

Payments modernization

ready to revolutionize the way world pays

RS software

RS Software (India) Limited
Annual report 2021-22

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.

2 Metaverse and payments
4 How money moves – ready for the next move?
6 Central bank digital currencies
10 Global payments 2022
18 Fraud moving to digital channels – Learning from India
22 RS Software builds 'giant leap' for India's digital payments
24 Chairman's overview
30 India's payments journey moving at unprecedented pace
36 Anytime anywhere bill payments
38 CBDC - India
42 Innovation – Blockchain at RS Software
44 Financial and market strategy combine to strengthen long term growth
46 MDA
48 Risk and Response
56 Board of Directors
58 Senior Executive Profiles
62 Notice
77 Director's report
127 Standalone Financial statement
171 Responsive Solutions Inc. Financial statement
180 Paypermint Private Ltd. Financial statement
217 Consolidated Financial statement

The company is pursuing a three-prong growth strategy

- Transition to Innovation and product-lead revenue
- Strategic partnerships to achieve revenue growth
- Major cost management initiatives to optimize its financial structure

The opportunity is global and multi-decade. Product and innovation lead Growth strategy is risk-managed, leveraging 30 years of demonstrated success and a strategic partnership model.



Future of how humanity will live and pay

Payments at the speed of thought

Metaverse and **payments**



We are closer to a fully digital payment landscape than we've ever been before, online payments have been scaling steadily over the past 5 – 10 years and the natural evolution of online payments to augmented payments is already happening before our very eyes. Everyday things such as in-game or in-app purchases from places like Fortnite's V-Buck System, the NFT market in places like Opensea, communities, and tokens are replacing traditional systems we all relied upon where the direct consumer can pay the producer of the digital asset directly with no financial intermediary in their decentralised way. The instant element of blockchain and crypto payments means instant processing and settlement of digital assets like NFTs, cryptocurrency and other future discovered digital assets. These assets could be traded, sold, and marketed through the metaverse marketplace tied to an individual's blockchain based payment wallet or equivalent, meaning a secure, instant, scalable way of accepting a payment for commerce.

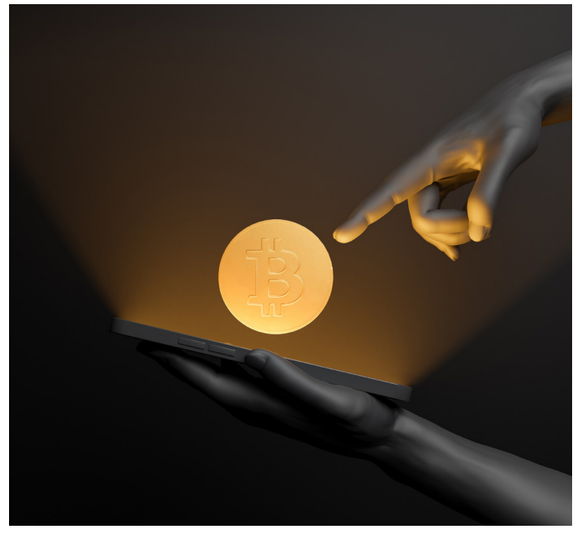
Furthermore, it's ironic how during this shift we're seeing an increase in CBDC's (Centralised Bank Digital Currency) confrontations between decentralised fully digital tokens, governments, banks, and the private financial sector. Will these centralised digital currencies battle for acceptance in the metaverse? Or will regulation beat them to it?

What history tells us is that technology always wins. Whether we will all be in a virtual party together, buying digital properties, goods, and services what's likely is that the payments landscape will be a different place and defined more by the metaverse community than the traditional institutions, banks, and payment companies that want to be a part of it.

Towards the end of 2021 came a resurgence of interest in the metaverse, opening a door on the subject to many more people. First, Facebook rebranded to Meta, and shifted focus from social media to a new platform—the meta universe (or metaverse for short). Within a few weeks, both Microsoft and Nvidia updated analysts on their own metaverse ambitions. And, soon after, The Economist magazine announced to its global readership that "something metaverse-shaped lying in the relatively near future is an idea worth taking seriously."
The metaverse represents a strategic inflection point for today's financial institutions. Its arrival accentuates and accelerates three big trends that were already in play. Financial institutions need to address these trends to enable future success – both within the metaverse itself and across the wider world of digital commerce.

