Covid-19 impact

Health Hygiene accelerating contactless commerce, digital payments

RS software

RS Software (India) Limited
Annual report 2019-20

Forward-looking statement

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

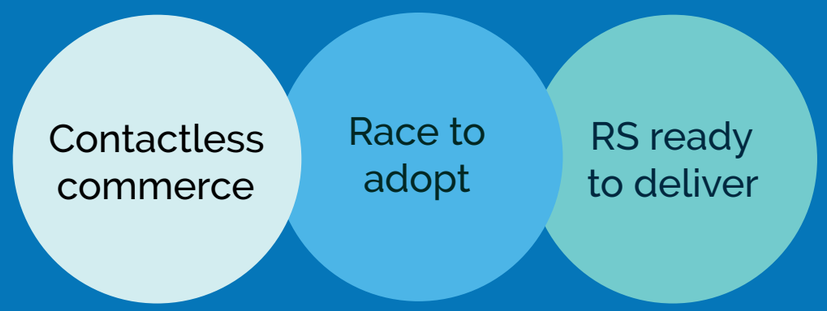
We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Contents

02 Contactless commerce, Race to adopt, RS ready to deliver
08 What makes us resilient and strengthens our future
14 Chairman's overview
18 Innovation
22 Board of directors
24 Executive team
28 Covid-19 accelerates Contactless commerce, and digital payments – where are the opportunities?
38 Realtime payments at RS Software
39 UPI - The global brand
40 Turnaround of the company
42 Risk and Fraud management in today's world
44 Bill payment network - transformative digital infrastructure
50 Management discussion and analysis
58 Risk and Response
60 Notice
69 Director"s report
129 Standalone Financial statement
220 Consolidated Financial statement

Covid-19 Impact

Go Digital → Adoption Accelerated



Contactless commerce

If the demonetisation in India in November 2016 taught the Indian consumer the value of digital payments, the impact of Covid-19 virus has drilled deep the need for contactless commerce. Social distancing, masks, and a lockdown. The Covid-19 pandemic is forcing people to stay at home, work from home and buy from home. The fear of contagion is real. Anxious about the spread of Covid-19, consumers are being cautious about what they touch. The consumer psyche has undergone a permanent shift in the Covid-19 era. The fear of exposure to the virus so high that all shoppers – the ones who are shopping from home and the ones who are bravely venturing out - are demanding safety and hygiene. Factor in supply chain, uncertainty with consumer nerves and brands, retailers themselves are working towards providing technology solutions towards **contactless commerce.**

Small, medium and large scale businesses are all trying to integrate the 'no contact commerce' feature in their businesses, keeping their limitations and budgets in mind. Since mid-March, many major retailers have pushed mobile payments as a means to reduce contact. Even small and medium scale vendors who demanded cash are requesting customers to break the norm and use digital payment apps.

The "hygiene-centric value proposition" has led contactless payments to experience a sudden surge in adoption. In United States, Curbside pickup options — such as those being used at Best Buy, Office Max and Target — encourage consumers to pay ahead of time and minimize human interaction. Burger King and Chick-Fil-A have both implemented contactless payment options through apps. Publix Super Markets rolled out contactless payments to its 1,200 stores in the southeast, and in late March, Walmart made changes to the Walmart Pay app so customers no longer had to touch a screen at self-checkout.

Race to adopt

Across the world, Coronavirus has led to a 20 per cent growth in revenues for digital commerce during the first quarter of 2020 from a year earlier. A survey by Mastercard says that during the months of February and March 2020, since many countries imposed necessary restrictions to promote social distancing, a significant majority of consumers turned to contactless card payments for necessary purchases. 79 percent of respondents worldwide say they are now using contactless payments, citing safety and cleanliness as key drivers. Consumer polling by Mastercard, studying changing consumer behaviors in 19 countries around the world, paints a picture of accelerated and sustained contactless adoption. While countries worldwide are at different stages of contactless deployment and usage for daily shopping habits, Mastercard's insights on grocery and pharmacy trends – two areas where many day-to-day essentials are being purchased – showed that nearly all regions experienced significant spikes in contactless usage in February and March. Further, reinforcing changing behaviors and consumer checkout preferences, Mastercard saw the number of contactless transactions grow twice as fast as the number of non-contactless transactions globally at grocery stores and pharmacies.

As the growing desire to minimize human contact leads to an increase in touchless fulfillment models, consumers' mobile devices have become the primary portal for ordering, payments and updates. In the US, prior to the pandemic, contactless payments didn't fully resonate with merchants or consumers. While many retailers had installed contactless-enabled terminals, and younger consumers showed interest, mainstream adoption never came as quickly as anticipated. Industry sources say that there will be an accelerated adoption, coming from retailer push and customer demand in this space. A large majority of consumers who have adopted contactless payments during the outbreak, or increased their usage of it, will continue as we push into this new normal. When executed properly, consumers can conduct entire transactions on their mobile devices without touching anything else.

For those who are stepping out of their homes in India, to go and shop, mall developers and retailers (both small and big, both in malls and in high streets) are integrating and implementing a whole host of 'no contact commerce' concepts.

Self-Checkout Systems: Automated self-service checkouts and secure cash handling machines have been huge successes, mostly being employed in store by big brands and retailers. Although not a new trend, self checkout systems were earlier used more for convenience and were not essential technology. While brands first introduced this for cost-saving and security reasons, the innovation is proving useful in limiting staff contact with potentially contaminated cash.

In this Covid era, there has been a huge shift over the digital and contactless payment, in the large format retail stores. In India, In Tier II cities and smaller towns, the number of transactions happening in the contactless mode have increased by 50 percent. In large urban areas, the transactions have increased by 200 percent. It is evident that the sudden leap to contactless payments could lead to a permanent shift in the retail industry. Eight in 10 consumers say they are using contactless methods due to safety and cleanliness concerns.

From tap-to-pay to no-touch, contactless payments are an alternative to carry out payments at the point of sale. Quick response (QR) code and near-field communication (NFC) are two widely used contactless payment technologies that witnessed a strong boost during the pandemic.

QR code payment emerged as the most popular as it does not require traditional infrastructure such as cards, payment networks, merchant accounts, and payment processing terminals. NFC uses near-field communication technology to exchange data between readers (payment terminals) and payment devices (smartphones having digital wallets).

While China's WeChat Pay and Alipay rely only on QR codes, popular mobile wallets such as Google Pay, Samsung Pay, and Apple Pay support both QR codes and NFC payments. At par with the providers of digital wallets, payment card companies Visa and Mastercard also introduced chip-based contactless cards to enable close-range payments using NFC technology.

We are standing at the cusp of fintech's second major wave of disruption – and this one is going to be the real game-changer. Products, processes and ways of working are designed for digital and, crucially, have payments technology embedded in the user experience from start to finish.

RS ready to deliver

RS Software has been engaged with electronic payments since 1992 and is today amongst the very few companies globally that have the capability to build and deliver the digital payment infrastructure for the contactless commerce world. For technology providers like us, value is created through innovation and productization and how we can bring multiple functionalities together that make digital payments convenient and secure with a high degree of adoption. We are a company that strategically operates in the Tech4Fins category, according to classification by McKinsey, global consuting company. Tech4Fin organizations typically create value primarily by delivering robust technology platforms, which in turn contribute to increasing multiples in valuation.

RS Software has delivered four major payment platforms to its customers that today execute 250+ billion transactions annually, with double digit growth rate, year-on-year. Over the past 15 years, ownership of core payments processing assets has become more diverse, spanning banks, regional processors, and global organizations. In recent years, fintech innovators and private equity firms have also contributed significantly to the industry's rapid evolution. With the impact of Covid-19 globally, this trend will only continue at a faster pace.

At RS software **we build technologies for payments** for our clients and that trust is reinforced with each project we deliver.

RS Software is ready to deliver along the payments value chain

For Consumers
SEAMLESS choice of using preferred payment method (account/card/e-wallet), choice of preferred device/channel (mobile/POS/etc.) AND omni-channel experience, contactless payments, online bill payments across billers through a single transaction, having choices and easy decision making to get best value through data analytics, maximum services on the same platform –that can lead to offers, loyalty programs and cashbacks, zero drops and frauds (100% secure), timely refunds from merchants, complaint and dispute management, user experience in every leg of the user journey in the payment transaction

For Merchants
Maximum conversion, coverage of all payment types and devices to maximize customer coverage, minimum settlement TAT, as many value-add services as possible on the same platform (e.g. banking, invoice payment), B2C and B2B payments on the same platform, in-flow and out-flow on the same platform, driving offline-to-online (reducing cash transactions), single integrated view of all money-flows, contactless payments, complex and end-to-end recon (across providers) and reporting, data analytics around consumers to drive growth – internal planning/inventory, market focus, pricing, offers/loyalty, etc, omni-channel, cross-border flexibility, efficient refunds, ease of integration and on-boarding and customization, online/real-time support

For Banks
Integrated payments platform (payment hub) – that can easily integrate with their existing systems (legacy or modern) and with value-added services (e.g. R2P/bill/invoice payment), supports/enables open banking, ease of incorporating new development/services/innovation, scalability, ease of connecting into central RTP rails, and FRM solution integrated into payment platform, data analytics, unified payments (meaning, batch ACH as well). Basically, payment productization

For Central Banks (in-country payment infrastructure)
RTP (mostly account based, or can ideally be across payment types), R2P/bill/invoice payments and FRM systems – preferably all integrated, scalable (horizontally and vertically) as transaction volume grows , therefore highly cost effective, TPS (performance), mobile-first, API-first and microservices technology architecture, local operations and ability to drive adoption and volumes

For Payment Networks
There are 50+ payment networks operating today, including those operating globally, and In-country. The technology giants like Google and Apple who are providing payments facilitation ride on these payment networks. RS enables these payment networks to build solutions, operate them and drive volumes on their platforms

> Resilience is that ineffable quality that allows some people to be knocked down by life and come back stronger than ever. Rather than letting failure overcome them and drain their resolve, they find a way to rise from the ashes
>
> -Psychology Today

What makes us resilient and strengthens our future ?

What makes us resilient is an absolute belief in our capabilities. We have well utilized our last 16+ quarters to build assets that are now the strongest foundation to deliver our future proof business model. Our unique approach reflects years of investment in leading-edge technologies and unmatched industry experience and practical know-how.

Demonstrated success in implementing what is most needed today

Our strategy is working and during the fiscal 2020, platform revenues have started coming in, helping the company as standalone to improve its performance by 31% as compared to the previous fiscal year.

The 28 years spent across the value chain in payments has given us an intuitive sense of the factors impacting the digital payments industry globally. Our product suite built over the last 4 years at a significant investment combines with our core competencies portfolio built over last 28 years, *making us a company that is today at the right place,at the right time.*

While there are 50+ countries that have availability of some or all aspects of Realtime payments infrastructure, there are another 100+ countries that are still at varying stages of progress to have this capability. The requirement for real-time payments to support all payment types — including P2P, business-to-business (B2B), business-to-consumer (B2C) and consumer-to-business (C2B) — is forcing radical change to legacy systems that have reached their limits. Solving the challenge of integrating real-time payments into existing infrastructures and driving value, reducing transaction costs and delivering new services is a conundrum that must be solved and soon.

RS Software implements across the value chain of faster payments

1. Accelerate digital adoption across user base through an innovative, convenient, flexible and cost-effective payments platform

   a) Implement **digital and instant payment platform** for faster and secured payments for every citizen and all tourists/visitors
   Proof-point: *Accelerated digital adoption across 1 Billion Indians through the UPI platform*

   b) **Mobile app** for fast, secure and convenient payment
   Proof-point: *Deployed BHIM payment app in India – doubled digital payments in its first month of launch*

   c) Low cost of acceptance with static and dynamic **QR codes** for merchants, instant payment to merchants
   Proof-point: *QR Code based apps for several banks*

   d) **API-led interface** to support innovation in the ecosystem, encouraging Fintechs and start-ups to build new use-cases
   Proof-point: *50+ different use-cases now realized through the UPI platform in India*

2. Accelerate financial inclusion across banked and unbanked users for instant access to 'good funds', and extending convenience of bill and other utility payments

   a) **Digital Bank** solution to enable banked as well as unbanked population and tourists

   b) Direct Benefit Transfer for remote citizens and dwellers, instant availability of 'good funds' through **one virtual account** that can be used for payments and purchase

   c) Payment convenience for **Bill Payment**, other utility services, tax, etc. via **Push-Pay**
   Proof-point: *6 Million bills paid digitally through Bharat Bill Payment (BBPS) platform built by RS Software for NPCI (India)*

The RS Products Suite

The RS product suite spans across the value chain in providing processing and easy-integration solutions:

a. Providing payment appliances (products) to customers for them to own the payment processing infrastructure – e.g. ACI, BPC, RS iFinSwitch™, etc.
who have pre-built products

b. Providing Payment-as-a-Service (PaaS) tor customers for them to offer the service but not own the infrastructure – e.g. FIS, etc. who have cloud based SaaS offering

c. Provide hosted payment and commerce processing with high-value UX for customers to subscribe and build / integrate their offerings for a low-friction user experience – e.g. Stripe, Razorpay, Payabbhi

d. Enable high-value UX that offer low-friction highly-secure interface for the enterprises to own and deploy – e.g. white-labelled separate instance of Payabbhi™

e. Provide frameworks that can be used to created highly scalable systems and support high customization – e.g. BASE24 EPS that was used by Visa Europe for building EU Switch, RS BillAbhi, RS RTPS, RS IntelliEdge

Value stream for payment systems are in (a) online flow, (b) offline flow, (c) exception flow and (d) value-added service flow and looks different for the central (hub), peripheral (spoke), agency (hierarchical from spoke), and end-user (consumer)

f. Online :
i. Highly scalable, highly secure, highly available, highly traceable, low latency
ii. Able to handle multiple formats and adapt accordingly
iii. Able to stand-in in case of loss of information from spoke
iv. Gracefully handle timeouts in any legs of transactions
v. In-flight risk management

g. Offline :
i. Fast processing, near to real-time to avoid large batch and thus improve overall throughput
ii. Reconciliation and mismatch handling
iii. Data dignity with processing compliance (PCI, GDPR, …)
iv. Data enrichment and curating data

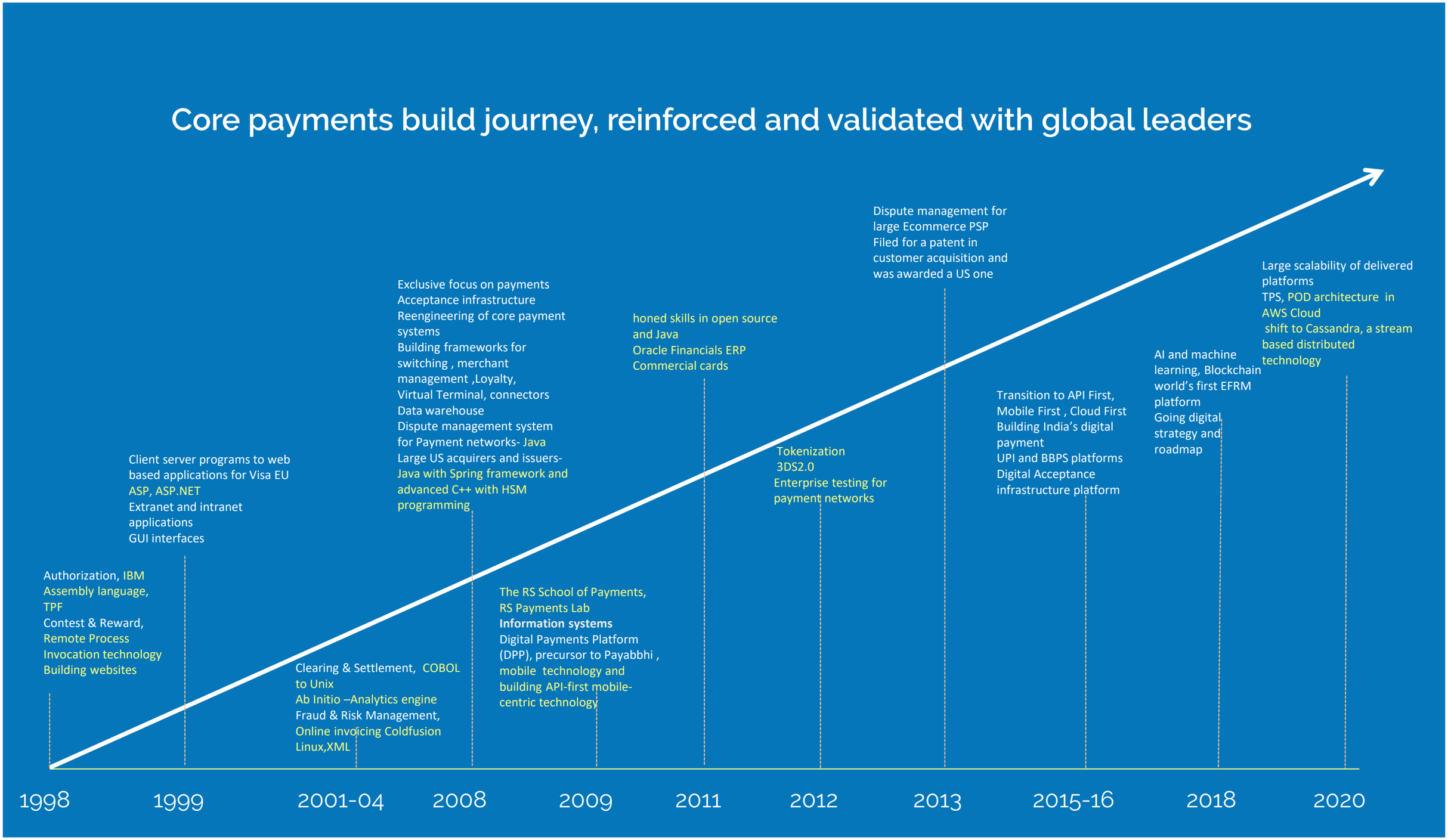
h. Exception flow :
These are the non-value adding operational processes
i. Reduce through use of notification and analytics
ii. Enable through easy self-service portals
iii. Complaint and Dispute Management built into the design for traceability

i. Value-added flows
i. Analytics
ii. Compliance
iii. Metrics

RS Software has a ready to deploy combination of Products, Platform and Services offerings to address the market opportunity.

Opportunity	RS offering
Central Banks (country-level)	
RTP	RS RTPS™, RS DOSL™
Bill Payments	RS BillAbhi – Central™
Fraud and Risk Management	RS IntelliEdge – Central™
Banks/FIs	
Connecting to real-time rails	RS RTP Connect™
Connecting to multiple payment types	RS RTP Connect™
Open banking	RS RTP Connect™ (DOSL)
Platform modernization	(Services offerings)
Digital Overlay Services Layer	RS RTP Connect™ (DOSL)
Integrated fraud and risk management	RS IntelliEdge – Banks™
Data driven value services (analytics)	(Services offerings)

Opportunity	RS offering
Fintechs Almost similar set of solutions that Banks/FIs are seeking	
Virtual/digital wallets	(Services offerings)
Digital Overlay Services Layer	RS RTP Connect™ (DOSL)
Merchants/Businesses	Payabbhi™
Acceptance of all payment types	
Omni-channel payments	
Contactless payments	
Analytics	
More value to end-customer	


Core payments build journey, reinforced and validated with global leaders
Authorization, IBM Assembly language, TPF
Contest & Reward, Remote Process Invocation technology
Building websites
Client server programs to web based applications for Visa EU
ASP, ASP.NET
Extranet and intranet applications
GUI interfaces
Clearing & Settlement, COBOL to Unix
Ab Initio –Analytics engine
Fraud & Risk Management, Online invoicing Coldfusion
Linux,XML
Exclusive focus on payments
Acceptance infrastructure
Reengineering of core payment systems
Building frameworks for switching , merchant management ,Loyalty, Virtual Terminal, connectors
Data warehouse
Dispute management system for Payment networks- Java
Large US acquirers and issuers- Java with Spring framework and advanced C++ with HSM programming
honed skills in open source and Java
Oracle Financials ERP
Commercial cards
The RS School of Payments, RS Payments Lab
Information systems
Digital Payments Platform (DPP), precursor to Payabbhi , mobile technology and building API-first mobile-centric technology
Tokenization
3DS2.0
Enterprise testing for payment networks
Dispute management for large Ecommerce PSP
Filed for a patent in customer acquisition and was awarded a US one
Transition to API First, Mobile First , Cloud First
Building India's digital payment
UPI and BBPS platforms
Digital Acceptance infrastructure platform
AI and machine learning, Blockchain
world's first EFRM platform
Going digital strategy and roadmap
Large scalability of delivered platforms
TPS, POD architecture in AWS Cloud
shift to Cassandra, a stream based distributed technology
1998
1999
2001-04
2008
2009
2011
2012
2013
2015-16
2018
2020

Chairman's Overview

A crisis is like a receding tide — it reveals the rocks beneath the surface that were there all along. We are confident to utilize this situation to passionately drive our core values of perseverance translating to resilience, and use every opportunity to improve our foresight and implementation to capitalize on Covid-19 driven acceleration of demand for Contactless commerce and digital payments. Our investment of last four fiscal years in products and platforms is now ready for payoff, which combined with Focus on cash reserves management creates the war chest we need.

The fiscal 2020 has indeed served as a foundation to provide us the 20:20 insights, and a year of significant positive reinforcement. **The company achieved an improvement in its performance by 31% as compared to the previous fiscal year.** However, the fourth quarter of the fiscal is indeed an outlier in terms of the depth of its impact, and has confirmed that **we are now living in VUCA (Volatile,Uncertain, ,Complex and chaotic, Ambiguous) times.** Never before has everyone on the planet faced the exact same obstacles, fears, concerns, and questions at the same time. Never before have we truly had a globally shared conversation. We just haven't. Experts say they have no idea how the Covid-19 crisis will play out. Our usual ways of life have been disrupted, and we have all been thrust into a world in which intelligent and reliable predictions are difficult to make. We have been left questioning our basic assumptions, with very little sense of what will happen from day to day, let alone next week or next month. **Just as an earthquake produces a sudden release of pent-up force, the economic shock set off by the pandemic has accelerated and intensified trends that were already underway.**

Many organizations—from big corporations to nonprofits—suddenly find themselves facing existential threats, many organizations will not make it through the crisis. Along with the accelerated pace of change, however, comes a unique opportunity to unlock big strategic moves. The first questions for a business to answer in normal times include: How do we grow, and, how do we win? But in moments of existential threat, the key question is how do we stay alive so that we can win in the future? The profit pools are shifting already, as is observed since April 2020. Later in this report we have included detail on what gives us the confidence to turnaround our company in this very environment that we are faced with.

Resilience and our path to the future

➔ While this crisis is new in terms of the depth of its impact, the important question is how does one come out of trouble. And once you have created your 'new normal', how do you rise again? It is strange but true that principles of resilience are the same, and have been the same through the entire existence known to mankind. Several million years ago when a major asteroid hit the earth, dinosaurs got extinct, but there were other species that survived, and as the cycle of survival continued, humans evolved, and humanity has learnt to conquer what comes in their way. Since inception, our company has persistence as its core value, and this persistence is the foundation of resilience. We graduated from phase 1 of our corporate journey to phase 2 in 2004, and our phase 2 lasted till 2016. **During this period the company's revenue grew 5 times as compared to the peak revenue of phase 1.** We are now in phase 3 of our corporate journey and are confident of being worthy of great performance, yet again. **We have reasons to believe that our company is at the cusp of having the opportunities we have not seen before.**

➔ Path to the future
Our product suite is now ready which is targeted for country level digital payment infrastructure, and most importantly the largest ongong opportunity is with our Digital overlay services (DOSL) product that enables banks and other providers to provide digital frontend to their legacy systems. As a result **we are now being able to respond to multiple opportunities**, through combination of direct RFP channel and partnering strategy.

➔ Enhancing our ability to compete:
During the 2nd half of the fiscal year, particular focus was put on productivity drive in the delivery of projects and as a result we were able to bring about major savings between projects direct cost, employee cost on bench, partial billable and project management talent. **The major benefit of this exercise is targeted to come from fiscal 21 onwards,** and help us to lower our cash burn significantly, as the revenue growth model leverages the large opportunity in the market.

"Tough times never last,
but tough people do."
—Robert H. Schuller

Strategic growth: Where, When and How?

According to McKinsey, the last 10 weeks have seen the level of digital enablement, that took the world 10 years to get to. We are at the cusp of fintech's second major wave of disruption – and this one is going to be the real game-changer. Products, processes and platforms are all being designed for digital, and importantly, have payments technology embedded in the user experience from start to finish. We don't know exactly what the payments landscape will look like in five years, but it will certainly be very different to what exists today. Just as demonetisation in India in 2016 helped accelerate the adoption of digital payments in India, SARS in 2003 super accelerated digital payments in China, creating mammoth corporations like Alibaba and Tencent, **Covid-19 is expected to bring atleast a million times more impact and that too globally.**

Key market trends that are most relevant to us

Growth in Digital Payments post Covid-19 (Source: McKinsey 2020)

➔ Omni-channel payment solutions to support omni-channel commerce

➔ Make payments touchless/contactless

➔ Expand digital wallet solutions beyond payments (such as alert, decision making and supporting wearables)

➔ Deploy consumer and merchant transaction data as a protection against fraud

➔ Integrating payments with chat - Chat commerce on mobile devices holds the promise to improve the payment experience while making it more secure and easier to integrate in the user's lifestyle

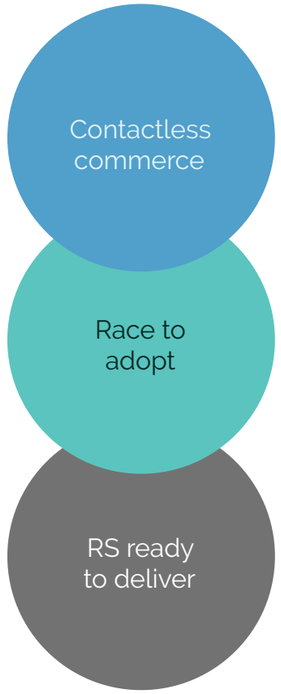
➔ Transform bank payments operating models – Payments-as-a-Service

Worldwide Integrated Payment Platforms (Source: IDC 2020)

An integrated payments platform, sometimes referred to as a payment hub, is a solution that enables the processing of multiple payment types across FIs/ Banks, including both consumer and corporate line of business, within a single management context. In some cases, these implementations serve as the sole processing platform across most payments, while in others, they serve as both a processing platform for some payments and a management orchestration layer across legacy systems.

Real-time Payment (Source: FIS 2019)

Acceleration in adoption of RTP platforms across the globe: 54 countries are live with real-time payment services. Almost all of them are laying the foundation for new open API-enabled services and ISO 20022 standardization. India (UPI) experienced a 10-fold increase in value and an 8-fold increase in transaction volume - the only RTP platform to be rated '5+'. Overall, growth was seen across all geographies.



➔ Services to the fore: More and more services around real-time payments extended in P2P and B2B use-cases.
➔ Opening up to connectivity: API-based solutions acting as catalyst for adoption of RTP and collections. Open banking growing in prominence.

➔ Data-led growth: Migration to ISO 20022 messaging standard an accelerator. Data capabilities key differentiator for payments leaders.

➔ Open API-enabled services: New service layers enabled by open and secure APIs, when implemented, will help accelerate volume growth, encouraging a new wave of innovation.

➔ Overlays fueling real-time innovation: Through the combination of faster payments and open payments paradigm, a wealth of innovative services and industry specific use-cases are proposed, sandboxed, piloted and rolled out.
Nordic region – P27: World's first real-time multicurrency infrastructure, offering cross-border payments and streamlined domestic central infrastructure.

How we are positioned to address the growth opportunity through our offerings set?

Following are RS' key strengths:

➔ Core digital payments expertise

➔ Technological agility

➔ Flexibility to innovate

➔ Scalable products and platforms

Innovation

In the ecosystem that has been created around the real-time payments infrastructure, all kinds of innovation will be possible as various players collaborate and bring their applications to individuals and companies. In this digital environment, banks must decide what kind of institutions they want to be and whether they want to be pure infrastructure players that provide the pipes for payment flows, for example. Or, alternatively, they could abandon the goal of universal banking – which aims to provide all things to all customers – and instead opt for a platform model, where they provide the platform for developers to offer apps and services to their customers.

Similar to the app store model of the iPhone, this opens up a world of possibilities. When the iPhone was introduced, if Apple had stuck with creating all the apps for the smartphone itself, innovation would have been limited. By opening up, and making its APIs available, all sorts of apps became possible, apps we have now that were unthinkable at the time the platform was created. A new wave of innovation swept in, and it is likely something similar will happen with the introduction of open banking, especially now that the foundation of real-time payments is in place to underpin it.

There has been a recognition by many financial institutions, and fintech companies, that they cannot do everything themselves and so they have embraced a collaborative partnership approach. For those who have not embraced being open, regulation in some jurisdictions is now mandating it – forcing banks to rethink their business models. For example, with the second Payments Services Directive (PSD2), data is viewed as belonging to the customers – and not banks – and financial institutions must allow third party providers access to customer accounts, if the customer requests it. This enables a range of players to offer financial solutions, not just banks. In a simple form, it could be an account aggregator app that has data from various accounts feeding into it, crunching transaction data to offer financial advice. Or it could be an app that plays a musical note for each transaction on an account – a high note for credit, a higher note for more credit, a low note for debit, and so on, playing a melody of current account payments. The possibilities are endless, all enabled by the principles of open banking, APIs, and because of the real-time payment system that lies underneath.

We at RS Software continue to innovate and enhance / develop new products and payment expertise through continuous learning at RS School of Payments and RS Payments Innovation Lab, **Innovation has been institutionalized for the past 10 years and the company has to its credit patent filing in the. US**, We have been developing products, platforms and building domain expertise in digital payments. The results of our business focused innovation are evident. When most of the products that we had developed in the past years are deployed and in use by our customers globally.

A branding and knowledge exchange platform RS Payments Universe has been built for the internal members of the organization to share knowledge documents. Both domain expert knowledge and technology expert information are regularly shared using this platform.

Participation in platform economy

The most important development during this fiscal year has been the launch of the Electronic fraud and risk management platform (EFRM) in India. This platform is the first of its kind in the world, and we have included a full case study in this annual report. **The intellectual property of this solution is owned by us and we are operating this platform for NPCI.** Our revenue model is transaction based pricing, and this platform is now processing ~30 billion transactions annually. With this we have truly become a part of the platform economy, operating a platform of global scale. We continue to make progress with the beta launch of the Payabbhi™ platform for the Acceptance market. While the progress made is slow, the demand for these platforms has only increased significantly more, as a result of the acceleration of digital economy.

We have had the opportunity for the very first time during this fiscal year to respond to the RFI for Bill payment infrastructure where we have graduated to the RFP stage. The requirement here is to operate the bill payment platform. While some of the known global players did not make it to the RFP stage, our competition moving forward is with the best of the best in the payments industry. **This is the best testimony and a validation of all the investments we have been making during the last four fiscal years. This is a large multi-year opportunity.**

The war chest

Our strategy transition starting in 2016 committed significant investments in building product suite and platforms to help leverage the growth potential in digital payments globally. This investment is now ready for the payback. **This is the most important asset in our war chest which translates to us being at the right place,**at the right time. Covid-19 induces a forced behavioural change. Convenience has become a matter of reducing friction, especially by reducing touchpoints with external machines or contact between one human and another. This is building the pathway to Contactless commerce. Our core values since inception strengthen our war chest, and continuing cash reserves to ensure we can benefit from the positive opportunities created in the world of contactless commerce. The race to adopt digital payments is only accelerating, and **RS Software is ready to deliver, and benefit from the business model of Recurring revenue from platform economy.** This is phase 3 of our company and the best is yet to come.

Business model transition

➔ Recurring revenue from platform economy

➔ Our digital payments product suite

➔ Leverage the growth potential in building digital payment infrastructure, where we now have credibility and core strengths

In Essence

A crisis is like a receding tide — it reveals the rocks beneath the surface that were there all along. We are confident to utilize this situation to passionately drive our core values of perseverance translating to resilience, and use every opportunity to improve our foresight and implementation to capitalize on Covid-19 driven acceleration of demand for Contactless commerce and digital payments. Our investment of last four fiscal years in products and platforms is now ready for payoff, which combined with Focus on cash reserves management creates the war chest we need.

➔ An "Opportunity in Adversity" Mindset.

➔ Looking Ahead.

➔ Picking Up Weak Signals.

➔ Identify and support emerging growth pillars.

➔ Moving Fast.

➔ Transforming.

➔ Innovation Culture

Raj Jain
Chairman & Managing Director

Innovation

Companies often disrupt themselves by cannibalizing their legacy products before their upstart competitors do so. Innovation is critical to growth, particularly as the speed of business cycles continues to increase. Most companies understand the importance of innovation but fall short when it comes to execution. We define innovation as creativity plus delivery. Ørsted, the erstwhile Danish fossil-fuel producer now gets about 40 percent of its revenues from wind energy. Persistence and perseverance are two key attributes that help achieve success in innovation. Thomas Edison, innovated the working lightbulb after a thousand failed attempts.

The intersection of regulation and technology is also making an impact on innovation in the financial services. However, this is no small feat. Banks are now also having to contend with the likes of Google, Apple, Facebook, Amazon and Alibaba, as they deliver API-based, contextual financial services in an open ecosystem, especially when the suite of tools that artificial intelligence offers is being leveraged by these Big Tech giants.

Innovation at RS Software

It's an extraordinary time for innovation. Technological change and industry disruption in payments is accelerating and will continue to do so. Digital information networks are linking individuals, organizations, and nations as never before. Innovation had been formalized at the company in 2009 by creating two pillars - RS School of Payments and RS Payments Innovation Lab. – now more than a decade old. The charter was to *Think Ahead and be Prepared.* When Services were the primary offerings from RS, this pillar of innovation equipped the organization with domain and technology expertise in order to be able to add disproportionate value to customers and prospects. Some of the achievements:

- RS worked on tokenization that enabled Apple Pay.
- consulted on 3DS2 and digital transformation in payment processing way before it was well common knowledge.
- built geo-fencing in mobile apps much ahead of its time.
- deployed distributed data processing before Hadoop was a household name.
- won a US patent in opportunity auctioning.

Culture

Innovation is central to the culture of RS Software. Persistence and perseverance are amongst the core values at the company since inception. innovative cultures start with a philosophy and a tone—one analogous to the classic parenting advice that children need both "roots and wings." We believe in bursting hierarchy when it comes to innovation culture. We reinforce the cultural benefits of innovation parenting by opening up organizational space to allow innovators to bypass barriers and hierarchies that can often sap creativity. The prime testimony of this is how we started to work with mobile first approach in 2010 in our payments innovation lab, which came totally out of self initiative of our highly driven software professional and his mentor who headed the payments innovation lab. The result was for the company to file for patent for that work in United States, and this was a great success.

VALIDATION

Many of the products that have been developed in the RS Payment Innovation Labs are now successfully installed at our Indian and global client locations:

- **RS MerchantEdge™** and **RS iFinSwitch™** have been deployed by our customers in US and India.
- **RS IntelliEdge – Central™** implemented as an Enterprise Fraud Risk Management (EFRM) is already successfully running pan-India. During the year, EFRM has been implemented for all banks across 8 online and 1 offline channels – ATM, POS, ECOM, UPI, BHIM, IMPS, NETC (Fastag), BBPS and AEPS (Aadhaar) with risk scoring of 100+ million transactions per day. Faster transaction search was also added on priority as it was critical to support fraud analysts during real time fraud monitoring.
- Our security validation product **RS Test2Pay™ (3DS2)** is built for risk-based-security solutions across the world. It has been deployed and in use by NTT, Japan. During FY19-20 the capability of testing a 3DS Server and an Access Control Server (ACS) have been developed as per EMVCo 2.1 Specifications. Currently the tool is hosted from a private cloud.

Innovation leading to development of products and platforms

The culture of innovation helped us foresee that Services in niche expertise led market will transition into need for Products and Platforms. Having invested in Products and Platforms during the past four years, we are ready today when the world is in need of such offerings in digital payments. We leveraged our Realtime payment processing framework, which was further enhanced while building the digital payment infrastructure for India. We implemented our products RS UPI Connect™ and RS BillAbhi – Banks™ across a dozen plus banks in India. Innovation efforts of building a digital payments platform (DPP) led RS to build and launch Payabbhi. The Acceptance infrastructure continues to leverage new digital technology stack and this platform is today amongst very few platforms in the world that is API-first, mobile-first and cloud native.

Globally about 60% of nations are in some stage of implementing faster payments or real-time-payments (RTP). Having the credentials of building and implementing Unified Payments Interface (UPI) in India, RS has been investing in building RTP product RS RTPS™ with a global perspective, with modern message protocol (ISO 20022) and suitable for the implementing a highly scalable central infrastructure. We are right on time for exploiting these opportunities and we are getting traction from across the globe.

To leverage the opportunities with the banks, RS Innovation is enhancing and building the following digital assets.

RS DOSL – Banks™ will be a new product coming out of our RS Payments Innovation Labs. This will enable banks to offer API based service layer so that the FinTechs and channel partners can connect and innovate thus increasing transactions and revenue for the banks. API-first design will help to service requirements of customer experience and enable the banking platform for co-innovation. This will also help banks to secure customer relationship and not lose it to the FinTechs. There is a strong market need for this across US, Europe and India.

RS IntelliEdge – Banks™ has been built specifically for banks, reusing our constructs of field tested RS IntelliEdge – Central™. There is a market need for multi-channel fraud and risk management for banks that includes all channels across cards and accounts, covering faster payments. The power of the data analytics can be leveraged as the multi-channel data accumulates in data lakes. We are getting traction from banks in India as there is hardly any cost efficient FRM tools in the market especially that can handle RTP as well.

CONTINUED EXPLORATION

The culture of innovation is built on ideation, engineering, validation, fail-fast, refactor and continue the cycle relentlessly. For FY 20-21 we have some steep targets and are experimenting, innovating.

➔ Work is on to benchmark RS IntelliEdge™ for 8000 TPS in addition to deploying Deep Learning based ATM and ECOM models on this platform. Plans include features for Acquirer side monitoring and Model Studio for determining the right AI Model for risk identification.

➔ A new architecture for ultra-high switching for UPI that will be reused in RS RTPS™ as well is being benchmarked. This will help the switch to scale to 30,000 transactions per second and higher which is needed as India marches to a billion transactions a day in UPI.

➔ RS RTP Connector which was meant for connecting banks to real time payments rails is being re-purposed to RS DOSL – Banks™ which will connect banks to real time payments rails as well as provide Digital Overlay Service Layer (DOSL) that will enable banks to be digitally present, offer digital connectivity (API services) for FinTechs and mobile payments providers to connect and improve the overall business for banks.

➔ We will continue to innovate in the RS Payments Innovation Labs to build faster switching capabilities and will stay focused on Artificial Intelligence (AI), Machine Learning (ML) and Deep Learning (DL) to ensure efficient and effective fraud detection through RS IntelliEdge™.

KNOWLEDGE EXCHANGE: RS PAYMENTS UNIVERSE

The RS Payments Universe portal from the RS School of Payments continues to serve as a branding, knowledge management and collaboration platform for all RS employees. In addition to providing up-to-date information and trends on the payments domain, technology, regulation and related subjects, a new White Paper section has been added featuring articles containing novel and innovative thoughts and ideas authored by RSites on the various developments in the payments world. These thought-leadership articles communicate deep insights and demonstrate the payments domain expertise and know-how that position RS as a leading expert and consultant in the payments world.

Board of **Directors**

Raj Jain
Chairman & Managing Director

Mr. Raj Jain is a visionary entrepreneur in the area of digital payments, which in the post Covid-19 world has become a major survival resource. 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 has built India's digital payment infrastructure – three major payment platforms - UPI, BBPS, and Electronic fraud and risk management (EFRM), which are transforming India's billion+ population.

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

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

Richard Launder
Director

Richard Launder has more than 30 years of experience in the payments industry with strengths in sales, marketing and operations. He is an expert in strategic selling, building effective sales teams and marketing within diverse markets and cultures. As a Managing Director in Europe, Middle East and Africa for one of the largest software companies in the payments industry, Mr. Launder generated more than US$ 130 million in revenue by developing a distribution model for the region based on acquisitions, direct operations, joint ventures, distributors and sales agents. His vast experience in payments application software is particularly relevant to RS Software's strategic direction.

Sarita Jain
Director

Sarita Jain has been a Director on the RS Software Board since the Company's inception in 1989. In addition to possessing exemplary administrative, communication and organisational skills, Mrs. Jain holds an undergraduate degree in English Honors, Masters degree in English from Delhi University and an associate degree in Mass Communication.

Senior Executive **Profiles**

Raj Jain
Chairman & Managing Director

Mr. Raj Jain is a visionary entrepreneur in the area of digital payments, which in the post Covid-19 world has become a major survival resource. 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 has built India's digital payment infrastructure – three major payment platforms - UPI, BBPS, and Electronic fraud and risk management (EFRM), which are transforming India's billion+ population.

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

Milind Kamat
Chief Operating Officer

Milind Kamat, Chief Operating Officer of RS Software Ltd, spearheads the Strategy and all Business Operations. In his stellar career track record spanning almost 30 years, he has been in executive roles in, both, the IT Services industry and in the Payments Products and Platform business, spanning international and domestic geographies and roles.

Milind's experience in domain and technology consulting and Digital Payments, enables him to address business challenges and demonstrate thought leadership in the digital payment space and provide long-term sustainable products and solutions leading to increased revenue, lower cost of ownership and increased end customer satisfaction at his client's businesses. Leading large scale businesses, setting up new growth engines and turning around businesses to deliver exponential growth and margins are his forte. He has played significant roles in delivering business results, primarily focused on strategic revenue growth, P&L and key business metrics across Enterprise Solutions, Digital Payments Solutions, Application Development and Maintenance, IT Infrastructure Services and Business Process Management. His people skills and his ability to lead large, diverse teams to deliver excellence has been a key driver for exponential growth under his strategic leadership.

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

Vijendra Surana
CFO and Company Secretary

Vijendra Surana, with 25 years of experience, has garnered expertise in Strategic, Corporate and Financial Planning while working in varied sectors that includes Merchant Banking, Financial Services, Information Technology, Tea, Power, and International Trade.

At RS he has been engaged in Strategic Management, Corporate Planning and Financial Management, and is accountable for Strategic initiatives, Reporting, Investor Relations, Budgetary management, Due Diligence, Capital structure, taxation, treasury functions, compliances and legal matter. Over the last ten years he has helped build comprehensive strategies and tactics based on the financial needs of the organization. With diligent financial management through operational efficiencies & process improvement coupled with effective corporate governance, he has ensured business continuity for customers leading to significant improvement in the performance of the Company.

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

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 29 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.

Senior Executive **Profiles**

Pranjal Chakraborti
General Manager

Pranjal Chakraborti has 23+ years of experience in designing and delivering digital payment solutions for a global clientele. He brings in specialized experience in building Faster Payments Platform and high volume, high throughput digital payment platforms. His area of expertise includes core transaction processing that encompasses switching and authorization, clearing and settlement, dispute management, fraud and risk management.

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

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

Aniruddha Rai Chaudhuri
Chairman & Managing Director

Aniruddha Rai Chaudhuri is Head of Business Operations at RS Software, responsible for overseeing the digital infrastructure of the Company as well as Enterprise Resource Planning and MIS. He brings more than 24 years of experience driving operational efficiency through a high performance workplace and creating business value for clients in an IT outsourcing industry that continues to evolve. Mr. Chaudhuri is responsible for determining the current and future enterprise infrastructure needs, and oversees the design and implementation of information systems required to support them. With a focus on benchmarking and developing best practices within the organization, his depth and range of experience encompasses business process efficiency, software development, project management, quality assurance, compliance, and people management.

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

Covid-19 accelerates **Contactless commerce, and digital payments**

Where are the opportunities?

Most established centralised payment systems were designed decades ago, in a completely different world. While they are considered to be reliant, secure and stable domestically, these centralized systems have not been able to catch up with the needs of the digital, open and hyper-connected world.

Impact of Covid-19 on banks and commerce in just 160 days of 2020

Business continuity has never been a more valuable asset for financial institutions. Fundamental changes to 'business as usual' as a result of Covid-19 have exposed the need for resilient, reliable, and efficient systems to maintain essential payment services and protect the interests of all ecosystem participants, from consumers to the largest corporations. It is not surprising that when the time came for financial institutions to close their doors and send fleets of employees to work remotely, those who had already modernised with instant payments discovered that they were agile enough to seamlessly adapt to the fundamental operational changes driven by the crisis, and to efficiently shape their services to cater to changing market expectations.

Persons who haven't been used to technology so much have now been using more technology. Whether that means the older population choosing an iPad to read news, or buying groceries online or ordering from their favorite local restaurants so that the small business doesn't shut down. People originally opposed to or afraid to transact digitally have become more open to doing it now. Small businesses that would've completely shut down are trying different ways now to digitally continue their business. For example, small wine or liquor boutiques in Europe are now starting to use social media to create a buzz and then launch a virtual tasting. They are cashing in on the fact that people want to hang out socially and are using apps like Zoom. So they create the environment by offering people to pay online and get mini bottles with labels on them and now a group of friends or colleagues can "hang out" and do a tasting. They also live stream this.... innovative ways like this are allowing them to stay in business and also encouraging more consumers to buy digitally.

Fundamental changes to 'business as usual' as a result of Covid-19 have exposed the need for resilient, reliable, and efficient systems to maintain essential payment services and protect the interests of all ecosystem participants, from consumers to the largest corporations.

Research by McKinsey, leading global consulting firm says, physical means of payments, such as cash and checks, have been actively discouraged through the crisis caused by the pandemic, for their potential of carrying the virus. The fear of contact with contaminated surfaces has given a real boost to the use of contactless payments, card and wallet based. Cashiers are being trained not to take cards from customers and to promote the insertion of cards into readers by customers. Banks have closed branches for security reasons, and clients and staff have readjusted to changed interaction models, either over the phone or by appointment only. Some branches will never open again. The current crisis is highlighting the fact that not everyone has the same level of access to the necessary new technologies and digital tools. Moving away from cash affects unbanked citizens disproportionately. Merchants without access to digital payments lose out more as remote buying increases.

The growth of online commerce has accelerated and will continue to do so, especially as markets, such as those in Southern Europe, close the gap with more advanced Northern European or Anglo-Saxon economies and China. Some smaller retailers forced to close in the crisis may not reopen physically but seek a digital future instead. Payments using digital devices—phones or wearables—had already started to emerge before Covid-19 struck. Enabling wallets to offer other features, such as digital IDs and transaction monitoring and reporting, will promote even more growth. Your phone could tell you when it is too crowded to go shopping or alert you when your goods are ready to pick up when you arrive. Such capabilities will make a difference to the retail industry.

The universal disruption of our societies is triggering a new wave of innovation, with a cooperative mindset not common in past crises. The liquidity and profitability crunch provoked by the crisis will lead to a shakeout in the fintech industry, eliminating initiatives that lack clear long-term economic viability. We believe this development will lead to a new fintech landscape, geared more to market wide cooperation and win–wins and less to challenging the incumbents. Given the change in valuations and market expectations, market consolidation and the development of local and regional champions may continue. In that context, companies will also be reviewing their prospects for growth, as well as considering partnership models and organic and M&A growth, to support their strategies.

Banks will also have to readjust to the new normal. Payments today are a major cost burden for many banks, and most spending maintains existing systems instead of creating change. In the post-crisis world, banks will need to reflect on how to organize themselves for change, possibly by running some of their payment's businesses in a completely different way. They could, for example, consider structural moves on the use of onshoring versus outsourcing, cloud-based infrastructure, automation, and analysis-driven decisions to reimagine scale or the realignment of products. Payments-as-a-service business models, in their infancy before the crisis, are likely to get a boost, particularly where they can provide relief for reduced IT budgets.

In a time of change, we must move to setups that solve real-world problems—guaranteed by regulators but not imposed. This will require a new model of collaboration between the payments sector and regulators—a model focused on innovation in payments, adapted to the new economic reality in a sustainable and resilient fashion.

Foundation of Digital commerce began in mid-1990s

The mid to late 1990s also saw the birth of what we now know as financial technology companies, or "fintechs." When Microsoft founder Bill Gates declared in 1994 that "banks are dinosaurs, we can bypass them," during a speech to a Bank Administration Institute conference, the tech industry readily agreed. During this time, the world welcomed a wave of Big Tech companies to the payments industry.

Paypal was the pioneer in 1998 when it introduced a new business model to the industry—peer-to-peer (P2P) payments—serving as the middleman mostly for online auctions but also for individuals to pass funds to each other. Users connected their checking or credit card accounts to the service through the PayPal website. It was an immediate hit with online merchants, small businesses, and consumers, inspiring the company.

As PayPal got off the ground and evolved into the next decade, Amazon, which began its reign as a simple, yet transformative, bookseller on the internet in 1994, continued to innovate. By 2010 Stripe was started in the US by two teenage brothers, with a vision to build the economic infrastructure for the internet, and increase the GDP of the internet.

