.46)

40. Other comprehensive income

40. There is no declaration received from vendor for small, medium & Micro registration.

41. Additional Information pursuant to provisions of the Para 5 (vii) (b) of Part II Schedule III for the Companies Act, 2013:-

₹ in Lac

Particulars	March 31, 2018	March 31, 2017
Expenditure in Foreign Currency:		
Foreign branch expenditure	5502.44	5406.47
Earning in Foreign Currency		
Export of services	4899.61	4173.15

Consolidated notes on accounts for the year ended March 31, 2018

41b. 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
Parent Company				
R S Software India Ltd.	81.54%	17,532.09	(12.03%)	(2585.86)
Subsidiary Company - Foreign				
Responsive Solution Inc. (100% Subsidiary)	3.77%	811.21	0.82%	177.23
R S Software Asia Pte Ltd (100% Subsidiary)	4.76%	1,023.69	0.01%	2.15
Paypermint Pvt Ltd	9.93%	2,135.24	(1.45%)	(312.81)

b. **Remittance in Foreign Currency**

The Company has remitted ₹ Nil (Mar. 31, 2015 : ₹ Nil) in foreign currencies on accounts of dividends during the year 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 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 2014-15 are as under :-

Particulars	No. of Non-resident Shareholders	No. of Equity Shares held	Year end of Dividend	Gross Amount of dividend
Final dividend for 2010-11 declared in July, 11	134	205495	March, 2011	4,10,990.00
Interim Dividend for 2011-12 declared in January, 12	130	126018	March, 2012	1,26,018.00
Final dividend for 2011-12 declared in July, 12	134	468631	March, 2012	9,37,262.00
Interim Dividend for 2012-13 declared in January,13	202	511382	March, 2013	7,67,073.00
Final dividend for 2012-13 declared in July, 13	202	725249	March, 2013	14,50,498.00
Interim Dividend for 2013-14 declared in October, 13	208	780530	March, 2014	19,51,325.00
Interim Q3 Dividend for 2013-14 declared in January, 14	198	698165	March, 2014	6,98,165.00
Final dividend for 2013-14 declared in July,14	291	612005	March, 2014	15,30, 012.50
Interim dividend for 2014-15 declared in July,14	345	657550	March, 2015	6,57,550.00
2nd Interim dividend for 2014-15 declared in October,14	383	739421	March, 2015	11,09,131.50
3rd Interim dividend for 2014-15 declared in January,15	443	2509030	March, 2015	18,81,772.50
Final dividend for 2014-15 declared in April,15	588	2229422	March, 2015	27,86,777.50
Dividend for 2015-16 declared in July,2016	564	1790888	March'2016	17,90,888.00

Consolidated notes on accounts for the year ended March 31, 2018

43. REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED:

₹ in Lac

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
1. Segment Revenue (net sale / income from each segment should be disclosed		
a. Segment - A (USA)	5215.59	4328.52
b. Segment - B (ROW)	1124.95	3284.51
Total	6340.54	7613.03
Other Income		
Segment - B (ROW)	857.41	1247.38
Total	7197.95	8860.41
Less : Inter - segment revenue	0.00	0.00
Net Revenue from Operations	7197.95	8860.41
2. Segment Results Profit/(Loss) before Tax & Interest from each segment		
a. Segment - A (USA)	(1408.57)	(2887.14)
b. Segment - B (ROW)	(1218.64)	1766.90
Total	(2627.21)	(1120.24)
Less : Interest	0.00	10.38
Less : Depreciation	224.15	398.30
Less : Unallocable Selling , General & Administrative Expenses	974.01	1109.63
Profit before tax	(3825.37)	(2638.55)
3. Capital Employed		
Total Assets	20345.66	23138.42
Total Liability	20345.66	23138.42

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.

44. DISCLOSURE UNDER CLAUSE 32 OF THE LISTING AGREEMENT AMOUNT OF LOANS AND ADVANCES OUTSTANDING FROM SUBSIDIARY

₹ in Lac

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Outstanding as on		
Responsive Solution Inc	(883.06)	59.59
RS Software (Asia) Pte Ltd	NIL	NIL
Paypermint Pvt Ltd	13.30	163.48
Maximum balance outstanding during the period		
Responsive Solution Inc	(883.06)	59.59
RS Software (Asia) Pte Ltd	NIL	NIL
Paypermint Pvt Ltd	13.30	674.32

Consolidated notes on accounts for the year ended March 31, 2018

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.