According to Mckinsey the metaverse is still being defined, both literally and figuratively. Yet its potential to unleash the next wave of digital disruption seems increasingly clear, with real-life benefits already emerging for early adopting users and companies. It wasn't until the early '90s when Marc Andreessen developed NCSA Mosaic, the graphic web browser that opened the world's eyes to the potential of the internet. Almost 30 years later, we've arrived at the next platform on which we can work, live, connect, and collaborate: the metaverse.

As we saw in previous shifts in technology such as the emergence of the internet followed by social media, mobile, and cloud, novel strategies can quickly become table stakes. The metaverse has the potential to impact everything from employee engagement to the customer experience, omnichannel sales and marketing, product innovation, and community building. While estimates of the potential economic value of the metaverse vary widely, our bottom-up view of consumer and enterprise use cases suggests it may generate up to **$5 trillion in impact** by 2030— equivalent to the size of the world's third-largest economy today, Japan.



Payments in Metaverse ecosystem

Several companies are approaching the metaverse and thinking about how they can generate revenue from it. And, what is in the backbone of revenue generation? **Payments ofcourse!** Payments are enablers for of monetization model and, in the metaverse, there are key challenges that need to be overcome. When we talk about the metaverse we are referring to a virtual world and, therefore, physical cash can't be applied. Living in this world requires a proper virtual system to ensure all transactions, and digital payments are the main ways to sustain it. According to Visa, the global leader in payments, the most interesting characteristic of metaverse is that it has its own virtual economic system – a creator economy, which enables and incentivizes users to easily create, trade, and monetize digital content, using the built-in tools of the metaverse platform, as well as its own currency – cryptocurrencies in some platforms – that act as their method of payment. For example, in Roblox, anyone can make real money by creating their own digital content. Using the Roblox Studio, users can create new games, game accessories, or characters, sell them in the Roblox marketplace, and receive payment in Robux, the platform's in-house currency, which can be converted into U.S. dollars at the exchange within Roblox. If the currency used in a metaverse is cryptocurrency, such as AXS of Axie Infinity, it can be freely traded in mainstream crypto exchanges, such as Binance and Upbit. Users can earn and spend money by producing, distributing, and consuming, just as they would in the real world.

The metaverse brings another way to facilitate the trading of digital assets such as NFTs and cryptocurrencies, the total market value of which already is more than **$2 trillion dollars**. PayPal recently launched a new 'super app' and outlined its vision to become a digital wallet platform, not just a payment app. And, outside of the traditional payments sector, many other organizations, including big techs and platform players like Samsung, Facebook/Meta, and Rakuten, have developed their own propositions. For example, Facebook rolled-out a pilot for its own digital wallet, 'Novi'. Meanwhile, Rakuten, which launched its digital wallet back in 2017, recently announced a new service to top up Rakuten Cash (online e-money issued by the Rakuten group) via cryptocurrency and make payments at on/offline merchants such as 7-Eleven. With digital wallets becoming a focal point of digital asset trading and having the potential to become a form of digital identity, financial institutions should consider building a strong position in digital wallets and pursuing the associated opportunities. The popularization of non-fungible tokens (NFTs), or certificates to say that you own something that has been digitally recorded on a blockchain, began with Cryptokitties, a blockchain-based game in which users can create unique game characters and sell them at a high price. The NFT phenomenon has been extending its reach ever since, notably in areas such as art and collectables, encouraging more people and companies to regard them as digital assets or alternative investments. For example, in August 2021, Visa purchased a CryptoPunk – one of 10,000 highly sought-after digital characters on the Ethereum blockchain – for 49.5 ETH, or roughly US$150,00011. At the close of the year, the global market for NFTs was valued at US$7 billion.