These days, consumers don't even need to log on to a traditional computer or phone to order goods. The Internet of Things, or IoT, allows for payments by a stored credential, coupled with identity verification in a smart device. IoT technology is now at the head of growth areas such as unattended payments. Vending machines, for example, have become increasingly sophisticated, with features such as touchscreens and the ability to accept multiple forms of payment.

More advanced IoT technology, such as smartphones and watches, internet-connected by refrigerators, fitness trackers, home security systems, and even cars, can enable touchless orders and payments for a wide range of products—ranging from a gallon of milk to concert tickets to a prescription refill.

Shifting business models

Every industry is built around long-standing, often implicit, beliefs about how to make money. In retail, for example, it's believed that purchasing power and format determine the bottom line. In telecommunications, customer retention and average revenue per user are seen as fundamental. Success in pharmaceuticals is believed to depend on the time needed to obtain approval from the US Food and Drug Administration. Assets and regulations define returns in oil and gas. In the media industry, hits drive profitability. And so on. These governing beliefs reflect widely shared notions about customer preferences, the role of technology, regulation, cost drivers, and the basis of competition and differentiation. They are often considered inviolable—until someone comes along to violate them. Almost always, it's an attacker from outside the industry. But while new entrants capture the headlines, industry insiders, who often have a clear sense of what drives profitability, are well positioned to play this game, too. How can incumbents do so? In a nutshell, the process begins with identifying an industry's foremost belief about value creation and then articulating the notions that support this belief.

Your phone could tell you when it is too crowded to go shopping or alert you when your goods are ready to pick up when you arrive

When combined with rich data, open banking, and interoperability in a highly-networked global economy, real-time payments will underpin a new world of possibilities

Realtime payments (RTP)– the harbinger of next generation of commerce?

According to ACI, global leader in payments technology, real-time payments are not just faster or just instant; they are laying the foundations for the next generation of commerce. When combined with rich data, open banking, and interoperability in a highly-networked global economy, real-time payments will underpin a new world of possibilities. With real-time payments, funds now travel from account to account instantly, at any time, with both the sender and receiver being notified instantly. The payment values are also growing which opens up the potential beyond retail payments while also increasing the risk if fraud is not detected in real-time. In early 2020, for example, The Clearing House in the US raised its limit to $100,000, while the UK's Faster Payments Service (FPS) has long had a limit of £250,000. Meanwhile, real-time payment volumes are also expected to grow.

While faster payments within national borders are on the rise, cross-border real-time transactions are also becoming a reality. For example, SWIFT launched its gpi instant service after successful trials that separately tested banks connecting to Singapore's Fast And Secure Transfers (FAST) as well as instant cross-border payments with Europe's TARGET Instant Payment Settlement (TIPS). This growth underscores the need for market infrastructure providers to architect the infrastructure and technology, particularly cloud services, that will drive this new era of interconnectivity and the services that will be layered on top.

In the real-time payments ecosystem, there are numerous players – banks, corporates, market infrastructures, technology vendors – that need to work to the same standards if their solutions are to be widely adopted. Enter ISO 20022, the format which means they are speaking the same language when they exchange data that accompanies transactions. In the same way that VHS fueled the growth of videotapes and home movies, or the TCP/IP protocol laid the foundation for the internet, ISO 20022 is the catalyst for payments innovation.

Due to the use of a common messaging format, real-time payments are now more efficient: treasury teams, for example, no longer have to translate various formats as payments come in. The standard was designed with fields to include rich data that don't just aid in processing and reconciliation but can be used to attribute new value to the payment. Additional data can accompany the transaction, which is proving to be just as, if not more, important than the transaction itself. The global standard creates economies of scale for developers, making it worthwhile for them to create universal solutions that can be used many times over rather than creating unique formats for individual clients – they only need to build it once. This means that other services can overlay payments, making greater use of the data that can accompany transactions. Payments with invoice information enable automatic reconciliation; transactions with value-added tax calculations allow easier accounting; and car purchases with accompanying vehicle information make for easier registration. Such solutions are possible because they are built using the same standards and can be applied uniformly across the various real-time payments infrastructures around the world.

Meanwhile, banks and other institutions are realising the potential of their customers' transaction data and the value-added services this could entail. The amount of data, like the growth in real-time payments, is set to increase exponentially, requiring careful planning for how it is collected, stored and accessed – all of which calls for substantial computing power. In this data lies a treasure trove of behavioural patterns, meaning that payment providers can get smarter about the solutions they offer and better at engaging with their customers.

McKinsey reported in Global Payments: 2018 that apps (such as wallets like Apple Pay and brand-owned apps with a payments facility) accounted for 30% of global payments in 2017, and this kind of change is expected to continue into the future, stating that "digital payments will double in volume over the next five years to represent approximately 29 percent of consumer POS payments."

To quote Jeremy Wilmot, Group President ACI Worldwide, "Global adoption of real-time or "immediate payments" (IP) is on the rise. While IP schemes have been launching in various locations for some time, transaction volumes have grown significantly in recent years — and further acceleration is on the way.

New real-time rails are in development around the world, and many older schemes are being updated and optimized. Huge innovations in the shape of digital overlay services and alternative payment methods are taking place every year, transforming payment landscapes. From governments and central banks to merchants, billers and fintechs, every player in the payments ecosystem stands to benefit from IP in different ways — and it's not hard to imagine a future in which end consumers expect real-time as standard. In many markets, this has already come to pass. Yet before this future can be realized on a global scale, there's a great deal of work to be done. Whether that's getting the right central infrastructure in place, ensuring access to IP for billers and merchants, or shifting the ingrained payment behaviors inherent in each market.

Digital payments will double in volume over the next five years to represent approximately 29 percent of consumer POS payments

Advanced RTP in India

UPI works on a four-party model, while other markets work on a two or three-party model

- The Indian payments market is expected to exceed $1 trillion within three years
- UPI transactions have grown by four times in the last 12 months
- RTP is growing so rapidly that it's expected to overtake debit card transactions by 2022

India is credited as having one of the most advanced digital payment infrastructures in the world. So it's no surprise that tech giants like WhatsApp, Google and Amazon are prioritizing the market. Succeed in India, and they can roll their services out to the rest of the world. Reliance Jio in just 90 days in 2020 has brought in almost $20 blllion from the best of the best tech giants and astute global investors.

An opportunity for banks to take leadership?

According to FIS, leading global technology provider to the banks, legacy systems pose a clear and compelling challenge for incumbent banks.

How to transform a core – likely built long ago, with multiple layers of technology and code added over the years to add functionality and attempt to adapt to changing needs – can be quite the conundrum. There are fundamental differences between legacy technology and the agile paragon of today. Traditionally, each product involved a separate project, workstream and piece of technology, none of which was interoperable as such. Andrew Smith, founding chief technology officer, RTGS and ClearBank, says, "You might end up with hundreds of these individual systems that are not exactly leading edge now, but may have been 20 or 30 years ago. The challenge is how do you transform the products, not just the technology? And start not to just use technology as an enabler but as the product itself."

Gary Delooze, chief information officer, Nationwide Building Society, UK, says one of the biggest issues is managing complexity after 30, 40, 50 years' worth of technology projects. "After many years you end up with thousands of applications, tens of thousands of interfaces, data stores, tens of thousands of servers. Unpicking all of that is really hard, so breaking it into manageable chunks is really important." As is finding the right people and getting enterprise buy-in, he adds. And that is just the beginning, customers still expect the same (or better) service levels, and regulators expect new value to be delivered without seeing downtime; transforming the core in this environment is no mean feat. As Hans Tesselaar, executive director, Banking Industry Architecture Network (BIAN), puts it, "We consider the idea of keeping any legacy systems as one to keep away from. If you find a way to keep your legacy system up and running, that's a compromise. But for the next decade I expect to see a mix of legacy and agile technology as banks continue their migration. For this intermediate period, banks will be looking to wrap their legacy systems and move via an enterprise service business to new modular technologies." The challenges of core transformation are well-documented in the industry. But the legacy issue is not solely applicable to incumbent banks. For neo banks, the danger of creating the legacy of tomorrow is equally to the fore, and therefore poses a similar challenge in ensuring processes and operations are agile, continually adaptive, improving and transforming, in order to futureproof' against the legacy black hole.

For neo banks, the danger of creating the legacy of tomorrow is equally to the fore, and therefore poses a similar challenge in ensuring processes and operations are agile, continually adaptive, improving and transforming, in order to futureproof' against the legacy black hole.

The payments market opportunity to build the infrastructure for Contactless commerce

In addition to the build of new age digital, realtime payments infrastructure opportunities, and helping the banks to modernize, As we've seen during the Covid-19 pandemic, new issues can emerge at any moment — like the sudden rise in digital transactions, as nations in lockdown drastically increase their reliance on online shopping.

The ecommerce market generates billions of dollars of fees for the payments companies that enable it. Little wonder, then, that an array of non-banking financial solutions providers have flooded the marketplace in recent years.

Acquirers face challenges that are complex, varied and growing — and they all need to be tackled urgently to ensure they can successfully keep up with the pace of demand and remain competitive. While staying responsive and agile in the present is undeniably important, it's also key to look forward to change coming down the track and build a long-term strategy that can help acquirers respond to any crisis. The foundation for lasting success isn't reactivity, it is proactivity — so the adoption of new technology will be essential as acquirers strive to respond to a huge amount of growth and disruption. Complicating matters further, this adoption needs to be situated in a wider cultural change. Modernization must be strategic, with senior business leaders and those in the trenches working hand in hand to realize their goals. So, how can acquirers and payment service providers (PSPs) balance the dual requirements of responding to current challenges and preparing for the future? How can they become truly agile and ready to respond to any great change — or indeed, any crisis? The answer lies in modernizing existing infrastructure — but also in creating the right foundation to tackle it.

Ecommerce is big business. Emarketer has predicted that global ecommerce sales will reach $5 trillion by 2021, following sustained annual growth rates of more than 20%. In turn, this flourishing market generates billions of dollars of fees for the payments companies that enable it. Little wonder, then, that an array of non-banking financial solutions providers have flooded the marketplace in recent years. Without the constraints of dated technology or a sprawling existing infrastructure to manage, these disruptors have been able to overtake incumbent banks and payment providers in many ways. From offering a greater range of payment methods in line with merchants' expectations in different countries, to managing fast-changing regulatory compliance across jurisdictions, they offer the features and services needed to enable truly international ecommerce.

Furthermore, to truly drive ecommerce success for their merchants, payment businesses need to be able to offer sophisticated business intelligence and tangible, actionable insights, on everything from the payment methods preferred by customers, to the devices they browse and buy from.

Only 7% of total retail is currently online. Ecommerce sales are set to grow and grow, and banks and payment providers, which are not set up to enable them, are quickly likely to be left behind

Growing your payments business

Existing banks and payments businesses have several choices when it comes to growth and success in an increasingly ecommerce-driven world. They can build a payments platform in-house; they can partner with one of the disruptive new players or even buy one outright; or they can white-label an existing solution. In most cases, this latter option will offer the best combination of speed, agility and cost-effectiveness. Perhaps most importantly of all is the fact that doing nothing is not an option. Only 7% of total retail is currently online. Ecommerce sales are set to grow and grow, and banks and payment providers, which are not set up to enable them, are quickly likely to be left behind.

Realtime payments at RS Software

Real Time Payments (RTP) is **just not another method of payment** but there is a growing agreement that it is just the **start of a payment revolution**. The digital overlay with open-APIs that interfaces into the RTP rails has the **promise to change radically** the way all the entities in the ecosystem – "consumers, retailers, small businesses, corporations and governments **accept and make payments.**" (Flavors of the Fast, FIS report).

There are about 60 nations that are in different stages of building their RTP infrastructure.

The advantages of the RTP are – (a) irrevocability of the payment, (b) instant availability of good funds for the recipient, and (c) complete traceability of the fund flow. Regulators in every country favour all of these payment qualities and hence will support to enable growth of RTP. This will also reduce disputes and chargeback flows which are resource intensive without generating any revenue. In summary, RTP will reduce the business cost of moving money significantly, which again is good for all in the ecosystem.

RS RTPS™ is a product from RS Software that helps implementation of RTP infrastructure in a nation or region. RS RTPS™ is built with flexibility in mind as RTP implementation will vary and have to be customised. For example, the instant availability of good fund in recipient account is enabled either through a pre-funded mechanism or by a net-deferred settlement. RS RTPS™ supports both.

Another key construct is using alias instead of actual payment credentials. This insulates and provides security to the payer and the payee. Instead of sharing long account details, an alias or token is shared which is resolved at runtime to complete the debit and credit. In some geography this alias management is done by a different system and in others RTP needs to provide the service. RS RTPS™ is built with support for both options – in-app alias management as well as interface with external alias management.

With such flexibility and ISO 20022 standard adherence, RS RTPS™ is ready for the global market. While there are multiple service providers in RTP, there are hardly any product vendors with product offering for infrastructure implementation. Unlike other vendor solution RS RTPS™ is built using open source and can run on commodity hardware thus relieving the customer from any vendor lock-in issues and helps to keep an appreciably low total cost of ownership (TCO).

POWER OF RS RTPS™

RS RTPS ™ is an advanced, state-of-art, **real-time payment processing central infrastructure** that is capable of processing **instant account-based payments** with very high throughput and high volume. It enables both pull **[Request-to-Pay]** and push **[Credit Transfer]** payment for **retail** and **corporate** customers, **merchants** and **governments**. RS-RTPS™ supports both **Pre-funded** settlement and **Net-deferred** settlement; with **Net Debit Cap** and **real time Liquidity Monitoring.**

The technology stack is chosen carefully to ensure that there is no stringent license binding on the owner and total cost of ownership **[TCO] remains significantly low**.

RS RTPS™ is designed with "**mobile-first**" strategy that supports ISO 20022 protocol and ensures seamless integration with mobile with both payment APIs and meta-APIs that enable **authentication**, **payment** and **notification** functionalities. The platform is future-ready to meet demand of future expansion and integration with other platforms or components as and when required.

CASE STUDY

Real-time Payment Platform from RS Software: RS Software has successfully built and implemented the Unified Payment Interface [UPI] commissioned by the National Payments Corporation of India (NPCI); built and customized on its RS RTPS™ solution. UPI is a nationwide real-time, API based payment system that offers inter-operable and accessible instant payment services and instant confirmation of payment. RS has developed, both, the Central Infrastructure, as well as the UPI-Connectors for banks that connect to the Central Unit and facilitate processing of instant payments. The UPI platform is processing approximately **12 billion transactions annually**. In a **global survey** done by FIS, the **platform is rated 5/ 5** – the only faster payment platform to achieve the rating.

UPI - The global brand

In April 2016 at the time of launch of UPI, even banks in India did not give Unified Payments Interface much odds of success. Now, UPI is one of the fastest-growing payment platforms in the world, considered to be most admired institutional and public policy innovation. 155 banks as of date are on UPI and collectively these banks cover 95% of the market. Third-party apps collect the debit instructions and submit them to the account holder's bank, using the secure backend systems managed by the National Payments Corporation of India (NPCI). This deliberate decoupling has led to competition and innovation with specialised apps like PhonePe, Paytm, Google Pay, Amazon Pay and others competing to be the customer's favourite payments app. All of them work on the payment rails of the UPI, built exclusively by RS Software India limited for Government of India. UPI fits the three S paradigm perfectly, Simple, Secure and Scalable. In a country like India, with its low literacy levels, this kind of simplicity is essential for financial inclusion. According to industry sources, PhonePe, Google Pay, and Paytm control over 90% market share in the UPI ecosystem and PhonePe is leading the pack followed by Google Pay.

UPI, the real-time payments (RTP) rails for India is seeing a huge growth. Since launch in April 2016, in 51 months it is now handling 1.3+ billion transactions a month worth INR 2.6+ lakh crores (USD 35 billion) of value. In a 2019 report by FIS, Flavors of the Fast, India's faster payment infrastructure has been rated as 5/5, the highest rating, among the existing faster payment rails of the world. **At RS Software, we are privileged to win the opportunity of building UPI by competing in a global RFP process.**

From our experience of working in payments for now more than 25 years, we understand how adoption drives the need for higher performance of the payments platform. **We have worked on platforms that scaled from 500 transactions per second (TPS) to 55,000 TPS in about 20 years. However, in UPI, we are experiencing a growth that is very close to proverbial hockey-stick curve, with close to 80% in last 12 months.**

While payment switches world-wide usually use purpose-built hardware and software, RS had built UPI using commodity hardware and open source software. **We have the expertise of scaling up the processing power without having to suffer vendor lock-in; and this is a great achievement.** In RS Payments Innovation Lab we are constantly exploring on scaling-up performance and this will become very useful for the said purpose.

Considering that feature phones represent 70%+ of the mobile phone population in India, it would be great to be able to invoke UPI from feature-phone as well. This will enable UPI to be accessed by all and sundry, from spanking metros to quiet rural segments. Yes, this will further increase the need for improving the performance, but what could be better as UPI would then be able to take advantage of millions of zero balance Jan Dhan accounts for every citizen and increase adoption of digital payments across all the strata of the society.

Along with UPI, nation has also launched an Enterprise Fraud and Risk Management (EFRM) platform that does fraud and risk management (FRM) for all the 18 payments channels in India including UPI. RS Software is proud to win the global RFP and build the EFRM leveraging RS IntelliEdge™, a product from RS Payments Innovation Lab. EFRM is equipped to do fraud and risk management for all the channels and UPI in particular. Thus a nation is all equipped to increase the adoption of UPI and this creates opportunity across the ecosystem.

We believe UPI will continue in its vision of providing a true unified interface to all payments that happen in the country including biometric based payments. This will further create opportunity where RS can participate and partner with the nation to push the envelope for digital payments in India.

The success of UPI as a leading global brand has demonstrated that world-class products can be built from scratch in India , which then provide the foundation for global tech giants, and highly astute and demanding global investors to invest billions and billions of US dollars in India.

RS Software is humbled with its achievement in delivering to the nation, UPI - the global brand.

Turnaround of the **Company**

In 2016 McKinsey, leading global consulting company had estimated that the world will spend in excess of $ 4 trillion, over the next several years, to transition to the digital world. This is also the year when RS Software built and delivered the first of its kind digital payment infrastructure that would transform a billion+ people. Yes, we are talking about Unified Payments Interface (UPI) that has achieved the most premier ranking globally amongst the faster payment products. Since its launch, it has not only changed the way India transacts payments, it has created the foundation to attract billions and billions of US dollars of investment coming to India, and there is almost the 'gold rush' mentality amongst the most astute investors in the world to claim their share of the digital pie of India. Google has even recommended to the US Fed to benchmark its Realtime payment infrastructure building to UPI platform. Since 2016 we have continued to invest in digital technology stack, products and platforms, with a clear path to build its future revenue streams from opportunities, as the world transitions to digital. **The impact of Covid-19 has only super charged the journey to go digital, and this will increase the market opportunity for the company.**

In a very similar situation in the year 2004, Mastercard,the major global payment network globally had started to talk about its potential IPO in the US. What this meant is that if this happened, both Mastercard and Visa will invest significantly to accelerate the growth of electronic payments across the globe. Combining this development with its intuitive sense of the payments industry, RS Software made a bold and strategic decision to focus exclusively on building technology for electronic payments. As a result the company not only achieved five times growth over the next 10 years, it has also achieved the position where we are trusted to build world-class payments solutions for industry leaders. **It is based on this success that the company has been able to win multiple RFPs against global competition to build the four major payment platforms that together today execute 250+ billion transactions annually.**

The company has precedence in making bold decisions and has delivered on them. Since 2016 we have continued to invest in digital technology stack, products and platforms, with a clear path to build its future revenue streams from opportunities, as the world transitions to digital.

Product suite architecture that delivers competitive advantage

	Products	Key Differentiators
Payment Security Product Suite	• RTP Core - central infrastructure solution for transformation of payment infrastructure • RTP Connect – Enables financial institutions to connect consumers with real-time payments and Digital Payment Hub to consolidate all digital payment and consumer data under one platform • RTP DOSL – Provides an API based Digital Overlay Service layer for seamless integration with banks, accelerating adoption	• API-first, Mobile-first modular architecture – faster adoption • Cloud ready deployment architecture – reduces cost • Smart addressing with convenient and configurable payment aliases – ensures security • Real-time settlement system with data lake – better efficiency • Liquidity management and Net Debit Cap monitoring – for central banks • Fraud and Dispute Management
Payment Security Product Suite	• BillAbhi Central - acts as a central processing network ensuring interoperability across biller aggregators and provide the consumers with a consolidated view • BillAbhi Banks - caters to banks and financial institutions to provide aggregated services to billers and convenient bill fetch and payment service for consumers	• API-first solution • Standardization Process for Complaint and Dispute Management • Multiple Payment modes an d channels support • Auto-Reconciliation • Automated Report generation for bill payment entities
Payment Security Product Suite	• IntelliEdge Central – act a central processing network ensuring interoperability across biller aggregators and provide the consumers with a consolidated view • IntelliEdge Banks - caters to banks and financial institutions to provide aggregated services to billers and convenient bill fetch and payment service for consumers	• API-first solution • Omni-channel online risk scoring engine • SaaS model • Federated approach for fraud detection – Using Global, Inherit and Custom Rules at Hub and Spoke levels • One portal for channels • GUI rule editor

The market size for enabling digital payments infrastructure continues to grow!

In India, the leading Financial newspaper The Economic Times reported "Digital pay swells as young and old turn to safe mode…. Nearly 76% of the respondents were willing to use digital payments because of better rewards in the form of incentives, discounts and cashbacks, while 70% said the number of digital transactions increased because of the Covid-19 pandemic." Digital transformation has become essential for businesses to survive and thrive. Earlier in the annual report we have included a section on the race to adopt and this explains the various proof points how globally digital payments are on the rise. As the growing desire to minimize human contact leads to an increase in touchless fulfilment models, consumers' mobile devices have become the primary portal for ordering, payments and updates. Driven by health hygiene, the world is moving to Contactless commerce, and RS Software is ready to deliver.

We made a strategic decision in 2016, just like we made in 2004, and **we are once again confident to reap the benefits of our ability to make intuitive and strategic decisions.** The investments in the portfolio of our product suite, and the platforms have been expensed during the last four fiscal years, and as such they are assets with value not listed on our balance sheet.

The 8 pillars strengthening our future:

- Demonstrated success in implementing what is most needed today, increasing market size
- Achieved 31% performance improvement in fiscal 20 as compared to fiscal 19
- Portfolio of products and platforms ready to deliver
- Core competencies built and matured over 28 years
- Revamping our Go to market for the new revenue model
- Zero debt
- Cash reserves
- Absolute focus on minimal cash burn starting with fiscal 21

Risk and Fraud management in today's world

As economies across the globe shift to digital payments, electronic fraud also increases. In a KPMG report Global Baking Fraud Survey (May 2019), **over 60% of the respondents globally experienced an increase in fraud volume**. All payments channels typically have Fraud and Risk Management (FRM) for each of them, but all working in silos. However, the fraudsters are united in their efforts; they share secrets and attempt multi-channel approach when committing fraud.

Till recently, the digital payments channels were largely used by cards alone and hence plethora of FRM tools for cards has been there in the market for decades. However, this scenario is quickly changing and will be further changing at a faster pace as Real Time Payments (RTP) increase their share of the **digital payments** pie. Essentially, RTP facilitates **account-to-account** (A2A) money movement, instantly and irrevocably. It is estimated that both cash and other banking channel will lose volume to RTP. But the FRM tools that were being used for cards will (a) not directly work for RTP and (b) there are hardly any FRM tools for the multi-channel FRM.

Merchants are losing revenue and business to fraud in a large way and this is hurting the small businesses immensely. With so much of data theft, consumers do not feel safe to buy from small online shops and in this pandemic scenario to survive they need to sell online. Further, in a Small Business Trends report (Dec 2019), survey reveals that "more **merchants are feeling vulnerable to payment fraud across the different channels**. More than four in five (82%) agree they're vulnerable with mobile transactions in 2019, up by 9% from 2018 (73%). When it comes to website payments, they also feel more vulnerable (79%) in 2019 compared to 2018 (74%). In terms of cost, merchants in the survey say fraudulent transactions account for an **average of 27% of their annual online sales**. This is **up by 9%** from the 2018 numbers."

In a recent statement Minister of State for Finance Anurag Thakur said in a written reply in the Rajya Sabha that *"Digital payments frauds make up for a significant portion – up to half – of all bank fraud cases".*

Multi-channel FRM will be **needed for central infrastructure** and **for financial institutes / banks. RS IntelliEdge™ is just the tool for the purpose;** it supports multi-channel – i.e. cards to account (A2A) to biometric to RFID; traditional payments (POS, ATM, ECOM, ACH, etc.) and new age RTP, covers both in-flight and batch, and also exploits both rule based filters and Artificial Intelligence (AI) and Machine/Deep Learning (ML/DL) based models in detecting digital payment fraud.

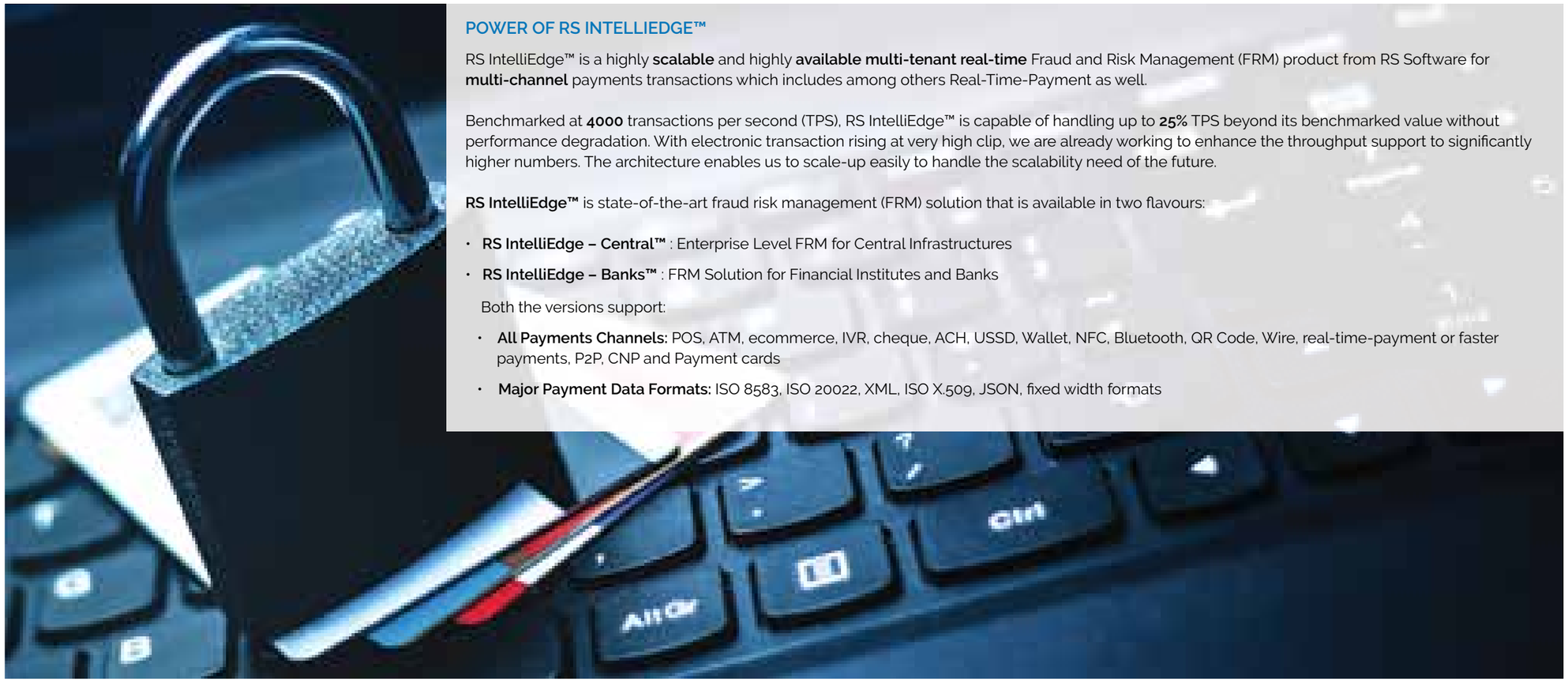
CASE STUDY

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

EFRM has already crossed 2800 TPS pan-India leading to potential savings of **~5%** of total transaction value. EFRM has enabled our largest financial messaging client to transfer more than **~$60 billion** per month. More than **$3 billion** in fraud is circumvented every month through this system.

EFRM assesses transaction risk within **100 milliseconds** for **1200+ banks** in India across **8 online** and **1 offline** channels – ATM, POS, ECOM, UPI, BHIM, IMPS, NETC (Fastag), BBPS and AEPS (Aadhaar) with risk scoring of **100+ million transactions per day** using business rules, statistical data models and adaptive AI/ML models. Suspected transactions that are usually about **2%** of total volume get reported at runtime with **70%** plus accuracy. The AI model started functioning with **>50%** accuracy using very low labelled data **($\leq 10^{-3}$ %)**.

The Rule Editor, an integral part of RS IntelliEdge™ offers an easy to use rule creation interface for business users to translate business insights into rules that can be deployed directly in production. This is evident as right now there are over **35,000** rules currently live in the system. Models that leverage Artificial Intelligence and Machine Learning are rolled out for UPI and ATM channel and other channels will be rolled out soon.



POWER OF RS INTELLIEDGE™

RS IntelliEdge™ is a highly **scalable** and highly **available multi-tenant real-time** Fraud and Risk Management (FRM) product from RS Software for **multi-channel** payments transactions which includes among others Real-Time-Payment as well.

Benchmarked at **4000** transactions per second (TPS), RS IntelliEdge™ is capable of handling up to **25%** TPS beyond its benchmarked value without performance degradation. With electronic transaction rising at very high clip, we are already working to enhance the throughput support to significantly higher numbers. The architecture enables us to scale-up easily to handle the scalability need of the future.

RS IntelliEdge™ is state-of-the-art fraud risk management (FRM) solution that is available in two flavours:

- **RS IntelliEdge – Central™** : Enterprise Level FRM for Central Infrastructures
- **RS IntelliEdge – Banks™** : FRM Solution for Financial Institutes and Banks

Both the versions support:

- **All Payments Channels:** POS, ATM, ecommerce, IVR, cheque, ACH, USSD, Wallet, NFC, Bluetooth, QR Code, Wire, real-time-payment or faster payments, P2P, CNP and Payment cards
- **Major Payment Data Formats:** ISO 8583, ISO 20022, XML, ISO X.509, JSON, fixed width formats

HIGH MARKET TRACTION

As the world transitions to digital and realtime payment adoption start to increase more rapidly, hackers and fraudsters will continue to get more creative.New vectors of digital fraud will start to appear. At the same time more and more data will become available, and this will help technologies like Artificial intelligence and machine learning to enable higher predictability to manage fraud. RS IntelliEdge™ is built with this technology stack. Importantly card rails are not dying anytime soon, and will coexist with increased use of digital payment alternatives.

RS IntelliEdge™ manages all payment channels and major data formats, for both card and account based transactions, importantly on the same platform. This is the first of its kind platforms globally. We are already getting great reviews and interest in this platform.

Bill payment network -
transformative digital infrastructure

The Next Revolution is on its way

It is generally believed that the smartphone has disrupted society by replacing the simple cell phone with a clever device having internet connectivity. What really happened is that by reimagining communication and consumer convenience, smartphones managed to create a whole new platform that service providers jumped in to leverage, benefitting all stakeholders in the ecosystem.

A similar disruption is happening in Bill Payments today. Electronic bill payments are shaping their own platform, as dramatic changes in bill payment and presentment systems are promising to revolutionize how consumers and merchants make and receive bill payments.

Platforms, like marketplaces, have innate characteristics to enhance user experience, improve efficiencies of scale, provide comprehensive fraud and risk management, and trigger innovation through secure yet open interfaces where the ecosystem can contribute. The Bill Payment platform is no exception.

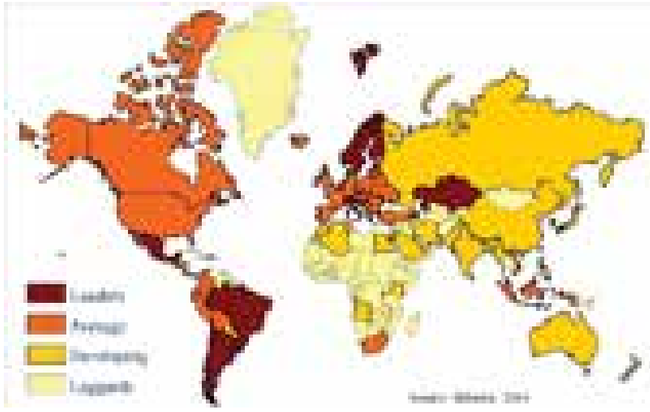
The Opportunity

Bill Payment has huge prospects in the B2C as well as B2B space

The total transaction value of B2C online consumer payments is expected to grow at 17% annually, from 2020 totaling USD 8,266,917 million by 2024. B2B payments volume totals ~USD 120 trillion per year. B2B adoption lags significantly across industries – about one-third of total B2B global expenditures are processed electronically vs. two-thirds of B2C global expenditures.

Segment	Global annual volume 2019
E-billing: B2C/G2C	270 billion
E-invoicing: B2B/ B2G/G2B	280 billion
Total	**550 billion**

Market Maturity for Electronic invoices/bills



The global e-invoicing market is expected to generate ~USD 20,529 million by 2026, at a CAGR of 20% between 2019 and 2026.

The European Market is unique with more than 40 countries, 100+languages and 22 million small and medium enterprises. Due to market fragmentation and growing cross-border trade, EU has made it obligatory for member states to follow e-invoicing standards and has declared B2G e-invoicing as mandatory. Since January 2019, B2B e-invoicing is mandatory in Italy.

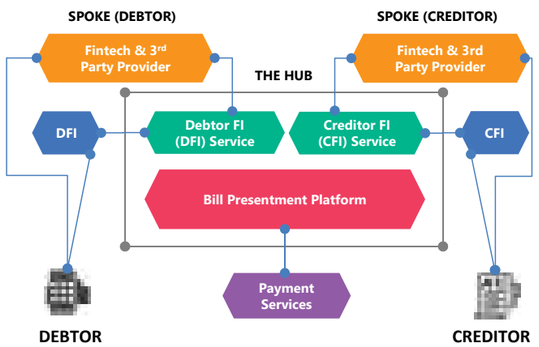
Disrupting User Experience

Improved Collections, Lower Penalty for late payments

A substantial part of the electronic bill payment industry is ruled by Biller aggregators who collect payments from customers by onboarding multiple billers on their platform. Banks and digital wallets need to establish connections with not one, but several of these aggregators to provide their customers the convenience of receiving electronic bills from a large selection of merchants. While this gives consumers the basic ability to pay bills online, they still have to "register" their billing details and wait for a considerable amount of time before the process of bill presentment and payment is seamless and regularized.

A central platform implementation, usually the hub in a hub-and-spoke model alleviates these issues and provides better user experience.

Banks and wallets just need to connect to a single central platform for their customers to have access to all the billers instantly. The online bill fetch feature of this platform helps in instant bill presentment with no waiting time. For recurring bills, the platform will be able to notify the customer as soon as the bill is presented. This is a win-win situation for consumers who can pay on time to avoid late payment penalty, and for billers who can enjoy steady cash-flow.



Disrupting User Experience

Secure, Convenient, Interoperable

Consumers can safely register on the hub by using their tokenized credentials that protect sensitive payment information from being misused by fraudsters.
Connecting with the hub will also reduce disputes and complaints that can adversely impact merchant-customer relationships carefully built and nurtured over the years.
Using AI tools, Fintech innovators can connect to the hub and mine the data to predict the recurrence of bill payments and issue notifications to consumers, even if they have not registered with the biller.

The hub also enables one-off bill presentment and payment using a Request-to-Pay service while protecting consumers against any risks by onboarding only verified merchants.

The hub-and-spoke model provides tremendous flexibility through interoperability and portability features. Billers can change an intermediary through which they connect to the hub without affecting end-consumer experience. Similarly, consumers can change their intermediary – wallets or banks - without much of an impact.
While all these bells and whistles sound great, bill collection by agents to support senior citizens and the different-abled is a reality in any society. The hub-and-spoke platform supports a secure mechanism to enable an agent network for collection of bill payments to be realized through banks and other intermediaries.

Disrupting B2B Experience

Global Standards, Improved Collection, Easy Reconciliation

B2B Bill payments are really invoice payments. In recent times there have been concerted efforts for a unified invoice presentment protocol that is now standardized as ISO 20022.

Modern bill payment platforms are designed to adopt ISO 20022, which make them inherently ready to support advanced invoicing and payment options with automated reconciliation.

Compliance to the ISO 20022 standard also makes the platform ready to handle both domestic and cross-border invoicing and collection.

> Bill payment platforms with open interfaces that support ISO 20022 enable uniform last mile connectivity to invoicing and accounting systems. This improves bill presentment, payment collection, reconciliation, and other related functioning, which in turn significantly improves efficiency.

Corporate Billers can interface their ERP and AP/AR systems using the open interfaces of the platform to distribute invoices in bulk and handle collections.

The automated reconciliation feature of the platform enables efficient account management and invoice management. This translates to reduced leakage in collection, better customer profiling and segmentation (e.g. late payer, JIT payer, delayed payer, revolving credit etc.), and improved disbursement and refund to consumers.

The open interface enables banks and financial institutes to interface the tax collection system with the platform so that their customers can pay their taxes through their systems and receive reminders and notifications, resulting in a superior end-user experience.
Bill payment platforms that use standardized protocols would enable technology players in the ecosystem to disrupt value propositions by building interoperable invoicing and collection systems or interfaces or adapters that would extend customer reach. This will go a long way in making bill payments inclusive and expansive.

Disruptive Efficiency Gains

Reduced Fees, Increased Adoption

While large merchants, utility companies, government departments and others are the billers, banks, financial institutes, wallet providers, and others act as intermediaries in the billing ecosystem. Presently, both billers and intermediaries connect to multiple bill aggregators and each has to maintain and manage several interfaces. This drastically reduces efficiency and it becomes tough to analyze a complaint or dispute. In some countries there is an associated operational cost for billers to upload bills to consumers' electronic mail box.

Having to manage just one interface with an instant bill fetch facility significantly reduces the operation costs of billers. Improved efficiencies thus achieved reduce the convenience fees that consumers have to pay.

Together, these factors drive adoption of the platform, which in turn scale platform usage leading to a cyclical reduction of fees and operation costs – a viral effect of disruptive efficiency gains.

Fostering Innovation

Open & Secure, Consent Capture, Data Rich

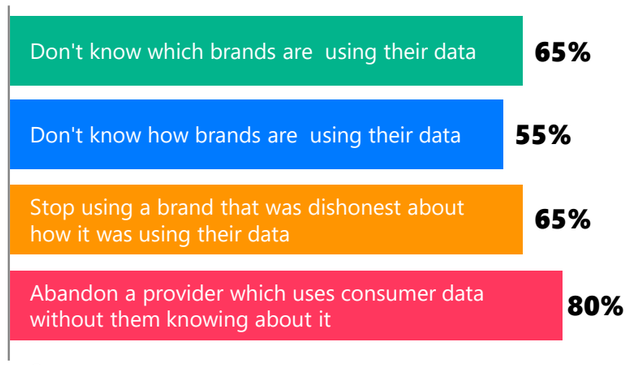
Perhaps the most disruptive factor for a platform is its intrinsic ability to support innovation.

Without significant value adds, banks and FIs would be relegated to the position of commodity service providers. To overcome this, banks are increasingly tying up with FinTechs and technology start-ups to offer differentiated services.

It is vital that these innovations are enabled through a secure but open platform. Such innovations would largely have to leverage data. As per GDPR guidelines such usage of data needs to have consumer consent, which is why platforms are now offering explicit consent capture services for consumers to unambiguously comprehend and then approve their willingness to share and be served. Consent capture services offered by a platform lets innovators continue with their work without worrying about managing consent flows.

The primary asset of the banks is customer relationship and trust, and their primary revenue is from credits and loans. Rather than credit scores which could prove inadequate, banks could extend loans and credits to individuals and small businesses just by studying past transaction history – making credit decisions dynamic and contemporary.

Results of a survey of 1,000 US-based consumers on data privacy by Acquia, a digital experience platform vendor



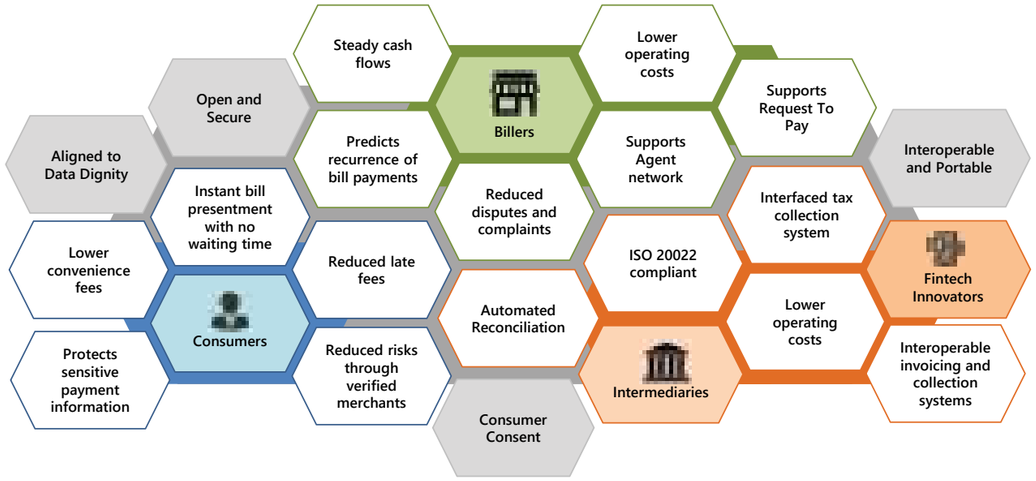
Source

> Banks and FIs that connect to the bill payment platform could leverage innovation to offer a bouquet of personalized services to customers, enable reduced key strokes through prediction of actions, build behavioral profiles to detect outlier activity and step-up verification for risk based authentication, and many more.

An open and secured platform, a common consent capture service, and data used in individual and aggregated forms go a long way in building robust data driven services that will benefit all the players in the bill payment ecosystem.

The Ideal Bill Payment Ecosystem

Serving all Stakeholders



Bill Payments Platform from RS Software

RS Software has successfully built and implemented the Bharat Bill Payment System (BBPS) commissioned by the National Payments Corporation of India (NPCI); built and customized on its RS BillAbhi™ solution. BBPS is a nationwide integrated bill payment system that offers inter-operable and accessible bill payment services to customers through a network of agents, and allows multiple payment modes and instant confirmation of payment. RS has developed, both, the Central Unit that governs, manages disputes and routes transactions through unified rails, as well as the Operating Units that connect to the Central Unit and facilitate processing of bills.

Bills presentment and payments transactions through BBPS have almost increased by 64 times from average monthly volume of 2.13 million transactions in FY 17-18 to 137.63 million in June 2020, with the value of bills increasing by 3100+% during this time to INR 29.70 billion, according to statistics published by NPCI BBPS (https://www.npci.org.in/statistics).

Management
Discussion and Analysis

Operational Highlights FY2019-20

How do you best describe RS Software as a company in the world of digital payments ?

RS Software understands today's payment environment because it has participated in its evolution for more than 27 years over thousands of projects globally. The expertise has helped its clients address the convergence of payment types,the proliferation of mobile devises, the move to cloud computing and the introduction of new strategies, such as the co-existence of card-based payments and Real time instant payments. Demonstrated track record to deliver world-class services, products and platforms that are benchmarked to achieve the foundation of a safer,smarter and faster digital payments world. The best testimony is the four major payment platforms built to global scale and delivered to our customers. Almost 250+ billion transactions got executed on these platforms collectively during the last 12 months.

What are the niche capabilities of RS software

Niche areas of Expertise at RS software built over 28 years

➔ **Data –** Help organizations leverage payment data to deliver value-added solutions using BI and Analytics.

➔ **Real-Time Payments –** Help organizations realize the value of real-time payments.

➔ **Digital –** Help organizations define API governance, implement API technology, and adopt an appropriate API technology roadmap to fast track digital transformation initiatives.

➔ **Payment technology modernization –** Help organizations implement technology solutions for merchant management, switching, authorization, settlement, dispute, fraud, and risk management.

➔ **Emerging payment technologies –** Help organizations implement advanced authentication solutions like 3DS2, Secure Remote Commerce (SRC), as well as emerging concepts like open banking.

What were the principal initiatives by the Company during FY2019-20?

➔ **Marketing and brand positioning**
For this initiative, we engaged a high quality marketing agency to –

- Define the brand positioning for the company
- Establish a new value proposition for the company
- Create and communicate the optimum persona to key stakeholders
- Create a powerful communications program to support our business objectives. This communications program focused on the following key aspects:
  - Project the new value proposition and persona to key stakeholders
  - Help create the right communications material – website and collateral for company profile, corporate pitch to clients and marketing material
  - Launch a calibrated external communications program through digital marketing using social media and specific press releases

The following key actions were completed during FY20:

i) The new identity in the form of a new logo and visual expression that we had created has established ourselves in a unique and dominant position in this dynamic, high speed, and innovative payments space, thus improving visibility

ii) From 2000 impressions (number of times our posts, content was seen/ clicked) at the beginning of the fiscal, our average impressions on LinkedIn has increased to 15,000

iii) Reached out to a targeted audience in the Nordics region (most advanced region in the world in the adoption of digital payments) for the first time ever. The faith entrusted in us has enabled us to respond to the largest value RFP that we have ever worked on.

iv) Shared in-house created thought-stimulating white papers to a larger global audience through our social media platforms, namely LinkedIn and Twitter

v) Carried out a direct email marketing for Money20/20 event in US

We heard the following feedback from our clients while going through the process of defining our brand positioning -

a) Hard factors:

- Domain expertise no peers, a unique position
- Credentials are global and to scale (largest networks and country-level payment infrastructure systems)
- Knowledge frameworks (RS Customer View™, RS GEM™)
- Invested in Payments (RS School of Payments™, RS Payments Lab™)

b) Soft factors:

- Right size
- Collaborative
- Client focused

Our core value proposition:

At RS Software, we want to make payments frictionless. A key choice of operating only in Payments, a sharp focus on our customers and a relentless attitude towards our work have helped us create a position of strength - as a domain expert. Our work ranges from creating solutions for pioneers and leaders in the Payments space, to building and operating one of the biggest payment platforms in the world - UPI. We deliver, full-spectrum, end-to-end, large scale and global projects because of our experience and expertise in Payments. From solutions to platforms, RS wants to create, a unique and dominant position in this dynamic, high speed and innovative Payment eco-system. We want to be at the cutting edge of this revolution globally in our constant pursuit to conceptualize and deliver payment solutions for tomorrow. Our value proposition was defined such that it creates a unique position that helps RS Software leverage its strengths, keeping itself firmly anchored to the reality of the Payments industry today and lends a sense of purpose to the brand.

Our core value proposition is, "We conceptualize and deliver payment solutions for tomorrow".

The core pillars of our value proposition are: Expertise, customer focus, relentless, contemporary.

We envision a world where the brand enables transactions that occur as fast as you think it. The essential benefit of which is frictionless and seamless payments. Our logo is inspired by a combination of thought stimulus and a wave of action.

➔ **Go-to-market – Focus on sales strategy and execution and partners**
We continued driving our strategy transition that we began in 2016 by focusing on prospects in our target segments and the corresponding offerings. Our stated direction is to transition our revenue model to have a high portfolio of recurring revenue, platform based revenue, Products and product-led services. We are well on our way to making progress in this area. In FY 2020, our revenue shared Platforms/Product and product-led Services was 36% of the total business revenue.

Based on our experience with pursuance of key opportunities in Realtime payments and Bill Payments, it is fairly evident that almost all in-country central payment infrastructure opportunities work best with a partnership strategy for that region. We have identified potential partnership opportunities with 6 leading global companies, and will finalize during FY 2021. .

➔ **Focus on productivity**

Particular focus was put on productivity drive in the way we fulfil our services busines, and as a result we have brought strategic changes in our execution methodology that already brought savings in our cost structure during the fiscal year, and will reward even more during fiscal 21. Importantly, we are altering our revenue model that in future will give us improved operating margins starting with fiscal 21.

➔ **Continuing investments**

These investments are to strengthen our long term strategy execution.. During the year we made significant investments in the areas of Innovation, management bandwidth to achieve improved operational efficiencies, and experimented with new marketing initiatives. These investments have helped us to go after strategic digital payment infrastructure building projects in Europe, Canada, Maldives, and respond to early stage opportunities elsewhere globally. While these investments are for long term, we have started to see some payoff already during the fiscal year itself, and expect to see significantly higher payoff fiscal 21 onwards.

What were the principal challenges faced at the start of FY2019-20? What are the three principal trends influencing the sales function?