46. The previous year figures have been regrouped, reclassified and restated, wherever necessary, to correspond with the current year's classification.

47. Financial figures have been rounded off to nearest ₹ Lac.

For **DEOKI BIJAY & CO**
Chartered Accountants
(Reg. no : 313105E)

CA D.N.AGRAWAL
Partner
M. No. 51157

Dated: 19th April, 2018
Place : Kolkata

On behalf of the Board

V. Surana
CFO & Company Secretary
M. No. 11559

S. K. Jain
Director
DIN : 00047474

R. R. Jain
Chairman & Managing Director
DIN : 00122942

RS Software

R. S. SOFTWARE (INDIA) LTD

(CIN: L72200WB1987PLC043375)
Regd.Office: "FMC Fortuna", 1st Floor, A-2, 234/3A A.J.C. Bose Road, Kolkata – 700 020.
Phone No. 033 22876254 / 6255 / 5746, FAX No. 033 22876256 • Website: www.rssoftware.com

Proxy Form
Form No. MGT-11

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

Name of the Members (s) : .....

Registered address : .....

E-mail Id : ..... Folio No/ Client ID :.....DP Id :.....

I/We being the member(s) of .....shares of the above named company hereby appoint:

1) Name..... Address.....

Email ID..... Signature.....or failing him;

2) Name..... Address.....

Email ID..... Signature.....or failing him;

3) Name..... Address.....

Email ID..... Signature.....or failing him;

As my/our proxy to attend and vote for me / us and on my behalf at the Thirtieth Annual General Meeting of the company, to be held on July 27, 2018 at, Kolkata – and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

1. Ordinary Resolution for adoption of Audited Financial Statements for the year ended March 31, 2018.
2. Ordinary Resolution to appoint a Director in place of Mr. Rajnit Rai Jain (holding DIN 00122942), who retires by rotation and, being eligible, seeks re-appointment.
3. Ordinary Resolution to appointment of 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.

Signed this..... day of.....2018.

Folio No. / DPID & Client ID .....

No. of shares held.....

Signature of the Shareholder.....

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

Affix Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

RS Software

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Attendance Slip

I hereby record my presence at the ANNUAL GENERAL MEETING at 11:30 A.M on Friday, July 27, 2018.

Name of the attending Member_____
(in block letters)

Folio No / DP ID & Client ID _____

Name of Proxy_____
(in block letters, to be filled in if the Proxy attends instead of the Member)

No. of shares held_____

*Member's/Proxy's Signature

*To be signed at the time of handing over this slip

Only Member / Proxyholder can attend the Meeting
Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.

This attendance slip duly filled in to be handed over at the entrance of the Meeting Hall

ROAD MAP

KESTOPUR
Kolkata
PHOOL BAGAN
KANKURGACHI
TANGRA
DHAPA
TOPSIA
BALLYGUNGE
ALIPORE
Rabindra Tirtha
RS Software (India) Limited
45 min

RS Software

R. S. SOFTWARE (INDIA) LTD

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Phone No. 033 22876254 / 6255 / 5746, FAX No. 033 22876256 • Website: www.rssoftware.com

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 July 19, 2018 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 July 20, 2018 (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……./…./18
Place:

Signature of the First/Sole Shareholder

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)

Name of the first/sole shareholder(s)	: .....
Folio No/DP ID / CL ID	: .....
Number of shares	: .....
Place/Country of permanent residence	: .....
Nationality	: .....
Reserve Bank Approval No and Date for Acquiring shares	: .....
Beneficiary Status	With Repatriation right/ With Non-Repatriation right
Contact No.	: .....
Email ID	: .....
Name of the Bank	: .....
Bank Account No.	: .....
Account Type	: NRO / NRE / FCNR
Branch Name & Address	: .....
IFSC (Indian Financial System Code)	: .....
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……./…./18
Place:

_____
Signature of the First/Sole Shareholder

Encl: Copy of Bank Cheque Leaf

RS Software

RS SOFTWARE (INDIA) LIMITED
A-2, FMC FORTUNA, 234/3A, A.J.C. BOSE ROAD,
KOLKATA 700020, INDIA
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