Our key challenges at the start of FY20 were:

1) Revenue growth not in the strategic areas: The sales efforts need better alignment with the company's strategic direction of growing revenues from our platforms/products and product-led services. Our value proposition needs clarity so that the sales people can articulate with ease to the market.

2) The fulfilment organization is struggling with delivery of services projects, while having to start executing product delivery, platform based execution, and product led services. FY 20 was the first fiscal year to deal with all this and needed a combination of strategic and specific cost structure based changes.

What are the strengths of your sales function?

We have a focused sales coverage in the US, Canada, The Nordic region in Europe and India. The key strengths of our sales function are:

1) Every person in our Sales team has relevant experience in sales in the Payments industry.

2) Every person in the Sales team has been fully oriented with the company's strategic direction, our offerings set, the target segments and prospects, and follow a consistent sales execution methodology. Therefore, there is focus and complete alignment with the strategic goals and the fiscal goals.

3) The Sales team is fully supported by Payments SMEs from our Innovation team and by the Business Support Group in opening new opportunities and in the sales pursuits for every opportunity. The senior management team is fully engaged with the Sales team and provides the necessary support and value-adds. Our philosophy is to ensure that were are differentiated in our proposition for every opportunity. It is our 25+ years of global experience with leading Payment companies, our knowledge depth in Payments across acquiring, processing and issuing, and our technical expertise and innovation mindset that enables us to define, develop and implement Payment solutions. Our sales team leverages all of these elements effectively towards winning the opportunities.

4) We supplement our sales function with digital marketing and branding towards the target segments and sometimes direct marketing.

5) We have budgeted sufficient investment towards sales and marketing in FY21 to enable the Sales team to cover the market comprehensively with focus on our target segments.

6) The senior executive management leads and participates in the sales management cadence on a regular basis to track the performance on revenue growth vis-à-vis monthly revenue plans.

7) The sales performance management and incentive program has been revised to drive sales execution and performance that is aligned with the company's strategic goals.

Given the impact of Covid-19 what are your views about the revenue opportunities in FY2020-21?

The impact of Covid-19 is going to be there on all businesses globally, and on our business as well. during fiscal 21. Nevertheless we have reasons to be cautiously positive as well.

According to McKinsey, the period April to June 2020 has seen the level of digital enablement, what took the world 10 years to get to. We are at the cusp of fintechs' second major wave of disruption – and this one is going to be the real game-changer. Products, processes and platforms are all being designed for digital, and importantly, have payments technology embedded in the user experience from start to finish. We do not know exactly what the payments landscape will look like in five years, but it will certainly be very different to what exists today. Just as demonetisation in India helped accelerate the adoption of digital payments in India, SARS super accelerated digital payments in China, creating mammoth corporations like Alibaba and Tencent, Covid-19 is expected to bring at least a million times more impact and that too globally.

We believe the top 3 trends that will influence our go-to-market and sales the most are the following:

1) Acceleration in adoption of Realtime payment (RTP) across the globe:

54 countries are live with real-time payment services. Almost all of them are laying the foundation for new open API-enabled services and ISO 20022 standardization. Hungary, Canada, Columbia, New Zealand and Peru are planned to go live by 2021, and Vietnam has announced its intention to develop a RTP service. India (UPI) experienced a 10-fold increase in value and an 8-fold increase in transaction volume - only RTP platform to be rated '5+'. Overall, growth seen across all geographies – leading nations are Singapore, China, Europe (esp. Sweden), Africa (esp. Ghana and Nigeria), Latin America (esp. Brazil). Canada pushed its entry in 2020, while US continues to have bullish predictions ($ 6.4 Bn daily by 2021). This trend is most relevant for our RS RTPS™ product offering and we see significant scope of its implementation and adoption for at least some of these countries.

2) Opening up to connectivity and digital overlay services fueling real-time innovation:

API-based solutions are acting as catalyst for adoption of RTP and collections. New service layers enabled by open and secure APIs, when implemented, will help accelerate volume growth, encouraging a new wave of innovation. Open banking is growing in prominence. Banks are fast adopting digital overly services and solutions and integrated payment platforms referred to as a payment hub that enables the processing of multiple payment types across FIs/Banks, including both consumer and corporate line of business, within a single management context. This trend is most relevant to our RS DOSL™ product for the banks in the US and in India. Our RS BillAbhi™ product suite too enables digital bill payment and invoice payment through Request-to-Pay.

3) Deploying payment transaction data (consumer and merchant related) for fraud and risk management:

Migration to ISO 20022 messaging standard is clearly an accelerator. Data capabilities are a key differentiator for payments leaders. While banks have individual fraud and risk management systems for card transactions and their core banking transactions, with the adoption of central RTP rails, there is a need for in-country central FRM platform like the one RS has implemented for India, and a single FRM system for banks across card and account/RTP transactions for multiple channels. This trend is most relevant to our RS IntelliEdge™ (Central and for Banks) product suite.

We have included a complete section on RS ready to deliver on these opportunities in early part of the annual report. We have taken the approach "where rubber meets the road", as each of these are strategic opportunities and will help the company to stay focused, and complete the transition of our strategy that we began in FY 2017

Quality and **Benchmarking**

What are the major achievements during fiscal 2020?

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

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

What are your plans for FY21?

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

- Introduce defect metrics, and causal analysis for products and platforms
- Benchmark product development to global standards
- Regular review of company's transition of its business model

HR

What are the key actions taken by HR during the Fiscal 2020 , as the company is transitioning its focus areas and the business model?

Reviewed and enhanced the management bandwidth at different levels in the organization.

→ Driven productivity & optimized our Delivery organization & other processes by retaining key resources, and filled the gap thru external hiring, planned release of talent that can find better growth elsewhere.

→ Identified critical talent to meet the changing business demands

Re-alignment of resources with matching skills for key positions

→ Productivity optimization through Competency Development

→ Optimized the recruiting strategy to hire meet immediate and FY21 talent requirements.

Effective monitoring of Resource Allocation in all functions to ensure alignment with the organization's strategic goals

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

RS Software is a people focused company from its inception, and has learnt over the years from its global clientele which are the industry leaders in payments. The company has pursued ENTREPRENEURIAL AND RISK TAKING ATTITUDE that brings nimbleness and agility in faster adoption of a technology or domain trend and astute investment in that direction. The domain knowledge and technology skill meet, mature and innovate constantly – which makes RS a sparking diamond and not a shining glass. Following are some of the key practices:

→ A focused HR team with defined HR process and practices, originating from the benchmark of PCMM level3 accreditation

→ Strong HR initiatives and Talent Management strategies to drive a performance culture in the organization

→ Hiring strategy directly derived from workforce plan with clearly defined skill-sets and timelines for fulfillment

→ Training programs through RS School of Payments that maximize productivity and learning.

→ RS School of Payment training courses covering the entire payment value chain from basic to specialised courses in niche areas of Payments

→ Well defined Induction programs for New Joiners to prepare them for a view on Company's strategic business growth

→ Internship programs for fresh college graduate and grooming them so that the best can be inducted into the RS workforce

What was the Company's retention rate compared to industry average in the year under review?

Retention% for RS = 89.2 % (considering voluntary separations only)
Industry retention% = 83. 5 % (considering voluntary attrition of 15% for IT Industry, as per Statistical research)

What is the gender mix in the Company in the year under review? What was the gender mix 5 years back?

Gender mix (FY 2019-20) =
Male : Female - 3.9 : 1

Gender mix (FY 2014-15) =
Male : Female - 3.5 : 1

What is the Company's outlook towards it HR in FY 2021?

The shift from a total Services organization to a complete portfolio of services , products and platforms is requiring well-defined change management and organizational development initiatives. This is where the focus will be thru the FY 21 period.

Innovation and Competency **building process**

What has been the primary focus during Fiscal 2020?

This process is both strategic and key to achieving company's transformation to the new enhanced strategy and business mode. The company continues to allocate resources to achieve the same. During the fiscal 2020 the company has made its suite of products and platforms ready to deliver in the market. Some of this is shared below.

The Company has focused on building expertise, products and solutions to address the growing demand for digital payments globally. The highlights for FY19-20 were chiefly centered on Products and the RS Payments Universe portal.
Products

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

→ **RS MerchantEdge™** and **RS iFinSwitch™** have been deployed in GovPay, U.S. with live transactions integrated with TSYS. The Hosted Payment Page enablement has been completed, and certification with Chase Paymentech processor will commence shortly

→ **RS IntelliEdge – Central™** implemented as an Enterprise Fraud Risk Management (EFRM) is already successfully running pan-India. During the year, EFRM has been implemented for all banks across 8 online and 1 offline channels – ATM, POS, ECOM, UPI, BHIM, IMPS, NETC (Fastag), BBPS and AEPS (Aadhaar) with risk scoring of 100+ million transactions per day. Faster transaction search was also added on priority as it was critical to support fraud analysts during real time fraud monitoring

→ **RS IntelliEdge – Banks™** is getting traction at banks in India and Canada

→ **RS BillAbhi – Central™** is now a globally competitive product and further enhancements are being made to create a differentiating proposition for global opportunities. We are already shortlisted for such an opportunity in the Nordic countries

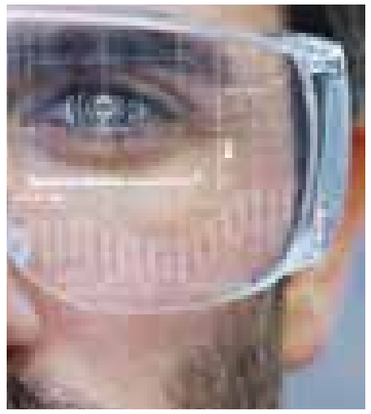
→ **RS RTPS – Central™** is now ready and upgraded so that we can participate in the global faster payments arena where about 60 nations are at some point of their faster payments journey. We are seeing traction in multiple geographies to implement new payment infrastructures around faster payments.

→ **RS DOSL – Banks™** will be a new product coming out of our RS Innovation Labs as the product team that provides a Digital Overlay Service layer combines with Real-time payment enablement for banks in the U.S. and India.

→ Our security validation product **RS Test2Pay™** (3DS2) continues to be offered as 3DS2 based products are being built for risk-based-security solutions across the world. During FY19-20 the capability of testing a 3DS Server and an Access Control Server (ACS) has been developed as per EMVCo 2.1 Specifications. Test2Pay has around 1400 test cases that can be run unattended for testing the system under test. Currently the tool is hosted from a private cloud.

RS Payments Universe

The RS Payments Universe portal from the RS School of Payments continues to serve as a branding, knowledge management and collaboration platform for all RS employees. In addition to providing up-to-date information and trends on the payments domain, technology, regulation and related subjects, a new White Paper section has been added featuring articles containing novel and innovative thoughts and ideas authored by RSites on the various developments in the payments world. These thought-leadership articles communicate deep insights and demonstrate the payments domain expertise and know-how that position RS as a leading expert and consultant in the payments world.



Future Plans

Work is on to benchmark RS IntelliEdge™ for 8000 TPS in addition to deploying Deep Machine Learning, ATM and ECOM models on this platform. Plans include features for Acquirer side monitoring and Model Studio for determining the right AI Model for risk identification.

RS RTP Connector which was meant for connecting banks to real time payments rails is being re-purposed to RS DOSL – Banks™ which will connect banks to real time payments rails as well as provide Digital Overlay Service Layer (DOSL) that will enable banks to offer digital connectivity (API services) for Fintechs and mobile payments providers to connect and improve the overall business for banks.

We plan to develop the testing capabilities for 3RI and Directory Server (DS) to make RS Test2Pay™ ready for offering testing facilities to the entire 3DS ecosystem. We also intend to containerise the tool so that it can be deployed in any public cloud. We plan to get certification from EMVCo to make Test2Pay an EMVCo certified 3DS Testing tool.

We will continue to innovate in the RS Payments Innovation Labs to build faster switching capabilities and will stay focused on Artificial Intelligence (AI), Machine Learning (ML) and Deep Learning (DL) to ensure efficient and effective fraud detection through RS IntelliEdge™.

Finance

How is the finance and statutory accounting team helping to meet the objectives of the company in fiscal 2020?

The finance team at RS fosters a culture of strategic cost management and financial strategies , with a goal to maximize returns for all stakeholders. The statutory accounting ensures meeting all applicable accounting standards as per the laws in India, and compliance to all regulatory systems in geographies where the company is operating. The secretarial compliance team ensures compliance to the laws applicable, and during this year there have been quite a few changes. Overall the goal is to maintain transparency in availability of data at appropriate levels.

What are the challenges faced during the fiscal 2020?

During the fiscal 2020, the finance team had to walk a tight rope to meet the following:

Challenges

➔ Managing Investor Expectation at a time when the company continue to make significant investments during the transition phase of its strategy

➔ Managing cash flows that can effectively cope with investments aligned to the transition strategy

What are some of the achievements in Fiscal 2020 and what are your priorities for FY21?

Key Steps in FY2019-20

➔ Focus on productivity of the team

➔ Implementation of a sound budgetary control system

➔ Reallocation of resources and infrastructure to meet long-term goals

➔ Strengthening of internal financial controls and aligning them with best-in-class standards

➔ Closure of the Subsidiary in Singapore,as a result of the change in business focus.

Priorities for FY21

➔ Lower the cash burn to bare minimum

➔ Reallocate resources on demand as the revenue model changes make progress

➔ Ensure compliance to dynamically changing regulations

➔ Implement productivity improvements in line with the company drive on enhancing productivity

Risk and **Response**

Regulatory risk: Regulatory risk: The changes brought about by the regulatory bodies might affect the business of the Company.	**Response:** RS software has continuously adopted and adapted to the changes whenever possible.
Technology risk: The technologies used should be tested properly otherwise the Company may have to face liability lawsuits.	**Response:** The Company ensures that the technologies that are used are the latest, fail-proof and efficient.
Human capital risk: Attrition of human capital could impact long term sustainability.	**Response:** RS Software takes adequate measures to train, motivate and upgrade skills of its employees. The Company has also created a knowledge management system as an information repository that can be referred to by others.
Growing competition: The increased competition from the existing players as well as new startups might affect the Company.	**Response:** RS Software has maintained a singular focus only on the electronic payments domain and the partnership with the National Payments Corporation of India has vindicated it. The Company has worked on intensifying its learning abilities by allocating substantial investments in the RS School of Payments and RS Payments Lab, both of which gives an edge over the others
Impact of Covid-19	The impact of Covid-19 is going to be significant in all markets where the company operates. This will mean lower revenue possibilities in fiscal 2021. The company has tightened the governance and oversight and engaging in multiple scenario planning for revenue acquisition. Cash management is of top priority.

Internal control systems and their adequacy

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

Human resources

The Company is focused to ensure Increase in the value of human capital through the development of individual and collective skills and knowledge remains essential for continuous growth. The Company continues to implement programs for skill developmen, Programs for sharing and internalizing knowledge . Knowledge management, RS schol of payments and RS payments Innovation lab are the key assets for the growth of our people

Cautionary statement

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

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 Thirty Second Annual General Meeting of the members of R. S. Software (India) Limited will be held on Tuesday, August 11, 2020 at 11:30 a.m. through Video Conferencing ("VC") /Other Audio Visual Means("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt:

a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 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, 2020 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 M/s Deoki Bijay & Co., Chartered Accountants (Registration No. 313105E) as the Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration and in this connection to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"Resolved that pursuant to the provisions of Section 139,141, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditor) Rules, 2014, including any statutory enactment or modification thereof, as amended from time to time and pursuant to the recommendations of the Audit Committee of the Board of Directors M/s. Deoki Bijay & Co. Chartered Accountants (Registration No. 313105E) be and are hereby re-appointed as the Statutory Auditors of the Company for the financial year ended 31st March, 2021, to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and that the Board of Directors be and are hereby authorized to fix at such remuneration as may be determined by the Audit Committee and as to be agreed upon between the Auditors and the Board of Directors of the Company."

SPECIAL BUSINESS

4. To re-appoint Mr. Rajnit Rai Jain (holding DIN 00122942) as Chairman and Managing Director and in this regard to consider and, if thought fit to pass, with or without modifications the following resolutions as a Special Resolution:

"Resolved that in accordance with the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the said act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or reenactment thereof for the time being in force) and upon the recommendation of Nomination and Remuneration Committee, the consent and approval of the Company be and is hereby granted for the re-appointment of Mr. Rajnit Rai Jain (holding DIN 00122942) as Chairman and Managing Director (CMD) of the Company, for a period of 3 (three) years from the expiry of his present term i.e. 1st October, 2020 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and /or remuneration as it may deem fit and as may be acceptable to Mr. Rajnit Rai Jain, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary or increase the remuneration (subject to the approval of Nomination and Remuneration Committee) in the said draft Letter of appointment to the extent the Board of Directors may consider appropriate and as may be permitted or authorized in accordance with any provision under the Act for the time being in force provided, however that the remuneration payable to Mr. Rajnit Rai Jain shall be within the limits set out in the said Act including the said Schedule V to the Act or any amendments thereto or any modification(s) or statutory reenactment(s) thereof and /or any rules or regulations framed thereunder and the terms of the aforesaid Letter between the Company and Mr. Rajnit Rai Jain shall be suitably modified to give effect to such variation or increase as the case may be."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year of the Company during the term of Mr. Rajnit Rai Jain office as Chairman & Managing Director, the remuneration set out in the aforesaid draft Letter of appointment be paid or granted to Mr. Rajnit Rai Jain as minimum remuneration provided that the total remuneration by way of salary and other allowances shall not exceed the ceiling provided in Section II of Part II of Schedule V to the said Act or such other amount as may be provided in the said Schedule V as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors
For R S Software (India) Limited
Sd/-
Vijendra Surana
CFO & Company Secretary
[Membership No. 11559]

Registered Office:
234/3A, A.J.C. Bose Road
Kolkata – 700 020
June 24, 2020

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

2. The Register of Members and Transfer Books of the Company will remain closed from 5th August 2020 to 11th August 2020 (both days inclusive) for the purpose of Annual General Meeting for Financial Year 2019-20.

3. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.

4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to goenkamohan@gmail.com or at the Company's email address: vijendras@rssoftware.co.in.

6. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, CB Management Services Private Limited ("CBMPL") for assistance in this regard.

7. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with M/s. CB Management Services Pvt. Ltd, the Registrars and Share Transfer Agents, in case the shares are held by them in physical form.

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

9. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to M/s. CB Management Services Pvt. Ltd., in case the shares are held in physical form

.

10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or to the Registrars and Share Transfer Agents, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

12. Members desirous of getting any information about the Accounts and/or operations of the Company are requested to write to the Company at least ten (10) days before the date of the Meeting to enable the Company to keep the information ready at the Meeting.

13. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

14. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.rssoftware.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

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

16. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

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

A. VOTING THROUGH ELECTRONIC MEANS

1) In compliance with the provisions of Section 108 of the Companies Act, 2013 and the relevant rules of the Companies (Management and Administration) amended Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 , Company is pleased to provide the Members facility of voting by electronic means in respect of business to be transacted at the 32nd Annual General Meeting (AGM) which includes remote e-voting (i.e. voting electronically from a place other than the venue of the general meeting) by using the electronic voting facility provided by Central Depository Services Limited (CDSL). The facility for voting through Ballot (Polling) paper shall be made available at the AGM and Members attending the meeting who have not cast their vote by remote e-voting shall be eligible to exercise their right to vote at the meeting through Polling Paper.

2) Persons who have acquired shares and became Members after the dispatch of the Notice of the AGM through e-mail but before the 'Cut-off Date' August 4 2020 may obtain their user ID and Password for e-voting and Company's Registrars & Transfer Agent, C.B. Management Services (P) Ltd, P-22, Bondel Road, Kolkata 700 019 (Ph. No. 033 – 22806692/4011 6700/22823643/22870263 Fax No. 91 – 033 – 4011 6739).

3) The e-voting period commences on Saturday, August 8, 2020 at 9.00 a.m. and ends on Monday, August 10, 2020 at 5.00 p.m.

The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, he/she shall not be allowed to change it subsequently.

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on Saturday, August 8, 2020 at 9:00 a.m. and ends on Monday, August 10, 2020 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 4, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already cast their votes through electronic mode during the schedule voting period prior to the date of the meeting will not be entitled for online voting as on the date of the AGM.

B. CDSL e-Voting System – For Remote e-voting and e-voting during AGM

1. As you are aware, in view of the situation arising due to Covid-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, and May 05, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, and May 05 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.rssoftware.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

C. THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

(i) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date> 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" module.

(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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at https://www.cdslindia.com from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

(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 e-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 Shareholders 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) · Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated 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) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For shareholders 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". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

D. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES
FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.

2. For Demat shareholders -, please provide Demat account detials (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA email id.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast seven (7) days prior to meeting mentioning their names, demat account number/folio number, email id, mobile number at the company. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance ten (10) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at the company. These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non – Individual Shareholders and Custodians

• Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
• A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
• 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.
• Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address goenkamohan@gmail.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, 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 or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

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

a. The e-voting period commences on August 8, 2020 (9:00 a.m.) and ends on August 10, 2020 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form may cast their vote

electronically.
b. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date of August 4, 2020.

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

d. The Scrutinizer shall, immediately after conclusion of voting at the AGM, first count the votes cast at the Meeting by e voting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, forthwith to the CFO & Company Secretary of the Company.

e. The Results shall be declared within 48 hours of conclusion of the ANNUAL GENERAL MEETING of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.rssoftware.com and on the website of CDSL immediately after the result is declared by the CFO & Company Secretary and communicate to the Stock Exchanges.

f. The Chairman shall at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow e-voting with the assistance of the Scrutinizer by use of e-voting platform of CDSL for all those members who have not cast their votes earlier either by remote e-voting.

g. The Scrutinizer's decision on the validity of the Ballot Paper / Polling Paper form will be final.

By Order of the Board of Directors

For R S SOFTWARE (INDIA) LIMITED
Registered Office:
234/3A, A.J.C. Bose Road

Kolkata – 700 020
June 24, 2020

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

ANNEXURE TO THE NOTICE

Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Items of Special Business set out in the Notice convening the 32nd Annual General Meeting of the Company to be held on August 11, 2020.

Item No. 4:

The current tenure of Mr. Rajnit Rai Jain, Chairman & Managing Director (CMD) (holding DIN 00122942) who was re-appointed on 1st October, 2017 for a period of three years vides shareholders' approval in the Annual General Meeting held on 21st July, 2017 is due for renewal. The reappointment will fall due for renewal w.e.f. 1st October 2020 when Mr. Jain will be completing his three years Contract with the Company.

It is proposed to re-appoint the CMD for next tenure of three years in the manner brought out in the tabular statement in the Notice. The Company is making progress in new technological areas under the guidance of Mr. Rajnit Rai Jain, who has guided the Company with his top class professional and pioneering competencies along with his devoted band of functionaries.

Brief resume of Mr. Rajnit Rai Jain, in which they hold directorships nature of its expertise in specific functional areas, names of companies and memberships / chairmanships of Board Committees, shareholding and relationships amongst directors' inter-se as stipulated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Further, the Board at its meeting held on June 24, 2020 has, subject to the approval of members, re-appointed Mr. Rajnit Rai Jain as Chairman and Managing Director (CMD), for a period of 3 (three) years from the expiry of his present term, which will expire on 30th September, 2020, at the remuneration as recommended by the Nomination & Remuneration Committee and approved by the Board. It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Mr. Rajnit Rai Jain as Chairman and Managing Director (CMD) in terms of the applicable provisions of the Act. Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Rajnit Rai Jain as Chairman and Managing Director (CMD) are as under:

The proposed package for Mr. Rajnit Rai Jain remains unchanged, which is quite modest from the Comparative Industry Standard and is recommended by the Board:

Particulars	**Remuneration (Rs)**
Basic	300000
HRA	150000
Monthly Gross	**450000**
Yearly Gross	**5400000**
Annual Benefits	
Medical subject to production of bills limited to	300000
LTA subject to production of bills limited to	300000
PF @12% on Basic	432000
Gratuity @ 15 days salary for each completed year of service	173077
1% of Net Profit capped to a maximum of Rs.34 Lacs	3400000
Grand Total per Annum	**10,005,077.00**

Note:

CMD, Mr. Rajnit Rai Jain (holding DIN 00122942) would be entitled to reimbursement of personal expenses up – to a maximum of US$ 25000 per quarter as may be permissible under the RBI and other applicable rules incurred by him during the course of and in connection with the business of the Company whether incurred in India or in abroad.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Rajnit Rai Jain under Section 190 of the Act.

The relatives of Mr. Rajnit Rai Jain may be deemed to be interested in the resolutions set out respectively at Item No. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, "financially or otherwise", in these resolutions.

The Board recommends passing of the resolution(s) as set out under Item No. 4 for approval of the members as a Special Resolution.

By Order of the Board of Directors

For R S SOFTWARE (INDIA) LIMITED
Registered Office:
234/3A, A.J.C. Bose Road

Kolkata – 700 020
June 24, 2020

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

DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT IN THE TWENTY NINTH ANNUAL GENERAL MEETING
(Pursuant to Regulation 36 (3) of Listing Regulations, 2015 & Secretarial Standard-2)

Name	Mr. Rajnit Rai Jain
DIN	122942
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's remains an active member of NASSCOM and serves as a member of their Chairmen 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 INR 60.39 lacs in the financial year 2019-20.
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	10090288 equity shares

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
June 24, 2020

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

DIRECTORS' REPORT 19-20

Dear Members,

Your Directors have immense pleasure in presenting the Thirty Second Annual Report together with the Audited Statement of Accounts, highlighting the business operations and financial results for the Financial Year ended March 31, 2020.

1. FINANCIALSUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY(STANDALONE AND CONSOLIDATED)

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

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

(Rupees in Lacs)

Particulars	2019-20	2018-19
Total Revenue	7191.28	6681.50
Profit before Finance Charges, Tax, Depreciation/Amortization (PBITDA) (including write-off of RSEWT Loan aggregating to Rs. 1575.33 Lacs)	(3270.92)	(2730.16)
Less : Finance Charges	44.42	28.32
Profit before Depreciation/Amortization (PBTDA)	(3315.34)	(2758.48)
Less : Depreciation	303.40	221.03
Profit before Taxation (PBT)	(3618.74)	(2979.51)
Profit/(Loss) after Taxation (PAT)) (considering Deferred Tax adjustment of Rs.2649.54 Lacs)	(6293.16)	(2391.61)

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

(Rupees in Lacs)

Particulars	2019-20	2018-19
Total Revenue	7,261.11	7183.41
Profit before Finance charges, Tax, Depreciation/Amortization (PBITDA) (including write-off of RSEWT Loan aggregating to Rs. 1575.33 Lacs)	(4,048.46)	(3097.36)
Less : Finance Charges	44.42	28.32
Profit before Depreciation/Amortization (PBTDA)	(4,092.88)	(3125.68)
Less : Depreciation	411.58	330.15
Profit before Taxation (PBT)	(4,504.46)	(3455.83)
Profit/(Loss) after Taxation (PAT) (considering Deferred Tax adjustment of Rs. 2872.91 Lacs)	(7,231.23)	(2720.48)

2. 2. STATE OF COMPANY'S AFFAIRS

The company as standalone improved its performance by 31% as compared to the fiscal year 2019. The standalone net revenue for the financial year 2019-20 increased to Rs. 7191.28 Lacs as compared to the previous financial year, which was Rs. 6,681.50 Lacs. The loss was reduced by RS 915 Lacs, and achieved cash savings of Rs 700 Lacs as compared to the previous fiscal year. All this has been possible as a result of increased focus on managing cash reserves through strategic cost management, while working towards revenue acceleration. Importantly during the fiscal 2020, the platform revenue has started to come in and this has higher margins as compared to service business.

The company is well on its track of transitioning its business model to enhance its offerings from total services to include its suite of products and platforms. This is where the company has invested significantly over the past four fiscal years. The investments made have been written off during each of the four fiscal years and the valuation today of these products and platform does not appear in the balance sheet, standalone or consolidated. These investments are timely in the light of the impact of Covid-19 where the emphasis globally now is on contactless commerce and digital payments.

There are two extra ordinary items that appear in the balance sheet this fiscal year .The first one relates to the write off of

Loans given to RS Employee Welfare Trust to the extent it remained unpaid amounting to Rs. 1575.33 Lacs and Deferred Tax Assets created by the company of Rs. 2872.91 Lacs, which had to be charged back in accordance with Ind AS.

Margins analysis

On a standalone basis, the Company's Standalone profit/(loss) after tax stood at Rs. (6293.16) Lacs in the financial year 2019-20, vis-à-vis Rs. (2391.62) Lacs in the previous year. As stated above in the margin analysis, this loss includes the write off of Loans given to RS Employee Welfare Trust to the extent it remained unpaid amounting to Rs. 1575.33 Lacs, and Deferred Tax Assets created by the company of Rs.2872.91 Lacs which had to be charged back in accordance with Ind AS. Therefore , The Company's Standalone profit/ (loss) after tax from operations stood at Rs. (2068.29) Lacs in the financial year 2019-20, as compared to the profit/(loss) in the previous fiscal year of (Rs 2983.58) Lacs.

On a consolidated basis, the Company's profit/ (loss) after tax stood at Rs. (7231.23) Lacs in the financial year 2019-20, vis-à-vis Rs(2720.48) Lacs in the previous year. The Company's operational consolidated profit/ (loss) after tax stood at Rs. (2782.99) Lacs in the financial year 2019-20, and this does not include the chargeback of Deferred Tax and RSEWT loan, which with similar data is compared to the profit/(loss) in previous fiscal year of (Rs 3401.72 Lacs).

The company has healthy cash reserves, considering that major investment in building products and platforms is complete. As on 31st march,2020, the cash reserves stand at Rs.3378.92 lacs

- **Reserves**

The total standalone Reserves stand decreased from Rs. 13881.24 Lacs in fiscal year 2018-19 to Rs. 7542.81 Lacs in fiscal year 2019-20. This is largely due to write offs and charge backs as explained above.

- **Economic Scenario, outlook and strategy**

The current economic scenario, market outlook and positioning of your Company has been covered in detail and provided in this annual report. During the fiscal year 21 there is likely to be a downward impact on the opportunity in the market, as global GDP contracts by several percentage points, but the mid to long term impact is positive for the growth in digital payments.

- **Covid-19 pandemic**

The World Health Organization declared a global pandemic of the Novel Coronavirus disease (Covid-19) on February 11, 2020. Indian government instituted a complete nation- wide lockdown from march 23rd. The Company had already acted on March 20th itself, in the best interest of the health of its employees and their families, and asked all its employees globally to work from home and ensure Continuity of Operations. The impact of Covid-19 continues to make public transportation a challenge in Kolkata, the city where company's largest employee population is located. We continue to track the productivity of the organization to deliver the projects to all our clients.

On a positive note, the impact of COVID -19 will in the mid to long term create demand for Contactless commerce, which in turn will increase the demand for digital and contact less payments . The company is in the business of providing digital solutions to Payments Industry. The Company being a Technology driven entity has the ability to continue its operations remotely. As such all its employees can access the IT infrastructure from their homes and ensure continuity of operations.
.

3. TRANSFER TO RESERVES

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

4. CHANGES IN SHARE CAPITAL

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

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

5. CHANGE IN NATURE OF BUSINESS, IF ANY

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

6. DIVIDEND

Due to absence of profit the Board of directors of the Company could not recommended any dividend for the Financial Year ended 2019-20.

7. DETAILS OF BOARD MEETING

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

Date of the meeting	No. of Directors attended the meeting
30.04.2019	4
25.07.2019	3
09.11.2019	4
22.01.2020	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	00047474	Non –Executive & Independent Director
2	Mr. Rajnit Rai Jain	00122942	Executive Director
3	Mr. Rajasekar Ramaraj (Chairman)	00090279	Non- Executive & Independent Director
4	Mr.Richard Nichloas Launder	03375772	Non- Executive & Independent Director

The Company Secretary of your Company acts as the Secretary to the Audit Committee. The terms of reference of the Audit Committee has been provided in the Corporate Governance Report forming part of this Report.During the Financial Year, the committeehad met four times as on April 30, 2019, July 25, 2019, November 09, 2019 and January 22, 2020.

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 committed to full adherence to the Codes of Conduct and to achieve the highest standards of ethical, moral and legal conduct of business operations. Accordingly, all employees are encouraged to bring any ethical and legal violations that they are aware of, to the appropriate authority in the organization, without fear of punishment or unfair treatment. A Vigil (Whistle Blower) Mechanism provides a channel to the employees and Directors to report to the management, any 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, the main objective of Vigil Mechanism/Whistle blower Mechanism is minimization of organization's exposure to the damage that can occur when employees circumvent internal mechanisms , which neither discharges 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 confirms that no personnel have been denied access to the Audit Committee, and there is no case reported of any whistle blower activity during the fiscal year 2020.

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

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

b. Nomination & Remuneration Committee

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

The Board of Directors of your Company has constituted a Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI Listing Regulations, 2015.The terms of reference of the Committee has provided in the Corporate Governance Report forming part of this Report. During the financial year, the Committee met fourtimes as on April 30, 2019, July 26, 2019 and November 08, 2019 and 21st January 2020.

c. Stakeholders Relationship Committee

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

The terms of reference of the Committee has been provided in the Governance Report forming part of this Report. During the financial year, the Committee met fourtimes as on April 29, 2019, July 25, 2019,November 08, 2019 and January 21, 2020.

d. Corporate Social Responsibility Committee

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

During the financial year, the Committee met on 22ndJanuary, 2020.

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. RajasekarRamaraj	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 29, 2019, July 25, 2019, November 8, 2019 and January 21, 2020.

9. EMPLOYEE STOCK OPTION SCHEME

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

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

10. TRANSFER OF UNPAID AND UNCLAIMED DIVIDEND AMOUNTS TO IEPF

The details of unpaid/unclaimed amounts and shares transferred to the Investor Education and Protection Fund (IEPF) during the Financial Year 2019-20 have been mentioned in the Corporate Governance Report annexed to the Directors' Report.

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

11. DISCLOSURE RELATING TO MATERIAL VARIATIONS

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

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

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

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

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

14. RISK MANGEMENT POLICY

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

15. INTERNAL CONTROL SYSTEMS

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

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

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

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

16. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

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

The Consolidated Financial Statements are prepared in line with Section 129(3) of the Act read with the aforesaid Rules, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and in accordance with the Indian Accounting Standards ("IND AS"). Consolidated Financial Statementsand other applicable provisions include financial information of its subsidiary companies.
Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company www.rssoftware.com..

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, 2020.

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

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

18. DEPOSITS

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

19. AUDITORS

Statutory Auditors

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

Their reappointment for a further term is recommended by the Audit Committee and the Board of Directors at such remuneration as mutually decided. The Members are requested to confirm the re-appointment of M/s. Deoki Bijay & Co., Chartered Accountants as the Statutory Auditors from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company. The same has been 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 2019-20 and no frauds were detected by the Auditor during the financial year.

20. SECRETARIAL AUDIT REPORT

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

The remarks in the Secretarial Audit Report for the financial year ended March 31, 2020 is self explanatory. The Report of the Secretarial Audit is annexed herewith as "Annexure B" to the Directors Report.

21. COST RECORDS AND AUDIT

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

22. EXTRACT OF THE ANNUAL RETURN

An extract of Annual Return as on the financial year ended on March 31, 2020 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 "Annexure C" and forms a part of this Annual Report. Further, the Annual Return of your Company can be accessed at https://www.rssoftware.com/investors#.

23. MANAGEMENT DISCUSSION AND ANALYSIS

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

24. PARTICULARS OF EMPLOYEES AND MANAGERIAL REMUNERATION

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

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

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

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

27. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Rajnit Rai Jain, Executive Director &Chairman and Managing Director of the company who is liable to retire by rotation and offers himself for reappointment, based on the recommendation of Nomination and Remuneration Committee, subject to the approval of the members at the ensuing Annual General Meeting.

Further Company had obtained approval of shareholder by way of Special Resolution passed through Postal Ballot the appointment of Mr. Shital Kumar Jain, Mr. Rajasekar Ramaraj and Mr. Richard Nicholas Launder as an Independent Directors of our Company, not liable to retirement by rotation, for a second term of 5 (five) consecutive years w.e.f. 1st April, 2019.

Further Company had obtained approval of shareholder by way of Special Resolution passed through Postal Ballotre-appointment of Mr. Shital Kumar Jain (DIN 00047474) as a non-executive and independent director of the company after 31st march, 2019 who has already attained the age over seventy five (75) years.

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

Further, pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2019, the independent directors of the Company are exempted from the requirement of undertaking the Online Proficiency Self Assessment Test in view of proviso to sub-rule 4 of the aforesaid rule. Further, in the opinion of the Board of Directors of your Company, the Independent Directors of the Company possess the requisite expertise and experience (including proficiency) and are the persons of high integrity and repute.

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

The Board of Directors of your Company re- appointed and Mr. Rajnit Rai Jain as the Chairman & Managing Director (CMD) of your Company for a period of 3 (three) years w.e.f. 1st October 2020, he is also liable to retire by rotation, on the existing terms and conditions, subject to review of remuneration after one year from the date of re- appointment, based on the recommendation of the Nomination and Remuneration Committee of your Company and subject to approval of Members at the ensuing Annual General Meeting (AGM) of your Company.

The 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.

There has been no change in the Director(s) and Key Managerial Personnel(s) during the financial year 2019-20.The following directors/executives of your Company are whole-time Key Managerial Personnel (KMPs) as on March 31, 2020 in accordance with the provisions of Section 203 of the Companies Act, 2013 –

Mr. Rajnit Rai Jain - Chairman& Managing Director
Mr. Vijendra Surana – Chief Financial Officer and Company Secretary.

28. REMUNERATION POLICY

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

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

During the Year, the Committee has reviewed the said 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 remuneration structure of Board Members, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) of your Company.

The criteria for identification of the Board Members including that for determining qualification, positive attributes, independence etc. and determination of remuneration are summarily given hereunder:

✔ The Board member shall possess appropriate skills, qualification, characteristics and experience. The objective is to have a Board with diverse background and experience in business, government, academics, technology, human resources, social responsibilities, finance, law etc. and in such other areas as may be considered relevant or desirable to conduct the Company's business in appropriate manner.

✔ Independent Director shall be person of integrity and expertise and experience and/or someone who the Committee/Board believes could contribute to the growth/philosophy/strategy of the Company.

✔ In evaluating the suitability of individual Board Members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business, social perspective, educational and professional background and personal achievement.

✔ Director should possess high level of personal and professional ethics, integrity and values. He / She should be able to balance the legitimate interest and concern of all the Company's stakeholder in arriving at decisions, rather than advancing the interest of a particular constituency.

✔ Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. He / She must have the aptitude to critically evaluate management's working as a part of a team in an environment of collegiality and trust.

✔ The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business and achieves its objectives.

✔ The remuneration of the Directors/ Managing Directors/ Whole-time Directors and Managers, etc. will be governed as per provisions contained in the Companies Act, 2013 and Rules made therein from time to time.

✔ The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Directors/ Key Managerial Personnel/ Senior Management Personnel of the Company within the overall limits, if any, approved by the shareholders.

✔ Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof as approved by the Board of Directors from time to time. The Non-Executive Directors shall also be entitled to profit related Commission, if approved by the Board, in addition to the sitting fees.

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, 2020 and form a part of this Annual Report.

30. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

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

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

31. ANNUAL EVALUATIONOF BOARD'S PERFORMANCE

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

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

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

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

32. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS (IDs)

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

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

33. PREVENTION OF INSIDER TRADING

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

The Board is responsible for implementation of the Code.

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

34. CORPORATE GOVERNANCE

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

35. POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT

Your Company is committed to provide and promote safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. Your company has complied with provisions relating to the constitution of Internal Complaints Committee and has put in place a "Policy on Prevention of Sexual Harassment" as per The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The said policy is available on your company's website.

36. DIRECTORS' RESPONSIBILITY STATEMENT

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

(i) In the preparation of the annual accounts for the financial year ended 31st March, 2020, 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 thecompany 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 Actfor 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, 2020 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 theprovisions of allapplicable laws and that such systems were adequate andoperating effectively.

37. COMPLIANCE WITH SECRETARIAL STANDARDS

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

38. ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

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

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

Place: Kolkata
Date: 24th June 2020

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 $

1.	**Sl. No**	1
2.	**Name of the subsidiary**	Responsive Solutions, INC.
3.	**The date since when subsidiary was acquired**	22.08.2003
4.	**Reporting period for the subsidiary concerned**	April 1, 2019 to March 31, 2020
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 Rs.75.39
6.	**Share capital**	US$ 500,000
7.	**Reserves & surplus**	US$ 670991
8.	**Total assets**	US$ 1173941
9.	**Total Liabilities**	US$ 1173941
10.	**Investments**	0
11.	**Turnover**	0
12.	**Profit/Loss before taxation**	US$ (34123)
13.	**Provision for taxation**	US$ 34235
14.	**Profit/Loss after taxation**	US$ (68358)
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 $

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, 2019 to March 31, 2020.
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 Rs. 53.01
6.	**Share capital**	SGD 25,000
7.	**Reserves & surplus**	Nil
8.	**Total assets**	SGD 25,000
9.	**Total Liabilities**	SGD 25,000
10.	**Investments**	Nil
11.	**Turnover**	0
12.	**Profit/Loss before taxation**	SGD(61585)
13.	**Provision for taxation**	SGD Nil
14.	**Profit/Loss after taxation**	SGD (61585)
15.	**Proposed Dividend**	SGD 1,968,836
16.	**Extent of shareholding**	100%

INFORMATION IN RESPECT OF PAYPERMINT PVT.LTD. TO BE PRESENTED WITH AMOUNTS IN INR

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, 2019 to March 31, 2020
5.	**Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of for eign subsidiaries**	Not Applicable
6.	**Share capital**	Rs.960 lacs
7.	**Reserves & surplus**	Rs.(301.68)lacs
8.	**Total assets**	Rs.742.31lacs
9.	**Total Liabilities**	Rs.742.31lacs
10.	**Investments**	Rs. 54.78lacs
11.	**Turnover**	Rs.31.97lacs
12.	**Profit/Loss before taxation**	Rs.(762.10)lacs
13.	**Provision for taxation**	Rs. (223.37)lacs
14.	**Profit/Loss after taxation**	Rs. (985.46) 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 2019-20.

For and on behalf of the Board of Directors

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

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**
CA D.N.AGRAWAL	**V. Surana**	**R. Ramaraj**	**R. R. Jain**
PARTNER,	**CFO & Company Secretary**	**Director**	**Chairman & Managing Director**
M No. 51157	**M No. 11559**	**DIN: 00090279**	**DIN: 00122942**

Place: Kolkata
Date: June 24, 2020

ANNEXURE 'B'

MR & Associates
Company Secretaries
46, B. B. Ganguly Street,
Kolkata-700012
Moblie No: 9831074332
Email :goenkamohan@gmail.com

Form No. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

i) The Companies Act, 2013 (the Act), amendment 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/circulars as may be issued by SEBI from time to time;

(e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

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

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

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

(c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2016;

vi) The Company had identified following Other laws as specifically applicable to the Company namely:

a) The Information Technology Act 2000
b) The Copyright Act,1957
c) The Patents Act, 1970
d) The Trade Marks Act, 1999 etc.

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

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

(i) Secretarial Standards as mandated and issued by the Institute of Company Secretaries of India.

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

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and further as per NSE Compliance report, there had been delayed submission of Certificate under Regulation 40 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2013 for transfer or transmission or transposition of securities, but the same is intimated timely as evident from NSE website.
It is further advisable that the Company shall close the trading window from the end of every quarter till 48 hours after the declaration of financial results pursuant to Schedule B (point 4) of SEBI (Prohibition of Insider Trading) Regulations 2015 as amended.

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 has been no change in the composition of Board of directors during the period under review and the composition of Board of directors of the Company is in conformity with the provisions of the Act.

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 shareholders by way of Special Resolution passed through Postal Ballot of the Company for ;

i. Approval for re-appointment of Mr. Shital kumar jain (DIN 00047474) as a non-executive and independent director of the company after 31st march, 2019 who has already attained the age over seventy five (75) years.

ii. Re-appointment of Mr.Shital Kumar Jain (DIN 00047474) as an Independent Director of the Company for the second term for another 5 years w.e.f. 1st April 2019 .

iii. Re-appointment of Mr. Rajasekhar Ramaraj (DIN 00090279) as an Independent Director of the Company for the second term for another 5 years w.e.f. 1st April 2019

iv. Re-appointment of Mr. Richard Nicholas Launder (DIN 03375772) as an Independent Director of the Company for the second term for another 5 years w.e.f. 1st April 2019

v. Authorization to the Board for borrowing power under Section 180(1) (c) of the Companies Act, 2013 upto Rs. 50 Crores.

vi. Authorization to the Board under Section 180 (1) (a) of the Companies Act, 2013 to create security, lien, charges and otherwise on the USA based Asset(s) of the Company against the borrowings made by the Company.

We further report that the Company had also obtained consent of shareholders by way of special resolution for approval of company's Employee Stock Option Scheme 2019 (ESOP scheme 2019) at Annual General meeting held on 26.07.2019.

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.

Sd/-

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

Company Secretaries

Place : Kolkata
Date : June 24, 2020

Note : The Covid-19 outbreak was declared as a global pandemic by the World Health Organization. On March 24, 2020, the Indian government announced a strict 21-day lockdown which was further extended across the country to contain the spread of the virus. Due to Covid-19 pandemic impact, the documents were obtained through electronic mode and verified with requirements. It is further stated that due to the pandemic situation cause by Covid-19, few intimations made to Stock Exchanges under relevant SEBI Regulations and compliances under the Companies Act 2013 read with relevant rules were within the extended period and relaxations granted by respective regulatory authorities.

MR & Associates
Company Secretaries
46, B. B. Ganguly Street,
Kolkata-700012
Moblie No: 9831074332
Email :goenkamohan@gmail.com

"ANNEXURE – A"

(TO THE SECRETARIAL AUDIT REPORT OF R S SOFTWARE (INDIA) LTD. FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020)

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

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the Audit practices and processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M R & Associates
Company Secretaries

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

Place : Kolkata
Date : June 24, 2020

Annexure 'C'

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
for the financial year ended on
31st March, 2020
Of
R S SOFTWARE (INDIA) LTD.

[Pursuant to Section 92(1) 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	12/2/1987
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, AJC BOSE ROAD, KOLKATA-700020 Phone No. (033) 22875746/ 6254/6255 Fax: 033 22876256 Website: www.rssoftware.com
vi) Whether listed company: Yes/No	Listed
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. (Foreign co.)	Subsidiary	100%	2(87)
2	RS Software (Asia) Pte. Ltd.	N.A. (Foreign co.)	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, 2019)				No. of Shares held at the end of the year (March 31, 2020)				% 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	10456832	0	10456832	40.67	0.21
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corporate		-				-			-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	**10402192**	**0**	**10402192**	**40.46**	**10456832**	**0**	**10456832**	**40.67**	**0.21**
(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 (A)= (A)(1)+ (A)(2)	**10402192**	**0**	**10402192**	**40.46**	**10456832**	**0**	**10456832**	**40.67**	**0.21**
B. Public Shareholding									
1.INSTITUTIONS									
a) Mutual Funds	0	2304	2304	0.01	0	2304	2304	0.01	0
b)FIs/ Banks	2274	1792	4066	0.02	162	1792	1954	0.01	-0.01
c)Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt. (s)	0	4352	4352	0.02	0	4352	4352	0.02	0
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	282799	768	283567	1.1	474398	768	475166	1.85	0.75
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
(i-i) UTI	0	8704	8704	0.03	0	8704	8704	0.03	0
Sub-total B)(1):-	**285073**	**17920**	**302993**	**1.18**	**474560**	**17920**	**492480**	**1.92**	**0.74**
2. NON-INSTITUTIONS									
a)Bodies Corporate									
i) Indian	1370564	1936	1372500	5.34	693469	1936	695405	2.7	-2.64
ii) Overseas	0	3584	3584	0.01	0	3584	3584	0.01	0
b)Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	9826503	341626	10168129	39.55	9196573	295936	9492509	36.92	-2.63
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1535941	0	1535941	5.97	3683597	0	3683597	14.33	8.36
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	484438	10352	494790	1.92	555143	7600	562743	2.19	0.27
Clearing Members	42631	0	42631	0.17	42218	0	42218	0.16	-0.01
IEPF	188518	0	188518	0.73	230550	0	230550	0.9	0.17
Foreign Nationals	48400	0	48400	0.19	48400	0	48400	0.19	0.00
Employees Trust	1148640	0	1148640	4.47	0	0	0	0	-4.47
Sub-total (B)(2):-	**14645635**	**357498**	**15003133**	**58.36**	**14449950**	**309056**	**14759006**	**57.41**	**-0.95**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**14930708**	**375418**	**15306126**	**59.54**	**14924510**	**326976**	**15251486**	**59.33**	**-0.21**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Error! Not a valid link. **Sub-Total (C)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**25332900**	**375418**	**25708318**	**100**	**25381342**	**326976**	**25708318**	**100**	**0**

(ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year (April 01, 2019)			Shareholding at the end of the year (March 31, 2020)			% 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	10090288	39.25	0	0.21
2	Sarita Jain	366544	1.43	0	366544	1.43	0	0
Total		**10402192**	**40.46**	**0**	**10456832**	**40.67**	**0**	**0.21**

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

				Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year(01.04.2019 to 31.03.2020)	
Sl.No.	**Name**	**Remarks**	**Shareholding/ Transaction Date**	**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	4/1/2019	10035648	39.04	10035648	39.04
		Increase	10/25/2019	54640	0.21	10090288	39.25
		At the end of the year	3/31/2020			10090288	39.25
2	SARITA JAIN *	At the beginning of the year	4/1/2019	366544	1.43	366544	1.43
		At the end of the year	3/31/2020			366544	1.43

* no changes

(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	4/1/2019		1148640	4.47	1148640	4.47
	Changes during the year	10/18/2019	Sell(DISPOSAL)	1094000	4.26	54640	0.21
		10/25/2019	Sell (DISPOSAL)	54640	0.21	0	0
	At the end of the year	3/31/2020				0	0
2	**SUNIDHI CAPITAL PVT LTD**						
	At the beginning of the year	4/1/2019		479731	1.87	479731	1.87
	Changes during the year	6/14/2019	Sell	29001	0.11	450730	1.75
		8/23/2019	Sell	450730	1.75	0	0
	At the end of the year	3/31/2020				0	0
3	**POLUS GLOBAL FUND**						
	At the beginning of the year	4/1/2019		282799	1.1	282799	1.1
	Changes during the year	12/20/2019	Buy	9666	0.04	292465	1.14
		12/27/2019	Buy	20385	0.08	312850	1.22
		12/31/2019	Buy	882	0	313732	1.22
		1/31/2020	Buy	50233	0.2	363965	1.42
		2/28/2020	Buy	27288	0.11	391253	1.52
		3/6/2020	Buy	73584	0.29	464837	1.81
		3/31/2020	Buy	9561	0.04	474398	1.85
	At the end of the year	3/31/2020				474398	1.85
4	**M KAVERI BAI**						
	At the beginning of the year	4/1/2019		220500	0.86	-	-
	Changes during the year			-	-	-	-
	At the end of the year	3/31/2020		-	-	220500	0.86
5	**ROHIT TEKRIWAL**						
	At the beginning of the year	4/1/2019		185000	0.72	-	-
	Changes during the year			-	-	-	-
	At the end of the year	3/31/2020		-	-	185000	0.72
6	**PAWAN KUMAR KEJRIWAL**						
	At the beginning of the year	4/1/2019		140400	0.55	-	-
	Changes during the year			-	-	-	-
	At the end of the year	3/31/2020		-	-	140400	0.55
7	**GLOBAL MEDIA VENTURES INDIA PRIVATE LIMITED**						
	At the beginning of the year	4/1/2019		110000	0.43	110000	0.43
	Changes during the year			-	-	-	-
	At the end of the year	3/31/2020				110000	0.43
8	**DEEPAK GUPTA**						
	At the beginning of the year	4/1/2019		102793	0.4	102793	0.4
	Changes during the year	4/5/2019	Sell	5186	0.02	97607	0.38
		4/12/2019	Buy	2930	0.01	100537	0.39
		4/19/2019	Sell	3750	0.01	96787	0.38
		4/26/2019	Buy	2000	0.01	98787	0.38
		5/3/2019	Buy	5213	0.02	104000	0.4
		5/10/2019	Buy	3316	0.01	107316	0.42
		5/17/2019	Buy	1200	0	108516	0.42
		5/31/2019	Sell	5265	0.02	103251	0.4
		6/7/2019	Buy	2749	0.01	106000	0.41
		6/14/2019	Buy	3000	0.01	109000	0.42
9	**MONIKA GUPTA**						
	At the beginning of the year	4/1/2019		81964	0.32	81964	0.32
	Changes during the year			-	-	-	-
	At the end of the year	3/31/2020				81964	0.32
10	**KARVY STOCK BROKING LTD.**						
	At the beginning of the year	4/1/2019		80232	0.31	80232	0.31

	Changes during the year	4/5/2019	Sell	1233	0	78999	0.31
		4/12/2019	Buy	2296	0.01	81295	0.32
		4/19/2019	Buy	1660	0.01	82955	0.32
		4/26/2019	Sell	4494	0.02	78461	0.31
		5/3/2019	Buy	711	0	79172	0.31
		5/10/2019	Buy	1864	0.01	81036	0.32
		5/17/2019	Buy	271	0	81307	0.32
		5/24/2019	Sell	3820	0.01	77487	0.3
		5/31/2019	Sell	521	0	76966	0.3
		6/7/2019	Sell	100	0	77066	0.3
		6/14/2019	Buy	777	0	77843	0.3
		6/21/2019	Buy	3150	0.01	80993	0.32
		6/28/2019	Sell	1050	0	79943	0.31
		7/5/2019	Sell	480	0	79463	0.31
		7/12/2019	Buy	3490	0.01	82953	0.32
		7/19/2019	Sell	1902	0.01	81051	0.32
		7/26/2019	Buy	1973	0.01	83024	0.32
		8/2/2019	Buy	2629	0.01	85653	0.33
		8/9/2019	Sell	6157	0.02	79496	0.31
		8/16/2019	Sell	642	0	78854	0.31
		8/23/2019	Buy	144	0	78998	0.31
		8/30/2019	Buy	311	0	79309	0.31
		9/6/2019	Buy	2626	0.01	81935	0.32
		9/13/2019	Sell	4678	0.02	77257	0.3
		9/20/2019	Sell	485	0	76772	0.3
		9/27/2019	Sell	2583	0.01	74189	0.29
		9/30/2019	Sell	372	0	73817	0.29
		10/11/2019	Sell	50	0	73767	0.29
		10/18/2019	Sell	115	0	73652	0.29
		10/25/2019	Buy	631	0	74283	0.29
		11/1/2019	Buy	4623	0.02	78906	0.31
		11/8/2019	Sell	4950	0.02	73956	0.29
		11/15/2019	Buy	1920	0.01	75876	0.3
		11/22/2019	Sell	5695	0.02	70181	0.27
		11/29/2019	Sell	25530	0.1	44651	0.17
		12/6/2019	Sell	251	0	44400	0.17
		12/13/2019	Sell	370	0	44030	0.17
		12/31/2019	Sell	847	0	43183	0.17
		1/3/2020	Sell	1456	0.01	41727	0.16
		1/10/2020	Sell	15016	0.06	26711	0.1
		1/17/2020	Sell	11610	0.05	15101	0.06
		2/14/2020	Sell	171	0	14930	0.06
	At the end of the year	3/31/2020				14930	0.06

11	**ELIZABETH MATHEW**						
	At the beginning of the year	4/1/2019		0	0	0	0
	Changes during the year	8/23/2019	Buy	450730	1.75	450730	1.75
		9/20/2019	Buy	52593	0.2	503323	1.96
		10/25/2019	Buy	299984	1.17	803307	3.12
		11/1/2019	Buy	275492	1.07	1078799	4.2
		11/8/2019	Buy	202340	0.79	1281139	4.98
		11/22/2019	Buy	43762	0.17	1324901	5.15
	At the end of the year	3/31/2020				1324901	5.15
12	**ONSET EXPORTERS PRIVATE LIMITED**						
	At the beginning of the year	4/1/2019		38000	0.15	38000	0.15
	Changes during the year	5/24/2019	Buy	10000	0.04	48000	0.19
		6/14/2019	Buy	7700	0.03	55700	0.22
		6/28/2019	Buy	10000	0.04	65700	0.26
		7/12/2019	Buy	6984	0.03	72684	0.28
		8/2/2019	Buy	5000	0.02	77684	0.3
		8/30/2019	Buy	853	0	78537	0.31
		11/22/2019	Buy	1999	0.01	80536	0.31
		1/10/2020	Buy	10701	0.04	91237	0.35
		2/21/2020	Buy	5000	0.02	96237	0.37
		2/28/2020	Buy	3763	0.01	100000	0.39
	At the end of the year	3/31/2020				100000	0.39
13	**PEEYOOSH CHADDA**						
	At the beginning of the year	4/1/2019		0	0	0	0
	Changes during the year	11/1/2019	Buy	50000	0.19	50000	0.19
		11/8/2019	Buy	50000	0.19	100000	0.39
	At the end of the year	3/31/2020				100000	0.39
14	**SONAL DEEPAK SHAH**						
	At the beginning of the year	4/1/2019		37716	0.15	37716	0.15
	Changes during the year	1/3/2020	Buy	48654	0.19	86370	0.34
	At the end of the year	3/31/2020				86370	0.34

15	HITESH HARAKHCHAND VORA						
	At the beginning of the year	4/1/2019		0	0	0	0
	Changes during the year	12/31/2019	Buy	16524	0.06	16524	0.06
		1/3/2020	Buy	32932	0.13	49456	0.19
		1/10/2020	Buy	12274	0.05	61730	0.24
		1/17/2020	Buy	3319	0.01	65049	0.25
		1/24/2020	Buy	20427	0.08	85476	0.33
	At the end of the year	3/31/2020				85476	0.33

(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	4/1/2019		10035648	39.04	10035648	39.04
	Changes during the year	10/25/2019		54640	0.21	10090288	39.25
	At the end of the year	3/31/2020				10090288	39.25
2	SARITA JAIN (Non-Executive Director)						
	At the beginning of the year	4/1/2019		366544	1.43	-	-
	Changes during the year	Nil					
	At the end of the year	3/31/2020		-	-	366544	1.43
3	RAJASEKHAR RAMARAJ (Non-Executive & Independent Director)						
	At the beginning of the year	4/1/2019		68400	0.27	-	-
	Changes during the year			294000	1.14	362400	1.26
	At the end of the year	3/31/2020		-	-	362400	1.26
4	RICHARD NICHOLAS LAUNDER (Non-Executive & Independent Director)						
	At the beginning of the year	4/1/2019		48400	0.19	-	-
	Changes during the year	Nil					
	At the end of the year	3/31/2020		-	-	48400	0.19
5	VIJENDRA KUMAR SURANA (CFO & CS)						
	At the beginning of the year	4/1/2019		14	0	-	-
	Changes during the year	Nil					
	At the end of the year	3/31/2020		-	-	14	0

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 (Rs. In Lakhs)
-	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	56.07	56.07
	(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	0
5	Others (Employer's Provident Fund)	4.32 – –	4.32
	Total (A)	**60.39**	**60.39**

	Ceiling as per the Act	As per Part II (Section II) of Schedule V of the Companies Act,2013

B. Remuneration to other directors:

SR. No.	Particulars of Remuneration (INR)	Name of Directors				Total Amount (Rs. 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	5.6	8.4	6.8	-	**20.8**
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	**5.6**	**8.4**	**6.8**	**-**	**20.8**
2	**Other Non-Executive Directors**			-		
	Fee for attending board/ committee meetings	-	-	-	0.8	**0.8**
	Commission	-		-	-	
	Others, please specify	-	-	-	-	
	Total (2)	**-**	**-**	**-**	**0.8**	**0.8**
	Total (B)=(1+2)	**5.6**	**8.4**	**6.8**	**0.8**	**21.6**
	Total Managerial Remuneration (A+B)	**81.99**				
	Overall Ceiling as per the Act	The limit as prescribed under Companies Act, 2013 read with schedule V				

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 (INR)	Key Managerial Personnel		
		*CEO	CFO & Company Secretary	Total Amount (Rs. 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	56.07	67.11	123.18
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others (Employer's Provident Fund)	4.32	3.42	7.74
	Total (INR.)	**60.39**	**70.53**	**130.92**

***Mr. Rajnit Rai Jain is the Chairman and Managing Director of the Company & also the founder CEO of the Company.**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2020

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					

Place: Kolkata
Date: 24th June 2020

For and behalf of the Board of Directors

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

Annexure 'D'

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

i. The ratio of the remuneration of each director to the median remuneration of all the employees of the company for the financial year 2019-20 is as follows:

Sl. No.	Name of the Directors	Remuneration (Rs. In lacs)	Median Remuneration of Employees (Rs. In Lacs)	Ratio
1	RAJNIT RAI JAIN	60.39	10.00	6.04:1

ii. The percentage increase in remuneration of each Director, Chief Financial Officer & Company Secretary in the financial year 2019-20:

Sl. No.	Name	Designation	Remuneration of previous year (Rs. in lacs)	Remuneration of Current year (Rs. in lacs)	% increase / (decrease) in remuneration
1	RAJNIT RAI JAIN	CHAIRMAN & MANAGING DIRECTOR	60.16	60.39	0.38
2	MR. VIJENDRA KUMAR SURANA	CFO & COMPANY SECRETARY	67.09	73.06	8.90

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

Median remuneration of previous year (Rs. In lacs)	Median remuneration of current year (Rs. In lacs)	%increase
9.63	10.00	3.84

iv. 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	4.64
2	Increase/ (decrease) in salary of employee (other than KMP)	6.00

v. Affirmation that the remuneration is as per the remuneration policy of the company:

It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company

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

Sl. No.	Name	Designation/ Nature of Duties	Remuneration Received (INR Lacs)	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held	Percentage of Equity Shares held by the employee in the Company
1	Mr. Milind Kamat	COO	106.57	Master Of Science	30	54	25-Jan-19	Ingenico	-
2	Mr. Vijendra Kumar Surana	CFO & CS	73.06	MBA, FCA, ACS, AICMA	25	48	2-Nov-07	Visa International	-
3	Mr. Rajnit Rai Jain	Chairman & MD	60.39	B.S., MBA	32	63	2-Dec-87	-	39.25
4	Mr. Sumit Misra	Associate VP	56.17	M.E.	28	53	21-Apr-08	Praxis Softek Solutions	-
5	Mr. Pranjal Chakraborti	General Manager	54.45	B.Tech, MBA	23	47	3-May-18	Indepay Network Pvt Ltd.	-
6	Mr. Aniruddha Rai Chaudhuri	General Manager	45.82	B.Sc, PGCACS	26	48	3-May-99	Globsyn Technologies	-
7	Mr. Chinmoy Das	Principal Consultant	45.34	B.E.	25	48	28-Jan-08	CTS	-
8	Mr. Souvik Dutta Ray	DGM	37.28	B.E.	22	47	15-Feb-99	Air Conditioning Corp Ltd.	-
9	Mr. Swarup Saha	Technical Consultant	33.12	B.Tech	12	37	15-Sep-16	CTS	-
10	Mr. Sujit Shankar Banerjee	Senior Manager	31.05	B.Tech	20	49	7-Nov-11	Mphasis	-

Notes:

1. In terms of the proviso to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of employees posted and working in a country outside India, not being Directors or their relatives, have not been included in the above statement.

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. None of the Employees listed above owns 2% or more of the paid-up equity share capital of the Company.

5. The above statement covers the remuneration paid by the Company and not by any subsidiary/ies.

For and on behalf of the Board of Directors

Place: Kolkata
Date: June 24, 2020

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

Annexure 'E'

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/ INITIATIVES FOR THE FY 2019-20

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

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

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

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

The CSR policy functions as a built-in, self-regulating mechanism whereby a business monitors and ensures its active compliance with the spirit of the law, ethical standards, and international norms. It is placed on the Company's website and the weblink for the same: http://www.rssoftware.com. During the financial year 2019-20, the CSR committee met on January 22, 2020 to discuss about the applicability and requirements of spending on CSR.

1. The composition of the CSR Committee:

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

3. **Average Net profit of the Company for last three Financial Years: The Company is having losses in the previous three consecutive financial years, i.e. for the financial year ending 31.03.19, 31.03.18 & 31.03.2017, hence CSR Expenditure during the financial year ending March 31 2020 is Not Applicable as per Section 198.**

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

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

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

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

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

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

Not Applicable

7. **CSR committee Responsibility statement:**

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

For and on behalf of
Corporate Social Responsibility Committee

Date: June 24, 2020
Place: Kolkata

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

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

ANNEXURE "F" 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 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.

B. Technology Absorption : The details are given below

(a) Research & Development

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

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

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

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

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

(b) Technology Absorption , Adaptation and Innovation

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

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

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 (INR in Lacs)	: 4568.03
3.	Expenditure in Foreign Currency (INR in Lacs)	: 5282.71

For and on behalf of the Board of Directors

Place: Kolkata
Date: June 24, 2020

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

ANNEXURE "G" TO DIRECTORS' REPORT

CORPORATE GOVERNANCE AND DISCLOSURES

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

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

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

A. MANDATORY DISCLOSURES

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Corporate Governance philosophy of the Company is as follows:

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

Corporate Governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal control and promotion of ethics at 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 1 (One) Promoter Directors which is an Executive Director who is designated as Chairman & Managing Director, 1(One) Women Director who is Non-Executive Non Independent Director and three Non-Executive Independent Directors. During the fiscal year the Board met on 4 (Four) times on April 30, 2019, July 25, 2019, November 9, 2019, and January 22, 2020 and 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) equity listed companies across all companies under which he/she is Director. None of the Directors on the Board serve as a Director in more than 8 (Eight) equity listed entities. Further, none of the Director on the Board who is serving as a whole time Director / Managing Director in any listed entity is serving as an Independent Director of more than 3 (Three) listed entities across all entities in which he/she is a Director. 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). The Director on the Board serving as a Whole time Director/Managing Director in a listed company is not serving as an Independent Director of any equity listed company across all companies in which he is a Director. The Company does not have any alternate Director on its Board

for any Independent Director in accordance with Regulation 25(1) of SEBI Listing Regulations, 2015. Further, in compliance with Regulation 26 of SEBI Listing Regulations, 2015, none of the Directors on the Board is a member of more than 10 (Ten) committees or Chairman of more than 5 (Five) committees across all public limited companies (whether listed or not) in which he/she is a Director. For assessment of these criteria, the membership/chairmanship of the Audit Committee and the Stakeholders Relationship Committee alone has been considered. All the Directors have made necessary disclosures regarding directorship/committee positions occupied by them in other listed entities / public limited companies (Whether listed or not) in accordance with Regulation 25 and 26 of SEBI Listing Regulations, 2015.

The Composition of the Board of Directors as on March 31, 2020 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, 2020 are as under:

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

Mr. Rajnit Rai Jain is presently liable to retirement by rotation. Further, the Board of Directors of the Company at its meeting held on June 24, 2020 approved re-appointment of Mr. Rajnit Rai Jain as the Chairman and Managing Director of the Company in whole time capacity, liable to retire by rotation, for a period of 3 (three) years with effect from October 01, 2020 on the existing terms and conditions including remuneration, subject to approval of the Members of the Company at the ensuing Annual General Meeting of the Company.

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

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

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

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

Name of the Directors	Attendance Particulars				Number of other Directorship, Committee Membership and Chairmanship			No. of shares and convertible instruments held *	Relation-ship with other Directors
	Board Meetings		Category	Last AGM	Other Diretor-ship @	Com-mit-tee Meber-ship #	Com-mit-tee Chaiman-ship #		
	Held	Attended							
Mr. Rajnit Rai Jain	4	4	Executive Director (Chairman & Managing Director)	Yes	1	2	-	10090288 Equity shares	Husband of Mrs. Sarita Jain
Mr. Shital Kumar Jain	4	2	Non- Executive & Independent Director	Yes	2	2	1	Nil	-
Mrs. Sarita Jain	4	2	Non-Executive & Non - Independent Director	No	-	-	-	3,66,544 Equity Shares	Wife of Mr. Rajnit Rai Jain
Mr. Rajasekar Ramaraj	4	4	Non- Executive & Independent Director	Yes	2	2	1	3,62,400 Equity Shares	-
Mr. Richard Nicholas Launder	4	4	Non- Executive & Independent Director	Yes	1	1	-	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 the Directors as on 31.03.2020.*

In compliance with Regulation 36(3) of the Listing Regulations read with the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the required information about the Directors proposed to be appointed / re-appointed has been provided in the Notice convening the 32nd Annual General Meeting.

INDEPENDENT DIRECTOR (IDS)

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

In accordance with the provision of Companies Act, 2013 and clarifications/ circulars issued from time to time, the Company has appointed Mr. Shital Kumar Jain (DIN 00047474), Mr. Rajasekar Ramaraj (DIN 00090279) and Mr. Richard Nicholas Launder (DIN 03375772), had been re-appointed as Independent directors for the second term to hold office for a period of 5 (five) consecutive years with effect from 1st April, 2019 to 31 March, 2024, as approved by shareholders through Postal ballot vide Notice dated 30th April, 2019.

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

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

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

MEETING OF INDEPENDENT DIRECTOR (IDS)

In terms of provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall meet at least once in a year without the presence of the Chairman & Managing Director and other Non-Executive & Non-Independent Directors and the Management Team. The Independent Directors met on 22nd January, 2020 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 inters- 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.rssoftware.com

PERFORMANCE EVALUATION

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

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

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

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

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

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

Key Skills/Expertise/Competence of the Board of Directors

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

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

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

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

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

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. 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 2019-20.

3. AUDIT COMMITTEE

COMPOSITION

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

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

Name of Members	Category	Attendance at Audit Committee Meetings	
		Held	Attended
Mr. Rajasekhar Ramaraj (Chairman of the Audit Committee)	Non –Executive & Independent Director	4	4
Mr. Richard Nicholas Launder	Non –Executive & Independent Director	4	4
Mr. Shital Kumar Jain	Non- Executive & Independent Director	4	2
Mr. Rajnit Rai Jain	Executive Director	4	4

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

MEETINGS:

4 (Four) meetings of the Audit Committee were held during the year 2019-20 on April 30, 2019, July 25, 2019, November 9, 2019 and January 22, 2020 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.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

- The committee shall review the compliances in regard to the provisions of regulation 9 and 9A of SEBI (Prohibition of Insider Trading) (Amendment) Regulations 2018 at least once in a Financial year and verify that the system of internal control are adequate and are operating effectively.
- Carrying out other matters specified for Audit Committee in Section 177 of the Companies Act, 2013, Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Listing Regulations, 2015.
  In addition to the above, the Audit Committee also mandatorily reviews the following:

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

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

Particulars	Fees (Amount in Rs.)
Audit Fees	300,000.00
Limited Review Fees	90000.00
Tax Audit Fees	60000.00
Certificate and Other Services	40,000.00
Total	**490,000.00**

4. STAKEHOLDERS RELATIONSHIP COMMITTEE

COMPOSITION

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

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

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

Members	Category	Attendance at Stakeholder's Relationship Committee Meetings	
		Held	Attended
Mr. Shital Kumar Jain (Chairman of the Committee)	Non –Executive & Independent Director	4	3
Mr. Rajnit Rai Jain	Executive Director	4	4
Mr. Rajasekhar Ramaraj	Non-Executive Director & Independent Director	4	3

Meetings:

During the year 2019-20, the Committee met 4 (four) times on April 29, 2019, July 25, 2019, November 8, 2019 and January 21, 2020. The Committee has been formed to undertake following activities:

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

Terms of Reference

- The terms of reference of Stakeholders Relationship Committee with effect from 1st April 2019 shall, inter-alia, include the following:

- The Committee shall specifically look into various aspects of interest and resolve the grievances of shareholder, debenture holder and other security holders.

- The committee shall resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

- Review of measures taken for effective exercise of voting rights by shareholders.

- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Further, Mr. Shital Kumar Jain, Chairperson of the Stakeholders Relationship Committee was present at the Annual General Meeting held on 26.07.2019 to answer queries of the security holders.

INVESTORS' GRIEVANCES

During the Financial Year ended March 31, 2020, the Company received complaint from the Shareholders / Investors of the Company as given below:

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

SEBI SCORES

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

NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER:

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

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

5. NOMINATION & REMUNERATION COMMITTEE:

COMPOSITION:

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

Name of Members	Category	Attendance at Nomination & Remuneration Committee Meetings	
		Held	Attended
Mr. Richard Nicholas Launder (Chairman of the Committee)	Non –Executive & Independent Director	4	4
Mr. Rajnit Rai Jain	Executive Director	4	4
Mr. Shital Kumar Jain	Non- Executive & Independent Director	4	3
Mr. Rajasekar Ramaraj	Non-Executive & Independent Director	4	4

MEETINGS:

During the year 2019-20 the Committee met 4 (four) times on April 30, 2019, July 26, 2019 and November 8, 2019 and January 21, 2020 the necessary quorum was present in all the meeting as required by SEBI Listing Regulations, 2015.

TERMS OF REFERENCE:
The committee is primarily responsible for:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, KMP and other employees
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of evaluation of independent directors.
- Identifying and assessing potential individuals in accordance with the Criteria laid down for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnel / senior management and recommend to the Board their appointment and removal
- Formulate the criteria for performance evaluation of independent directors and the Board of directors.
- Devise a policy on Diversity of Board of Directors.
- Periodically reviewing the size and composition of the Board to ensure that the structured commensurate with the

requirement of the company.

- Other matters specified for Nomination and Remuneration Committee in Section 178 of the Companies Act, 2013 Companies (Meetings of Board and its Powers) Rules, 2014 and under SEBI Listing Regulations, 2015

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

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 judgment, safeguarding of minority shareholders interest etc.

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

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

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

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

REMUNERATION POLICY

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

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

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

REMUNERATION POLICY FOR DIRECTORS

- **NON-EXECUTIVE DIRECTORS:**

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

The Nomination and Remuneration Committee have formulated the criteria for determining qualifications, positive attributes, and independence of a Director in line with the requirements as given under Schedule IV of the Companies Act, 2013. All the Independent Directors have been appointed based on such criteria.
Non-Executive Directors did not draw any remuneration from the Company. Sitting fees to Non-executive and Independent Directors is being paid for each meeting of the Board and Committees.
None of our Non-Executive Directors has any pecuniary relationship or transaction with the Company, except to the extent of shareholding, if any in the Company.

he sitting fees paid to the Non-Executive Directors during the Financial Year 2019-20 are as under:

Name of Non-Executive Directors	Sitting fees (Rs. in Lakhs)	
	Board Meeting	Committee Meeting
Mrs. Sarita Jain	80,000.00	-
Mr. Shital Kumar Jain	80,000.00	480,000.00
Mr. Rajasekar Ramaraj	160,000.00	680,000.00
Mr. Richard Nicholas Launder	160,000.00	520,000.00
Total	480,000.00	16,80,000.00

- **EXECUTIVE DIRECTORS:**

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

Details of remuneration paid/payable to all the Directors during the financial year 2019-20

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

Criteria of making payment to Non-Executive directors

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

REMUNERATION PAID TO DIRECTORS DURING FY 2019-20

Particulars of Remuneration	**Rajnit Rai Jain (Executive Director)**	**Shital Kumar Jain (Non-Executive Director)**	**Rajasekhar Ramaraj (Non-Executive Director)**	**Sarita Jain (Non-Executive Director)**	**Richard Launder (Non-Executive Director)**	Total
Salary	54.00	-	-	-	-	54
Benefits	2.07	-	-	-	-	2.07
Bonuses	-	-	-	-	-	-
Sitting fees of all Board and Committee Meetings	-	-	-	-	-	-
Stock Options	-	-	-	-	-	-
PF	4.32	-	-	-	-	4.32
Details of fixed component	-	-	-	-	-	-
Performance linked incentives	-	-	-	-	-	-
Performance criteria	-	-	-	-	-	-

Service Contracts	-	-	-	-	-	-
Notice Period	-	-	-	-	-	-
Severance fees	-	-	-	-	-	-
Details of stock option (if any)	-	-	-	-	-	-
Whether Option issued at a discount	-	-	-	-	-	-
Period over which option accrued/exercisable	-	-	-	-	-	-

(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 and HRA

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

COMPOSITION:

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

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

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

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

MEETINGS:

The Committee met on 22nd January 2020 during the financial year 2019-20.

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	2
Mr. Rajasekar Ramaraj	Non-Executive & Independent Director	4	4
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:

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

8. GENERAL BODY MEETINGS

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

YEAR	DAY, DATE & TIME	VENUE	SPECIAL RESOLUTION PASSED
2016-17	Friday, July 21, 2017 at 11:30 a.m.	'Rabindra –Okakura Bhawan, Paschimbanga 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.
2017-18	Friday, July 27, 2018 at 11:30 a.m.	'Rabindra Tirtha', 33-1111, Major Arterial Road, 3rd Rotary, New Town, Kolkata-700156	-
2018-2019	Friday, July 26, 2019 at 11:30 a.m.	'Rabindra Tirtha', 33-1111, Major Arterial Road, 3rd Rotary, New Town, Kolkata-700156	Approval of Company's Employee Stock Option Scheme 2019 (ESOP Scheme 2019

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

During the Financial Year 2019-20, the Company had obtained approval of the shareholders through postal ballot vide postal ballot notice dated 30th April 2019 for the following matters

Sl. No.	Details	Resolution
1	Approval for Appointment of Mr. Shital Kumar Jain as a Non-Executive and Independent Director of the Company after 31st March, 2019 pursuant to Regulation 17(1A) of SEBI Listing Regulations, 2015.	Special Resolution
2	Appointment of Mr. Shital Kumar Jain (DIN 00047474) as an Independent Director of the Company	Special Resolution
3	Appointment of Mr. Rajasekhar Ramaraj (DIN 00090279) as an Independent Director of the Company.	Special Resolution
4	Appointment of Mr. Richard Nicholas Launder (DIN 03375772) as an Independent Director of the Company.	Special Resolution
5	Approve the borrowing limit under Section 180(1)(c) of the Companies Act, 2013.	Special Resolution
6	Approve the limits under Section 180 (1) (a) of the Companies Act, 2013.	Special Resolution

In compliance with the provisions of Sections 108 and 110 of the Act, read with Rules 20 and 22 of the Rules and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had offered facility of e-voting as well as voting through postal ballot form to all Members to enable them to cast their votes. CS Mohan Ram Goenka, (FCS No. 4515, CP No. 2551), Partner, M R & Associates, Practicing Company Secretaries, acted as the Scrutinizer for conducting the Postal Ballot and e-voting process and had submitted its report in a fair and transparent manner.

The voting results are as under :

Sl. No.	Particulars	Total no. of valid votes	Total votes cast in favour		Total votes cast against	
			No. of shares	% of votes cast	No. of shares	% of votes cast
1	Approval for Appointment of Mr. Shital Kumar Jain as a Non-Executive and Independent Director of the Company after 31st March, 2019 pursuant to Regulation 17(1A) of SEBI Listing Regulations, 2015.	10554956	10544594	99.9	10362	0.1
2	Appointment of Mr. Shital Kumar Jain (DIN 00047474) as an Independent Director of the Company	10554656	10544334	99.9	10322	0.1
3	Appointment of Mr. Rajasekhar Ramaraj (DIN 00090279) as an Independent Director of the Company.	10554956	10544634	99.9	10322	0.1
4	Appointment of Mr. Richard Nicholas Launder (DIN 03375772) as an Independent Director of the Company.	10554956	10544634	99.9	10322	0.1
5	Approve the borrowing limit under Section 180(1)(c) of the Companies Act, 2013.	10554656	10544819	99.9	9837	0.1
6	Approve the limits under Section 180 (1) (a) of the Companies Act, 2013.	10554956	10544819	99.9	10137	0.1

Note: The aforesaid resolution was passed with requisite majority on Friday, June 21, 2019.

No Extraordinary General Meeting of the members was held during the financial year 2019-20.

The Company may seek to pass Special Resolution(s) in Financial Year 2020-21 through Postal Ballot, as and when required, subject to applicable Acts and Rules. 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

9. CODE FOR PREVENTION OF INSIDER TRADING

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

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

10. DISCLOSURES

• MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

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

The Company has formulated Related Party transactions (RPT) Policy pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which provides a framework to regulate transaction between the Company and its related parties based on laws and regulations applicable to the Company. The Company's RPT Policy is available on the company's website www.rssoftware.com..
A statement in summary form of transactions with related parties in the ordinary course of business is periodically placed before the Audit Committee for review and recommendation to the Board for their approval.
Prior approval of Audit Committee is obtained for all Related Party Transactions except for the Related Party Transactions for which omnibus approval is granted by the Audit Committee from time to time. The Company has formulated Related Party Transactions (RPT) Policy which provides a framework to regulate transactions between the Company and its related parties based on the laws and regulations applicable to the Company.

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

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

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

• WHISTLE BLOWER POLICY (VIGIL MECHANISM)

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

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

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

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

Chairman of the Board :	The Chairman of the Company is an Executive Director and hence this provision is not applicable to us.
Shareholder Rights	We display our quarterly and half yearly results on our web site www.rssoftware.com 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 Listing Regulations.
Modified opinion(s) in audit report	The Auditors have issued an un-modified opinion on the Financial Statements of the Company
Separate posts of Chairman and CEO	Mr. Rajnit Rai Jain is the Executive Director Chairman and Managing Director of the Company. The Company's Board consists of majority of Independent Directors. Mr. Rajnit Rai Jain is the CEO founder of the Company.
Reporting of Internal Audit	The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meetings and regularly attends the meetings for reporting audit finding to the Audit Committee.

WEB- LINK FOR POLICY DETERMINING 'MATERIAL' SUBSIDIARIES:

The Company does not have any material subsidiary as defined under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN CHAPTER IV OF LISTING REGULATIONS

The company has fully complied with the Applicable requirements specified under regulation 17 to 27 and clause (b) to (i) of Sub regulation (2) of regulation 46 of SEBI (LODR) Regulation 2015. The disclosure of the said has being made in the section of this Corporate Governance Report.

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#corporate_governance .

The Board of Directors of the Company has authorized Company Secretary & Chief Financial Officer to determine materiality of an event or information and for making disclosures to Stock Exchanges under the said regulation.

CODE OF CONDUCT FOR BOARD AND SENIOR MANAGEMENT PERSONNEL:

The Board of Directors has adopted the Code of Conduct for Directors and Senior Management Personnel and the said code is uploaded on the website of the company at http://www.rssoftware.com/pdfs/RS-Software-Code-of-Conduct.pdf All the Board members and senior management personnel have confirmed compliance with the code .Affirmation regarding compliance of the Code of Conduct by the CEO of the Company has been published elsewhere in this Annual Report.

CEO/ CFO CERTIFICATION:

The CEO (Managing Director) and CFO of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the year ended 31st March 2020.

CERTIFICATION REGARDING NON-DISQUALIFICATION OR NON-DEBARMENT OF DIRECTORS:

The Company has obtained a certificate from Mr. Mohan Ram Goenka (Membership No. FCS 4515, Certificate of Practice No. 2551) certifying that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of the Company by Securities and Exchange Board of India (SEBI)/ Ministry of corporate Affairs (MCA) or any such Statutory Authority.

COMPLIANCE CERTIFICATE BY PRACTICING COMPANY SECRETARY:

The Company has obtained a certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of the Listing Regulations, which is annexed herewith and forms part of this Annual Report

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION:

Pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company, during the year, formulated and adopted the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information".

POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT

Pursuant to the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, your Company has a policy and framework for employees to report sexual harassment cases at workplace and our process ensures complete anonymity and confidentiality of information. Adequate workshops and awareness programmes against sexual harassment are conducted across the organization.

The details of complaint for the Financial Year 2019-20 under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 are as under:

No. of complaints filed during the year	**No. of Complaints disposed of during the year**	**No. of Complaints pending as on the end of the year**
Nil	Nil	Nil

COMPLIANCE WITH ACCOUNTING STANDARD:

In the preparation of financial statements, the Company has followed the applicable Indian Accounting Standards (IND AS) issued by the Institute of Chartered Accountants of India to the extent applicable

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

None of shares of the company are lying in the Dematerialization Suspense Account or unclaimed suspense account.

11. MEANS OF COMMUNICATIONS

The Company regularly interacts with the shareholders through the multiple channels of communication such as publication of results, Annual Report, Press Release and the Company's website. The Company also informs the Stock Exchanges in a prompt manner, all price sensitive information as well as all such other matters which in its, opinion are material and relevant for the shareholders. The Company effectively uses NEAPS (NSE Electronic Application Processing System) and BSE Corporate Compliance & Listing Centre, a web based application designed by National Stock Exchange of India Limited and

BSE Limited, respectively, for filing of shareholding pattern, corporate governance report, financial statements and significant corporate announcements thereby saving time, cost and ensuring operational efficiency.

The quarterly, half yearly and Annual Financial Results of the company are sent to the Stock Exchange immediately after they are approved by the Board of Directors and published in the newspaper in India which includes Business Standards (English) – All India Edition and in Eisomoye, vernacular newspaper (Bengali).

The quarterly, half yearly and Annual Financial Results of the company along with Annual Report and other statutory filings are posted on the website of the company www.rssoftware.com. The website also contains information on the businesses of the Company, governance and important policies of the Company

News and press release as available are posted on the website of the company. During the year under review there were no such news releases.

As the company does not have any institutional investors and angel investors, so no presentation made to institutional investors or to the analysts.

Management Discussion & Analysis forms the part of the Annual Report.

TRANSFER OF UNCLAIMED DIVIDEND /SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

Transfer of Rs. 621560.00 as unpaid/unclaimed dividend for the finanacial year 2011-12, final dividend and Rs. 514793.00 as unpaid/unclaimed dividend for the financial year 2012-13, interim dividend and transfer of total 42256 equity shares have made to Investor Education and Protection Fund during the year 2019-20.

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 to 31st March
iv.	**Date time and Venue of Annual General Meeting**	11th August 2020 at 11:30 am through Video Conferencing / Other Audio Visual Means
v.	**Dividend Payment date**	The Company did not recommend any dividend during the year 2019-20
vi.	**Book Closure for AGM**	From August 5, 2020 to August 11, 2020 (both days inclusive)
vii.	**Tentative Calendar of Events for the Financial Year 2020-2021**	
	First quarter results	July, 2020
	Second quarter and half-year results	November , 2020
	Third quarter results	January, 2021
	Annual Result	April, 2021
viii.	**Shareholders Services, Enquiries, Complaints**	a. Name: Mr. Vijendra Kumar 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 2019-2020.
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 transmission, issue of duplicate share certificates, issue of share certificates through sub-division and consolidation are verified and approved through 'Share Transfer Committee' which are ratified in the subsequent Stakeholders Relationship Committee Meeting and the Minutes of Stakeholders Relationship Committee are placed 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, 2020.
xvi.	**Listing Fees**	Listing fees paid to both the Stock Exchanges where the Company's equity shares are listed up-to 31st March, 2020.
xvii.	**Credit Ratings**	**Facilities** — **Rating** Fund based LT cash credit — CARE BB+

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, 2019 to March 31, 2020 are as follows:

MONTHLY HIGH, LOW & CLOSING SHARE PRICE AT BSE

(Amount in Rs.)

Month	High Price	Low Price	Closing Price
Apr-19	36	28.15	29.45
May-19	31.15	25.25	28.55
Jun-19	28.75	19.3	23.45
Jul-19	24.95	17.15	17.85
Aug-19	22.5	14.85	18.1
Sep-19	21.8	18.25	18.95
Oct-19	24.7	16.05	23.85
Nov-19	24.4	17.4	20.15
Dec-19	21	17.1	20.55
Jan-20	25.6	19.55	23.25
Feb-20	24.4	18.3	20.2
Mar-20	21.2	9.6	11.05

MONTHLY HIGH, LOW & CLOSING SHARE PRICE AT NSE

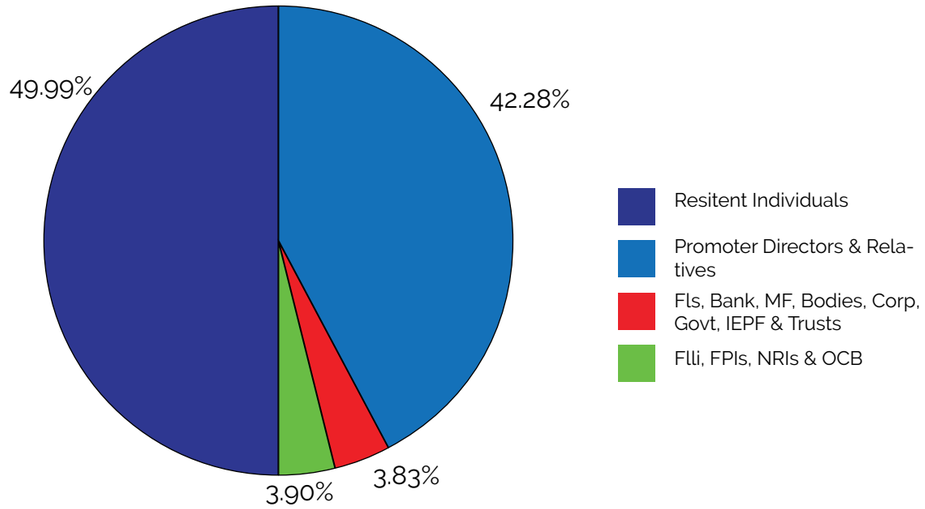
(Amount in Rs.)

Month	High Price	Low Price	Closing Price
Apr-19	36.3	28.25	29.5
May-19	31.5	25.05	28.75
Jun-19	28.95	19.1	23
Jul-19	25	16.75	18
Aug-19	22.4	15.9	18.35
Sep-19	21.8	17.8	18.95
Oct-19	24.9	16.25	23.8
Nov-19	24.65	18.5	19.55
Dec-19	21.4	16.9	20.9
Jan-20	25.85	20.25	23.15
Feb-20	24.2	18.1	20.75
Mar-20	21.75	9.55	11.8

a. i. DISTRIBUTION OF EQUITY SHAREHOLDING AS ON 31.03.2020

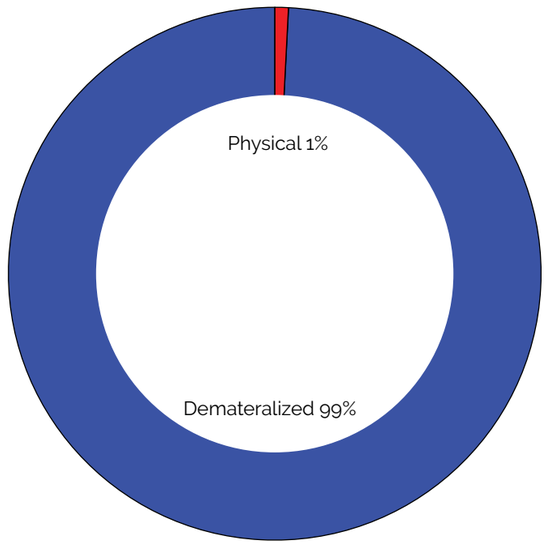
Range	No. of Shareholders	% to Total Shareholders	Issued Share Capital	% to Total Share Capital
1-500	18663	80.85	13818240	10.75
501-1000	2423	10.5	8917100	6.94
1001-2000	1112	4.82	8246635	6.42
2001-3000	347	1.5	4384715	3.41
3001-4000	149	0.65	2679210	2.08
4001-5000	105	0.45	2457010	1.91
5001-10000	150	0.65	5411505	4.21
10001 & ABOVE	135	0.58	82627175	64.28
TOTAL	**23084**	**100**	**128541590**	**100**

ii. SHARE HOLDING PATTERN AS ON MARCH 31, 2020:



iii. DEMATERIALISATION OF SHARES AND LIQUIDITY AS ON MARCH 31, 2020:

Nature of Holding



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: June 24, 2020

MR & Associates
Company Secretaries
46, B. B. Ganguly Street,
Kolkata-700012
Moblie No: 9831074332
Email :goenkamohan@gmail.com

SECRETARIAL COMPLIANCE REPORT OF R S SOFTWARE (INDIA) LTD. FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020 [Pursuant to Circular No. CIR/CFD/CMD 1/27/2019 dated 08/02/2019 issued by Securities and Exchange Board of India]

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

We have examined:
(a) all the documents and records made available to us and explanation provided by **M/s. R S SOFTWARE (INDIA) LTD.** ("the listed entity")
(b) the filings/ submissions made by the listed entity to the stock exchanges,
(c) website of the listed entity,
(d)any other document / filing, as may be relevant, which has been relied upon to make this certification, for the year ended on 31st March, 2020 ("Review Period") in respect of compliance with the provisions of:
(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars / guidelines issued thereunder, have been examined, include:-
(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - Not Applicable for the review period
(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; -Not Applicable for the review period
(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; -Not Applicable for the review period
(g) Securities and Exchange Board of India(Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; -Not Applicable for the review period
(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
(i) Securities and Exchange Board of India (Depository and Participants) Regulations, 2018
Based on the above examination, I/We hereby report that, pursuant to SEBI (PIT) Regulations 2015, Trading window had been closed prior to the date of Board Meeting and also during the Review Period:
(a)The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Submission of Certificate simultaneously to Stock exchange as per Regulation 40 (10) - Transfer or transmission or transposition of securities	Delayed submission as per NSE report	As per Website of NSE, the same is submitted timely

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.

(c)The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	National Stock Exchange vide its letter dated 15.10.2019 and BSE vide email dated 15.10.2019	Notice for Non-Compliance of Listing Regulation 34 i.e. delayed in the submission of annual report to stock exchange.	The Company has made the payment of fine for delayed submission of Annual Report of the Company for Non-Compliance under Regulation 34 but the same has been later withdrawn by both the stock exchanges as per NSE letter dated 01.01.2020 and BSE email dated 07.01.2020.	The Company shall take utmost care in future.

(d)The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended...	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
	N/A	N/A	N/A	N/A

(e) The listed entity had suitably modified the terms of appointment of statutory auditors in terms of Para 6(A) and 6(B) of the SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019.

For M R & Associates
Company Secretaries

Place : Kolkata
Date : 22.06.2020

Sd/-
[M.R. Goenka]
Partner
FCS No.: 4515
C P No.: 2551
UDIN : F004515B000366008

Note : The Covid-19 outbreak was declared as a global pandemic by the World Health Organization. On March 24, 2020, the Indian government announced a strict 21-day lockdown which was further extended across the country to contain the spread of the virus. Due to Covid-19 pandemic impact, the documents were obtained through electronic mode and verified with requirements. It is further stated that due to the pandemic situation cause by Covid-19, few intimations to Stock Exchanges under relevant SEBI Regulations were done, which were within the extension period granted by such regulatory authorities.

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

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

Dear Sir (s),

Pursuant to the provisions of Regulation 17 (8) of the Listing Regulation, We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of R S software (India) Limited ("the Company"), to the best of our knowledge and belief certify that:

(a) We have reviewed the financial statements and the cash flow statement of the Company for the financial year ended 31st March 2020, on standalone and consolidated basis and that to the best of our knowledge and belief:
   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year 2019-20 which are fraudulent, illegal or violative of the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee :
   (i) significant changes, if any, in internal control over financial reporting during the financial year 2019-20 ;
   (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   (iii) there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

(e) To the best of our knowledge during the year the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management.

Place: **Kolkata**
Date: **June 24, 2020**

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

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

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 SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, I, Rajnit Rai Jain, Chairman and Managing Director of the company 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, 2020.

Place: Kolkata
Date: June 24, 2020

SD/-
Rajnit Rai Jain

(Chairman & Managing Director)
DIN: 00122942

MR & Associates
Company Secretaries
46, B. B. Ganguly Street,
Kolkata-700012
Moblie No: 9831074332
Email :goenkamohan@gmail.com

PRACTICING COMPANY SECRETARY'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members,
R.S. Software (India) Limited

1. We have examined the compliance of conditions of Corporate Governance by **R.S. Software (India) Limited** (hereinafter called the Company) for the Financial Year ended on 31st March, 2020 as stipulated in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations').

2. The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3. In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations').

4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

5. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

Place: Kolkata
Date: June 24, 2020

For M R & Associates
Company Secretaries

Sd/-
M R Goenka
Partner
C P No.: 2551

MR & Associates
Company Secretaries
46, B. B. Ganguly Street,
Kolkata-700012
Moblie No: 9831074332
Email :goenkamohan@gmail.com

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
R.S. Software (India) Limited
234 3A, Acharya Jagadish Chandra Bose Road
Kolkata-700020

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **R.S. Software (India) Limited** having CIN L72200WB1987PLC043375 and having registered office at 234 3A, Acharya Jagadish Chandra Bose Road, Kolkata- 700020 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Directors	DIN	Date of Appointment in Company
1.	MR. RAJNIT RAI JAIN	00122942	12/2/1987
2.	MRS. SHITAL KUMAR JAIN	00047474	12/4/2006
3.	MR. RAJASEKAR RAMARAJ	00090279	5/1/2009
4.	MRS. SARITA JAIN	0206743	1/20/1988
5.	MR. RICHARD NICHOLAS LAUNDER	03375772	7/28/2009

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M R & Associates
Company Secretaries

Place: Kolkata
Date: 11.07.2020

Sd/-
[M R Goenka]
Partner
FCS No. :4515
C P No. :2551
UDIN No. : F004515B000440467

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

Report on the standalone Financial Statements
Opinion

We have audited the accompanying Standalone financial statements of M/s. **R S Software (India) Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (India Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss (Including Other Comprehensive Income), Statement of Changes in Equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Standalone Financial Statement.

Key Audit Matters :

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed and communicated with management in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in the our report.

Sr. No	Key Audit Matter	How our audit addressed the Key Audit Matter
1	The application of revenue recognition accounting Standard is complex and involved a number of Key judgements and estimates and is the focus area of audit. It involves the analysis of Customer Contracts (which includes identification and review of distinct performance obligations in the contract and determination of its Transaction price in relation with the performance obligation and the basis used to recognize revenue.	Our audit procedure in recognition of revenue includes- a. Obtaining an understanding of the systems, processes and controls implemented for recording and computing revenue b. Thereafter tested the controls relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls. c. Selected on sample basis for performing the following procedures 1. Reviewed the particulars of the agreements (i.e distinct performance obligations, nature of work, transaction price including other Terms and Conditions).

		2. Compared the Actual Performance Obligations with agreed performance obligations and revenue booking based on performance obligations achieved/rendered.
		3. Reviewed the terms of the contracts in relation to 'transaction price' including any variable consideration and tested that revenue booking corresponds to the same.
		4. In respect of revenue recorded for time and material and fixed price monthly contracts samples were tested using a combination of approved time sheets customer acceptances & subsequent invoicing and existing trend of collections.
		5. In respect of revenue recorded for fixed price development contract and fixed time frame contract samples were tested to check the performance and obligation using the percentage of completion method based on Managements estimate of the Contract cost.

Emphasis of Matter

a. Attention is invited to Note 35 of the accounts which explains the managements assessment of the financial impact due to Covid-19 pandemic is that the Company has invoked BCP with Work From Home in wake of Pandemic caused by Covid 19. The definitive assessment of the impact of Lockdown and other restrictions related to Covid 19 Pandemic in subsequent period is highly dependent on the circumstances as they evolve. As a result of Covid 19 impact, the demand for digital and contact less payment services is expected to be on the increase.
b. Attention is also drawn to Note 4 of the accounts where subsidiary R S Software Asia Pte has applied for Strike off on 01/04/2020 with ACRA (Accounting and Corporate Regulatory Authority), Singapore.
Our opinion is not modified irrespect of matter stated in points (a) & (b) under "Emphasis of Matter" section of our report.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors Report including Annexures to Directors' Report, Report on Corporate Governance but does not include the Standalone Financial Statements and our auditors' report thereon. The Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report and Report on Corporate Governance are expected to be made available to us after the date of this auditor's report.
Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or out knowledge obtained in the audit or otherwise appears to be materially misstated.
When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibility of Management and Those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income (changes in equity) and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, 2013 read with relevant rules issued thereunder and other Accounting principles generally accepted in India.
This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
Those Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
• Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
• Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the interim consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
• Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements
(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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
(e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 matter to be included in the Auditor's report in accordance with the requirements of Section 197(16) of the act, as amended –
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the act
(h) With respect to the other matters to be 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 has long term contracts for which there are no material foreseeable losses as at the balance sheet date.
iii. There is no delay in transferring amounts, 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

Sd/-

CA D.N.AGRAWAL
Partner
Memb No. 51157
UDIN: 20051157AAAAAU8910

Dated : the 24th day of June, 2020
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, 2020, 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, goods and service tax (GST), cess and other statutory dues applicable to it except certain delay in deposit of GST. No statutory dues were outstanding, as at 31st March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax (GST), cess and other material statutory dues were outstanding, as at 31st March 2020 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). Final effect order awaited

(viii) The Company has not defaulted in repayment of loan and borrowing from bank. The company does not have any loans or borrowings from any financial institution, 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, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For DEOKI BIJAY & Co.
CHARTERED ACCOUNTANTS
Firm Regn. No : 313105E

Sd/-
CA D.N.AGRAWAL
Partner
Memb No. 51157

Dated : the 24th day of June, 2020
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, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion of the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in responsible detail, accurately and 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DEOKI BIJAY & Co.
CHARTERED ACCOUNTANTS
Firm Regn. No : 313105E

Sd/-
CA D.N.AGRAWAL
Partner
Memb No. 51157

Dated : the 24th day of June, 2020
Place : Kolkata

R S SOFTWARE INDIA LIMITED
BALANCE SHEET AS AT MAR 31,2020

₹ in Lac

	PARTICULAR	Notes	As at MAR 31,2020	As at MAR 31, 2019
ASSETS				
NON CURRENT ASSETS				
a	**PROPERTY PLANT & EQUIPMENT**			
(i)	PROPERTY PLANT & EQUIPMENT	3	334.76	400.71
(ii)	OTHER INTANGIBLE ASSETS	3	1,166.02	176.33
(iii)	INTANGIBLE ASSETS UNDER DEVELOPMENT	3	-	623.94
b	**FINANCIAL ASSETS**			
(i)	INVESTMENTS	4	2,523.30	2,878.59
(ii)	LOANS	5	-	1,300.00
(iii)	OTHER FINANCIAL ASSET	6	430.24	1,077.44
c	**DEFERRED TAX ASSETS (Net)**	7	-	2,649.54
d	**OTHER NON CURRENT ASSETS**	8	439.16	805.30
CURRENT ASSETS				
e	**FINANCIAL ASSETS**			
(i)	INVESTMENT	9	1,699.20	3,424.24
(ii)	TRADE RECEIVABLES	10	570.34	615.17
(iii)	CASH & CASH EQUIVALENTS	11	1,106.66	622.73
(iv)	OTHER BANK BALANCES	11	64.69	407.10
(v)	OTHER FINANCIAL ASSETS	12	570.42	496.87
f	**OTHER CURRENT ASSETS**	13	1,727.23	1,786.81
g	**NON CURRENT ASSET HELD FOR DISPOSAL**	14	8.02	-
	TOTAL ASSETS		**10,640.04**	**17,264.77**
EQUITY AND LIABILITIES :				
EQUITY				
(i)	EQUITY SHARE CAPITAL	15	1,285.42	1,285.42
(ii)	OTHER EQUITY	15	7,542.81	13,881.24
LIABILITIES				
NON CURRENT LIABILITIES				
a)	PROVISIONS	16	192.99	230.33
CURRENT LIABILITIES				
b)	**FINANCIAL LIABILITIES**			
(i)	SHORT TERM ADVANCES	17	881.40	853.64
(ii)	TRADE PAYABLES	18	339.98	439.72
(iii)	OTHER FINANCIAL LIABILITIES	19	167.20	236.00
c)	**OTHER CURRENT LIABILITIES**	20	192.32	307.35
d)	**LIABILITIES ASSOCIATED WITH NON CURRENT ASSETS HELD FOR DISPOSAL**	21	12.58	-
e)	**SHORT TERM PROVISIONS**	22	25.34	31.07
	TOTAL LIABILITIES		**10,640.04**	**17,264.77**

Significant Accounting Policies and Notes on Accounts 1 to 44
The Notes referred to above form an integral part of the Standalone Financial Statement.
This is the Standalone Financial Statement referred to in our report of even date.

ON BEHALF OF THE BOARD

For DEOKI BIJAY &CO
CHARTERED ACCOUNTANTS
(Reg. no : 313105E)
Sd/-
CA D.N.AGRAWAL
PARTNER,
M. No. 51157
DATED: June 24,2020
PLACE : Kolkata

Sd/-
V. SURANA
CFO & COMPANY SECRETARY
Mem no:11559

Sd/-
R.RAMARAJ
DIRECTOR
DIN:00090279

Sd/-
R.R. JAIN
CHAIRMAN & MANAGING DIRECTOR
DIN : 00122942

R S SOFTWARE INDIA LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MAR 31,2020

₹ in Lac

	PARTICULARS		Notes	YEAR ENDED MAR 31,2020	YEAR ENDED MAR 31,2019
I	REVENUE FROM OPERATIONS		24	5,996.14	6,104.09
II	OTHER INCOME		25	1,195.14	577.40
III	**TOTAL REVENUE**		-	**7,191.28**	**6,681.50**
IV	**EXPENSES :**				
	PURCHASE OF STOCK IN TRADE		26	239.78	789.21
	EMPLOYEE BENEFIT EXPENSES		27	5,675.44	5,947.51
	SUBCONTRACTOR EXPENSES		28	744.13	637.14
	FINANCE COST		29	44.42	28.32
	DEPRECIATION & AMORTISATION		-	303.40	221.03
	OPERATION AND OTHER EXPENSES		30	3,802.85	2,037.80
	TOTAL EXPENSES			**10,810.02**	**9,661.01**
V	**PROFIT / (LOSS) BEFORE TAX :**	(III - IV)	-	**(3,618.74)**	**(2,979.51)**
VI	TAX EXPENSES				
	DEFERRED TAX WRITTEN OFF EARLIER YEAR		-	2,649.54	(591.96)
	PROFIT /(LOSS) FOR THE YEAR ENDED		-	**(6,268.28)**	**(2,387.55)**
	OTHER COMPREHENSIVE INCOME / (LOSS)				
	ITEMS WHICH WILL NOT BE CLASSIFIED INTO P&L RELATING TO ACTUARIAL GAIN/(LOSS)		-	(24.88)	(4.07)
	TOTAL COMPREHENSIVE INCOME/(LOSS)		-	**(24.88)**	**(4.07)**
VII	**PROFIT/ (LOSS) FOR THE YEAR FROM CONTINUING OPERATION :**	(V - VI)	-	**(6,293.16)**	**(2,391.61)**
VIII	EARNINGS PER EQUITY SHARE :				
	BASIC		37	(24.48)	(9.30)
	DILLUTED		37	(24.48)	(9.30)

Significant Accounting Policies and Notes on Accounts 1 to 44
The Notes referred to above form an integral part of the Standalone Financial Statement.
This is the Standalone Financial Statement referred to in our report of even date.

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

ON BEHALF OF THE BOARD

Sd/-
CA D.N.AGRAWAL
PARTNER,
M. No. 51157
DATED: June 24,2020
PLACE : Kolkata

Sd/-
V. SURANA
CFO & COMPANY SECRETARY
Mem no:11559

Sd/-
R.RAMARAJ
DIRECTOR
DIN:00090279

Sd/-
R.R. JAIN
CHAIRMAN & MANAGING DIRECTOR
DIN : 00122942

R S SOFTWARE INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MAR 31,2020

₹ in Lac

	PARTICULARS	YEAR ENDED MAR 31,2020	YEAR ENDED MAR 31, 2019
	CASH FLOW STATEMENT		
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	NET PROFIT BEFORE TAX	(3,643.61)	(2,983.58)
	ADJUSTMENT FOR :		
	DEPRECIATION	303.40	221.03
	INTEREST PAID	44.42	28.32
	FOREIGN EXCHANGE FLUCTUATION RESERVE	(-45.28)	26.18
	PROVISION FOR GRATUITY, LEAVE ENCASHMENT	96.57	58.23
	INTEREST RECEIVED	(1,195.14)	(577.40)
	DIVIDEND RECEIVED	-	-
	EMPLOYEES EXPENSES AMORTIZATION	(133.91)	(126.42)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**(4,573.55)**	**(3,353.65)**
	ADJUSTMENT FOR :		
	TRADE AND OTHER RECEIVABLES	(28.73)	266.23
	LOANS AND ADVANCES AND OTHER ASSETS	2,372.92	(752.21)
	TRADE PAYABLES & OTHER LIABILITIES (INCLUDES EMPLOYEE AMORTISATION & FOREX)	(261.54)	(78.15)
	CASH GENERATED FROM OPERATIONS	**(2,490.90)**	**(3,917.77)**
	NET CASH FROM OPERATING ACTIVITIES	**(2,490.90)**	**(3,917.77)**
B	**CASH FLOW FROM INVESTMENT ACTIVITIES :**		
	PURCHASE OF PROPERTY PLANT & EQUIPMENT	(603.19)	(718.53)
	INTEREST RECEIVED	1,576.43	533.76
	NON CURRENT ASSET HELD FOR DISPOSAL	4.56	
	INVESTMENT MADE DURING THE YEAR	1,699.03	2,658.12
	NET CASH FROM INVESTMENT ACTIVITIES	**2,676.83**	**2,473.36**
C	**CASH FLOW FROM FINANCE ACTIVITIES:**		
	PROCEEDS FROM SHARE APPLICATION	-	-
	INTEREST PAID	(44.42)	(28.32)
	DIVIDEND AND DIVIDEND TAX PAID	-	-
	NET CASH FROM FINANCING ACTIVITIES	**(44.42)**	**(28.32)**
	NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**141.51**	**(1,472.73)**
	OPENING CASH AND CASH EQUIVALENTS	1,029.83	2,502.56
	CLOSING CASH AND CASH EQUIVALENTS	1,171.35	1,029.83

The Notes referred to above form an integral part of the Standalone Financial Statement.
This is the Standalone Financial Statement referred to in our report of even date.

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

ON BEHALF OF THE BOARD

Sd/-
CA D.N.AGRAWAL
PARTNER,
M. No. 51157
DATED: June 24,2020
PLACE : Kolkata

Sd/-
V. SURANA
CFO & COMPANY SECRETARY
Mem no:11559

Sd/-
R.RAMARAJ
DIRECTOR
DIN:00090279

Sd/-
R.R. JAIN
CHAIRMAN & MANAGING DIRECTOR
DIN : 00122942

15 (i). STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MAR 31,2020 *

₹ 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	Equity Instruments through other comprehensive income	Other items of other comprehensive income	
Equity Share Capital							
Balance as of April 1, 2019							1,285.42
Changes in equity for Year Ended MAR 31,2020							-
Balance as of MAR 31,2020							1,285.42
Other Equity							
Balance as of April 1, 2019	2,586.38	10,505.74	118.15	534.74	-	(162.59)	13,881.24
Changes in equity for Year Ended MAR 31,2020							
Changes due Inter Branch Foreign Fluctuation Account	-		-	(45.28)	-	-	(45.28)
Changes during the period	-	(6,268.28)	-	-	-	(24.88)	(6,293.15)
Balance as of MAR 31,2020	2,586.38	4,237.46	118.15	489.46	-	(187.46)	7,542.81

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MAR 31 2019

₹ 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	Equity Instruments through other comprehensive income	Other items of other comprehensive income	
Equity							
Balance as of April 1, 2018							1,285.42
Changes in equity for year ended Mar 31,2019							-
Balance as of Mar 31, 2019							1,285.42
Other Equity							
Balance as of April 1, 2018	2,586.38	12,893.29	118.15	508.56	-	(158.52)	16,246.68
Changes in equity for the year ended Mar 31,2019							
Changes due Inter Branch Foreign Fluctuation Account	-	-	-	26.18	-	-	26.18
Changes during the year	-	(2,387.55)	-	-	-	(4.07)	(2,391.61)
Balance as of Mar 31, 2019	2,586.38	10,505.74	118.15	534.74	-	(162.59)	13,881.24

***This Statement forms a integral part of Standalone Financial Statement**

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

CA D.N.AGRAWAL
PARTNER, Sd/-
M. No. 51157
DATED: June 24,2020
PLACE : Kolkata

Sd/-
R.RAMARAJ
DIRECTOR
DIN:00090279

Sd/-
R.R. JAIN
CHAIRMAN &
MANAGING DIRECTOR
DIN : 00122942

Sd/-
V. SURANA
CFO & COMPANY
SECRETARY
Mem no:11559

ON BEHALF OF THE BOARD

NOTES ON ACCOUNTS FOR THE YEAR ENDED MAR 31,2020

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 June 24,2020.

2

a. Significant Accounting Policies

These financial statements are prepared in accordance with Indian Accounting Standard (Ins AS), under the historical cost convention on the actual basis except for the certain financial instruments which are measured at fair values at the end of each reporting period the provisions of the companies Act,2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are precribed under section 133 of the Act read with Rule 3 of the companies (Indian Accounting Standards) Rules,2015 and relevant amendment rules issued there after.

Accounting Policies have been consistently applied except where a newly issued accounting standrad is initially adopted or a revision to an existing accounting standard requires a change in the accouting policiey hitherto in use.

As the quarter and the year figures are taken from the source and rounded to the nearest digits, the figures for the previous quarters might not always add up to the year figures reported in this statement.

b Use of Estimates & Judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.
Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of goodwill, impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets and provisions and contingent liabilities.Key estimates are critical accounting estimates.

c Critical Accounting Estimates:

i) Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

ii) Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 2(N).

iii) Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

d Revenue Recognition

Revenue is realized on time-and-material basis or Fixed Bid or Milestone as specified in the work order. Revenue from software development on time and material basis is recognized based on Service rendered (software developed) and billed to clients as per the terms of specific contracts. Revenue from Fixed Bid contract is recognized on monthly basis as per contract terms. Revenue from Milestone base contract is being recognized based on effort given during the period but the Invoice is sent to customer when the milestone is achieved as per contract. Value Added tax in UK is not included in the income from Software development.
Contracts are unbundled into separately identifiable components and the consideration is allocated to those identifiable components on the basis of their fair values. Revenue is recognized for respective components either at the point in time or over time, as applicable.
Revenue from software development contracts, which are generally time bound fixed price contracts, is recognized over the life of the contract using the percentage-of-completion method, with contract costs determining the degree of completion.
Revenue from the sale of internally developed and manufactured systems and third party products which do not require significant modification is recognized upon delivery, which is when the absolute right to use passes to the customer and the Company does not have any material remaining service obligation.
Unbilled Revenue included in Other Financial Assets, represents amounts recognized in respect of services performed in a accordance with Contract terms, not yet billed to Customers as at Reporting Period end.

The Company derives revenues primarily from business IT services comprising of software dev elopement and related services, consulting and package implementation and from the licensing of software products and platforms across our core and digital offerings (“together called as software related services”).
Revenue from subsidiaries is recognised based on transaction price which is at arm's length.
Interest income has been booked as per effective interest method.

The Company presents revenues net of indirect taxes in its Statement of Profit & loss.All other investment income has been accounted for on accrual basis.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers) accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and/or revised significant accounting policies related to revenue recognition. Refer Note 1 "Significant Accounting Policies." In the Company's 2018 Annual Report for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of IND AS 115 was insignificant

Arrangements with customers for software related services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

In arrangements for software development and related services and maintenance services, the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the company is unable to determine the standalone selling price, the company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control f the work as it progresses.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Arrangements to deliver software products generally have three elements license, implementation and Annual Technical Services (ATS).

e Cost recognition

Costs and expenses are recognized when incurred and have been classified according to their primary nature.

The costs of the company are broadly categorized in employee benefit expenses, depreciation and amortization and other operating expenses. Employee benefit expenses include employee compensation, allowances paid and staff welfare expenses. Other operating expenses majorly include fees to external consultants, Rent, cost running its facilities, travel expenses, communication costs allowances for delinquent receivables and other expenses. Other expenses is an aggregation of costs which are individually not material such us commission bank charges, freight, Postage etc.

f Property ,Plant & Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Property, plant and equipment individually costing Rs 5,000 or less which are not capitalised except when they are part of a larger capital investment programmed.

Depreciation is provided for property, plant and equipment so as to expense the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

BUILDING	60 Years
PLANT AND EQUIPMENT	3 years/6 years
FURNITURE AND FIXTURES	10 Years
VEHICLES	8 years
OFFICE EQUIPMENT	5 Years
AIR CONDITIONER	15 Years
ELECTRICAL INSTALLATIONS	10 Years

Depreciation on fixed assets is provided using the straight-line method on the basis of use full life of assets under schedule II of the Indian Companies Act, 2013.

g Intangible assets

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets/Software 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 feom operating,investing and financing activities are segregated.

m Employee Benefits

Contribution of Employers share to Employees' Provident Fund and ESI are worked on accrual basis and charged to Profit & Loss Account. The Company also provides for Gratuity and Leave Encashment based on actuarial valuation made by an independent actuary as per IAS 19 Compliance of The Institute of Chartered Accountants of India, Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur.

n Income Tax

Current Income tax expense comprise taxes on income from operation in India and in foreign jurisdiction. Income tax payable in India is determination in accordance with the provision of I. Tax Act 1961. Tax expense relating to foreign operation is determined in accordance with the laws applicable in countries where such operations are domiciled.

Advance tax and provisions for current income taxes are presented in the Balance Sheet after off setting advance taxes paid and income tax provision arising in the same tax jurisdiction and where the company intends to settle the assets and liabilities on a net basis.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

o Financial instruments

Initial recognition

i) The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. Initial recognition has been measured at its fair value plus or minus transaction costs that re directly attributable. Regular purchase and sale of financial assets are accounted for at trade date.

ii) Financial assets at amortised cost

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

iii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iv) Financial assets at fair value through Profit & Loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

v) Investment in subsidiaries

Investment in subsidiaries are measured at cost

vi) Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for Derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

p Asset taken on Lease

Asset and liabilities for all leases second for a term of more than 12 months are recognized as far IND AS 116 unless underlined asset is of low values.

q Impairment of Assets

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future post-tax cash flows of the relevant cash generating unit or fair value less cost to sell, whichever is higher. The discount rate is applied, based upon the weighted average cost of capital with appropriate adjustments for the risks associated with the relevant business. Any impairment in value is charged to the Income Statement in the year, which it occurs.

Expected Credit Loss: As per Ind AS 109, the company uses expected credit loss model to assess to impairment of loss or gain.The company uses provision metrics to compute expected credit loss allowances.For Trade receivables and unbilled revenue, the provision metrics takes into account available external & internal credit risk factors such as delay risk & default risk.

r Segment Reporting

The company's operating business are organized and managed as per Location of the client. Common costs are allocated to the cost based on the Revenue Mix. Unallocated costs are disclosed separately. The company prepare its segment information in conformity with the accounting policy adopted for preparing and presenting the financial statement of the Company as a whole.

s Earnings per share

Basic earning per share is calculated by dividing the net profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For Calculating Diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

t Recent Indian Accounting Standard (Ind AS)

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements

Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 replacing Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.The effect on adoption of Ind AS 116 Appendix C would be insignificant in the standalone financial statements

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

• to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

3.PROPERTY PLANT AND EQUIPMENT ₹ in Lac

PARTICULARS	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION & AMORTISATION				NET CARRYING AMOUNT	
	AS ON 1ST OF APRIL19	ADDITIONS	DED/ADJ	AS AT MAR 31,2020	AS ON 1ST OF APRIL19	ADDITIONS	DED/ADJ	AS AT MAR 31,2020	AS AT MAR 31,2020	AS ON 31ST MARCH 19
LAND	7.76			7.76	-		-	-	7.76	7.76
BUILDING	105.37			105.37	12.27	4.10	-	16.37	89.00	93.10
PLANT & EQUIPMENT	465.17	0.09		465.26	304.47	89.63		394.10	71.16	160.70
OFFICE EQUIPMENT	99.25	1.08	7.28	93.05	76.62	12.75	6.85	82.52	10.53	22.63
AIR CONDITIONER	64.31	60.36		124.67	16.89	7.69		24.58	100.09	47.42
ELECTRICAL INSTALLATIONS	64.55			64.55	56.64	2.06		58.70	5.85	7.91
FURNITURE & FITTINGS	157.15	3.55		160.70	96.40	14.35		110.75	49.94	60.75
MOTOR VEHICLES	16.14			16.14	15.70			15.70	0.44	0.44
TOTAL (a)	**979.71**	**65.07**	**7.28**	**1,037.50**	**578.99**	**130.59**	**6.85**	**702.73**	**334.77**	**400.71**
OTHER INTANGIBLE ASSETS										
SOFTWARE PRODUCT - EFRM	-	1,162.51		1,162.51	0	108.22		108.22	1,054.28	0
COMPUTER SOFTWARE	332.21			332.21	155.88	64.59		220.47	**111.74**	176.33
TOTAL (b)	**332.21**	**1,162.51**	**-**	**1,494.72**	**155.88**	**172.82**	**-**	**328.70**	**1,166.02**	**176.33**
TOTAL (a+b)	**1,311.92**	**1,227.58**	**7.28**	**2,532.22**	**734.87**	**303.40**	**6.85**	**1,031.43**	**1,500.79**	**577.04**
INTANGIBLE ASSETS UNDER DEVELOPMENT (NPCI EFRM SOFTWARE)									**0.00**	**623.94**

FY 18-19

PARTICULARS	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION & AMORTISATION				NET CARRYING AMOUNT	
	AS ON 1ST OF APRIL18	ADDITIONS	DED/ADJ	AS AT MAR 31,2019	AS ON 1ST OF APRIL18	ADDITIONS	DED/ADJ	AS AT MAR 31,2019	AS AT MAR 31,2019	AS ON 31ST MARCH 18
LAND	7.76	-	-	7.76	-		-	-	7.76	7.76
BUILDING	105.37	-		105.37	8.20	4.07		12.27	93.10	**97.17**
PLANT & EQUIPMENT	*396.43*	88.73	19.99	465.17	**216.44**	91.23	3.20	304.47	160.70	**179.99**
OFFICE EQUIPMENT	96.53	3.36	0.64	99.25	**56.68**	20.58	0.64	76.62	22.63	**39.85**
AIR CONDITIONER	63.72	0.89	0.30	64.31	**11.20**	6.00	0.31	16.89	47.42	**52.52**
ELECTRICAL INSTALLATIONS	64.55	-		64.55	**48.66**	7.98		56.64	7.91	**15.89**
FURNITURE & FITTINGS	*158.80*		1.65	157.15	**76.75**	21.31	1.66	96.40	60.75	**82.04**
MOTOR VEHICLES	16.14	-		16.14	**11.52**	4.18		15.70	0.44	**4.62**
TOTAL (a)	**909.30**	**92.99**	**22.58**	**979.71**	**429.45**	**155.35**	**5.81**	**578.99**	**400.71**	**479.85**
OTHER INTANGIBLE ASSETS										
COMPUTER SOFTWARE	374.21	20.83	62.83	332.21	170.81	65.68	80.61	155.88	176.33	203.39
TOTAL (b)	**374.21**	**20.83**	**62.83**	**332.21**	**170.81**	**65.68**	**80.61**	**155.88**	**176.33**	**203.39**
TOTAL (a+b)	**1,283.51**	**113.82**	**85.41**	**1,311.92**	**600.26**	**221.03**	**86.42**	**734.87**	**577.04**	**683.24**

1)Land includes Leasehold land amounting to Rs. *458,694/-* from WBEIDC The lease expires in year 2086. No bills for yearly lease payments have been received, hence the effect of aodption of IND AS -116 would be insignificant and lease has been carried on at its historical cost

2)The Aggregate Depreciation has been included under depreciation and amortisation Expense in the statement of Profit and loss.

INTANGIBLE ASSETS UNDER DEVELOPMENT	Mar'20	Mar'19	Mar'18
NPCI EFRM	0.00	623.94	20.24
TOTAL	0.00	623.94	20.24

NOTES ON ACCOUNTS FOR THE YEAR ENDED MAR 31,2020

₹ in Lac

4	**NON-CURRENT INVESTMENTS (AT COST)**			MAR 31,2020		MAR 31,2019
	(Others - unquoted)					
	R S Software (Asia) Pte. Limited			-		8.02
	(25000 No. (Previous year 25000 no.) equity share of SGD 1 each fully paid up)					
	RESPONSIVE SOLUTION INC.			163.30		163.30
	(500 no.(Previous year 500 no.) Equity Share of USD 0.01 each fully paid up)					
	In Subsidiary			**163.30**		**171.32**
	Paypermint Pvt Ltd			2,360.00		2,360.00
	(7600000 nos of equity shares of Rs 10 each fully paid up)					
	*The Singapore Subsidiary was not operational and has applied for strike off with ACRA, Signapore on 01/04/2020 and accordingly the same has been reclassified as non current assets held for sale under Note no.14			**2,523.30**		**2,531.32**
			No. of unit	**₹ in Lac**	**No. of unit**	**₹in Lac**
	In Mutual Fund -(AT FMV through Profit & LOSS)					
	Reliance Fixed Horizon Fund - Xxxiii - Series 9 - Direct Growth Plan (Vxagg)		-	-	3000000	347.27
				2,523.30		**2,878.59**
5	**LOANS**			**MAR 31,2020**		**MAR 31,2019**
	Advance to R S EmployeeWelfareTrust (RSEWT)					1,300.00
	** The loan along with interest accrued paid to RSEWT was non recoverable and hence written off in full as the trust had accumulated losses and had no surplus fund available			-		**1,300.00**
6	**OTHER FINANCIAL ASSETS**					
				MAR 31,2020		**MAR 31,2019**
	FD On Lien (With Original Maturity More Than 12 Months)					₹ in Lac -
	ICICI Bank			9.93		18.31
	Allahabad Bank			-		9.40
	Axis Bank			-		7.49
	Yes Bank			420.31		370.82
	Interest Accrued on R S EMPLOYEE WELFARE TRUST			-		643.55
	Interest Accrued on Fixed Deposits			-		27.87
				430.24		**1,077.44**

				MAR 31,2020		**MAR 31,2019**
7	**Deferred tax Assets (NET)**					₹ in Lac
	A)Deferred Tax Liabilty			-		-
	Depreciation On Property, Plant & Equipment			-		-
	B)Deferred Tax Asset					
	Other Provisions Accrued Employee Benefits & Unused Business Tax Credit Losses			-		2,661.49
	Depreciation On Property, Plant & Equipment			-		(11.95)
	Net Deferred Tax Assets (Net)			**-**		**2,649.54**

Deferred Tax Liability Calulation: **₹ in Lac**

Deferred Tax Asset	**MAR 31,2020**	**MAR 31,2019**
Tax Rate	26.00	26.00
WDV Difference closing Property Plant & Equipment	(9,010,637.39)	(4,596,873.23)
Asset as per Companies Act	147,112,966.57	57,645,729.52
Asset as per Income Tax	156,123,603.96	62,242,602.75
Closing Temporary Difference	(9,010,637.39)	(4,596,873.23)
Closing Balance DTL	(2,342,765.72)	(1,195,187.04)
LTCG Tax Rate		20.80
Opening TD		
Loss on business	1,256,740,684.93	894,866,717.56
Long Term Capital Loss	-	-
Provision for Gratuity & Leave	21,833,435.00	26,139,946.00
Originating TD	1,278,574,119.93	921,006,663.56
Closing TD	1,278,574,119.93	921,006,663.56
Closing Balance DTA	332,429,271.18	263,758,707.36
Net Deferred Tax Assets / (Liability)	**334,772,036.90**	**264,953,894.40**

*The company had recognised deferred tax assets based on the estimations of profits in future years considering the probability that sufficient taxable profits will be available against which the unused tax losses/credits can be utilised before such unused tax losses/credits expire.Though the company expects that such deferred tax Assets will be usable in future years but considering the prudent accounting policies and consdering the probability that sufficient taxable profit will not be available against which the deductible temporary difference can be utilised, the Board has decided to write off DTA relating to earlier year amounting to Rs. 26.49 crores arising due to Losses of past years.

₹ in Lac

8	**OTHER NON CURRENT ASSETS**			**MAR 31,2020**		**MAR 31,2019**
	Prepaid Expenses			13.55		1.70
	Security Deposits			69.39		69.39
	Advance Taxes (Net Of Provisions)			124.58		545.72
	Balances With Govt. Authorities			231.64		188.49
				439.16		**805.30**

₹ in Lac

9	**CURRENT INVESTMENT**			**MAR 31,2020**		**MAR 31,2019**
			No. of unit	-	**No. of unit**	-
	Investment in Mutual Fund (Others - unquoted)					
	ICICI Ultra Short Term Fund Dp Growth		1402970.56	301.27	-	-
	Nippon India Floating Rate Fund Direct Growth Plan		1550892.54	509.96	-	-
	Nippon India Low Duration Fund-Growth Plan Growth Option		12465.03	351.87	-	-

	JM High Liquidity Fund (Direct) - DDO		-	-	198981.61	101.86
	Kotak Bond (Short Term) - Direct Plan - Growth		-	-	92398.95	33.70
	Kotak Credit Risk Fund-Direct Plan Growth		1254022.57	294.20	1254022.57	270.08
	Kotak Low Duration Fund		-	-	17272.73	410.57
	Reliance Liquidity Fund		-	-	363.14	16.57
	Reliance Short Term Fund		-	-	728768.80	262.78
	Reliance Strategic Debt Fund - Direct Growth Plan		-	-	7464509.62	1,145.59
	Reliance Fixed Horizon Fund - Xxxiii - Series 2 - Direct Growth Plan		-	-	10000000.00	1,183.08
	Reliance Nippon Money Market Fund - Direct Plan Daily Dividend Plan (Lqadr)		24142	241.91	-	-
	(Aggregate amount of investment as on Mar 31, 2020 INR 1699.20 Lac) (As on March 31, 2019 INR 3424.24 Lac)		-	**1,699.20**	-	**3,424.24**

₹ in Lac

10	**TRADE RECEIVABLES**			**MAR 31,2020**		**MAR 31,2019**
	Unsecured and Considered good			885.81		702.33
	less:Expected Credit loss on receivables			(315.47)		(87.16)
				570.34		**615.17**

₹ in Lac

11	**CASH AND BANK BALANCE**			**MAR 31,2020**		**MAR 31,2019**
	CASH & CASH EQUIVALENTS					
	CASH IN HAND *			22.21		23.35
	BALANCE WITH BANK :					
	SCHEDULED BANKS					
	- in Current Account (Axis bank)			47.15		49.42
	- in Current Account Allahabad Bank)			-		0.33
	- in Current Account (HDFC Bank)			7.47		57.55
	- in Current Account (ICICI Bank)			236.47		68.28
	- in Current Account (YES Bank)			8.14		27.71
	- in Current Account (SBI Bank)			4.92		65.66
	FOREIGN BANK					
	- in Current Account(with ICICI,SILICON VALLEY BANK)			430.29		330.44
	FIXED DEPOSITS - with original maturity less than 3 Months					
	Fixed Deposits with ICICI Bank			350.00		-
				1,106.66		**622.73**
	OTHER BANK BALANCES					
	FD with ICICI Bank (On Lien Less Than 12 Months)			5.64		267.38
	FD with Axis Bank (On Lien Less Than 12 Months)			8.05		-
	FD with Allahabad Bank (On Lien Less Than 12 Months)			9.97		-
	FD with Yes Bank (On Lien Less Than 12 Months)			-		83.14
	Earmarked Balances With Banks(Unclaimed Dividend A/C)			41.02		56.58
	* Cash in hand is as certified by the Management			**64.69**		**407.10**

₹ in Lac

12	**OTHER FINANCIAL ASSETS**				
				MAR 31,2020	**MAR 31,2019**
	Unbilled Revenue			570.42	496.87
				570.42	**496.87**

₹ in Lac

13	**OTHER CURRENT ASSETS**			**MAR 31,2020**	**MAR 31,2019**
	Advances to Related Parties			16.59	-
	Advances Other Than Capital Advances			90.41	271.77
	Prepaid Expenses			87.88	74.00
	Deposits			53.18	50.21
	Advance To Staff			5.04	15.38
	Advance Taxes (Net Of Provisions)			1,172.43	1,101.51
	Balances With Govt. Authorities			301.71	273.94
				1,727.23	**1,786.81**

₹ in Lac

14	**NON CURRENT ASSET HELD FOR DISPOSAL**			**MAR 31,2020**	**MAR 31,2019**
	(Others - unquoted)			-	-
	In Wholly Owned Subsidiary				
	RS SOFTWARE ASIA PTE LTD.			8.02	
	(25000 no. (previous year 25000 no.) Equity share of SGD 1 each fully paid up)			**8.02**	**-**

*The Singapore Subsidiary was not operational and has applied for strike off with ACRA, Signapore on 01/04/2020 and accordingly the same has been reclassified as non current assets held for sale under Note no.14

₹ in Lac

15	**EQUITY SHARE CAPITAL**			**MAR 31,2020**	**MAR 31,2019**
a	**The AUTHORISED CAPITAL is :**				
	40000000	Equity Share Of INR 5/- Each		2,000.00	2,000.00
	2500000	Preference Share Of Inr 100/- Each		2,500.00	2,500.00
				4,500.00	**4,500.00**
b	**ISSUED SUBSCRIBED AND PAID-UP-FULLY CALLED AND PAID UP**				
	25,708,318.00	Equity Share Of Inr 5/- Each		1,285.42	1,285.42
		(Previous Year 257,08,318 Shares Of Inr 5 Each)			
				1,285.42	**1,285.42**

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 granted 250000 options to employees of the company on 29th Jan,2019, as per terms of that scheme 25% of the total options would be vested after on eyear from the date of grant but the concerned employee to whom the options have been granted did not excercise. 10,000 ESOP's granted on 9th Nov,2019 to a foreign national employee who had left the orgnaisation immediately after the grant and hence the option lapsed.

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

₹ in Lac

Equity Share	MAR 31,2020		MAR 31,2019	
	No. of Share		No. of Share	
Number of shares at the beginning	25708318	1,285.42	25,708,318	1,285.42
Number of shares at the end	**25708318**	**1,285.42**	**25,708,318**	**1,285.42**

d	SHAREHOLDER HOLDING MORE THAN 5% OF THE SHARE as on MAR 31, 2019	MAR 31,2020		MAR 31,2019	
	Mr. Rajnit Rai Jain	10090288 shares of INR 5 each		10035648 shares of INR 5 each	
		(39.25% of total shareholding)		(39.94% of total shareholding)	
	Mrs. Elizabeth Mathew	1324901 share of INR 5 each			
		(5.15% of total shareholding)			
e	Aggregate Nos of shares issued for consideration other than cash and shares bought back during five years immediately preceeding the current FY	2012-13(16226 equity Bonus shares)		2012-13(16226 equity Bonus shares)	

The details of **Statement of change in equity for the year ended Mar 31,2020** are enclosed in 15 (i)

₹ in Lac

16	NON CURRENT PROVISIONS	MAR 31,2020	MAR 31,2019
	Provision For Leave Encashment	18.68	20.15
	Provision For Gratuity	174.32	210.18
		192.99	**230.33**

₹ in Lac

		MAR 31,2020	MAR 31,2019
17	SHORT TERM ADVANCE		
	Advances From Subsidiaries	881.40	853.64
		881.40	**853.64**

₹ in Lac

		MAR 31,2020	MAR 31,2019
18	CURRENT _TRADE PAYABLE		
	Trade Payable-other than MSMED vendor	**339.98**	**439.72**
		339.98	**439.72**
19	CURRENT OTHER FINANCIAL LIABILITIES		
	Unpaid Dividend	41.02	56.58
	Salary Payable	57.82	57.62
	Statutory Liability Including Pf, Tds, Esi Etc.	68.35	121.80
		167.20	**236.00**

₹ in Lac

20	OTHER CURRENT LIABILITIES	MAR 31,2020	MAR 31,2019
	Statutory Liability Including GST	141.21	70.58
	Advance From Customers	48.93	234.60
	Security Deposit & Others	2.17	2.17
		192.32	**307.35**

₹ in Lac

		MAR 31,2020	MAR 31,2019
21	LIABILITIES ASSOCIATED WITH NON CURRENT ASSETS HELD FOR DISPOSAL		
	ADVANCE - SINGAPORE SUB.	**12.58**	

₹ in Lac

22	SHORT TERM PROVISIONS	MAR 31,2020	MAR 31,2019
	Provision For Leave Encashment	6.27	5.78
	Provision For Gratuity	19.07	25.29
		25.34	31.07

₹ in Lac

23	CONTINGENT LIABILITIES(TO THE EXTENT NOT PROVIDED FOR)	MAR 31,2020	MAR 31,2019
	(To the extent not provided for in the books)		
	a)Guarantee Outstanding	390.05	571.22
	b)Invoice funding with Silicon Valley Bank	465.81	762.14

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

in respect of income tax for AY2013-14 against a demand of INR 4.3 Cr, the company has filed an appeal with CIT(A), CIT(A) has passed favourable order.Final orderwith appeal effect has been awaited.

The company has assured operational and financial support to its subsidiaries enabling them to meet their obligations.

₹ in Lac

24	REVENUE FROM OPERATION	MAR 31,2020	MAR 31,2019
	Export of Software Services Income	4,568.03	4,572.15
	Domestic Income from Software Services	1,188.32	774.68
	Domestic Sales of stock in trade	239.78	757.26
		5,996.14	**6,104.09**

The details of Revenue from Operation breakup is enclosed in Annexure to Note No. 24

₹ in Lac

25	DETAILS OF OTHER INCOME	MAR 31,2020	MAR 31,2019
	Interest Received from Bank Fixed Deposit	47.00	72.74
	Net gain on Sale of Investments in Mutual Funds	347.11	309.33
	Interest Income From Income Tax Refund	54.22	-
	Interest from Employee Welfare Trust	85.31	113.75
	Unrealised gain/loss on Investment carried at FV through P&L	(381.30)	43.64
	Other Non-operating Income From Subsidiary	-	26.27
	Other Income	27.24	11.55
	Dividend Income from R S Software (Asia) Pte Ltd.	1,014.13	-
	Net Gain /loss from Foreign Transaction	1.43	0.12
		1,195.14	**577.40**

₹ in Lac

		MAR 31,2020	MAR 31,2019
26	PURCHASE OF STOCK IN TRADE		
	Purchase of stock in trade	239.78	789.21
		239.78	**789.21**

₹ in Lac

27	EMPLOYEE BENEFIT EXPENSES	MAR 31,2020	MAR 31,2019
	Salary Wages And Bonus	5,199.23	5,447.64
	Contribution to PF And Other Funds	229.12	198.95
	Staff Welfare Expenses	247.08	300.92
		5,675.44	**5,947.51**

		MAR 31,2020	MAR 31,2019
28	SUBCONTRACTOR EXPENSES	744.13	637.14

₹ in Lac

29	FINANCE COST	MAR 31,2020	MAR 31,2019
	Other Borrowing Cost (svb charges)	35.49	28.32
	SVB Renewal Fees	8.93	-
		44.42	28.32

₹ in Lac

30	OPERATION AND OTHER EXPENSES	MAR 31,2020	MAR 31,2019
	Travelling	317.74	338.87
	Conveyance	46.57	36.85
	Staff Welfare	30.69	33.69
	Communication	136.30	149.64
	Printing and Stationery	13.13	14.39
	Electricity and Power	124.83	128.02
	Rent - Apartment & Ground	354.23	337.88
	Repairs - Machinery	120.87	112.37
	Repairs - Building	89.66	75.55
	Repairs - Others	2.97	3.51
	Education and Training Expenses	1.61	9.20
	Insurance	46.93	63.10
	Auditors' Remuneration - Refer Note no.31	4.10	3.90
	Books and Periodicals	0.40	0.34
	Directors' Fees	21.60	16.40
	Rates & Taxes	56.83	63.09
	Legal / Professional Fee	127.89	203.50
	Consultancy Charges	69.75	119.78
	Recruitment & Relocation Expenses	99.24	64.61
	General and Board Meeting expenses	10.28	2.28
	Membership and Subscription	35.61	36.37
	Business Promotion	156.72	108.26
	Advertisement	3.50	3.68
	Loan & Interest Receivable written off as Expense ^	1,575.33	-
	Bank Charges	41.96	25.12
	Impairment loss recognised under Expected Credit loss	228.32	87.16
	Donation	0.96	0.25
	Adjustment Of Income Tax	84.86	
	* Balance of Rs. 32,983/-has been charged to Bank Charges as per intimation from Allahabad Bank	3,802.85	2,037.80

^ The loan along with interest accrued paid to RSEWT was non recoverable and hence written off in full as the trust had accumulated losses and had no surplus fund available

₹ in Lac

31	AUDITOR'S REMUNERATION	MAR 31,2020	MAR 31,2019
	As Statutory Auditors	2.50	2.50
	Other certification	1.60	1.40
	The above remunerations are not inclusive of service tax and GST	-	-
		4.10	3.90

32 There is no Impairment of assets during the year ended as on Mar 31,2020 under IND AS 36.

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

34 The details of Actuarial valuation as on 31.03.20 are enclosed in Annexure to Note No. 34

35 The Company has invoked BCP with Work From Home in wake of Pandemic caused by Covid 19. The definitive assessment of the impact of Lockdown and other restrictions related to Covid 19 Pandemic in subsequent period is highly dependent on the circumstances as they evolve. As a result of Covid 19 impact , the demand for digital and contact less payment services is expected to be on the increase.

36

a) **Enterprises where control exists:**

Wholly Owned Subsidiaries:	' % of holding	Country of Incorporation
Responsive Solutions Inc	100%	USA
RS Software (Asia) Pte. Ltd.	100%	Singapore

b) **Partly Owned Subsidiary**

Paypermint Pvt Ltd	79.17%	INDIA

c) **Key Management Personnel / Related parties:**

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	-	Head Staff Augmentation
Ms. Shrishti Jain	-	Head Global Sales
Mr. Vijendra Surana	-	CFO & Company Secretary

d) **Disclosure of transactions between the Company and Related Parties and the status of outstanding balances**

i

With Wholly Owned Subsidiary (WOS)		MAR 31,2020	MAR 31,2019
Particulars		Amount	Amount
Reimbursement of Expenses on behalf of Subsidiary			
	Responsive Solution Inc	-	242.79
	Paypermint Pvt Ltd	260.40	233.51
Amount received from R S Software Asia Pte	i. Dividend Income	1,014.13	
	ii. Advance received	12.57	

Balance as on Mar 31, 2020 :			
Advance taken against services	R S Software Asia (Pte.) Ltd.	12.57	-
	Responsive Solution Inc	881.40	853.64
Advance Given to Subsidiary			
	Paypermint Pvt Ltd	16.59	-
Advance received/paid from subsidiary			
	Received from RS Software (Asia) Pte Ltd as dividend and advance	1,026.70	-
Repayment of advances from Resposive Solution Inc		49.00	
Reimbursement of expenses receivable	Paypermint Pvt Ltd	260.40	233.51
Maximum balance outstanding during the year ended Mar 31,20			
	Responsive Solution Inc	(881.40)	(897.32)
	Paypermint Pvt Ltd	78.61	56.38

ii **With Related parties**

Compensation to KMP'S :	**Short Term Employee Benefit**
R R Jain(MD)	**84.16**
Mr.Richard Laundra (Director)	**6.80**
Mr.S.K.Jain (Director)	**5.60**
Mr.R. Ramaraj (Director)	**8.40**
Mrs Sarita Jain (Director)	**0.80**
Vijendra Kumar Surana(CFO & CS)	**69.79**
Relatives	**253.61**

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

₹ in Lac

Particulars	MAR 31,2020	MAR 31,2019
Numerator for Basic and Diluted EPS:		
Profit & Loss for the Year ended	(6,293.16)	(2,391.61)
Denominator for Basic EPS:		
Equity Shares	25,708,318.00	25,708,318.00
Weighted no. of Equity Shares	**25,708,318.00**	**25,708,318.00**
Denominator for Diluted Shares		
Weighted No. of Basic Equity Shares	25,708,318.00	25,708,318.00
Weighted no. of Equity Shares	**25,708,318.00**	**25,708,318.00**
Nominal Value of share	5.00	5.00
Basic Earning per Share	(24.48)	(9.30)
Diluted Earning per Share	(24.48)	(9.30)

38 Declaration received from Micro,Small and Medium Enterprises under section 22 of MSMED Act 2006 and disclosures has been made accordingly under Note no. 18

39 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	MAR 31,2020	MAR 31,2019
Expenditure in Foreign Currency:		
Foreign branch expenditure	5,282.71	4,716.06
Earning in Foreign Currency		
Export of services	4,568.03	4,572.15

b **Remittance in Foreign Currency**

The Company has remitted ₹ Nil (MAR 2019: ₹ Nil) in foreign currencies on accounts of dividends as on Mar 20 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 2012-13 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 2012-13 declared in July'13	201	533,149	March' 2013	10,66,298.00
Interim Dividend for 2013-14 declared in October' 13	207	588,430	March' 2014	14,71,075.00
Interim Q3 Dividend for 2013-14 declared in January' 14	197	506,065	March' 2014	5,06,065.00
Final dividend for 2013-14 declared in July,14	290	434,205	March' 2014	10,85, 512.50
Interim dividend for 2014-15 declared in July,14	344	463,450	March' 2015	4,63,450.00
2nd Interim dividend for 2014-15 declared in October,14	382	545,321	March' 2015	8,17,981.50
Final dividend for 2014-15 declared in July,15	588	2,229,422	March'2015	27,86,777.50
Dividend for 2015-16 declared in July,2016	564	1,790,888	March'2016	17,90,888.00

40 **Reporting of Segment Wise Revenue, Results and Capital Employed:**

₹ in Lac

Particulars	Year ended MAR 31,2020	Year Ended MAR 31,2019
1. Segment Revenue (net sale / income from each segment)		
a. Segment - A (USA)	4,537.75	4,572.15
b. Segment - B (ROW)	1,458.75	1,531.94
Total	**5,996.49**	**6,104.09**
Other Income		
Segment -A(USA)& B (ROW)	1,194.78	577.40
Total	**7,191.27**	**6,681.50**
Less : Inter - segment revenue	-	-
Total Revenue	**7,191.27**	**6,681.50**

2.Segment Results Profit/(Loss) before Tax & Interest from each segment		
a. Segment - A (USA)	(1,948.02)	(1,831.49)
b. Segment - B (ROW)	1,677.37	200.00
Total	**(270.65)**	**(1,631.49)**
Less : Interest	44.42	28.32
Less : Depreciation	303.40	221.03
Less : Unallocable Selling , General & Administrative Expenses	3,000.27	1,098.67
Profit before tax	**(3,618.74)**	**(2,979.51)**
3. Capital Employed		
Total Assets	**10,640.04**	**17,264.77**
Total Liability	**10,640.04**	**17,264.77**

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.

41 **Disclosure under clause 32 of the listing agreement amount of loans and advances outstanding from subsidiary**

	MAR 31,2020	MAR 31,2019
	₹ in Lac	₹ in Lac
Outstanding as on		
Responsive Solution Inc	1,026.70	-
RS Software (Asia) Pte Ltd	12.57	NIL
Paypermint Pvt Ltd	260.40	233.51
Maximum balance outstanding during the year		
Responsive Solution Inc	(881.40)	897.32
RS Software (Asia) Pte Ltd	-	NIL
Paypermint Pvt Ltd	78.61	56.38

42 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.

43 The previous year figures have been regrouped, reclassified and restated, wherever necessary, to correspond with the current year's classification.

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

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

Sd/-
CA D.N.AGRAWAL
Partner
M. No. 51157
DATED: June 24,2020
PLACE : Kolkata

Sd/-
V. SURANA
CFO & Company Secretary
Mem no:11559

On behalf of the Board

Sd/-
R.RAMARAJ
Director
DIN:00090279

ANNEXURE TO NOTE NO 34 ACTUARIAL VALUATION DISCLOSURE

PARTICULARS	2020	2020	2,019	2,019
1)EXPENSE RECOGNISED IN THE INCOME STATEMENT	**GRATUITY**	**LEAVE ENCASHMENT**	**GRATUITY**	**LEAVE ENCASHMENT**
Current Service Cost				
as on 31/03/2020	1,907,259.00	627,163.00	2,529,482.00	578,575.00
Past Service Cost				
Loss / (Gain) on settlement				
Net Interest Income / (cost) on the Net Defined Benefit Liability (Asset)	1,789,603.00	197,033.00	2,123,817.00	265,375.00
Actuarial (gains) / losses due to :				
change in demographic assumptions	(4,190,149.00)	(451,985.00)		
Change in financial assumptions	2,139,558.00	279,629.00	(1,895,368.00)	(265,358.00)
experience varience (i.e. Actual experience vs assumptions)	4,538,118.00	814,866.00	2,301,967.00	590,864.00
others				
Return on plan assets, excluding amount recognised in net interest				
expense				
Re-measurement (or Actuarial (gain)/loss) arising because of change				
in effect of asset celling				
Components of defined benifit costs recognised in Other				
Comprehensive Income	2,487,527.00		406,599.00	
2)Net Asset				
Funded Status				
Present value of Defined Benefit Obligati	19,338,605.00	2,494,830.00	23,547,412.00	2,592,534.00
Fair value of plan assets				
Funded status [Surplus/(Deficit)]	(19,338,605.00)	(2,494,830.00)	(23,547,412.00)	(2,592,534.00)
Effect of balance sheet asset limit				
Unrecognised Past Service Costs				
Present value of Defined Benefit Obligation				
Net asset/(liability) recognised in balance sheet	(19,338,605.00)	(2,494,830.00)	(23,547,412.00)	(2,592,534.00)
Net asset/(liability) recognised in balance sheet at beginning of				
period	(23,547,412.00)	(2,592,534.00)	(27,582,034.00)	(3,446,428.00)
Expense recognised in Income Statement	3,696,862.00	1,466,706.00	4,653,299.00	1,169,456.00
Expense recognised in Other Comprehensive Income	2,487,527.00		406,599.00	
Employer contributions	10,393,196.00	1,564,410.00	9,094,520.00	2,023,350.00
Net Acquisitions / Business Combinations				
Net asset/(liability) recognised in balance sheet at end of the period	(19,338,605.00)	(2,494,830.00)	(23,547,412.00)	(2,592,534.00)
3)Change in Defined Benefit Obligations (DBO)				
Present Value of DBO at beginning of period	23,547,412.00	2,592,534.00	27,582,034.00	3,446,428.00
Current Service cost	1,907,259.00	627,163.00	2,529,482.00	578,575.00
Interest cost	1,789,603.00	197,033.00	2,123,817.00	265,375.00
Curtailment cost/(credit)				
Settlement cost/(credit)				

Employee contribution				
Past Service Cost				
Acquisitions				
Re-measurement (or Actuarial (gains)/ losses) arising from				
change in demographic assumptions	(4,190,149.00)	(451,985.00)		
Change in financial assumptions	2,139,558.00	279,629.00	(1,895,368.00)	(265,358.00)
- experience varience (i.e. Actual experience vs assumptions	4,538,118.00	814,866.00	2,301,967.00	590,864.00
others				
Benefits paid	(10,393,196.00)	(1,564,410.00)	(9,094,520.00)	(2,023,350.00)
Present Value of DBO at the end of period	19,338,605.00	2,494,830.00	23,547,412.00	2,592,534.00
4)Change in Fair Value of Assets				
Plan assets at beginning of period				
Investment Income				
Return on Plan Assets, Excluding amount recognised in Net Interest expense				
Actual Company contributions	10,393,196.00	1,564,410.00	9,094,520.00	2,023,350.00
Fund Transferred				
Employee contributions				
Benefits paid	(10,393,196.00)	(1,564,410.00)	(9,094,520.00)	(2,023,350.00)
Plan assets at the end of period				
5)Actuarial Assumptions				
Financial Assumptions				
Discount Rate	0.07	0.07	0.08	0.08
Rate of increase in salaries	0.02	0.02	0.03	0.03
Demographic Assumptions				
Mortality Rate (% of IALM 06-08)	1.00	1.00	1.00	1.00
Normal Retirement Age	65 years	65 years	58 years	58 years
Attrition Rates, based on age (% p.a.) FOR ALL AGES	2.00	2.00	2.00	2.00

Fair value measurements

Financial instruments by category

Particulars	MAR 31,2020			MAR 31,2019		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	4,222.50	-	-	6,302.83	-	-
Trade receivables	-	-	570.34	-		615.17
Loans	-	-	-	-		1,300.00
Cash and cash equivalents	-	-	1,106.66	-	-	622.73
Other financial assets	-	-	430.24	-		1,077.44
Total financial assets	**4,222.50**	**-**	**2,107.24**	**6,302.83**	**-**	**3,615.34**
Financial liabilities						
Borrowings- Advance from Subsidiary	-	-	881.40	-	-	853.64
Trade payables	-	-	339.98	-	-	439.72
Other financial liabilities	-	-	167.20	-	-	236.00
Total financial liabilities	**-**	**-**	**1,388.58**	**-**	**-**	**1,529.36**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed At 31 March, 2020			Level 1	Level 2	Level 3	Total
Financial assets						
Investments						
Trade receivables			-	-	570.34	570.34
Loans			-	-	-	-
Cash and cash equivalents			1,106.66	-	-	1,106.66
Other financial assets			-	-	430.24	430.24
Total financial assets			**1,106.66**	**-**	**1,000.58**	**2,107.24**
Financial liabilities						
Borrowings- Advance from Subsidiary			-	-	881.40	881.40
Trade payables			-	-	339.98	339.98
Other financial liabilities			-	-	167.20	167.20
Total financial liabilities			**-**	**-**	**1,388.58**	**1,481.42**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed At 31 March 2019			Level 1	Level 2	Level 3	Total
Financial assets						
Investments						
Trade receivables			-	-	615.17	615.17
Loans			-	-	1,300.00	1,300.00
Cash and cash equivalents			622.73	-	-	622.73
Other financial assets			-	-	1,077.44	1,077.44
Total financial assets			**622.73**	**-**	**2,992.61**	**3,615.34**
Financial liabilities						
Borrowings- Advance from Subsidiary			-	-	853.64	853.64
Trade payables			-	-	439.72	439.72
Other financial liabilities			-	-	236.00	236.00
Total financial liabilities			**-**	**-**	**1,529.36**	**1,529.36**

Level 1: Level 1 hierarchy includes financial instruments basically here includes cash and bank balances which are at carrying value which approximates to its fair value.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is generally the case for unlisted equity securities.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

• the use of Net assets value/ realisable value in case of investment in mutual fund

• Other financial instruments have been carried at their carrying value which approximates to its fair value

(iii) Fair value of financial assets and liabilities measured at amortised cost

		31 March 2020		31 March 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Trade receivables		570.34	570.34	615.17	615.17
Loans		-	-	1,300.00	1,300.00
Cash and cash equivalents		1,106.66	1,106.66	622.73	622.73
Other financial assets		430.24	430.24	1,077.44	1,077.44
Total financial assets		**2,107.24**	**2,107.24**	**3,615.34**	**3,615.34**
Financial liabilities					
Borrowings- Advance from Subsidiary		881.40	881.40	853.64	853.64
Trade payables		339.98	339.98	439.72	439.72
Other financial liabilities		167.20	167.20	236.00	236.00
Total financial liabilities		**1,388.58**	**1,388.58**	**1,529.36**	**1,529.36**

The carrying amounts of trade receivables, loans, cash and cash equivalents, other bank balances, other financial assets, security deposits, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Management
Credit risk	Cash and cash equivalents, trade receivables and other financial assets measured at amortised cost.	Diversification of bank deposits and investments. Entering into transactions with customers of repute / customers having sound financial position.
Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	* Projecting cash flows on regular basis and also considering the level of investement and liquid assets to meet the liabilities.
Market risk – foreign exchange	Future commercial transactions and recognised financial assets & liabilities not denominated in Indian rupee (Rs.)	Integral foreign operation and incorporation of the same made in books on monthly basis
Market risk – security price risk	Investments in mutual funds	Portfolio diversification

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and investments, foreign exchange transactions and other financial instruments.

i) Trade receivables

Customer credit risk is managed by the management subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing. Outstanding customer receivables are regularly monitored.

At each reporting date the Company measures loss allowance for certain class of financial assets based on historical trend industry practice and the business environment in which the Company operates.

The Company's maximum exposure to credit risk for the components of the balance sheet at 30 June 2019 and 31 March 2019 is the carrying amounts of trade receivables.

Provision for expected credit loss

In determination of the allowance for credit losses on receivables, the Company has used a practical experience by computing the expected credit losses based on ageing matrix, which has taken into account historical credit loss experience and adjusted for forward looking information.

ii) Financial instruments and cash deposits

Credit risk from balances with banks and investments is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 March 2020	Less than 1 year	More than 1 year	Total
Non-derivatives			
Short Term Advances	881.40	-	881.40
Other financial liabilities	167.20	-	167.20
Trade payables	339.98	-	339.98
Total non-derivative financial liabilities	**1,388.58**	**-**	**1,388.58**
Contractual maturities of financial liabilities 31 March 2019	**Less than 1 year**	**More than 1 year**	**Total**
Non-derivatives			
Short Term Advances	853.64	-	853.64
Other financial liabilities	236.00	-	236.00
Trade payables	439.72	-	439.72
Total non-derivative financial liabilities	**1,529.36**	**-**	**1,529.36**

(C) Market risk

(i) Foreign Exchange Risk :-Books of Integral foreign operations incorporated on monthly basis. Considering the materiality involved, the company do not assort to forex fluctuation mitigation techniques like hedging , forward contracts etc.

(ii) Price risk

(a) Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Annexure to Note no. 24 - Revenue from Operations (Standalone)

				YEAR ENDED MAR 31,2020	PERIOD ENDED MAR 31,2019
Revenue disaggregations by nature of revenue:					
Software Development services				5,756.35	5,346.83
Sale of Third party hardware				239.78	757.26
				5,996.14	**6,104.09**
Revenue disaggregations by geography:					
India				1,428.10	1,531.94
USA				4,537.75	4,459.32
UK				22.52	91.76
Japan				7.77	5.68
SGP				-	15.39
			TOTAL	**5,996.14**	**6,104.09**
Revenue disaggregations by Sector:					
Government				1,428.10	1,531.94
Non Government				4,568.03	4,572.15
			TOTAL	**5,996.14**	**6,104.09**

The company has one customer who represents more than 10% of its revenue in period ending FY 1819 & FY 1920 .
While disclosing aggregate amount of transaction price the company has not disclose the aggregate transaction price allocated to unsatisfied or partially satisfied performance obligation which pertains to contract where revenue recognised coresponds to value transfer to customer tipically involve in time & material or fixed price or event base fixed price base contracts.
The contracts of the company are largely T&M based with no predetermined contact values. In some contacts it is a mixed of T&M & fixed price & as such the unsatisfied performance value can not determined with accuracy.

RESPONSIVE SOLUTION INC.

DIRECTORS' REPORT

The Directors present their report together with the audited accounts for the period ended 31st March, 2020.

Review of Financial Performance

The company during the year under review reported a loss of US$ 0.16 million (Previous year loss US$ 0.08 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 2020-21
.

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, 2020 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
May 15, 2020

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, 2020, and the related statement of operations, stockholders' equity and cash flows for the three and twelve months ended March 31, 2020, 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, 2020, and the results of its operations and its cash flows for the three and twelve months ended March 31, 2020 in accordance with accounting principles generally accepted in the United States of America.

Sd/-

San Francisco, California
May 15, 2020

RESPONSIVE SOLUTIONS, INC.

BALANCE SHEET MARCH 31, 2020

ASSETS	USD Figures March 31, 2020'
CURRENT ASSETS	
Cash and cash equivalents	4,821
Note receivable, related affiliate	1,169,120
Total assets	**1,173,941**

LIABILITIES AND STOCKHOLDERS' EQUITY	USD Figures
CURRENT LIABILITIES	
Accounts payable	2,950
Total current liabilities	2,950
STOCKHOLDERS' EQUITY	
Common stock, $.01 par value, Authorized 1,000 shares;	
Issued and outstanding 500 shares as of March 31, 2020	5
Additional paid-in capital	499,995
Retained earnings	670,991
Stockholders' equity	1,170,991
Liabilities and Stockholders' equity	1,173,941

See accompanying independent auditors' report and notes to financial statements

RESPONSIVE SOLUTIONS, INC.

STATEMENT OF OPERATIONS

FOR THE THREE AND TWELVE MONTH ENDED MARCH 31, 2020

	Three Month Ended March 31, 2020'		Twelve Month Ended March 31, 2020'
REVENUES			USD Figures
Consulting revenue	0		0
Total Revenues			-
COST AND EXPENSES			-
Salary, wages and payroll taxes	22,707		90,365
Professional fees	6,000		11,000
Payroll processing fees	1,016		4,390
Mileage and reimbursements	4,400		14,922
Total Expenses	34,123		120,677
Net Loss Before Income Taxes	(34,123)		(120,677)
Provision for income taxes	34,235		35,035
Net Loss	**(68,358)**		**(155,712)**

See accompanying independent auditors' report and notes to financial statements

RESPONSIVE SOLUTIONS, INC.

STATEMENT OF STOCKHOLDERS' EQUITY

FOR THE THREE MONTHS AND TWELVE MONTHS ENDED MARCH 31, 2020

USD Figures

	Common Stock	Additional Paid-In Capital	Retained Earnings	Total Stockholders' Equity
Balance, March 31, 2019	5	499,995	826,703	1,326,703
Net loss- nine months			(87,354)	(87,354)
Balance, December 31, 2019	5	499,995	739349	1239349
Net loss- three months			(68,358)	(68,358)
Balance, March 31, 2020	5	**499,995**	**670,991**	**1,170,991**

See accompanying independent auditors' report and notes to financial statements

RESPONSIVE SOLUTIONS, INC.

STATEMENT OF CASH FLOWS

FOR THE THREE MONTHS AND TWELVE MONTHS ENDED MARCH 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES	**Three Month Ended March 31, 2020**	**Twelve Month Ended March 31, 2020**
Net Loss	(68,358)	(155,712)
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in assets and liabilities:		
Accounts payable	2,950	2,950
Income taxes payable	(800)	0
Net Cash (Used In) Operating Activities	(66,208)	(152,762)
CASH FLOWS FROM FINANCING ACTIVITIES		
Note receivable, related affiliate	65,000	62,500
Net Cash Provided by Financing Activities	65,000	62,500
Net Change in Cash and Cash Equivalents	(1,208)	(90,262)
Cash and cash equivalents, beginning balance	6,029	95,083
CASH AND CASH EQUIVALENTS, ending balance	**4,821**	**4,821**
SUPPLEMENTAL CASH-FLOW INFORMATION		
Interest paid		
Income taxes paid	**34,235**	**35,035**

See accompanying independent auditors' report and notes to financial statements

RESPONSIVE SOLUTIONS, INC.

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2020

1. Summary of Significant Accounting Policies

Nature of Business - Responsive Solutions, Inc. ("Responsive Solutions"), a California corporation incorporated in 1994, Responsive Solutions markets a multi-user Corrective Action Tracking System (CATSWeb) designed to track manufacturing nonconformities and corrective action, achieve and maintain ISO/QS 9000 certification, and empower companies in a broad range of industries to solve problems faster.

Responsive Solutions, Inc. is a wholly owned subsidiary of RS Software (India) Ltd,
"Parent".

Basis of Accounting - Responsive Solutions prepares the financial statements using accrual basis of accounting in conformity with the generally accepted accounting principles in the United States of America. The expenses are recorded when the benefits and services are received.

Estimates Included in the Financial Statements - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Responsive Solutions is subject to risks and uncertainties that may cause actual results to differ from estimated amounts, such as changes in the technology, competition, litigation, legislation and regulations. Responsive Solutions regularly evaluates their estimates and assumptions using historical experience and expectations about the future. Responsive Solutions adjusts their estimates and assumptions when facts and circumstances indicate the need for change.

Cash and Cash Equivalents - Cash consists of interest and non-interest-bearing accounts with one financial institution. Responsive Solutions considers all highly liquid investments with original maturity of three months or less from the date of purchased, to be cash equivalents. The carrying value of cash equivalents approximates fair value.

Note Receivable, Related affiliate - Responsive Solutions issued short term unsecured receivable amounting to $1,169,120 to the Parent, RS Software (India) Ltd which bears no interest rate. Related party receivable balance was $1,169,120 as of March 31, 2020. Management estimates the note is going to be received full in year 2020.

Accounts Payable - Accounts payable are recorded when goods or benefits are received.

Revenue Recognition - On January 1, 2019, Responsive Solutions adopted new accounting standard, as amended, regarding revenue from contracts with customers using the modified retrospective approach. This standard provides guidance on recognizing revenue, including a five-step model to determine when revenue recognition is appropriate. The adoption of this standard did not have a material impact on the Responsive Solutions' financial position and results of operations.

Responsive Solutions derives revenue primarily from software services and development on fixed- price contracts. On the time-and-materials contracts, revenue is recognized as related services are rendered.

Transactions with Related Parties - Transactions that occurred between Responsive Solutions and related parties during the three and twelve month ended March 31, 2020
are as follows:

Responsive Solutions issued short term unsecured receivable amounting to $1,169,120 to the Parent, RS Software (India) Ltd which bears no interest rate. Related party receivable balance was $1,169,120 as of March 31, 2020. Management estimates the note is going to be received full in year 2020.

Risks and Uncertainties - Products are concentrated in an industry which is characterized by significant competition, rapid technological advances, changes in customer requirements and evolving regulatory requirements and industry standards. The success of Responsive Solutions depends on management's ability to anticipate and to respond quickly and adequately to technological developments in the industry, changes in customer requirements or changes to industry standards. Any significant delays in the development or introduction of products could have a material adverse effect on Responsive Solutions business and operating results.

Fair Value of Financial Instruments - The carrying amounts of financial instruments including cash, note receivable from related affiliate, and accounts payable approximate fair value as of March 31, 2020, because of the relatively short maturity of these instruments.

Income Taxes Payables - Responsive Solutions has elected to be taxed under the chapter C of the Internal Revenue Code. Income of Responsive Solutions is reported in Responsive Solutions income tax return.

Responsive Solutions files its income tax returns in the U.S. Federal, and California jurisdictions.

None of Responsive Solutions tax returns have been examined by the taxing authorities, nor has Responsive Solutions been notified of any pending examinations.

At March 31, 2020, Responsive Solutions did not have any tax benefit disallowed under the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") FASB ASC 740, Income Taxes and no amounts have been recognized for potential interests and penalties. A tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with the tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax position not meeting the "more likely than not" test, no tax benefit is recorded.

Current tax expense for the three and twelve month ended March 31, 2020 presented are comprised of the minimum tax for Federal and the state of California based on minimal tax rates for taxable income.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Responsive Solutions has temporary differences which are immaterial. Thus, Responsive Solutions determines it impractical to recognize such in the financial statements.

Uncertain Tax Positions - Responsive Solutions accounts for uncertain tax positions in accordance with GAAP. GAAP prescribes a recognition threshold and measurement process for financial statement recognition of uncertain tax positions taken or expected to be taken on a tax return. GAAP also provides guidance on recognition, de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. There was no impact on total liabilities or stockholder's equity as a result of the adoption of these provisions.

Concentration of Credit Risk - Financial instruments that potentially subject Responsive Solutions to concentrations of credit risk consist principally of deposits greater than $250,000 for interest bearing accounts with each financial institution that is a member of Federal Deposit Insurance Corporation ("FDIC"), and security deposits greater than $500,000 ($250,000 in cash) with each financial institution that is a member of Securities Investor Protection Corporation ("SIPC").

Responsive Solutions has no cash balances on deposit at March 31, 2020 that exceeded the balance insured by the FDIC. Management of Responsive Solutions periodically reviews its cash policies and believes any potential accounting loss is minimal.

Subsequent Event - As a result of the spread of the Covid-19 coronavirus, economic uncertainties have arisen which may impact operating activities, though such potential impact is unknown at this time.

Management has evaluated subsequent events through May 15, 2020, the date which the financial statements were available to be issued. The financial statements include all events or transactions, including estimates, required to be recognized in accordance with the accounting principles generally accepted in the United States of America. Responsive Solutions has determined that there are no unrecognized subsequent events that require additional disclosures.

R S SOFTWARE (ASIA) PTE. LIMITED
(Incorporated in Singapore)
(Company Registration Number: 200906390G)

DIRECTORS' STATEMENT For the financial year ended 31 March 2020

The directors present their statement to the members together with the audited financial statements of the Company for the financial year ended 31 March 2020.

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 2020 and the financial performance, changes in equity and cash flows of the Company for the financial year then ended; and

(b) the financial statements are prepared on the realisation basis of accounting as stated in notes to the financial statements.
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 01.04.2019	At 31.03.2020	At 01.04.2019	At 31.03.2020
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	10,090,288	-	-

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.
On behalf of the directors:

The holding company is R. S. Software (India) Limited, incorporated in India.

Sd/-
Rajnit Rai Jain
Director

Sd/-
Vijendra Kumar Surana
Director

Dated as of 18 June 2020

R S SOFTWARE (ASIA) PTE. LIMITED
(Incorporated in Singapore)
(Company Registration Number: 200906390G)

DIRECTORS' STATEMENT For the financial year ended 31 March 2020

The directors present their statement to the members together with the audited financial statements of the Company for the financial year ended 31 March 2020.
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 2020 and the financial performance, changes in equity and cash flows of the Company for the financial year then ended; and

(b) the financial statements are prepared on the realisation basis of accounting as stated in notes to the financial statements.
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 01.04.2019	At 31.03.2020	At 01.04.2019	At 31.03.2020
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	10,090,288	-	-

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.

On behalf of the directors:

Sd/-
Rajnit Rai Jain
Director
Dated as of 18 June 2020

Sd/-
Vijendra Kumar Surana
Director

R S SOFTWARE (ASIA) PTE. LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

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 2020, 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 2020 and of 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.

Emphasis of Matter

Without qualifying our opinion, we draw attention to notes to the financial statements which refer to the preparation of the financial statements on the realisation basis of accounting because the Company's management has ceased the operations and intends to de-register the Company after the reporting date. Provisions have been made to write down the assets to their net realisable values, as well as provided for all expected liabilities that may arise from the cessation of operations. The holding company has undertaken to provide continuing financial support to enable the Company to meet its obligations as and when they fall due.

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.

Sd/-

ENTRUST PUBLIC ACCOUNTING CORPORATION
Public Accountants and Chartered Accountants
Singapore

Dated as of 18 June 2020

R S SOFTWARE (ASIA) PTE. LIMITED
STATEMENT OF COMPREHENSIVE INCOME For the financial year ended 31 March 2020

	Note	2020 SGD	2019 SGD
Revenue	4	-	23,046
Expenses:			
Employee compensation	5	-	(11)
Other expenses	6	(61,585)	(28,175)
Loss before income tax		(61,585)	(5,140)
Income tax expense	7	-	-
Loss for the financial year		(61,585)	(5,140)
Total comprehensive income		(61,585)	(5,140)

The accompanying notes form an integral part of these financial statements.

R S SOFTWARE (ASIA) PTE. LIMITED
STATEMENT OF FINANCIAL POSITION As at 31 March 2020

	Note	2020 SGD	2019 SGD
ASSETS			
Current assets			
Other receivables	8	25,000	1,229
Cash and cash equivalents	9	-	2,057,855
		25,000	2,059,084
Total assets		25,000	2,059,084
LIABILITIES			
Current liabilities			
Other payables	10	-	3,572
Current income tax liabilities	7	-	91
		-	3,663
Total liabilities		-	3,663
Net assets		25,000	2,055,421
EQUITY			
Share capital	11	25,000	25,000
Retained earnings		-	2,030,421
Total equity		25,000	2,055,421

The accompanying notes form an integral part of these financial statements.

R S SOFTWARE (ASIA) PTE. LIMITED
STATEMENT OF CHANGES IN EQUITY For the financial year ended 31 March 2020

	Note	Share capital SGD	Retained earnings SGD	Total equity SGD
Balance at 1 April 2018		25,000	2,035,561	2,060,561
Total comprehensive income for the financial year		-	(5,140)	(5,140)
Balance at 31 March 2019		25,000	2,030,421	2,055,421
Balance at 1 April 2019		25,000	2,030,421	2,055,421
Total comprehensive income for the financial year	-	-	(61,585)	(61,585)
Dividends paid	12	-	(1,968,836)	(1,968,836)
Balance at 31 March 2020		25,000	-	25,000

The accompanying notes form an integral part of these financial statements.

R S SOFTWARE (ASIA) PTE. LIMITED
STATEMENT OF CASH FLOWS For the financial year ended 31 March 2020

	Note	2020 SGD	2019 SGD
Cash flows from operating activities			
Loss before income tax		(61,585)	(5,140)
Changes in working capital:			
Other receivables		(23,771)	13,536
Other payables		(3,572)	(14,534)
Cash used in operations		(88,928)	(6,138)
Income tax paid		(91)	-
Net cash outflow from operating activities		(89,019)	(6,138)
Cash flows from financing activities			
Dividends paid to a shareholder		(1,968,836)	-
Net cash outflow from financing activities		(1,968,836)	-
Net decrease in cash and cash equivalents held		(2,057,855)	(6,138)
Cash and cash equivalents at the beginning of financial year		2,057,855	2,063,993
Cash and cash equivalents at the end of financial year	9	-	2,057,855

The accompanying notes form an integral part of these financial statements.

R S SOFTWARE (ASIA) PTE. LIMITED
NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 March 2020

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

The Company is incorporated and domiciled in Singapore. The address of its registered office is at 10 Anson Road, #12-14 International Plaza, Singapore 079903.

The principal activities of the Company are software consultancy, development and maintenance.

However, the Company did not carry out any business operations during the financial year.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

On 1 April 2019, the Company adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 New or revised accounting standards and interpretations issued but not yet effective

A number of new standards, amendments to standards and interpretations are issued but not yet effective for annual periods beginning 1 January 2019, and have not been applied in preparing these financial statements. The Company does not plan to early adopt these standards.

Title	Effective date (Annual periods beginning on or after)
Amendments to References to the Conceptual Framework in FRS Standards	1 January 2020
Amendments to FRS 1 and FRS 8 Definition of Material	1 January 2020
Amendments to FRS 110 and FRS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined
Amendments to FRS 103 Definition of a Business	1 January 2020
Amendments to FRS 109, FRS 39 and FRS 107 Interest Rate Benchmark Reform	1 January 2020
FRS 117 Insurance Contracts	1 January 2021

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

2.3 Fundamental accounting concept

The financial statements are prepared on the realisation basis of accounting because the Company's management has ceased the operations and intend to de-register the Company after the reporting date. The holding company has undertaken to provide continuing financial support to enable the Company to meet its obligations as and when they fall due.

2.4 Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

The Company provides staffing services based on service agreement.

Revenue is recognised in accordance with the approved deliverables specified in each work statement (i.e. at a point in time).

The amount of revenue recognised is based on the contractual price.

2.5 Financial assets

(a) Classification and measurement

The Company classifies its financial assets into the following measurement categories:
- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.
At initial recognition

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

1. Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables, listed and unlisted debt securities.

There are three subsequent measurement categories, depending on the Company's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains and losses".

2. Equity investments

The Company subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains and losses", except for those equity securities which are not held for trading. The Company has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Company considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains/losses" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "dividend income".

(b) Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, lease receivables and contract assets, the Company applies the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss. On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained earnings along with the amount previously recognised in other comprehensive income relating to that asset.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Company are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

2.6 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.7 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2.8 Fair value estimation

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.9 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss.

The Company accounts for investment tax credits (for example, productivity and innovation credit) similar to accounting for other tax credits where a deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised.

2.10 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.11 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.12 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

2.13 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.
Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.14 Currency translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Company.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no critical accounting estimates, assumptions and judgements made by the Company concerning the future.

4. Revenue from contracts with customers

Disaggregation of revenue from contracts with customer

	2020 SGD	2019 SGD
Service fee	-	23,046
	-	23,046

All the sales are recognised at a point in time.

5. Employee compensation

	2020 SGD	2019 SGD
Salaries and wages - 11	-	11
	-	11

6. Other expenses

	2020 SGD	2019 SGD
Insurance	-	1,724
Professional fees	60,624	24,995
Others	961	961
	61,585	28,175

7. Income tax expense

There is no current income tax expense as the Company has not traded. No unabsorbed loss is to be carried forward to offset against future taxable income.

(a) Income tax expense

The tax expense on loss differs from the amount that would arise using the Singapore standard rate of income tax as follows:

	2020 SGD	2019 SGD
Loss before income tax	(61,585)	(5,140)
Tax calculated at a tax rate of 17%	(10,470)	(874)
Effects of:		
- Expenses not deductible for tax purposes	10,470	293
- Deferred income tax assets not recognised	-	581
Tax charge	-	-

(b) Movements in current income tax liabilities

	2020 SGD	2019 SGD
Beginning of financial year	91	91
Income tax paid	(91)	-
End of financial year	-	91

8. Other receivables

	2020 SGD	2019 SGD
Other receivables:	-	1,229
- third party	25,000	-
- holding company	25,000	1,229

Due from holding company is unsecured, interest-free and repayable on demand.
At the reporting date, the carrying amounts of other receivables approximate their fair value.
Other receivables are denominated in Singapore Dollars.

9. Cash and cash equivalents

	2020 SGD	2019 SGD
Bank balance	-	2,057,855
	-	2,057,855

At the reporting date, the carrying amounts of cash and cash equivalents approximate their fair value.
Cash and cash equivalents are denominated in Singapore Dollars.

For the purposes of the statement of cash flows, the cash and cash equivalents comprised the following:

	2020 SGD	2019 SGD
Cash and cash equivalents (as above)	-	2,057,855
Cash and cash equivalents as per statement of cash flows	-	2,057,855

10. Other payables

	2020 SGD	2019 SGD
Accrued operating expenses	-	3,572
	-	3,572

At the reporting date, the carrying amounts of other payables approximate their fair value.
Other payables are denominated in Singapore Dollars.

11. Share capital

	2020 SGD	2019 SGD
25,000 ordinary shares issued and fully paid	25,000	25,000

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

12. Dividends

	2020 SGD	2019 SGD
Ordinary dividends paid:		-
Interim dividend paid in respect of current financial year of SGD78.75 (2019: Nil) per share	1,968,836	-
	1,968,836	-

13. Holding company

The holding company is R. S. Software (India) Limited, incorporated in India.

14. Financial risk management

The Company's activities expose it to a variety of financial risk.

(i) Foreign currency risk

The Company has limited exposure to foreign currency risk arising from future commercial transactions, recognised assets and liabilities. The Company monitors the foreign currency exchange rates movements closely to ensure that their exposures are minimised.

(ii) Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Company has no significant interest-bearing assets or liabilities, the Company's income is substantially independent of changes in market interest rates.

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's major classes of financial assets are bank deposit and other receivable.

For other financial assets, the Company adopts the policy of dealing with financial institutions and other counterparties with high credit ratings.

There is no significant concentration of credit risk.

(iv) Liquidity risk

The Company adopts prudent liquidity risk management by maintaining availability of funding from the holding company.

The table below analyses financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Not later than 1 year SGD
At 31 March 2020	-
Other payables	-
At 31 March 2019	3,572
Other payables	3,572

(v) Capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

The Company is not subject to any externally imposed capital requirements.

15. Event occurring after the reporting date

The Company has ceased operations and would be commencing with de-registration proceedings after the reporting date.

16. Comparative figures

The current year financial statements are prepared based on realisation basis of accounting and for 12 months period from 1 April 2019 to 31 March 2020 as stated in the notes to the financial statements. The comparative amounts are prepared on a going concern basis and for the 12 months period from 1 April 2018 to 31 March 2019.

Therefore, the comparative amounts for the statement of comprehensive income, statements of changes in equity, statement of cash flows and the related notes are not entirely comparable.

17. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the directors dated as of 18 June 2020.

	2020 SGD		**2019 SGD**
REVENUE			
Service fee	-		23,046
LESS: EXPENSES			
Bank charges	52		6
Insurance	-		1,724
Printing and stationery	909		1,450
Professional fees	60,624		24,995
Salaries and allowances	-		11
	61,585		28,186
Loss before income tax	(61,585)		(5,140)
Income tax expense	-		-
Loss for the financial year	(61,585)		(5,140)

This schedule does not form part of the audited statutory financial statements.

Paypermint Private Limited

BOARD REPORT

To
The Members,

Your Directors have pleasure in presenting their 4th Annual Report of the Company together with the Audited Statement of Accounts of Paypermint Private Limited for the Financial Year ended March 31, 2020.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The financial performance is tabled below:

Particulars	31st March, 2020	31st March, 2019
Revenue from operations	31.97	4.12
Other income	37.87	66.74
Total revenue	69.84	70.85
Profit before finance charges, Tax, Depreciation/Amortization (PBITDA)	**-653.91**	**-461.67**
Less : Finance Charges	-	-
Less : Depreciation and Amortization Expense	108.18	109.12
Profit before Taxation (PBT)	**-762.1**	**-570.79**
Less : Deferred Tax written off for earlier year	223.37	-89.28
Profit/(Loss) from Continuous Operations	**-985.46**	**-481.51**

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

During the year the Company had incurred loss of Rs. 985.46 lakhs as it charged back Deferred Tax Assets of Rs 223 Lacs and as it continued to make substantial Investment in product enhancement and the Sales Team

Your directors and the team at Paypermint is putting in efforts to enhance the reach of the platform in the fiscal 2020-21.

3. DIVIDEND

In view of absence of profit, your Directors do not propose any dividend for the Financial Year ended March 31, 2020.

4. TRANSFER TO RESERVES

No amount was transferred to the reserves by your Company during the financial year ended 31st March, 2020.

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, 2020.

6. CHANGE(S) IN SHARE CAPITAL

During the Financial Year 2019-20, the Company there was no change in Share Capital. The Present Paid up Share capital of the Company remained at Rs. 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 2020, 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.

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 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

At the Annual General Meeting (AGM) of your Company held on August 28, 2017, M/s. Chaturvedi & Co. , Chartered Accountants,(Firm Registration No. 302137E), allotted by The Institute of Chartered Accountants of India (ICAI), were appointed as Statutory Auditors of your Company to hold office for a term of 5 (Five) years till the conclusion of sixth Annual General Meeting of the Company i.e., till the AGM to be held for the Financial year ended 31.03.2022 (subject to ratification of such appointment by the Members at every AGM). Further, the requirement of seeking ratification of the Members for continuance of their appointment has been withdrawn consequent upon the changes made by the Companies (Amendment) Act, 2017 effective from May 07, 2018. Hence, the resolution seeking ratification of the Members for their appointment is not being placed at the ensuing Annual General Meeting (AGM). The Statutory Auditors hold a valid peer review certificate as prescribed under Regulation 33(1)(d) of SEBI Listing Regulations, 2015. The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer. Further, the Statutory Auditors have not reported any incident of fraud during the year under review to the Audit Committee of your Company.

14. EXTRACT OF THE ANNUAL RETURN

An extract of Annual Return as on the financial year ended on March 31, 2020 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. Further, the Company Secretary appointed on 01.06.2019 resigned on 01.02.2020.

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 2019-20. 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 29th April 2019, 26th July 2019, 9th November 2019 and 22nd January 2020.

18. MANAGERIAL REMUNERATION

The company had not paid any remuneration to its Directors during the Financial Year 2019-20.

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. Further, details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year ended 31st March, 2020 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. . Your company has complied with provisions relating to the constitution of Internal Complaints Committee and has put in place a "Policy on Prevention of Sexual Harassment" as per The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No cases have been filed under the Act as the Company is keeping the working environment healthy.

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. COST AUDIT

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

27. 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, 2020, 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, 2020 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.
28. ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Director

Place: Kolkata
Date: June 24, 2020

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

"ANNEXURE A" TO BOARD'S REPORT

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2020
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:	8/26/2016
3. Name of the Company	PAYPERMINT PRIVATE LIMITED
4. Category / Sub-Category of the Company:	Company Limited by shares/ Indian Non-Government Company
	A-2, FMC FORTUNA, 234/3A, A.J.C. BOSE ROAD KOLKATA WB 700020 IN
5. Address of the Registered office and contact details:	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	Applicable Section
RS Software(India) Ltd	L72200WB1987PLC043375	HOLDING	79.17%	2(46)

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 01/04/2019				No. of Shares held as on 31/03/2020				% Change during the period
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Sha	
A.Promoters (1) **Indian** (a)Individual/HUF	-	2,000,000	2,000,000	20.83	-	2,000,000	2,000,000	20.83	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c)State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	-	7,600,000	7,600,000	79.17	-	7,600,000	7,600,000	79.17	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A) (1)	-	9,600,000	9,600,000	100	-	9,600,000	9,600,000	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)	-	9,600,000	9,600,000	100	-	9,600,000	9,600,000	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 Rs. 1 lakh	-	-	-	-	-	-	-	-	-
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
(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)**	-	9,600,000	9,600,000	100	-	9,600,000	9,600,000	100	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding as on 01/04/2019			Shareholding as on 31/03/2020			% 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	1,990,000	20.73	-	1,990,000	20.73	-	-
2	RS Software (India) Ltd	7,600,000	79.17	-	7,600,000	79.17	-	
3	Vijendra Surana	10,000	0.10	-	10,000	0.10	-	

ii) 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	4/1/2019		1,990,000	20.73	-	-
	Changes during the Year	No changes during the year					
	At the End of the Year	**3/31/2020**		**-**	**-**	**1,990,000**	**20.73**
2	**RS Software(India) Ltd**						
	At the beginning	4/1/2019		7,600,000	79.17	-	-
	Changes during the Year	No changes during the year					
	At the End of the Year	**3/31/2020**		**-**	**-**	**7,600,000**	**79.17**
3	**Vijendra Surana**						
	At the beginning	4/1/2019		10,000	0.10	**-**	**-**
	Changes during the Year	No changes during the year					
	At the End of the Year	**3/31/2020**		-	-	**10,000**	**0.10**

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

(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 01/04/2019		Shareholding as on 31/03/2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning **4/1/2019**	-	-	-	-
	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: **31/03/2020**	-	-	-	-

(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	**4/1/2019**		**1,990,000**	**20.73**	**-**	-
	Changes during the Year	No changes during the year					
	At the end	**3/31/2020**		**-**	**-**	**1,990,000**	**20.73**
2	**RAJASEKAR RAMARAJ**						
	At the beginning	**4/1/2019**	**NIL**				
	At the end	**3/31/2020**	**NIL**				

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 01/04/2019				
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 31/03/2020				
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:
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/-
Rajasekar Ramaraj
Director
(DIN: 00090279)

Place: Kolkata
Date: June 24, 2020

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

Report on the standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of M/s. Paypermint Pvt. Limited ("the Company") which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (India Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, of loss (including other Comprehensive income), Statement of Changes in Equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

a. Attention is invited to Note 26 of the accounts which explains the managements assessment of the financial impact due to Covid-19 pandemic is that the Company has invoked BCP with Work From Home in wake of Pandemic caused by Covid 19. The definitive assessment of the impact of Lockdown and other restrictions related to Covid 19 Pandemic in subsequent period is highly dependent on the circumstances as they evolve. As a result of Covid 19 impact, the demand for digital and contact less payment services is expected to be on the increase.

b. Attention is invited to Note 32 of the accounts where, the Management has made an assessment of the Companies ability and it continues to be a going concern and no material uncertainty exists that needs to be disclosed. Also the holding Company has assured ongoing financial support to the Company for the next financial year in order to meet all its obligation. Our opinion is not modified irrespect of matter stated in points (a) & (b) under "Emphasis of Matter" section of our report.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, 2013 read with relevant rules issued thereunder and other Accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these

financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the interim consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Reports on Other Legal and Regulatory Requirements

(i) As required by the Companies (Auditors Report) order, 2016 (the Order) issued by the Central Governance of India in terms of section 143 (11) of the Act we give in the Annexure A, a Statement on the matters specified in paragraph 3 and 4 of the order
(ii) As required by Section 143(3) of the Act, we report that :
(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the books of account.
(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act of the Act, read with the relevant rules issued there under.
(e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 matter to be included in the Auditor's report in accordance with the requirements of Section 197(16) of the act, as amended –
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the act.
(h) With respect to the other matters to be 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.

Sd/-
Nilima Joshi
Partner
Mem. No. 52122
UDIN : 20052122AAAAAZ9189
Dated : The 24th day of June, 2020

For Chaturvedi & Company
Chartered Accountants
(Firm Reg. No. 302137E)

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, 2020 we report that

i. a) The Company has generally maintained proper records of all tangible assets showing full particulars including quantitative details except location thereof

(b) As explained by the Management, all the assets have been physically verified by the management during the year-end which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, does not own any immovable property.

ii. The Company is a service company, primarily rendering software services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

iii. (a) On the basis of examination of records and according to the information and explanation given to us, we report that the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 1956

(b) As the Company has not given any loans, clause iii(a), iii(b) and clause iii(c) of paragraph 3 of 'the order' are not applicable.

(iv) On the basis of examination of records and according to information and explanation given to us, the Company has not granted any loans, investments, guarantee and security to any person falling under section 185 of the companies act, 2013

(v) The Company has not accepted any deposits and therefore the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the companies act 2013 and the rules formed thereunder are not applicable to the company

(vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company.

(vii) a) According to information and explanation given to us and as per the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund (being deposited in PF account of the holding Company), employees' state insurance, income-tax, goods & service tax, cess and other statutory dues applicable to it .No statutory dues were outstanding, as at 31st March 2020 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 2020 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, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Chaturvedi & Company
Chartered Accountants
(Firm Reg. No. 302137E)

Sd/-

Nilima Joshi
Partner
Mem. No. 52122
UDIN : 20052122AAAAAZ9189
Dated : The 24th day of June, 2020

Place : Kolkata

PAYPERMINT PVT LTD

BALANCE SHEET AS OF MARCH 31, 2020

₹ in Lac

PARTICULARS	Notes	AS AT MAR 31,2020	AS AT MAR 31,2019
ASSETS			
NON CURRENT ASSETS			
a PROPERTY PLANT & EQUIPMENT			
i) PROPERTY PLANT & EQUIPMENT	3	2.05	9.07
ii) INTANGIBLE ASSETS	3	495.58	596.74
b DEFERRED TAX ASSETS (Net)			223.37
c OTHER NON CURRENT ASSETS	5	0.10	0.35
CURRENT ASSETS			
a FINANCIAL ASSETS			
i) INVESTMENT	6	54.78	764.74
ii)TRADE RECEIVABLES	7	0.21	0.12
iii)CASH & CASH EQUIVALENTS	8	42.64	2.29
iv)OTHER FINANCIAL ASSET	9	18.10	17.27
b OTHER CURRENT ASSETS	10	128.85	116.53
TOTAL ASSETS		**742.31**	**1,730.48**
EQUITY AND LIABILITIES :			
EQUITY			
a EQUITY SHARE CAPITAL	11	960.00	960.00
b OTHER EQUITY	12	(301.68)	693.74
LIABILITIES			
NON CURRENT LIABILITIES			
a PROVISIONS	26	21.45	23.62
CURRENT LIABILITIES			
a FINANCIAL LIABILITIES			
i) TRADE PAYABLES	13	29.40	17.08
ii) OTHER FINANCIAL LIABILITIES	14	28.87	34.04
b OTHER CURRENT LIABILITIES	16	0.18	2.00
c SHORT TERM PROVISIONS	17	4.09	
TOTAL		**742.31**	**1730.48**

Significant Accounting Policies and Notes on Accounts 1 to 34
The Notes referred to above form an integral part of the Standalone Financial Statement.
This is the Standalone Financial Statement referred to in our report of even date.

For CHATURVEDI & COMPANY
CHARTERED ACCOUNTANTS
(Reg. no : 302137E)

ON BEHALF OF THE BOARD

Sd/-
NILIMA JOSHI
PARTNER,
M. No. 52122
DATED: June 24,2020
PLACE :Kolkata

Sd/-
R R JAIN
DIRECTOR
DIN:00122942

Sd/-
R RAMARAJ
DIRECTOR
DIN:00090279

PAYPERMINT PVT LTD
STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MAR 31, 2020

₹ in Lac

	PARTICULARS	Notes	YEAR ENDED MAR 31,2020	YEAR ENDED MAR 31,2019
I	**REVENUE FROM OPERATION**	18	31.97	4.12
II	**OTHER INCOME**	19	37.87	66.74
III	**TOTAL REVENUE**		**69.84**	**70.85**
IV	**EXPENSES :**			
	EMPLOYEE BENEFIT EXPENSES	20	604.93	413.84
	SUBCONTRACTOR EXPENSES	21	0.18	
	DEPRECIATION & AMORTISATION	3	108.18	109.12
	OPERATION AND OTHER EXPENSES	22	118.64	118.68
V	**TOTAL EXPENSE**		**831.94**	**641.64**
VI	**PROFIT/(LOSS) BEFORE TAX :** (III - V)		**(762.10)**	**(570.79)**
VII	**TAX EXPENSES**			
	DEFERRED TAX WRITTEN OFF FOR THEEARLIER YEAR		223.37	(89.28)
VIII	**PROFIT / (LOSS) FROM CONTINUOUS OPERATIONS :** (VI - VII)		**(985.46)**	**(481.51)**
	OTHER COMPREHENSIVE INCOME / (LOSS)			
	ITEMS WHICH WILL NOT BE CLASSIFIED INTO P&L RELATING TO ACTUARIAL GAIN/(LOSS)		**(9.95)**	**-**
	Total Comprehensive Income/(loss)		**(9.95)**	**-**
	PROFIT / (LOSS) FOR THE YEAR :		**(995.42)**	**(481.51)**
	EARNING PER EQUITY SHARE :			
	BASIC	**32**	(10.37)	(5.02)
	DILLUTED	**32**	(10.37)	(5.02)

Significant Accounting Policies and Notes on Accounts 1 to 34
The Notes referred to above form an integral part of the Standalone Financial Statement.
This is the Standalone Financial Statement referred to in our report of even date.

For CHATURVEDI & COMPANY
CHARTERED ACCOUNTANTS
(Reg. no : 302137E)

ON BEHALF OF THE BOARD

Sd/-
NILIMA JOSHI
PARTNER,
M. No. 52122
DATED: June 24,2020
PLACE :Kolkata

Sd/-
R R JAIN
DIRECTOR
DIN:00122942

Sd/-
R RAMARAJ
DIRECTOR
DIN:00090279

PAYPERMINT PVT LTD
CASH FLOW STATEMENT FOR THE YEAR ENDED MAR 31,2020

₹ in Lac

	PARTICULARS	YEAR ENDED MAR 31,2020	YEAR ENDED MAR 31,2019
CASH FLOW STATEMENT			
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	NET PROFIT BEFORE TAX	(772.05)	(570.79)
	ADJUSTMENT FOR :		
	DEPRECIATION	108.18	109.12
	PROFIT ON SALE OF INVESTMENT	(65.53)	(31.83)
	FOREIGN EXCHANGE DIFFERENCES	-	0.26
	PROVISION FOR GRATUITY, LEAVE ENCASHMENT	1.92	23.62
	INTEREST RECEIVED	(0.92)	(2.27)
	LOSS ON REVALUATION ON INVESTMENT	28.60	(32.90)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**(699.80)**	**(504.79)**
	ADJUSTMENT FOR :		
	TRADE AND OTHER RECEIVABLES	0.16	(1.14)
	LOANS AND ADVANCES AND OTHER ASSETS	(13.15)	(14.58)
	TRADE PAYABLES & OTHER LIABILITIES	5.33	21.56
	NET CASH FROM OPERATING ACTIVITIES	**(707.46)**	**(498.95)**
B	**CASH FLOW FROM INVESTMENT ACTIVITIES :**		
	PURCHASE OF FIXED ASSETS	(0.00)	(3.63)
	INTEREST RECEIVED	0.92	2.27
	PROFIT ON SALE OF INVESTMENT	65.53	31.83
	INVESTMENT REDEEMED DURING THE YEAR	681.36	470.36
	NET CASH FROM INVESTMENT ACTIVITIES	**747.81**	**500.83**
C	**CASH FLOW FROM FINANCE ACTIVITIES:**	**-**	
	NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**40.35**	**1.88**
	OPENING CASH AND CASH EQUIVALENTS	2.29	0.41
	CLOSING CASH AND CASH EQUIVALENTS	42.64	2.29

The Notes referred to above form an integral part of the Standalone Financial Statement.
This is the Standalone Financial Statement referred to in our report of even date.

For CHATURVEDI & COMPANY
CHARTERED ACCOUNTANTS
(Reg. no : 302137E)

ON BEHALF OF THE BOARD

Sd/-
NILIMA JOSHI
PARTNER,
M. No. 52122
DATED: June 24,2020
PLACE :Kolkata

Sd/-
R R JAIN
DIRECTOR
DIN:00122942

Sd/-
R RAMARAJ
DIRECTOR
DIN:00090279

Note No: 12

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MAR 31,2020 *

Particulars	Reserve and Surplus		Other comprehensive income	
	Securities premium reserve	Retained earnings	Other items of other comprehensive income	Total equity attributable to equity holders of the Company
Equity Share Capital	-	-	-	-
Balance as of April 1, 2019	-	-	-	960.00
Changes in equity for year ended MAr 31,2020	-	-	-	-
Balance as of Mar 31,2020	-	-	-	960.00
Other Equity	-	-	-	-
Balance as of April 1, 2019	1,600.00	(906.26)	-	693.74
Changes during the period	-	(985.46)	(9.95)	(995.42)
Balance as of Mar 31,2020	1,600.00	(1,891.72)	(9.95)	(301.68)

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MAR 2019

Particulars	Reserve and Surplus		Other comprehensive income	
	Securities premium reserve	Retained earnings	Other items of other comprehensive income	Total equity attributable to equity holders of the Company
Equity Share Capital	-	-	-	-
Balance as of April 1, 2018	-	-	-	960.00
Changes in equity for year ended Mar 31,2019	-	-	-	-
Balance as of Mar 31, 2019	-	-	-	960.00
Other Equity	-	-	-	-
Balance as of April 1, 2018	1,600.00	(424.75)	-	1,175.25
Changes in equity for the year ended	-	-	-	-
Changes during the year		(481.51)	-	(481.51)
Balance as at Mar 31st,2019	1,600.00	(906.26)	-	693.74

***This Statement forms a integral part of Standalone Financial Statement**

For CHATURVEDI & COMPANY
CHARTERED ACCOUNTANTS
(Reg. no : 302137E)
Sd/-
NILIMA JOSHI
PARTNER,
M. No. 52122
DATED: June 24,2020
PLACE :Kolkata

ON BEHALF OF THE BOARD

Sd/-
R R JAIN
DIRECTOR
DIN:00122942

Sd/-
R RAMARAJ
DIRECTOR
DIN:00090279

NOTES ON ACCOUNTS FOR THE YEAR ENDED MAR 31,2020

1.1 Corporate Information

Paypermint has focused exclusively on providing software solution to electronic payment industries since its inception. The company is engaged in development, testing and maintenance of software for its clients based in India.
The Financial Statement are approved for issue by the company's Board of Directors on 24 th June,2020.

1.2 Basis of preparation of Financial Statement

These financial statements are prepared in accordance with Indian Accounting Standard (Ins AS), under the historical cost convention on the actual basis except for the certain financial instruments which are measured at fair values, the provisions of the companies Act,2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are precribed under section 133 of the Act read with Rule 3 of the companies (Indian Accounting Standards) Rules,2015 and relevant amendment rules issued there after.

Accounting Policies have been consistently applied except where a newly issued accounting standrad is initially adopted or a revision to an existing accounting standard requires a change in the accouting policiey hitherto in use.

As the quarter and the year figures are taken from the source and rounded to the nearest digits, the figures for the previous quarters might not always add up to the year figures reported in this statement.

1.3 Use of Estimates & Judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.
Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of goodwill, impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets and provisions and contingent liabilities. Key estimates are critical accounting estimates.

2 Critical Accounting Estimates:

a Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

b Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 2(M).

c Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

d Revenue Recognition

Revenue is recognised based on the occurance of transaction and rendered in books on monthly basis commensurating with the term as agreed upon with the merchant and the other payment since provided

Effective April 1, 2018, the Company adopted Ind AS 115 “Revenue from Contracts with Customers) accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and/or revised significant accounting policies related to revenue recognition. Refer Note 1 “Significant Accounting Policies.” In the Company’s 2018 Annual Report for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of IND as 115 was insignificant

Arrangements with customers for software related services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

e Cost recognition

Costs and expenses are recognized when incurred and have been classified according to their primary nature.

The costs of the company are broadly categorized in employee benefit expenses, depreciation and amortization and other operating expenses. Employee benefit expenses include employee compensation, allowances paid and staff welfare expenses. Other operating expenses majorly include fees to external consultants, Rent, cost running its facilities, travel expenses, communication costs allowances for delinquent receivables and other expenses. Other expenses is an aggregation of costs which are individually not material such us commission, bank charges, freight, Postage etc.

f Property ,Plant & Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Property, plant and equipment individually costing Rs 5,000 or less which are not capitalised except when they are part of a larger capital investment programmed.

Depreciation is provided for property, plant and equipment so as to expense the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

PLANT AND EQUIPMENT	3 years/6 years

Depreciation on fixed assets is provided using the straight-line method on the basis of use full life of assets under schedule II of the Indian Companies Act, 2013.

g Intangible assets

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets/Software 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**

h Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date of investment made are classified as Current Investments. All investments other than long term investments are classified as current investments. Investment are valued accordance with the applicable Ind AS .

i Cash and Cash Equivalent

Cash and cash Equivalent includes Cash on hand, Demand Draft or Cheques on hand, Demand Deposit with Banks, other short term highly liquid investments.

j Spares and Consumables(Computers spares accessories and stationery are charged to revenue in the year they are purchased.**)**

k Cash Flows are reported using the indirect 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 feom operating,investing and financing activities are segregated.

l Employee Benefits

Contribution of Employers share to Employees' Provident Fund and ESI are worked on accrual basis and charged to Profit & Loss Account. The Company also provides for Gratuity and Leave Encashment based on actuarial valuation made by an independent actuary as per IAS 19 Compliance of The Institute of Chartered Accountants of India, Actuarial gains and losses are recognised in full in the Statement of Profit & Loss account for the period in which they occur.

m Income Tax

Current Income tax expense comprise taxes on income from operation in India 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.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements

n Financial instruments

i)Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ii)Financial assets at amortised cost

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii)Financial assets at fair value through Profit & Loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

o Impairment of Assets

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future post-tax cash flows of the relevant cash generating unit or fair value less cost to sell, whichever is higher. The discount rate is applied, based upon the weighted average cost of capital with appropriate adjustments for the risks associated with the relevant business. Any impairment in value is charged to the Income Statement in the year, which it occurs.

Expected Credit Loss: As per Ind AS 109, the company uses expected credit loss model to assess to impairment of loss or gain.The company uses provision metrics to compute expected credit loss allowances.For Trade receivables and unbilled revenue, the provision metrics takes into account available external & internal credit risk factors such as delay risk & default risk.

p Earnings per share

Basic earning per share is calculated by dividing the net profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For Calculating Diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

t Recent Indian Accounting Standard (Ind AS)

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements

Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 replacing Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. At present this standard had no impact on account of the company as there are no leases.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:
• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
• to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.
Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

3 PROPERTY PLANT & EQUIPMENT AS ON MAR 31,2020

PARTICULARS	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION & AMORTISATION				NET CARRYING AMOUNT	
	AS ON 1ST OF APRIL 19	ADDITIONS	DED/ADJ	AS AT MAR 31,2020	AS ON 1ST OF APRIL 19	ADDITIONS	DED/ADJ	AS AT MAR 31,2020	AS AT MAR 31,2020	AS ON 31ST MARCH 19
PLANT & EQUIPMENT	27.52		-	27.52	18.45	7.02		25.47	2.05	9.07
TOTAL (a)	**27.52**	-	-	**27.52**	**18.45**	**7.02**	-	**25.47**	**2.05**	**9.07**
OTHER INTANGIBLE ASSETS										
COMPUTER SOFTWARE	**706.19**	-	-	706.19	109.45	101.16	-	210.61	**495.58**	596.74
TOTAL (b)	**706.19**	-	-	**706.19**	**109.45**	**101.16**	-	**210.61**	**495.58**	**596.74**
TOTAL (a+b)	**733.71**	-	-	**733.71**	**127.90**	**108.18**	-	**236.08**	**497.63**	**605.81**

PROPERTY PLANT & EQUIPMENT AS ON MAR 31,2019

PARTICULARS	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION & AMORTISATION				NET CARRYING AMOUNT	
	AS ON 1ST OF APRIL18	ADDITIONS	DED/ADJ	AS AT MAR 31,2019	AS ON 1ST OF APRIL18	ADDITIONS	DED/ADJ	AS AT MAR 31,2019	AS AT MAR 31,2019	AS ON 31ST MARCH 18
PLANT & EQUIPMENT	**23.89**	3.63	-	27.52	10.22	8.23		18.45	9.07	13.67
TOTAL (a)	**23.89**	**3.63**	-	**27.52**	**10.22**	**8.23**	-	**18.45**	**9.07**	**13.67**
OTHER INTANGIBLE ASSETS										
COMPUTER SOFTWARE	**706.19**	-	-	706.19	8.56	100.89	-	109.45	**596.74**	697.63
TOTAL (b)	**706.19**	-	-	**706.19**	**8.56**	**100.89**	-	**109.45**	**596.74**	**697.63**
TOTAL (a+b)	**730.08**	**3.63**	-	**733.71**	**18.78**	**109.12**	-	**127.90**	**605.81**	**711.30**

NOTES ON ACCOUNTS FOR THE PERIOD ENDED MAR 31, 2020

₹ in Lac

4	Deferred tax Assets / (NET)	MAR 31,2020	MAR 31, 2019
	A)Deferred Tax Liabilty(Ppe & Intangible Assets Dep Adj)		(59.11)
	B)Deferred Tax Asset (Other Prov Accrued Employee Benefits)	-	282.48
	Net Deferred Tax Assets /(NET)	-	223.37

Deferred Tax Liability Calulation:

₹ in Lac

	Deferred Tax Liability	MAR 31,2020	Mar 31,2019
	Tax Rate	26.00	26.00
	WDV Difference closing FIXED ASSETS	25,437,001.42	20,038,008.28
	Asset as per Companies Act	49,762,529.87	60,580,555.73
		-	-
	Asset as per Income Tax	24,325,528.45	40,542,547.45
	Closing Temporary Difference	25,437,001.42	20,038,008.28
	Closing Balance DTL	6,613,620.37	5,209,882.15
	Deferred Tax Asset		
	Tax Rate	26.00	26.00
	LTCG Tax Rate	20.80	20.80
	Opening TD		-
	Loss on business	144,498,460.41	62,669,992.00
	Long Term Capital Loss		
	Provision for Gratuity & Leave	2,553,857.00	
	Originating TD	147,052,317.41	97,910,709.18
	Closing TD	147,052,317.41	97,910,709.18
	Closing Balance DTA	38,233,602.53	28,248,302.84
	Net Deferred Tax Assets / (Liability)	**31,874,352.17**	**22,336,978.57**

*The company had recognised deferred tax assets based on the estimations of profits in future years considering the probability that sufficient taxable profits will be available against which the unused tax losses/credits can be utilised before such unused tax losses/credits expire.Though the company expects that such deferred tax Assets will be usable in future years but considering the prudent accounting policies and consdering the probability that sufficient taxable profit will not be available against which the deductible temporary difference can be utilised, the Board has decided to write off DTA relating to earlier year amounting to Rs. 223 crores arising due to Losses of past years.

₹ in Lac

5	OTHER NON-CURRENT ASSET	MAR 31,2020	Mar 31,2019
	Balances With Govt. Authorities	0.10	0.35
	(Unsecured & Considered Good)		
		0.10	**0.35**

₹ in Lac

6	CURRENT INVESTMENT	No. of unit	MAR 31,2020	No. of unit	Mar 31,2019
	Kotak Low Duration Direct Growth			5,025.30	119.45
	L and T Short Term Direct Fund	89,462.60	18.01	1,764,155.88	323.94
	Reliance/Nippon Money Market Fund - Direct Growth Plan Growth Option (Lqagg)	1,204.29	36.76	1,243,608.32	321.34
	(Aggregate amount of investment as on Mar 31, 2020 INR 54.78 Lac)		**54.78**		**764.74**

₹ in Lac

7	TRADE RECEIVABLES		MAR 31,2020	Mar 31,2019
	Trade Receivables			
	Secured, Considered Good		**0.21**	**0.12**
			0.21	**0.12**

₹ in Lac

8	CASH AND CASH EQUIVALENTS		MAR 31,2020	MAR 31,2019
	BALANCE WITH BANK :			
	SCHEDULED BANKS			
	- in Current Account (HDFC Bank)		38.03	1.48
	- in Current Account (HDFC Bank Opearations)		4.62	0.81
			42.64	**2.29**

9	OTHER FINANCIAL ASSETS		MAR 31,2020	Mar 31,2019
	Interest accrued on FD		3.10	2.27
	FD with HDFC Bank (Less Than 12 Months)		15.00	15.00
			18.10	**17.27**

10	OTHER CURRENT ASSET		MAR 31,2020	Mar 31,2019
	Pre Paid Expenses		3.70	1.03
	Balances With Govt. Authorities		125.15	115.50
			128.85	**116.53**

11	EQUITY SHARE CAPITAL		MAR 31,2020	MAR 31,2019
a	**The AUTHORISED CAPITAL is :**			
	10,000,000.00	EQUITY SHARE OF INR 10/- EACH	1,000.00	1,000.00
			1,000.00	**1,000.00**
b	**ISSUED SUBSCRIBED AND PAID-UP-FULLY CALLED AND PAID UP**			
	9,600,000.00	EQUITY SHARE OF INR 10/- EACH	960.00	960.00
			960.00	**960.00**

The company has only one class of Shares referred to as equity share having a par value of ₹ 10/- at the beginning of the year. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

RS Software (India) Ltd is holding 76 lacs equity shares(79.17%holding) of Rs 10/each.

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

₹ in Lac

Equity Share	MAR 31,2020		MAR 31,2019	
	No. of Share		No. of Share	
Number of shares at the beginning	9,600,000.00	960.00	9,600,000.00	960.00
9600000 Equity SHARES (Includes1600000 equity shares as Right Issue) at Rs 10Per share				
	9,600,000.00	**960.00**	**9,600,000.00**	**960.00**

d Shareholder Holding More Than 5% Of The Share As On MAR 31,2020

Mr. Rajnit Rai Jain	**21%**	**21%**
1990000 Equity shares of Rs 10 each)		
RS Software(India) Ltd	**79%**	**79%**
7600000 Equity shares of Rs 10 each)		

₹ in Lac

13	TRADE PAYABLE (SHORT TERM)	MAR 31,2020	MAR 31,2019
	Other than MSME Vendors:	29.40	17.08
		29.40	**17.08**

13 The details of Statement of change in equity for the year ended are enclosed in Annexure 12

₹ in Lac

14	OTHER FINANCIAL LIABILITIES	MAR 31,2020	MAR 31,2019
	Salary Payable	13.65	18.34
	Statutory Liability Including Pf, Tds, Esi Etc.	15.22	15.70
		28.87	**34.04**

15 The details of Actuarial valuation as on 31.03.20 are enclosed in Annexure to 15

₹ in Lac

16	OTHER CURRENT LIABILITIES	MAR 31,2020	MAR 31, 2019
	Statutory Liability Including GST	0.18	2.00
		0.18	2.00

₹ in Lac

17	SHORT TERM PROVISIONS	MAR 31,2020	MAR 31, 2019
	Provision For Leave Encashment	1.20	
	Provision For Gratuity	2.89	
		4.09	

₹ in Lac

18	REVENUE FROM OPERATION	MAR 31,2020	MAR 31,2019
	Domestic Income From Software Services	31.97	4.12
		31.97	**4.12**

₹ in Lac

19	OTHER INCOME	MAR 31,2020	MAR 31,2019
	Profit On Sale of Mutual Fund	65.53	31.83
	Profit on Revaluation Of Investment	(28.60)	32.90
	Income Due To FOREX Fluctuation	-	(0.26)
	Interest Received from Bank Fixed Deposit	0.92	2.27
	Other Income	0.01	-
		37.87	**66.74**

₹ in Lac

20	EMPLOYEE BENEFIT EXPENSES	MAR 31,2020	MAR 31,2019
	Salary Wages And Bonus	569.62	355.31
	Contribution to PF And Other Funds	30.04	32.58
	Staff Welfare Expenses	5.28	25.95
		604.93	413.84

Payment in respect of PF and Professional Tax of the Company employees is being made to the PF and Professional Tax Account of the Parent Company RS Software(india) Ltd and also the Group gratuity of the holding company.

₹ in Lac

21	SUBCONTRACTOR EXPENSES	MAR 31,2020	MAR 31,2019
	Subcontractor Expenses	0.18	
		0.18	-

₹ in Lac

22	OPERATION AND OTHER EXPENSES	MAR 31,2020	MAR 31,2019
	Travelling	12.50	2.29
	Conveyance	2.14	1.04
	Staff Welfare	0.16	0.02
	Communication	19.92	18.28
	Printing and Stationery	0.11	0.81
	Repairs - Machinery	31.28	22.57
	Auditors' Remuneration (Refer Note 23)	1.10	0.67
	Legal / Professional Fee	33.68	48.34
	Recruitment & Relocation Expenses	5.12	0.45
	Business Promotion	6.83	19.34
	Consultancy Charges	0.60	1.07
	Membership and Subscription	3.91	
	Bank Charges	0.66	3.82
	Training Expense	0.64	-
		118.64	**118.68**

23	AUDITOR'S REMUNERATION	MAR 31,2020	MAR 31,2019
	Statutory Audit	0.50	0.40
	Other Certification	0.60	0.27
		1.10	**0.67**

24 There is no Impairment of assets during the period ended as on Mar 31,2020.

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

₹ in Lac

26	EMPLOYEE BENEFIT PROVISIONS	MAR 31,2020	MAR 31,2019
	Provision for Leave Encashment in Profit and Loss statement	2.61	2.84
	Provision for Gratuity in Profit and Loss statement	18.83	20.77
		21.45	23.62

27 The Company has invoked BCP with Work From Home in wake of Pandemic caused by Covid 19. The definitive assessment of the impact of Lockdown and other restrictions related to Covid 19 Pandemic in subsequent period is highly dependent on the circumstances as they evolve. As a result of Covid 19 impact , the demand for digital and contact less payment services is expected to be on the increase.

RELATED PARTY TRANSACTION

28 Enterprises whose control exists:

HOLDING COMPANY	' % of holding	Country of Incorporation
R S SOFTWARE INDIA LTD	79%	INDIA
PERSON WITH SIGNIFICANT INFLUENCE		
RAJNIT RAI JAIN	21%	

KEY MANAGEMENT PERSONNEL

RAJNIT RAI JAIN(DIRECTOR)

R RAMARAJ(DIRECTOR)

29 Disclosure of transactions between the Company and Related Parties and the status of outstanding balances

i With Holding Company

Particulars		MAR 31,2020	MAR 31,2019
Reimbursement of Cost of services incurred on behalf of Subsidiary including margin on actual cost thereon .			
	RS Software India Ltd	260.40	233.51
Advance Taken	RS Software India Ltd	16.59	-
Maximum balance outstanding during the year			-
	RS Software India Ltd	78.61	56.38

30 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 .

.

31 Segment Reporting is not applicable as company has no geographical as well as product wise and operating segments

32	EARNING PER EQUITY SHARE AS PER IND AS 33 :	MAR 31,2020	MAR 31,2019
	Profit & Loss From Continuous Operations :	**(995.42)**	**(481.51)**
	Issued Subscribed And Paid-Up-Fully Called And Paid Up	**9,600,000.00**	**9,600,000.00**
	Basic	(10.37)	(5.02)
	Dilluted	(10.37)	(5.02)

33 The company has made an assessment of the company's ability and it continued to be a going concern and no material uncertainly exist that needs to be disclosed. Also the holding company has assured ongoing financial support to the company for the next financial year in order to meet all its obligation

34 Figures reported in INR lacs and rounded off to nearest rupee

For CHATURVEDI & COMPANY
CHARTERED ACCOUNTANTS
(Reg. no : 302137E)
Sd/-
NILIMA JOSHI
PARTNER,
M. No. 52122
DATED: June 24,2020
PLACE :Kolkata

ON BEHALF OF THE BOARD

Sd/-
R R JAIN
DIRECTOR
DIN:00122942

Sd/-
R RAMARAJ
DIRECTOR
DIN:00090279

Note No:15 ACTUARIAL VALUATION DISCLOSURE (PAYPERMINT)

PARTICULARS	2020	2020	2019	2019
1)EXPENSE RECOGNISED IN THE INCOME STATEMENT	**GRATUITY**	**LEAVE ENCASHMENT**	**GRATUITY**	**LEAVE ENCASHMENT**
Current Service Cost				
as on 31/03/2020	289,055.00	120,266.00	247,361.00	63,456.00
Past Service Cost	-	-	1,829,910.00	220,881.00
Loss / (Gain) on settlement	-	-	-	-
Net Interest Income / (cost) on the Net Defined Benefit Liability (Asset)	157,873.00	21,610.00	-	-
Actuarial (gains) / losses due to :	-	-	-	-
change in demographic assumptions	(417,912.00)	(60,442.00)		
Change in financial assumptions	266,426.00	47,025.00	-	-
experience varience (i.e. Actual experience vs assumptions)	1,146,832.00	359,544.00	-	-
others	-	-	-	-
Return on plan assets, excluding amount recognised in net interest	-	-	-	-
expense	-	-	-	-
Re-measurement (or Actuarial (gain)/loss) arising because of change	-	-	-	-
in effect of asset celling	-	-	-	-
Components of defined benifit costs recognised in Other	995,346.00	-	-	-
Comprehensive Income	-	-	-	-
2)Net Asset				
Funded Status	-	-	-	-
Present value of Defined Benefit Obligation	2,172,402.00	381,455.00	2,077,271.00	284,337.00
Fair value of plan assets	-	-	-	-
Funded status [Surplus/(Deficit)]	(2,172,402.00)	(381,455.00)	(2,077,271.00)	(284,337.00)
Effect of balance sheet asset limit	-	-	-	-
Unrecognised Past Service Costs	-	-	-	-
Present value of Defined Benefit Obligation	-	-	-	-
Net asset/(liability) recognised in balance sheet	(2,172,402.00)	(381,455.00)	(2,077,271.00)	(284,337.00)
Net asset/(liability) recognised in balance sheet at beginning of	(2,077,271.00)	(284,337.00)	-	-
period	-	-	-	-
Expense recognised in Income Statement	446,928.00	488,003.00	2,077,271.00	284,337.00
Expense recognised in Other Comprehensive Income	995,346.00	-	-	
Employer contributions	1,347,143.00	390,885.00	-	-
Net Acquisitions / Business Combinations	-	-	-	-
Net asset/(liability) recognised in balance sheet at end of the period	(2,172,402.00)	(381,455.00)	(2,077,271.00)	(284,337.00)
3)Change in Defined Benefit Obligations (DBO)				
Present Value of DBO at beginning of period	2,077,271.00	-	-	-
Current Service cost	289,055.00	120,266.00	247,361.00	63,456.00
Interest cost	157,873.00	21,610.00	-	-
Curtailment cost/(credit)	-	-	-	-
Settlement cost/(credit)	-	-	-	-
Employee contribution	-	-	-	-
Past Service Cost	-	-	1,829,910.00	220,881.00
Acquisitions	-	-	-	-
Re-measurement (or Actuarial (gains)/ losses) arising from	-	-	-	-
change in demographic assumptions	(417,912.00)	(60,442.00)	-	-
Change in financial assumptions	266,426.00	47,025.00	-	-
- experience varience (i.e. Actual experience vs assumptions	1,146,832.00	359,544.00	-	-
others	-	-	-	-
Benefits paid	(1,347,143.00)	(390,885.00)	-	-
Present Value of DBO at the end of period	2,172,402.00	381,455.00	2,077,271.00	284,337.00
4)Change in Fair Value of Assets				
Plan assets at beginning of period	-	-	-	-
Investment Income	-	-	-	-
Return on Plan Assets, Excluding amount recognised in Net Interest expense	-	-	-	-
Actual Company contributions	1,347,143.00	390,885.00	-	-
Fund Transferred	-	-	-	-
Employee contributions	-	-	-	-
Benefits paid	(1,347,143.00)	(390,885.00)	-	-
Plan assets at the end of period				
5)Actuarial Assumptions				
Financial Assumptions	-	-	-	-
Discount Rate	0.08	0.08	0.08	0.08
Rate of increase in salaries	0.03	0.03	0.03	0.03
Demographic Assumptions	-	-	-	-
Mortality Rate (% of IALM 06-08)	1.00	0.07	1.00	1.00
Normal Retirement Age	65 years	65 years	58 years	58 years
Attrition Rates, based on age (% p.a.) FOR ALL AGES	2.00	2.00	2.00	2.00

Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Management
Credit risk	Cash and cash equivalents, trade receivables and other financial assets measured at amortised cost.	Diversification of bank deposits and investments. Entering into transactions with customers of repute / customers having sound financial position.
Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	* Projecting cash flows on regular basis and also considering the level of investement and liquid assets to meet the liabilities.
Market risk – foreign exchange	Future commercial transactions and recognised financial assets & liabilities not denominated in Indian rupee (Rs.)	Integral foreign operation and incorporation of the same made in books on monthly basis
Market risk – security price risk	Investments in mutual funds	Portfolio diversification

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities
(primarily trade receivables) including deposits with banks and investments, foreign exchange transactions and other financial instruments.

i) Trade receivables

Customer credit risk is managed by the management subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing. Outstanding customer receivables are regularly monitored.

At each reporting date the Company measures loss allowance for certain class of financial assets based on historical trend industry practice and the business environment in which the Company operates.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 Mar 2020 and 31 March 2019 is the carrying amounts of trade receivables.

Provision for expected credit loss

In determination of the allowance for credit losses on receivables, the Company has used a practical experience by computing the expected credit losses based on ageing matrix, which has taken into account historical credit loss experience and adjusted for forward looking information.

ii) Financial instruments and cash deposits

Credit risk from balances with banks and investments is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 Mar 2020	Less than 1 year	More than 1 year	Total
Non-derivatives			
Short Term Advances	-	-	-
Other financial liabilities	28.87	-	28.87
Trade payables	29.40	-	29.40
Total non-derivative financial liabilities	**58.27**	**-**	**58.27**

Contractual maturities of financial liabilities 31 March 2019	Less than 1 year	More than 1 year	Total
Non-derivatives			
Short Term Advances	-	-	-
Other financial liabilities	34.04	-	34.04
Trade payables	17.08	-	17.08
Total non-derivative financial liabilities	**51.13**	**-**	**51.13**

(C) Market risk

(i) Foreign Exchange Risk :-Books of Integral foreign operations incorporated on monthly basis. Considering the materiality involved, the company do not assort to forex fluctuation mitigation techniques like hedging , forward contracts etc.

(ii) Price risk

(a) Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Fair value measurements

Financial instruments by category

Particulars	31 Mar 2020			31 March 2019		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	54.78	-	-	764.74	-	-
Trade receivables	-	-	0.21	-		0.12
Loans	-	-		-		
Cash and cash equivalents	-	-	42.64	-	-	2.29
Other financial assets	-	-	-	-		-
Total financial assets	**54.78**	**-**	**42.85**	**764.74**	**-**	**2.41**
Financial liabilities						
Borrowings- Advance from Subsidiary	-	-	-	-	-	-
Trade payables	-	-	29.40	-		17.08
Other financial liabilities	-	-	28.87	-		34.04
Total financial liabilities	**-**	**-**	**58.27**	**-**	**-**	**51.13**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed At 31 Mar 2020			Level 1	Level 2	Level 3	Total
Financial assets						
Investments						
Trade receivables			-	-	0.21	0.21
Loans			-	-	-	-
Cash and cash equivalents			42.64	-	-	42.64
Other financial assets			-	-	-	-
Total financial assets			**42.64**	**-**	**0.21**	**42.85**
Financial liabilities						
Borrowings- Advance from Subsidiary			-	-	-	-
Trade payables			-	-	29.40	29.40
Other financial liabilities			-	-	28.87	28.87
Total financial liabilities			**-**	**-**	**58.27**	**58.27**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed At 31 March 2019			Level 1	Level 2	Level 3	Total
Financial assets						
Investments						
Trade receivables			-	-	0.12	0.12
Loans			-	-	-	-
Cash and cash equivalents			2.29	-	-	2.29
Other financial assets			-	-	-	-
Total financial assets			**2.29**	**-**	**0.12**	**2.41**
Financial liabilities						
Borrowings- Advance from Subsidiary			-	-	-	-
Trade payables			-	-	17.08	17.08
Other financial liabilities			-	-	34.04	34.04
Total financial liabilities			**-**	**-**	**51.13**	**51.13**

Level 1: Level 1 hierarchy includes financial instruments basically here includes cash and bank balances which are at carrying value which approximates to its fair value.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is generally the case for unlisted equity securities.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of Net assets value/ realisable value in case of investment in mutual fund
- Other financial instruments have been carried at their carrying value which approximates to its fair value

(iii) Fair value of financial assets and liabilities measured at amortised cost

		31 Mar 2020		31 March 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Trade receivables		0.21	0.21	0.12	0.12
Loans		-	-	-	-
Cash and cash equivalents		42.64	42.64	2.29	2.29
Other financial assets		-	-	-	-
Total financial assets		**42.85**	**42.85**	**2.41**	**2.41**
Financial liabilities					
Borrowings- Advance from Subsidiary		-	-	-	-
Trade payables		29.40	29.40	17.08	17.08
Other financial liabilities		28.87	28.87	34.04	34.04
Total financial liabilities		**58.27**	**58.27**	**51.13**	**51.13**

The carrying amounts of trade receivables, loans, cash and cash equivalents, other bank balances, other financial assets, security deposits, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of M/s. R S Software (India) Limited ("the Company") and its subsidiaries M/s. Responsive Solutions Inc., R. S. Software (Asia) Pte. Ltd and Paypermint Pvt. Limited (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss (including other Comprehensive Income) the Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2020, of Consolidated Loss and (including other Comprehensive Income), Consolidated Changes in Equity and its Consolidated Cash Flows for the year the ended.

Basis for Opinion
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements

Key Audit Matters
Key audit matters (KAM) are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion of these matters.
Description of Key Audit Matters

Sr. No	Key Audit Matter	How are audit addressed the Key Audit Matter
1	The application of revenue recognition accounting Standard is complex and involved a number of Key judgements and estimates and is the focus area of audit.	Our audit procedure in recognition of revenue includes-
		a. Obtaining an understanding of the systems, processes and controls implemented for recording and computing revenue
		b. Thereafter tested the controls relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls.
		c. Selected on sample basis for performing the following procedures
		1. Reviewed the particulars of the agreements (i.e distinct performance obligations, nature of work, transaction price including other Terms and Conditions).
		2. Compared the Actual Performance Obligations with agreed performance obligations and revenue booking based on performance obligations achieved/rendered.
		3. Reviewed the terms of the contracts in relation to 'transaction price' including any variable consideration and tested that revenue booking corresponds to the same.
		4. In respect of revenue recorded for time and material and fixed price monthly contracts samples were tested using a combination of approved time sheets customer acceptances & subsequent invoicing and existing trend of collections.
		5. In respect of revenue recorded for fixed price development contract and fixed time frame contract samples were tested to check the performance and obligation using the percentage of completion method based on Managements estimate of the Contract cost.

Emphasis of Matter

a. Attention is invited to Note 32 of the accounts which explains the managements assessment of the financial impact due to Covid-19 pandemic is that the Company has invoked BCP with Work From Home in wake of Pandemic caused by Covid 19. The definitive assessment of the impact of Lockdown and other restrictions related to Covid 19 Pandemic in subsequent period is highly dependent on the circumstances as they evolve. As a result of Covid 19 impact, the demand for digital and contact less payment services is expected to be on the increase.

b. Attention is also drawn to the fact where subsidiary R S Software Asia Pte has applied for strike off on 01/04/2020 with ACRA (Accounting and Corporate Regulatory Authority), Singapore

Our opinion is not modified in respect of matter stated in points (a) & (b) under "Emphasis of Matter" section of our report.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors Report including Annexures to Directors' Report, Report on Corporate Governance but does not include the Consolidated Financial Statements and our auditors' report thereon. The Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report and Report on Corporate Governance are expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or out knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibility of Management and Those charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, Consolidated Financial performance and Consolidated Cash Flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
The respective Board of Directors of the companies including in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs we exercise professional judgement and maintain professional skepticism throughout the audit. We also :

•Identify and assess the risks of material misstatement of the interim Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting

from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

•Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

•Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the interim consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

•Evaluate the overall presentation, structure and content of the interim consolidated financial statements, including the disclosures, and whether the interim consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

•Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditor's such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the interim consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statement of M/s. Responsive Solutions Inc, M/s. R. S. Software (Asia) Pte. Ltd and M/s. Paypermint Pvt. Ltd. (the subsidiaries) whose financial statements reflect total assets (net) of Rs. 1,624.04 Lac as at 31st March, 2020 and total revenue of Rs. 69.84 Lac and net increase in Cash Flows amounting to Rs. 64.38 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 opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements
As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the Consolidated Financial Statement.
b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and report on other auditors.
c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other Comprehensive Income) Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books.
d) In our opinion, the aforesaid Consolidated standalone financial statements comply with the IndAs specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
e) On the basis of the written representations received from the directors of the Company as on 31st March, 2020 taken on record by the Board of Directors of the Company and report of the Statutory Auditors of the Subsidiary incorporated in India none of the directors of the Group Companies incorporated in India are disqualified as on 31st March, 2020 from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the over financial reporting of the group Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g) With respect to the other matter to be included in the Auditor's report in accordance with the requirements of Section 197(16) of the act, as amended –
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
i. The group does not have any pending litigations which would impact its financial position in its financial statements.
ii. The group does not have any long term contracts including derivative contract for which there are any material foreseeable losses.
iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding Company.

For DEOKI BIJAY & Co.
CHARTERED ACCOUNTANTS
Firm Regn. No : 313105E

Sd/-

CA D.N.AGRAWAL
Partner
Memb No. 51157
UDIN: 20051157AAAAAT7989

Dated : the 24th day of June, 2020
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, 2020 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 which have been incorporated outside India and one subsidiary incorporated in India have been exempted from reporting requirement under section 143(3)(i) and vide MCA notification G.S.R 583-E dated 13th June,2017 respectively hence reporting requirement under section 143(3)((i) are similar to the comments in the auditors report in Annexure-B of the auditors report on Standalone Financial Statement of the Company).

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operative effectiveness.
Our audit of internal Financial Controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion of the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in responsible detail, accurately and 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DEOKI BIJAY & Co.
CHARTERED ACCOUNTANTS
Firm Regn. No : 313105E
Sd/-
CA D.N.AGRAWAL
Partner
Memb No. 51157

Dated : The 24th day of June, 2020
Place : Kolkata

R S SOFTWARE INDIA LIMITED
CONSOLIDATED BALANCE SHEET AS AT MAR 31,2020

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 ₹ in Lac

	PARTICULARS	Notes	As at MAR 31,2020	As at MAR 31, 2019
ASSETS				
NON CURRENT ASSETS				
A)	**PROPERTY PLANT & EQUIPMENT**			
	(i)PROPERTY PLANT & EQUIPMENT	3	336.82	409.78
	(ii)OTHER INTANGIBLE ASSETS	3	1,661.60	773.07
	(iii)INTANGIBLE ASSETS UNDER DEVELOPMENT	3	-	623.94
B)	**FINANCIAL ASSETS**			
	(i)INVESTMENTS	4	-	347.27
	(ii)LOANS	5	-	1,300.00
	(iii)OTHER FINANCIAL ASSET	6	430.24	1,094.72
C)	**DEFERRED TAX ASSETS (Net)**	7		2,872.91
D)	**OTHER NON CURRENT ASSETS**	8	439.26	919.15
CURRENT ASSETS				
E)	**FINANCIAL ASSETS**			
	(i)INVESTMENT	9	1,753.98	4,188.97
	(ii)TRADE RECEIVABLES	10	571.23	615.29
	(iii)CASH & CASH EQUIVALENTS	11	1,171.04	1,742.98
	(iv)OTHER BANK BALANCES	11	64.69	407.10
	(v)OTHER FINANCIAL ASSETS	12	570.42	496.87
F)	**OTHER CURRENT ASSETS**	13	1,856.10	1,778.10
	TOTAL ASSETS		**8,855.38**	**17,570.14**
EQUITY AND LIABILITIES :				
EQUITY				
	(i)EQUITYSHARE CAPITAL	14	1285.42	1285.42
	(ii)OTHER EQUITY	15	6431.00	14627.75
	(iii)NON CONTROLLING INTEREST		137.15	344.53
LIABILITIES				
NON CURRENT LIABILITIES				
A)	PROVISIONS	17	214.44	253.95
CURRENT LIABILITIES				
B)	**FINANCIAL LIABILITY**			
	(i)TRADE PAYABLES	18	369.38	447.07
	(ii)OTHER FINANCIAL LIABILITIES	19	196.07	273.01
C)	**OTHER CURRENT LIABILITIES**	20	192.49	307.35
D)	**SHORT TERM PROVISIONS**	21	29.43	31.06
	TOTAL LIABILITIES		**8855.38**	**17570.14**

Significant Accounting Policies and Notes on Accounts 1 to 41
The Notes referred to above form an integral part of the ConsolidatedFinancial Statement.
This is the Consolidated Financial Statement referred to in our report of even date.

ON BEHALF OF THE BOARD

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

Sd/-
CA D.N.AGRAWAL
PARTNER,
M. No. 51157
DATED: June 24,2020
PLACE : Kolkata

Sd/-
V. SURANA
CFO & COMPANY SECRETARY
Mem no:11559

Sd/-
R.RAMARAJ
DIRECTOR
DIN:00090279

Sd/-
R.R. JAIN
CHAIRMAN & MANAGING DIRECTOR
DIN : 00122942

R S SOFTWARE INDIA LIMITED
CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR YEAR ENDED MAR 31,2020

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 ₹ in Lac

	PARTICULARS	Notes	YEAR ENDED MAR 31,2020	YEAR ENDED MAR 31,2019
I	REVENUE FROM OPERATION	23	6,028.11	6,539.27
II	OTHER INCOME	24	1,233.00	644.14
III	**TOTAL REVENUE**		**7,261.11**	**7,183.41**
IV	**EXPENSES :**			
	PURCHASES OF STOCK IN TRADE	25	239.78	789.21
	EMPLOYEE BENEFIT EXPENSES	26	6,359.74	6,671.47
	SUBCONTRACTOR EXPENSES	27	744.31	637.14
	FINANCE COST	28	44.42	28.32
	DEPRECIATION	3	411.58	330.15
	OPERATION AND OTHER EXPENSES	29	3,965.74	2,182.96
	0			
	TOTAL EXPENSES		**11,765.57**	**10,639.24**
			-	
V	**PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS & TAX :**	(III - IV)	**(4,504.46)**	**(3,455.83)**
VI	TAX EXPENSES			
	CURRENT TAX		26.41	42.14
	DEFERRED TAX WRITTEN OFF FOR EARLIER YEARS		2,872.91	(681.24)
VII	**PROFIT (LOSS) FOR THE YEAR FROM CONTUNUING OPERATIONS**		**(7,403.78)**	**(2,816.73)**
	SHAREHOLDERS' OF THE COMPANY		*(7,196.40)*	*(2,716.41)*
	NON CONTROLLING INTEREST		*(207.38)*	*(100.31)*
	COMPREHENSIVE INCOME/(LOSS)			
	ITEMS WHICH WILL NOT BE CLASSIFIED INTO P&L RELATING TO ACTUARIAL GAIN/LOSS		(34.83)	
VIII	**TOTAL OTHER COMPREHENSIVE INCOME/ (LOSS)**		**(34.83)**	**(4.07)**
IX	**PROFIT/ (LOSS) FOR THE YEAR FROM CONTINUING OPERATION :**	(V - VI)	**(7,231.23)**	**(2,720.48)**
	PROFIT & (LOSS) BROUGHT FORWRAD FRPM PREVIOUS YEAR		**11,249.42**	
	NON CONTROLLING INTEREST	16	*(207.38)*	*(100.31)*
X	**EARNING PER EQUITY SHARE(FOR CONTINUING OPERATION) :**			
	BASIC	34	(28.13)	(10.58)
	DILLUTED	34	(28.13)	(10.58)
	RESTATED EPS FOR PREVIOUS YEAR on face value of INR 5 Each :			
	BASIC		-	

The Notes referred to above form an integral part of the ConsolidatedFinancial Statement.
This is the Consolidated Financial Statement referred to in our report of even date.

ON BEHALF OF THE BOARD

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

Sd/-
CA D.N.AGRAWAL
PARTNER,
M. No. 51157
DATED: June 24,2020
PLACE : Kolkata

Sd/-
V. SURANA
CFO & COMPANY SECRETARY
Mem no:11559

Sd/-
R.RAMARAJ
DIRECTOR
DIN:00090279

Sd/-
R.R. JAIN
CHAIRMAN & MANAGING DIRECTOR
DIN : 00122942

R S SOFTWARE INDIA LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MAR 31,2020

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 ₹ in Lac

	PARTICULARS	YEAR ENDED MAR 31,2020	YEAR ENDED MAR 31,2019
	CASH FLOW STATEMENT		
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	NET PROFIT BEFORE TAX	(4,331.91)	(3,359.58)
	ADJUSTMENT FOR :		
	DEPRECIATION	411.58	330.15
	INTERESTPAID	44.42	28.32
	FOREIGN EXCHANGE FLUCTUATION RESERVE	(965.51)	177.31
	PROVISION FOR GRATUITY, LEAVE ENCASHMENT	29.43	31.07
	INTEREST RECEIVED	(1,233.00)	(644.14)
	EMPLOYEES EXPENSES AMORTIZATION	(68.94)	(75.65)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**(6,113.94)**	**(3,512.52)**
	ADJUSTMENT FOR :		
	TRADE AND OTHER RECEIVABLES	(29.50)	277.79
	LOANS AND ADVANCES AND OTHER ASSETS	2,366.36	447.23
	TRADE PAYABLES & OTHER LIABILITIES(INCLUDES AMORTISATION)	(271.12)	(159.63)
	LESS:INCOME TAX	(26.41)	(42.14)
	NET CASH FROM OPERATING ACTIVITIES	**(4,074.60)**	**(2,989.27)**
B	**CASH FLOW FROM INVESTMENT ACTIVITIES :**		
	PURCHASE OF PROPERTY PLANT & EQUIPMENT	(603.21)	(793.50)
	INTEREST RECEIVED	1,642.90	567.60
	INVESTMENT REDEEMED DURING THE PERIOD	2,372.37	1,926.30
	NET CASH FROM INVESTMENT ACTIVITIES	**3,412.06**	**1,700.40**
C	**CASH FLOW FROM FINANCE ACTIVITIES:**		
	PROCEEDS FROM SHARE APPLICATION/ MINORITY INTEREST	(207.38)	(98.71)
	INTEREST PAID	(44.42)	(28.32)
	NET CASH FROM FINANCING ACTIVITIES	**(251.80)**	**(127.03)**
	NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(914.34)**	**(1,415.90)**
	OPENING CASH AND CASH EQUIVALENTS	2,150.07	3,565.97
	CLOSING CASH AND CASH EQUIVALENTS	1,235.73	2,150.07

The Notes referred to above form an integral part of the ConsolidatedFinancial Statement.
This is the Consolidated Financial Statement referred to in our report of even date.

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

ON BEHALF OF THE BOARD

Sd/-
CA D.N.AGRAWAL
PARTNER,
M. No. 51157
DATED: June 24,2020
PLACE : Kolkata

Sd/-
V. SURANA
CFO & COMPANY SECRETARY
Mem no:11559

Sd/-
R.RAMARAJ
DIRECTOR
DIN:00090279

Sd/-
R.R. JAIN
CHAIRMAN & MANAGING DIRECTOR
DIN : 00122942

Note No: 15

15. CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MAR 31,2020 *

Amount in Lacs

Particulars	Securities premium reserve	Retained earnings	CSR FUND Reserve	Inter Branch Foreign Fluctuation Reserve	Share Forfeiture Reserve	PREFERENCE SHARE REDEMPTION RESERVE	Capital Reserve	Unrealised Profit on Subsidiary Transaction	Non Controlling Interest	Other items of other comprehensive income	Total equity attributable to equity holders of the Company
Equity											
Balance as of April 1, 2019											1,285.42
Changes in equity for year ender Mar 31,2020											-
Balance as of Mar 31,2020											1,285.42
Other Equity											
Balance as of April 1, 2019	2,586.38	11,249.42	118.15	886.26	43.50	255.31	(277.36)	(71.34)		(162.58)	14,627.75
Changes in equity for the year ended Mar 31,2020											-
Shift to Capital reserve				(351.52)			351.52				
Changes due to Inter Branch Foreign Fluctuation Account	-	-	-	(45.28)	-	-	(920.24)	-		-	(965.51)
Changes during the period	-	(7,403.78)	-	-	-	-	-	-	207.38	(34.83)	(7,231.23)
Balance as of Mar 31,2020	**2,586.38**	**3,845.64**	**118.15**	**489.47**	**43.50**	**255.31**	**(846.08)**	**(71.34)**	**207.38**	**(197.40)**	**6,431.00**

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MAR 31 ,2019

Amount in Lacs

Particulars	Securities premium reserve	Retained earnings	CSR FUND Reserve	Inter Branch Foreign Fluctuation Reserve	Share Forfeiture Reserve	PREFERENCE SHARE REDEMPTION RESERVE	Capital Reserve	Unrealised Profit on Subsidiary Transaction	Non Controlling Interest	Other items of other comprehensive income	Total equity attributable to equity holders of the Company
Equity											
Balance as of April 1, 2018											1,285.42
Changes in equity for year ender Mar 31,2019											-
Balance as of Mar 31, 2019											1,285.42
Other Equity											
Balance as of April 1, 2018	2,586.38	13,965.83	118.15	708.95	43.50	255.31	(277.36)	(71.34)		(158.51)	17,504.95
Changes in equity for the year ended											
Changes due to Inter Branch Foreign Fluctuation Account	-	-	-	177.31	-	-	-	-		-	177.31
Changes during the year	-	(2,716.41)	-	-	-	-	-	-	100.31	(4.07)	(2,720.48)
Balance as of Mar 31, 2019	**2,586.38**	**11,249.42**	**118.15**	**886.26**	**43.50**	**255.31**	**(277.36)**	**(71.34)**	**100.31**	**(162.58)**	**14,627.75**

Sd/-
R.RAMARAJ
DIRECTOR
DIN:00090279

Sd/-
R.R. JAIN
CHAIRMAN & MANAGING DIRECTOR
DIN : 00122942

ON BEHALF OF THE BOARD

Sd/-
V. SURANA
CFO & COMPANY SECRETARY
Mem no:11559

Sd/-
CA D.N.AGRAWAL
PARTNER,
M. No. 51157
DATED: June 24,2020
PLACE : Kolkata

*This Statement forms a integral part of Consolidated Standalone Financial Statement

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

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 June 24,2020.

2

a. Significant Accounting Policies

i) The Consolidated Financial Statements have been prepared in accordance with Inndian Accounting Standard (IND AS) - 27 on "Consolidated and Seperate Financial Statements" issued by the Institute of Chartered Accountant of India.

The Consolidated Financial statements related to R S Software (India) Limited (The Holding Company) and its subsidiaries R S Software Asia Pte (Singapore), Responsive Solution INC (USA) and Paypermint Private Limited where % of voting power held is 100%, 100% and 79.17% respectively

Consolidated Financial statements have been prepared where financial statements of the parent/holding company and its subsidiaries combined line by line adding together like items of assets, liabilties, equity, income, and expenses. Non- controlling interest in the profit or loss and net assets are identified. Intragroup balances, transactions, income and expenses has been eliminated in full

ii) These financial statements are prepared in accordance with Indian Accounting Standard (Ins AS), under the historical cost convention on the actual basis except for the certain financial instruments which are measured at fair values at the end of each reporting period the provisions of the companies Act,2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the companies (Indian Accounting Standards) Rules,2015 and relevant amendment rules issued there after.

Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accouting policy hitherto in use.

As the quarter and the year figures are taken from the source and rounded to the nearest digits, the figures for the previous quarters might not always add up to the year figures reported in this statement.

b Use of Estimates & Judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.
Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of goodwill, impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets and provisions and contingent liabilities.Key estimates are critical accounting estimates.

c Critical Accounting Estimates:

i) **Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

ii) **Valuation of deferred tax assets**

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 2(M).

iii) **Provisions and contingent liabilities**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

d Revenue Recognition

Revenue is realized on time-and-material basis or Fixed Bid or Milestone as specified in the work order. Revenue from software development on time and material basis is recognized based on Service rendered (software developed) and billed to clients as per the terms of specific contracts. Revenue from Fixed Bid contract is recognized on monthly basis as per contract terms. Revenue from Milestone base contract is being recognized based on effort given during the period but the Invoice is sent to customer when the milestone is achieved as per contract. Value Added tax in UK is not included in the income from Software development.
Contracts are unbundled into separately identifiable components and the consideration is allocated to those identifiable components on the basis of their fair values. Revenue is recognized for respective components either at the point in time or over time, as applicable.
Revenue from software development contracts, which are generally time bound fixed price contracts, is recognized over the life of the contract using the percentage-of-completion method, with contract costs determining the degree of completion.
Revenue from the sale of internally developed and manufactured systems and third party products which do not require significant modification is recognized upon delivery, which is when the absolute right to use passes to the customer and the Company does not have any material remaining service obligation.
Unbilled Revenue included in Other Financial Assets, represents amounts recognized in respect of services performed in a accordance with Contract terms, not yet billed to Customers as at Reporting Period end.

The Company derives revenues primarily from business IT services comprising of software dev elopement and related services, consulting and package implementation and from the licensing of software products and platforms across our core and digital offerings ("together called as software related services").
Revenue from subsidiaries is recognised based on transaction price which is at arm's length.
Interest income has been booked as per effective interest method.

The Company presents revenues net of indirect taxes in its Statement of Profit & loss.All other investment income has been accounted for on accrual basis.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers) accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and/or revised significant accounting policies related to revenue recognition. Refer Note 1 "Significant Accounting Policies." In the Company's 2018 Annual Report for the policies in effect for revenue prior to April 1, 2018. The effect on adoption of IND AS 115 was insignificant

Arrangements with customers for software related services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

In arrangements for software development and related services and maintenance services, the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the company is unable to determine the standalone selling price, the company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control f the work as it progresses.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period. Arrangements to deliver software products generally have three elements license, implementation and Annual Technical Services (ATS).

e Cost recognition

Costs and expenses are recognized when incurred and have been classified according to their primary nature.

The costs of the company are broadly categorized in employee benefit expenses, depreciation and amortization and other operating expenses. Employee benefit expenses include employee compensation, allowances paid and staff welfare expenses. Other operating expenses majorly include fees to external consultants, Rent, cost running its facilities, travel expenses, communication costs allowances for delinquent receivables and other expenses. Other expenses is an aggregation of costs which are individually not material such us commission bank charges, freight, Postage etc.

f Property ,Plant & Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Property, plant and equipment individually costing Rs 5,000 or less which are not capitalised except when they are part of a larger capital investment programmed.

Depreciation is provided for property, plant and equipment so as to expense the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

BUILDING	60 Years
PLANT AND EQUIPMENT	3 years/6 years
FURNITURE AND FIXTURES	10 Years
VEHICLES	8 years
OFFICE EQUIPMENT	5 Years
AIR CONDITIONER	15 Years
ELECTRICAL INSTALLATIONS	10 Years

Depreciation on fixed assets is provided using the straight-line method on the basis of use full life of assets under schedule II of the Indian Companies Act, 2013.

g Intangible assets

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets/Software 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 comprises taxes on income from operations in India and in foreign jurisdiction. Income tax payable in India is determination in accordance with the provision of I. Tax Act 1961. Tax expense relating to foreign operation is determined in accordance with the laws applicable in countries where such operations are domiciled.

Advance tax and provisions for current income taxes are presented in the Balance Sheet after off setting advance taxes paid and income tax provision arising in the same tax jurisdiction and where the company intends to settle the assets and liabilities on a net basis.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.
The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.
Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.
Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

o Financial instruments

Initial recognition

i) The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. Initial recognition has been measured at its fair value plus or minus transaction costs that re directly attributable. Regular purchase and sale of financial assets are accounted for at trade date.

ii) Financial assets at amortised cost

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

iii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iv) Financial assets at fair value through Profit & Loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

v) Investment in subsidiaries

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for Derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

p Asset taken on Lease

Asset & liabilities for all leases taken for a term of more than 12 months are recognised as per IND AS 116 unless unlined assets is of low value.

q Impairment of Assets

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future post-tax cash flows of the relevant cash generating unit or fair value less cost to sell, whichever is higher. The discount rate is applied, based upon the weighted average cost of capital with appropriate adjustments for the risks associated with the relevant business. Any impairment in value is charged to the Income Statement in the year, which it occurs.

Expected Credit Loss: As per Ind AS 109, the company uses expected credit loss model to assess the impairment of loss or gain.The company uses provision metrics to compute expected credit loss allowances.For Trade receivables and unbilled revenue, the provision metrics takes into account available external & internal credit risk factors such as delay risk & default risk.

r Segment Reporting

The company's operating business are organized and managed as per Location of the client. Common costs are allocated to the cost based on the Revenue Mix. Unallocated costs are disclosed separately. The company prepare its segment information in conformity with the accounting policy adopted for preparing and presenting the financial statement of the Company as a whole.

s Earnings per share

Basic Earning per share is calculated by dividing the net profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For Calculating Diluted Earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

t Recent Indian Accounting Standard (Ind AS)

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the consolidated financial statements

Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 replacing Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.The effect on adoption of Ind AS 116 Appendix C would be insignificant in the standalone financial statements

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:
• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
• to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.
Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

3 .PROPERTY PLANT & EQUIPMENT	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION & AMORTISATION				NET CARRYING AMOUNT	
PARTICULARS	AS ON 1STOF APR 19	ADDITIONS	DED/ADJ	AS AT MAR 31,2020	AS ON APR 19	ADDITIONS	DED/ADJ	AS AT MAR 31,2020	AS AT MAR 31,2020	AS AT MAR 31 2019
LAND	7.76	0.00	0.00	7.76	0.00	0.00	0.00	0.00	7.76	7.76
BUILDING	105.37	0.00	0.00	105.37	12.27	4.10	0.00	16.37	89.00	93.10
PLANT & EQUIPMENT	492.69	0.09	0.00	492.78	322.92	96.65	0.00	419.57	73.21	169.77
OFFICE EQUIPMENT	99.25	1.08	7.28	93.05	76.62	12.75	6.85	82.52	10.53	22.63
AIR CONDITIONER	64.31	60.36	0.00	124.67	16.89	7.69	0.00	24.58	100.09	47.42
ELECTRICAL INSTALLATIONS	64.55	0.00	0.00	64.55	56.64	2.06	0.00	58.70	5.85	7.91
FURNITURE & FITTINGS	157.15	3.55	0.00	160.70	96.40	14.35	0.00	110.75	49.94	60.75
MOTOR VEHICLES	16.14	0.00	0.00	16.14	15.70	0.00	0.00	15.70	0.44	0.44
TOTAL (I)	**1007.23**	**65.07**	**7.28**	**1065.02**	**597.44**	**137.61**	**6.85**	**728.20**	**336.82**	**409.78**
OTHER INTANGIBLE ASSETS										
SOFTWARE PRODUCT - EFRM	0.00	1162.51	0.00	1162.51	0.00	108.22	0.00	108.22	1054.28	0.00
COMPUTER SOFTWARE	1038.40	0.00	0.00	1038.40	265.33	165.75	0.00	431.08	607.32	773.07
TOTAL(II)	**1038.40**	**1162.51**	**0.00**	**2200.91**	**265.33**	**273.98**	**0.00**	**539.31**	**1661.60**	**773.07**
TOTAL(I+II)	**2045.63**	**1227.58**	**7.28**	**3265.93**	**862.77**	**411.58**	**6.85**	**1267.51**	**1998.42**	**1182.85**
INTANGIBLE ASSET UNDER DEVELOPMENT	-	-	0	-	0	0.00	0	0.00	0.00	623.94

3 .PROPERTY PLANT & EQUIPMENT	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION & AMORTISATION				NET CARRYING AMOUNT	
PARTICULARS	AS ON 1ST OF APR18	ADDITIONS	DED/ADJ	AS AT MAR 31,2019	AS ON APR18	ADDITIONS	DED/ADJ	AS AT MAR 31,2019	AS AT MAR 31,2019	AS AT MAR 31 2018
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	8.20	4.07	0.00	12.27	93.10	97.17
PLANT & EQUIPMENT	420.32	92.36	19.99	492.69	226.66	99.46	3.20	322.92	169.77	193.66
OFFICE EQUIPMENT	96.53	3.36	0.64	99.25	56.68	20.58	0.64	76.62	22.63	39.85
AIR CONDITIONER	63.72	0.89	0.30	64.31	11.20	6.00	0.31	16.89	47.42	52.52
ELECTRICAL INSTALLATIONS	64.55	0.00	0.00	64.55	48.66	7.98	0.00	56.64	7.91	15.89
FURNITURE & FITTINGS	158.80	0.00	1.65	157.15	76.75	21.31	1.66	96.40	60.75	82.05
MOTOR VEHICLES	16.14	0.00	0.00	16.14	11.52	4.18	0.00	15.70	0.44	4.62
TOTAL (I)	**933.19**	**96.62**	**22.58**	**1007.23**	**439.67**	**163.58**	**5.81**	**597.44**	**409.78**	**493.52**
OTHER INTANGIBLE ASSETS										
COMPUTER SOFTWARE	1080.40	20.83	62.83	1038.40	179.37	166.57	80.61	265.33	773.07	829.68
TOTAL(II)	**1080.40**	**20.83**	**62.83**	**1038.40**	**179.37**	**166.57**	**80.61**	**265.33**	**773.07**	**829.68**
TOTAL(I+II)	**2013.59**	**117.45**	**85.41**	**2045.63**	**619.04**	**330.15**	**86.42**	**862.77**	**1182.85**	**1323.20**

1)Land includes Leasehold land amounting to Rs. 458,694/- from WBEIDC The lease expires in year 2086. No bills for yearly lease payments have been received, hence the effect of aodption of IND AS -116 would be insignificant and lease has been carried on at its historical cost

2)The Aggregate Depreciation has been included under depreciation and amortisation Expense in the statement of Profit and loss.

INTANGIBLE ASSETS UNDER DEVELOPMENT	MAR 31,2020	MAR 31, 2019	MAR 31, 2018
NPCI EFRM	0.00	623.94	20.24
TOTAL	0.00	623.94	20.24

CONSOLIDATED NOTES ON ACCOUNTS FOR THE YEAR ENDED MAR 31,2020

₹ in Lac

4	NON-CURRENT INVESTMENTS			MAR 31,2020		MAR 31,2019
			No. of unit	-	No. of unit	-
	Reliance Fixed Horizon Fund - Xxxiii - Series 9 - Direct Growth Plan (Vxagg)		-	-	3,000,000.00	347.27
				-		347.27

5	LOANS			
			MAR 31,2020	MAR 31,2019
	Advance To R S Employee Welfare Trust		-	1,300.00
	** The loan along with interest accrued paid to RSEWT was non recoverable and hence written off in full as the trust had accumulated losses and had no surplus fund available			
			-	1,300.00

6	OTHER FINANCIAL ASSETS		MAR 31,2020	MAR 31,2019
	HDFC Bank (FD)		-	15.00
			-	-
	FD On Lien (Original Maturity More Than 12 Months) With			
	ICICI Bank		9.93	18.31
	Allahabad Bank		-	9.40
	Axis Bank		-	7.49
	Yes Bank		420.31	370.82
	Interest Accrued on R S EMPLOYEE WELFARE TRUST		-	643.55
	Interest Accrued on Fixed Deposits		-	30.14
	0			
			430.24	1,094.72

7	Deferred tax Assets /- (NET)			MAR 31,2020	MAR 31,2019
	A)Deferred Tax Liabilty On A/C Of Temporary Differences(Depreciation On Property, Plant & Equipment)				(59.11)
	B)Deferred Tax Asset On A/C Of Temporary Differences (Other Provs Accrued Employee Benefits & Unused Business Tax Credit Losses)			-	2,932.02
	DEFERRED TAX ASSETS / (NET)			-	2,872.91
	Deferred Tax Liability Calulation:				
	Deferred Tax Liability			MAR 31,2020	MAR 31,2019
	Tax Rate			26.00	26.00
	WDV Difference closing FIXED ASSETS			16,426,364.03	15,441,135.05
	Asset as per Companies Act			196,875,496.44	118,226,285.25
				-	-
	Asset as per Income Tax			180,449,132.41	102,785,150.20
	Closing Temporary Difference			16,426,364.03	15,441,135.05
	Closing Balance DTL			4,270,854.65	4,014,695.11
	Deferred Tax Asset				
	Tax Rate			-	26.00
	LTCG Tax Rate			-	20.80

	Opening TD			-	-
	Loss on business			1,401,239,145.34	957,536,709.56
	Long Term Capital Loss			-	-
	Provision for Gratuity & Leave			24,387,292.00	26,139,946.00
	Originating TD			1,425,626,437.34	1,018,917,372.74
	Closing TD			1,425,626,437.34	1,018,917,372.74
	Closing Balance DTA			370,662,873.71	292,007,010.20
	Net Deferred Tax Assets / (Liability)			**366,646,389.07**	**287,290,872.97**

*The company had recognised deferred tax assets based on the estimations of profits in future years considering the probability that sufficient taxable profits will be available against which the unused tax losses/credits can be utilised before such unused tax losses/ credits expire.Though the company expects that such deferred tax Assets will be usable in future years but considering the prudent accounting policies and conisdering the probability that sufficient taxable profit will not be available against which the deductible temporary difference can be utilised, It has been decided to write off DTA relating to earlier year amounting to Rs. 28.73 crores arising due to Losses of past years.

8	**OTHER NON CURRENT ASSETS**				
				MAR 31,2020	**MAR 31,2019**
	(Unsecured and Considered good)				
	Prepaid Expenses			13.55	1.70
	Deposits			69.39	69.39
	Advance Taxes (Net Of Provisions)			124.58	545.72
	Balances With Govt. Authorities			231.74	302.34
				439.26	**919.15**

₹ in Lac

9	**CURRENT INVESTMENT**		**MAR 31,2020**		**MAR 31,2019**
		No. of unit	-	**No. of unit**	-
	Investment in Mutual Fund (Others - unquoted)				
	ICICI Ultra Short Term Fund Dp Growth	1,402,970.56	301.27		
	Nippon India Floating Rate Fund Direct Growth Plan	1,550,892.54	509.96	-	-
	Nippon India Low Duration Fund-Growth Plan Growth Option	12,465.03	351.87	-	-
	L and T Short Term Direct Fund	89,462.60	18.01		323.94
	JM High Liquidity Fund (Direct) - DDO	-	-		101.86
	Kotak Bond (Short Term) - Direct Plan - Growth	-	-	92,399	33.70
	Kotak Bond scheme plan A - Direct Plan - Growth	1,254,022.57	294.20	1,254,023	270.08
	Kotak Low Duration Fund: including Paypermint	-	-	22,298	530.02
	Reliance/Nippon Money Market Fund - Direct Growth Plan Growth Option (Lqagg)	1,204.29	36.76	1,243,608	321.34
	Reliance Liquidity Fund	-	-	363	16.57
	Reliance Short Term Fund	-	-	728,769	262.78
	Religare Invesco Medium Term Bond fund	-	-	-	-
	Reliance Strategic Debt Fund - Direct Growth Plan	-	-	7,464,510	1,145.59
	Reliance Fixed Horizon Fund - Xxxiii - Series 2 - Direct Growth Plan	-	-	10,000,000	1,183.08
	Reliance Nippon Money Market Fund - Direct Plan Daily Dividend Plan (Lqadr)	24,141.66	241.91	-	-
	(Aggregate amount of investment as on MAR 31,2020 INR 1753.98 Lac) (As on March 31, 2019 INR 4188.97 Lac)		**1,753.98**		**4,188.97**

₹ in Lac

10	**TRADE RECEIVABLES**			**MAR 31,2020**	**MAR 31,2019**
	Unsecured and Considered good			886.70	702.44
	less:Expected Credit loss on receivables			(315.47)	(87.16)
				571.23	**615.29**

₹ in Lac

				MAR 31,2020	**MAR 31,2019**
11	**CASH & CASH EQUIVALENT**				
	CASH IN HAND *			22.21	23.35
	BALANCE AS ON 31ST MAR 19 :				
	- in Current Account (Axis Bank)			47.15	49.42
	- in Current Account (Allahabad Bank)			-	0.33
	- in Current Account (HDFC)-including Paypermint			50.11	59.84
	- in Current Account (ICICI Bank)			236.47	68.28
	- in Current Account (YES Bank)			8.14	27.71
	- in Current Account (SBI Bank)			4.92	65.66
	FOREIGN BANK				
	- in Current Account(in SVB ICICI UK & DBS)			433.93	1,448.39
	OTHER BALANCES				
	FIXED DEPOSITS - with original maturity less than 12 months				
	Fixed Deposits with HDFC Bank-Paypermint			368.10	-
	TOTAL			**1,171.04**	**1,742.98**
	OTHER BANK BALANCES				
	FD with ICICI Bank (On Lien Less Than 12 Months)			5.64	267.38
	FD with Axis Bank (On Lien Less Than 12 Months)			8.05	-
	FD with Allahabad Bank (On Lien Less Than 12 Months)			9.97	83.14
	Earmarked Balances With Banks(Unclaimed Dividend A/C)			41.02	56.58
	TOTAL			**64.69**	**407.10**

* Cash in hand is as certified by the Management

₹ in Lac

12	**OTHER FINANCIAL ASSETS**			**MAR 31,2020**	**MAR 31,2019**
	Unbilled Revenue			570.42	496.87
	TOTAL			**570.42**	**496.87**

₹ in Lac

13	**OTHER CURRENT ASSETS**			**MAR 31,2020**	**MAR 31,2019**
	ADVANCES (Recoverable in cash or in kind or for value to be received)				
	Advances to Related Parties			16.59	-
	Advances Other Than Capital Advances			219.29	263.07
	Prepaid Expenses			87.88	74.00
	Deposits			53.18	50.21
	Advance To Staff			5.04	15.38
	Advance Taxes (Net Of Provisions)			1,172.43	1,101.51
	Balances With Govt. Authorities			301.71	273.94
				1,856.10	**1,778.10**

14	SHARE CAPITAL			MAR 31,2020	MAR 31,2019
a	The AUTHORISED CAPITAL is :				
	40,000,000	Equity Share Of Inr 5/- Each		2,000.00	2,000.00
	2,500,000	Preference Share Of Inr 100/- Each		2,500.00	2,500.00
				4,500.00	**4,500.00**
b	ISSUED SUBSCRIBED AND PAID-UP-FULLY CALLED AND PAID UP				
	Equity Share Of Inr 5/- Each			1,285.42	1,285.42
	(Previous Year 2,56,78,318 shares of INR 5 each)				
				1,285.42	**1,285.42**

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 granted 250000 options to employees of the company on 29th Jan,2019, as per terms of that scheme 25% of the total options would be vested after A year from the date of grant but the concerned employee to whom the options have been granted did not excercised. 10,000 ESOP's granted on 9th Nov,2019 to a foreign national employee who had left the orgnaisation immediately after the grant and hence the option lapsed.

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

₹ in Lac

	Equity Share		MAR 31,2020		MAR 31,2019	
			No. of Share	-	No. of Share	-
	Number of shares at the beginning		25,708,318.00	1,285.42	25,708,318.00	1,285.42
	Add : Shares issued as Preferential Allotment					
	Add : Shares issued as Bonus					
	Add : Shares issued on exercise of Employee Stock option					
	Add : Bonus Shares issued on Employee Stock option					
			25,708,318.00	**1,285.42**	**25,708,318.00**	**1,285.42**
d	SHAREHOLDER HOLDING MORE THAN 5% OF THE SHARE AS ON MAR 31,2020		MAR 31,2020		MAR 31,2019	
	Mr. Rajnit Rai Jain		10090288 shares of INR 5 each		10035648(shares of INR 5 each	
			(39.25% of total shareholding)		(39.94% of total shareholding)	
e	Aggregate Nos of shares issued for consideration other than cash and shares bought back during five years immediately preceeding the current FY		2012-13(16226 equity Bonus shares)		2012-13(16226 equity Bonus shares)	

15 The details of Consolidated Statement of Change in Equity for the year ended 31.03.20 are enclosed in Annexure to Note no. 15.

16	NON CONTROLLING INTEREST			MAR 31,2020		MAR 31,2019
	Minority Interest			(207.38)		(100.31)

₹ in Lac

17	NON CURRENT PROVISIONS			MAR 31,2020		MAR 31,2019
	Provision For Leave Encashment			21.29		22.99
	Provision For Gratuity			193.15		230.96
				214.44		**253.95**

₹ in Lac

				MAR 31,2020		MAR 31,2019
18	CURRENT TRADE PAYABLE					
	Trade Payable-other than MSMED vendor			369.38		447.07
				369.38		**447.07**
19	CURRENT OTHER FINANCIAL LIABILITIES			MAR 31,2020		MAR 31,2019
	Unpaid Dividend			41.02		56.58
	Salary Payable			71.47		79.51
	Statutory Liability Including Pf, Tds, Esi Etc.			83.57		136.92
				196.07		**273.01**

₹ in Lac

20	OTHER CURRENT LIABILITIES			MAR 31,2020		MAR 31,2019
	Advance From Customers			48.93		234.60
	Statutory Liability Including GST			141.39		70.58
	Security Deposit & Others			2.17		2.17
				192.49		**307.35**
21	CURRENT PROVISION			MAR 31,2020		MAR 31,2019
	Provision For Leave Encashment			7.47		5.78
	Provision For Gratuity			21.96		25.29
				29.43		**31.07**

₹ in Lac

22	CONTINGENT LIABILITIES(TO THE EXTENT NOT PROVIDED FOR)	MAR 31,2020		MAR 31,2019
	(To the extent not provided for in the books)			
	Guarantee Outstanding *	390.05		571.22
	Invoice Funding with Silicon Valley	465.81		762.14

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

in respect of income tax for AY2013-14 against a demand of INR 4.3 Cr, the company has filed an appeal with CIT(A), CIT(A) has passed favourable order.Final orderwith appeal effect has been awaited.

The company has assured operational and financial support to its subsidiaries enabling them to meet their obligations

₹ in Lac

23	REVENUE FROM OPERATION	MAR 31,2020	MAR 31,2019
	Export of Software Services Income	4,568.03	5,007.33
	Domestic Income from Software Services	1,220.29	774.68
	Domestic Sales of stock in trade	239.78	757.26
		6,028.11	**6,539.27**

The details of Note no. 23 are enclosed in Annexure to 23

₹ in Lac

24	OTHER INCOME	MAR 31,2020	MAR 31,2019
	Interest Received from Fixed Deposit	47.92	75.00
	Net gain on Sale of Investments in Mutual Funds	412.64	341.16
	Income Due To Liability Written Off	-	-
	Interest from Employee Welfare Trust	85.31	113.75
	Dividend Income from R S Software (Asia) Pte Ltd.	1,014.13	-
	Other Non-operating Income From Subsidiary	-	26.27
	Net Gain /loss from Foreign Transaction	1.43	(0.14)
	Unrealised gain/loss on Investment carried at FV through P&L.	(409.89)	76.54
	Provision on subsidiary written back	-	-
	Other Income	27.25	11.55
		1,233.00	**644.14**

₹ in Lac

		MAR 31,2020	MAR 31,2019
25	PURCHASE OF STOCK IN TRADE		
	Purchase of stock in trade	239.78	789.21
		239.78	**789.21**

₹ in Lac

26	EMPLOYEE BENEFIT EXPENSES	MAR 31,2020	MAR 31,2019
	Salary Wages And Bonus	5,848.23	6,113.07
	Contribution to PF And Other Funds	259.16	231.53
	Staff Welfare Expenses	252.36	326.87
		6,359.74	**6,671.47**

₹ in Lac

		MAR 31,2020	MAR 31,2019
27	SUBCONTRACTOR EXPENSES	**744.31**	**637.14**

₹ in Lac

28	FINANCE COST	MAR 31,2020	MAR 31,2019)
	Interest Expenses	35.49	28.32
	SVB Renewal Fees	8.93	-
		44.42	**28.32**

₹ in Lac

29	OPERATION AND OTHER EXPENSES	MAR 31,2020	MAR 31,2019
	Travelling	330.24	341.16
	Conveyance	48.71	37.89
	Staff Welfare	30.85	33.70
	Communication	156.22	167.91
	Printing and Stationery	13.72	15.94
	Electricity and Power	124.83	128.02
	Rent - Apartment & Ground	354.23	337.88
	Repairs - Machinery	152.14	134.94
	Repairs - Building	89.66	75.55
	Repairs - Others	2.97	3.51
	Education and Training Expenses	1.61	9.20
	Insurance	46.93	63.10
	Auditors' Remuneration - Refer Note no.30	5.20	4.57
	Books and Periodicals	0.40	0.34
	Directors' Fees	21.60	16.40
	Rates & Taxes	92.25	78.77
	Legal / Professional Fee	161.57	251.86
	Consultancy Charges	78.64	129.81
	Recruitment & Relocation Expenses	105.00	65.06
	General and Board Meeting expenses	10.28	2.28
	Membership and Subscription	39.52	36.37
	Business Promotion	163.55	127.60
	Advertisement	3.50	4.75
	Adjustment Of Income Tax	84.86	-
	Bank Charges	42.67	28.94
	Impairment loss recognised under Expected Credit loss	228.32	87.16
	Donation	0.96	0.25
	Loan & Interest Receivable written off as Expense ^	1,575.33	
	* Balance of Rs. 32,983/-has been charged to Bank Charges as per verbal intimation from Allahabad Bank	**3,965.74**	**2,182.96**

^ The loan along with interest accrued paid to RSEWT was non recoverable and hence written off in full as the trust had accumulated losses and had no surplus fund available

₹ in Lac

30	AUDITOR'S REMUNERATION	MAR 31,2020	MAR 31,2019
	As Statutory Auditors	2.50	2.90
	Other certification	2.10	1.67
	The above remunerations are not inclusive of GST	**4.60**	**4.57**

31 The details of Actuarial valuation as on 31.03.20 are enclosed in Annexure to Note No. 31

32 The Company has invoked BCP with Work From Home in wake of Pandemic caused by Covid 19. The definitive assessment of the impact of Lockdown and other restrictions related to Covid 19 Pandemic in subsequent period is highly dependent on the circumstances as they evolve. As a result of Covid 19 impact , the demand for digital and contact less payment services is expected to be on the increase.

33 **RELATED PARTY TRANSACTION**

a **Enterprises where control exists:**

Wholly Owned Subsidiaries:	' % of holding	Country of Incorporation
Responsive Solutions Inc	1.00	USA
RS Software (Asia) Pte. Ltd.	1.00	Singapore

	Subsidiary		
b	Paypermint Pvt Ltd	0.79	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	-	Head Staff Augmentation
	Ms. Shrishti Jain	-	Head Global Sales
	Mr. Vijendra Surana	-	CFO & Company Secretary

d Disclosure of transactions between the Company and Related Parties and the status of outstanding balances

₹ in Lac

i **With Wholly Owned Subsidiary (WOS)**		MAR 31,2020	MAR 31,2019
Particulars		**Amount**	**Amount**
Reimbursement of Expenses on behalf of Subsidiary			
	Responsive Solution Inc	-	242.79
	Paypermint Pvt Ltd	260.40	233.51
Balance as on Mar 31,2020 :			
Advance Received From Subsidiary	R S Software Asia (Pte.) Ltd.	12.57	-
	Responsive Solution Inc	881.40	853.64
Advance Given to Subsidiary			
	Paypermint Pvt Ltd	16.59	-
Advance received/paid from subsidiary			
	Received from RS Software (Asia) Pte Ltd as dividend and advance	1,026.70	
	Repayment of advances from Resposive Solution Inc	49.00	
Reimbursement of expenses receivable			
	Paypermint Pvt Ltd	260.40	233.51
Maximum balance outstanding during the year ended Mar 31,20			
	Responsive Solution Inc	881.40	897.32
	Paypermint Pvt Ltd	78.61	56.38
	RS Software (Asia) Pte Ltd	-	-

ii

With Related parties ₹ in Lac

Compensation to KMP'S :	**Short Term Employee Benefit**
R R Jain(MD)	**84.16**
MR.RICHARD LAUNDRA (Director)	**6.80**
MR.S.K.JAIN (Director)	**5.60**
MR.R. RAMARAJ (Director)	**8.40**
Mrs Sarita Jain (Director)	**0.80**
Vijendra Kumar Surana(CFO & CS)	**69.79**
Relatives	**301.23**

34 EPS has been calculated as per the provisions of IND AS 33 issued by the Institute of Chartered Accountants of India. The details of calculation are as follows:

Particulars	MAR 31,2020	MAR 31,2019
Numerator for Basic and Diluted EPS:	(7,231.23)	(2,720.48)
Profit for the Year ended	25,708,318.00	25,708,318.00
Equity Shares	**25,708,318.00**	**25,708,318.00**
Weighted no. of Equity Shares	25,708,318.00	25,708,318.00
Weighted No. of Basic Equity Shares	**25,708,318.00**	**25,708,318.00**
Weighted no. of Equity Shares		
Nominal Value of share	5.00	5.00
Basic Earning per Share	(28.13)	(10.58)
Diluted Earning per Share	(28.13)	(10.58)

35 Declaration received from Micro,Small and Medium Enterprises under section 22 of MSMED Act 2006 and disclosures has been made accordingly under Note no. 18

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

a	Particulars	MAR 31,2020	MAR 31,2019
	Expenditure in Foreign Currency:		
	Foreign branch expenditure	5,282.71	4,716.06
	Earning in Foreign Currency		
	Export of services	4,568.03	5,007.33

b Additional Information pursuant to provisions of the Para 2 of Part II Schedule III for the Companies Act, 2013:-

Name of the entity	Net Assets i.e total assets minus total liability		Share in profit or Loss	
	As a % consolidated net Assets	₹ in Lac	As a % consolidated profit & loss	₹ in Lac
Parent Company				
R S Software India Ltd.	0.85	8,828.23	(0.61)	(6,293.15)
Subsidiary Company - Foreign				
Responsive Solution Inc. (100% Subsidiary)	0.09	885.07	(0.01)	(117.39)
R S Software Asia Pte Ltd (100% Subsidiary)	0.00	13.25	(0.00)	(32.65)
Paypermint Pvt Ltd	0.06	658.32	(0.10)	(995.42)

c Remittance in Foreign Currency

The Company has remitted Nil (MAR 2019: Nil) in foreign currencies on accounts of dividends as on Mar 20 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 2012-13 to 2015-16 are as under :-

PARTICULARS	No. of Non-resident Shareholders	No. of Equity Shares held	Year end of Dividend	Year end of Dividend
Final dividend for 2012-13 declared in July'13	201	533,149.00	March' 2013	10,66,298.00
Interim Dividend for 2013-14 declared in October' 13	207	588,430.00	March' 2014	14,71,075.00
Interim Q3 Dividend for 2013-14 declared in January' 14	197	506,065.00	March' 2014	5,06,065.00
Final dividend for 2013-14 declared in July,14	290	434,205.00	March' 2014	10,85, 512.50
Interim dividend for 2014-15 declared in July,14	344	463,450.00	March' 2015	4,63,450.00
2nd Interim dividend for 2014-15 declared in October,14	382	545,321.00	March' 2015	8,17,981.50
Final dividend for 2014-15 declared in July,15	588	2,229,422.00	March'2015	27,86,777.50
Dividend for 2015-16 declared in July,2016	564	1,790,888.00	March'2016	17,90,888.00

37 **Reporting of Segment Wise Revenue, Results and Capital Employed:** ₹in Lac

Particulars	Year Ended MAR 31,2020	Year Ended MAR 31,2019
1. Segment Revenue (net sale / income from each segment)		
a. Segment - A (USA)	4,537.75	4,866.64
b. Segment - B (ROW)	1,490.72	140.69
Total	**6,028.47**	**5,007.33**
Other Income		
Segment - B (ROW)	1,232.64	2,176.08
Total	**7,261.11**	**7,183.41**
Less : Inter - segment revenue	-	-
Total Revenue	**7,261.11**	**7,183.41**
2.Segment Results Profit/(Loss) before Tax & Interest from each segment		
a. Segment - A (USA)	(2,004.40)	(1,878.46)
b. Segment - B (ROW)	981.09	(120.22)
Total	**(1,023.31)**	**(1,998.68)**
Less : Interest	44.42	28.32
Less : Depreciation	411.58	330.15
Less : Unallocable Selling , General & Administrative Expens+B701es	3,025.14	1,098.68
Profit before tax	**(4,504.46)**	**(3,455.83)**
3. Capital Employed		
Total Assets	**8,855.38**	**17,570.14**
Total Liability	**8,855.38**	**17,570.14**

*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.

38 Disclosure under clause 32 of the listing agreement amount of loans and advances outstanding from subsidiary ₹in Lac

	MAR 31,2020	MAR 31,2019
Outstanding as on		
Responsive Solution Inc	881.40	853.64
RS Software (Asia) Pte Ltd	12.57	-
Paypermint Pvt Ltd	16.59	-
Maximum balance outstanding during the year		
Responsive Solution Inc	881.40	897.32
RS Software (Asia) Pte Ltd	-	-
Paypermint Pvt Ltd	78.61	56.38

39 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.

40 The previous year figures have been regrouped, reclassified and restated, wherever necessary, to correspond with the current year's classification.

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

ON BEHALF OF THE BOARD

Sd/-
For DEOKI BIJAY & Co
CHARTERED ACCOUNTANTS
(Reg. no : 313105E)

Sd/-
CA D.N.AGRAWAL
PARTNER,
M. No. 51157
DATED: June 24,2020
PLACE : Kolkata

Sd/-
V. SURANA
CFO & COMPANY SECRETARY
Mem no:11559

Sd/-
R.RAMARAJ
DIRECTOR
DIN:00090279

Sd/-
R.R. JAIN
CHAIRMAN & MANAGING DIRECTOR
DIN : 00122942

ANNEXURE TO NOTE NO 31 ACTUARIAL VALUATION DISCLOSURE

After consolidating the acturial valuation of Standalone and Paypermint

PARTICULARS	2020	2020	2,019	2,019
1)EXPENSE RECOGNISED IN THE INCOME STATEMENT	**GRATUITY**	**LEAVE ENCASHMENT**	**GRATUITY**	**LEAVE ENCASHMENT**
Current Service Cost				
as on 31/03/2020	2,196,314.00	747,429.00	2,776,843.00	642,031.00
Past Service Cost	-	-	1,829,910.00	220,881.00
Loss / (Gain) on settlement	-	-	-	-
Net Interest Income / (cost) on the Net Defined Benefit Liability (Asset)	1,947,476.00	218,643.00	2,123,817.00	265,375.00
Actuarial (gains) / losses due to :	-	-	-	-
change in demographic assumptions	(4,608,061.00)	(512,427.00)	-	-
Change in financial assumptions	2,405,984.00	326,654.00	(1,895,368.00)	(265,358.00)
experience varience (i.e. Actual experience vs assumptions)	5,684,950.00	1,174,410.00	2,301,967.00	590,864.00
others	-	-	0	0
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	995,346.00	-	-	-
Comprehensive Income	2,487,527.00	-	406,599.00	-
2)Net Asset	-	-	-	-
Funded Status	-	-	-	-
Present value of Defined Benefit Obligation	21,511,007.00	2,876,285.00	25,624,683.00	2,876,871.00
Fair value of plan assets	-	-	0	0
Funded status [Surplus/(Deficit)]	(21,511,007.00)	(2,876,285.00)	(25,624,683.00)	(2,876,871.00)
Effect of balance sheet asset limit	-	-	0	0
Unrecognised Past Service Costs	-	-	-	-
Present value of Defined Benefit Obligation	-	-	-	-
Net asset/(liability) recognised in balance sheet	(21,511,007.00)	(2,876,285.00)	(25,624,683.00)	(2,876,871.00)
Net asset/(liability) recognised in balance sheet at beginning of	(2,077,271.00)	-284337	0	0
period	(23,547,412.00)	(2,592,534.00)	(27,582,034.00)	(3,446,428.00)
Expense recognised in Income Statement	4,143,790.00	1,954,709.00	6,730,570.00	1,453,793.00
Expense recognised in Other Comprehensive Income	3,482,873.00	-	406,599.00	0
Employer contributions	11,740,339.00	1,955,295.00	9,094,520.00	2,023,350.00
Net Acquisitions / Business Combinations	-	-	0	-
Net asset/(liability) recognised in balance sheet at end of the period	(21,511,007.00)	(2,876,285.00)	(25,624,683.00)	(2,876,871.00)
	-	-	0	0
3)Change in Defined Benefit Obligations (DBO)	-	-	-	-
Present Value of DBO at beginning of period	25,624,683.00	2,592,534.00	27,582,034.00	3,446,428.00
Current Service cost	2,196,314.00	747,429.00	2,776,843.00	642,031.00
Interest cost	1,947,476.00	218,643.00	2,123,817.00	265,375.00
Curtailment cost/(credit)	-	-	0	0
Settlement cost/(credit)	-	-	-	-
Employee contribution	-	-	-	-
Past Service Cost	-	-	1,829,910.00	220,881.00
Acquisitions	-	-	0	-
Re-measurement (or Actuarial (gains)/ losses) arising from	-	-	-	-
change in demographic assumptions	(4,608,061.00)	(512,427.00)	-	-
Change in financial assumptions	2,405,984.00	326,654.00	(1,895,368.00)	(265,358.00)
- experience varience (i.e. Actual experience vs assumptions	5,684,950.00	1,174,410.00	2,301,967.00	590,864.00
others	-	-	0	0
Benefits paid	(11,740,339.00)	(1,955,295.00)	(9,094,520.00)	(2,023,350.00)
Present Value of DBO at the end of period	21,511,007.00	2,876,285.00	25,624,683.00	2,876,871.00
	-	-	0	0
	-	-	-	-

4)Change in Fair Value of Assets	-	-	-	-
Plan assets at beginning of period	-	-	-	-
Investment Income	-	-	-	-
Return on Plan Assets, Excluding amount recognised in Net Interest expense	-	-	-	-
Actual Company contributions	11,740,339.00	1,955,295.00	9,094,520.00	2,023,350.00
Fund Transferred	-	-	0	0
Employee contributions	-	-	-	-
Benefits paid	(11,740,339.00)	(1,955,295.00)	(9,094,520.00)	(2,023,350.00)
Plan assets at the end of period	-	-	0	0
	-	-	-	-
	-	-	-	-
5)Actuarial Assumptions	-	-	-	-
	-	-	-	-
Financial Assumptions	-	-	-	-
Discount Rate	0.07	0.07	0.08	0.08
Rate of increase in salaries	0.02	0.02	0.03	0.03
	-	-	-	-
Demographic Assumptions	-	-	-	-
Mortality Rate (% of IALM 06-08)	1.00	1.00	1.00	1.00
Normal Retirement Age	65 years	65 years	58 years	58 years
Attrition Rates, based on age (% p.a.) FOR ALL AGES	2.00	2.00	2.00	2.00
	-	-	-	-

Annexure to Note no. 23 - Revenue from Operations (Consol)

	YEAR ENDED MAR 31,2020	YEAR ENDED MAR 31,2019
Revenue disaggregations by nature of revenue:		
Software Development services	5,788.33	5,782.01
Sale of Third party hardware	239.78	757.26
	6,028.11	**6,539.27**
Revenue disaggregations by geography:		
India	1,460.08	1,531.94
USA	4,537.75	4,918.91
UK	22.52	84.64
Japan	7.77	3.78
SGP		
TOTAL	**6,028.11**	**6,539.27**
Revenue disaggregations by Sector:		
Government	1,460.08	1,531.94
Non Government	4,568.03	5,007.33
TOTAL	**6,028.11**	**6,539.27**

The company has one customer who represents more than 10% of its revenue in year ending FY 1819 & FY 1920 .
While disclosing aggregate amount of transaction price the company has not disclose the aggregate transaction price allocated to unsatisfied or partially satisfied performance obligation which pertains to contract where revenue recognised coresponds to value transfer to customer tipically involve in time & material or fixed price or event base fixed price base contracts.
The contracts of the company are largely T&M based with no predetermined contact values. In some contacts it is a mixed of T&M & fixed price & as such the unsatisfied performance value can not determined with accuracy.

Fair value measurements

Financial instruments by category						
Particulars	**31 Mar 2020**			**31 March 2019**		
	FVTPL	**FVOCI**	**Amortised cost**	**FVTPL**	**FVOCI**	**Amortised cost**
Financial assets						
Investments	1,753.98	-	-	4,536.25	-	-
Trade receivables	-	-	571.23	-	-	615.29
Loans	-	-	-	-	-	1,300.00
Cash and cash equivalents	-	-	1,171.04	-	-	1,742.98
Other financial assets	-	-	430.24	-	-	1,094.72
Total financial assets	**1,753.98**	**-**	**2,172.51**	**4,536.25**	**-**	**4,752.98**
Financial liabilities						
Borrowings- Advance from Subsidiary	-	-	-	-	-	-
Trade payables	-	-	369.38	-	-	447.07
Other financial liabilities	-	-	196.07	-	-	273.01
Total financial liabilities	**-**	**-**	**565.45**	**-**	**-**	**720.08**
Financial assets and liabilities measured at amortised cost for which fair values are disclosed At 31 Mar 2020			**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets						
Investments						
Trade receivables			-	-	571.23	571.23
Loans			-	-	-	-
Cash and cash equivalents			1,171.04	-	-	1,171.04
Other financial assets			-	-	430.24	430.24
Total financial assets			**1,171.04**	**-**	**1,001.47**	**2,172.51**
Financial liabilities						
Borrowings- Advance from Subsidiary			-	-	-	-
Trade payables			-	-	369.38	369.38
Other financial liabilities			-	-	196.07	196.07
Total financial liabilities			**-**	**-**	**565.45**	**565.45**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed At 31st March 2019			Level 1	Level 2	Level 3	Total
Financial assets						
Investments						
Trade receivables			-	-	615.29	615.29
Loans			-	-	1,300.00	1,300.00
Cash and cash equivalents			1,742.98	-	-	1,742.98
Other financial assets			-	-	1,094.72	1,094.72
Total financial assets			**1,742.98**	**-**	**3,010.00**	**4,752.98**
Financial liabilities						
Borrowings- Advance from Subsidiary			-	-	-	-
Trade payables			-	-	447.07	447.07
Other financial liabilities			-	-	273.01	273.01
Total financial liabilities			**-**	**-**	**720.08**	**720.08**

Level 1: Level 1 hierarchy includes financial instruments basically here includes cash and bank balances which are at carrying value which approximates to its fair value.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is generally the case for unlisted equity securities.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

• the use of Net assets value/ realisable value in case of investment in mutual fund

• Other financial instruments have been carried at their carrying value which approximates to its fair value

(iii) Fair value of financial assets and liabilities measured at amortised cost

		31 Mar 2020		31 March 2019	
		Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial assets					
Trade receivables		571.23	571.23	615.29	615.29
Loans		-	-	1,300.00	1,300.00
Cash and cash equivalents		1,171.04	1,171.04	1,742.98	1,742.98
Other financial assets		430.24	430.24	1,094.72	1,094.72
Total financial assets		**2,172.51**	**2,172.51**	**4,752.98**	**4,752.98**
Financial liabilities					
Borrowings- Advance from Subsidiary		-	-	-	-
Trade payables		369.38	369.38	447.07	447.07
Other financial liabilities		196.07	196.07	273.01	273.01
Total financial liabilities		**565.45**	**565.45**	**720.08**	**720.08**

The carrying amounts of trade receivables, loans, cash and cash equivalents, other bank balances, other financial assets, security deposits, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Management
Credit risk	Cash and cash equivalents, trade receivables and other financial assets measured at amortised cost.	Diversification of bank deposits and investments. Entering into transactions with customers of repute / customers having sound financial position.
Liquidity risk	Financial liabilities that are settled by delivering cash or another financial asset.	* Projecting cash flows on regular basis and also considering the level of investement and liquid assets to meet the liabilities.
Market risk – foreign exchange	Future commercial transactions and recognised financial assets & liabilities not denominated in Indian rupee (Rs.)	Integral foreign operation and incorporation of the same made in books on monthly basis
Market risk – security price risk	Investments in mutual funds	Portfolio diversification

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and investments, foreign exchange transactions and other financial instruments.

i) Trade receivables

Customer credit risk is managed by the management subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing. Outstanding customer receivables are regularly monitored.

At each reporting date the Company measures loss allowance for certain class of financial assets based on historical trend industry practice and the business environment in which the Company operates.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2020 is the carrying amounts of trade receivables.

Provision for expected credit loss

In determination of the allowance for credit losses on receivables, the Company has used a practical experience by computing the expected credit losses based on ageing matrix, which has taken into account historical credit loss experience and adjusted for forward looking information.

ii) Financial instruments and cash deposits

Credit risk from balances with banks and investments is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 Mar 2020	Less than 1 year	More than 1 year	Total
Non-derivatives			
Short Term Advances	-	-	-
Other financial liabilities	196.07	-	196.07
Trade payables	369.38	-	369.38
Total non-derivative financial liabilities	**565.45**	**-**	**565.45**
Contractual maturities of financial liabilities 31 March 2019	**Less than 1 year**	**More than 1 year**	**Total**
Non-derivatives			
Short Term Advances	-	-	-
Other financial liabilities	273.01	-	273.01
Trade payables	447.07	-	447.07
Total non-derivative financial liabilities	**720.08**	**-**	**720.08**

(C) Market risk

(i) Foreign Exchange Risk :-Books of Integral foreign operations incorporated on monthly basis. Considering the materiality involved, the company do not assort to forex fluctuation mitigation techniques like hedging , forward contracts etc.

(ii) Price risk

(a) Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Dear Shareholder,

We invite your attention to the following points and request you to take necessary action(s) as applicable to you.

In terms of Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013 issued by SEBI, henceforth payment of dividend will be made through ECS/NECS/NEFT etc. only.

1) Accordingly you are requested to send your correct bank account details (including MICR No., IFSC Code, Account Type etc.) to your Depository Participant before if you are holding shares in demat form.

2) If you are holding shares in physical form, Company will mandatorily print the bank account details of the shareholders on physical dividend warrant. In cases where either the bank details such as MICR/IFSC etc. that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the bank dividend warrant will be sent after printing the correct bank account details on it only. Accordingly, you are requested to send before (as per the format given below) your complete bank details along with a cancelled cheque to C.B. Management Services (P) Ltd, the Registrars & Share Transfer Agents of the Company at the address P-22, Bondel Road, Kolkata – 700 019 to enable us to credit the dividend amount directly to your Bank account.

(PLEASE USE CAPITAL LETTERS)

Folio No..... No. of shares.....

Name of the first/sole shareholder	:	
Name of the Bank	:	
Branch and Full Address	:	
Account Type (Savings/current/cash Credit)		
Account Number (as appearing on the cheque book	:	
RTGS/NEFT IFSC Code	:	
Ledger Folio No.(if any, as appearing on the cheque book)	:	
9-digit Code Number of the Bank and Branch (appearing on the MICR cheque issued by the Bank)	:	

I hereby declare that the particulars furnished above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information provided as above or any error made by the Bank(s), the Company will not be held responsible. I hereby undertake to inform the Company immediately of any change in my Bank/ Branch and account number.

Date...../...../20 (_____)
Signature of the First/Sole Shareholder

Place:

Encl: Copy of Bank Cheque Leaf

3) In respect of Non-resident shareholders, as a general rule, the dividend income on shares acquired subject to the condition that they will not carry the right of repatriation, are required to be credited to the Investor's NRO account. In other cases, (i.e., shareholders having the right of repatriation), the Indian Companies are required to remit dividend to such non-resident shareholders through the Authorized Dealers. In this view the non-resident shareholders must provide the information as mentioned below:-

(PLEASE USE CAPITAL LETTERS)

Name of 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...../...../20 (_____)
Signature of the First/Sole Shareholder

Place:

Encl: Copy of Bank Cheque Leaf

RS SOFTWARE (INDIA) LIMITED
A-2, FMC FORTUNA, 234/3A, A.J.C. BOSE ROAD,
KOLKATA 700020, INDIA
CIN: L72200WB1987PLC043375