NFTs are just one example of digital assets in the metaverse. Another important example of digital assets in the metaverse is its cryptocurrencies. SAND in Sandbox, MANA in Decentraland, and AXS in Axie Infinity are well known cryptocurrencies, each of which is used and traded in its own metaverse. Ultimately, we believe the metaverse will likely draw many more people to digital assets, including NFTs and cryptocurrencies, and the market size will grow accordingly.

How money moves – **ready for the next move?**



How money moves have undergone and is undergoing huge, unprecedented change – increasingly, cards, digital and mobile payments dominate, and cash is fast on the way out. Advances in technology, the COVID-19 pandemic, cryptocurrency, and more have shaped the movement of money and have redefined roles for banks and cash systems. The COVID-19 pandemic has accelerated the move away from cash. lots of youngsters don't carry cash anymore. There will come a moment, and it's approaching fast, when merchants and shopkeepers will say, "Why keep accepting cash, with the cost of dropping it off at the end of the day and keeping change, for those few people who still need it? We're going to stop accepting cash."

Imagine setting out to create an Uber, Amazon or Netflix without some form of e or embedded payment and remember how eBay struggled before PayPal. Think about how notes and coins make tipping so easy and intuitive and cards make tipping that little bit less so; consider how our inertia drives direct debit-powered subscription-based business and how blocking payments can drive people, businesses and even countries to the brink. Consider how rich our payment data is, and whether you want to share yours – and with whom. Who owns and controls what in our payments, and what does it mean for us and our futures?

SWIFT CEO Gottfried Leibbrandt says "And the other country that I found fascinating was India. It's another giant country, 1.5 billion inhabitants. That's also interesting. In China, the new players are sort of displacing the bank system. In India, they launched the Unified Payments Interface [UPI], which allows any app to plug into the banking system and launch a payment or consult a balance, which is a little bit comparable to what we have in Europe with PSD2. It's a completely different road, but it's growing even faster than in China. UPI is growing at over 100 percent a year. It's more than doubling every year. I think there was a period when it doubled every month—from a lower base than in China, but it's growing very fast."

The economist research team propounds that this digital revolution encompasses three broad trends. One is the effort to offer an ever-widening range of financial products on a single platform. Facebook's new digital wallet could make inroads. Banks, payment providers and bigger fintechs will continue to gobble up startups, with the aim of offering customers such a breadth of services that they will use a single platform for everything.

The second trend is the nascent attempt to decentralise finance. Developers are building all sorts of financial applications on blockchains, which ensure security and trust without the need for any intermediaries. Novel assets of all kinds associated with the DeFi world, such as non-fungible tokens (NFTS) and other crypto-tokens, will continue to proliferate.

Third, central banks, usually bastions of conservatism, are also breaking new ground. As more economic activity moves online and physical cash falls out of favour, many are on the path to introducing digital currencies of their own. Venture capitalists poured nearly $60bn into financial-technology startups in the first half of 2021. More than a hundred DeFi applications are in the works. Such fast-paced, exhilarating changes provide a stark contrast with retail finance of old, with its sleepy way of doing business, exorbitant fees and dire customer service. There is much to like about the new finance. For customers it should mean a system that uses technology to serve their needs better and at lower cost. Financial inclusion is a problem even in the rich world: one in five Americans were either unbanked or underbanked in 2018. Small firms regularly struggle to access finance.

Competition should also erode the fat margins of the incumbents (Visa and Mastercard make gross margins of 65-80%). Transferring money across borders, such as through remittances from rich countries to poor ones, is still too expensive. And as people conduct more of their lives online, and start to be a part of the emerging metaverse eco-system, it makes sense for finance to become not just more digital, but also better embedded within other digital activities, such as entertainment and shopping.

At present, the only money issued by a central bank and used by ordinary people is physical cash. Digital payments systems, which are flourishing, rely on private firms, such as banks, credit-card companies and tech firms. As cash falls out of use, central bankers worldwide have begun to ponder whether to replace it with a digital alternative.



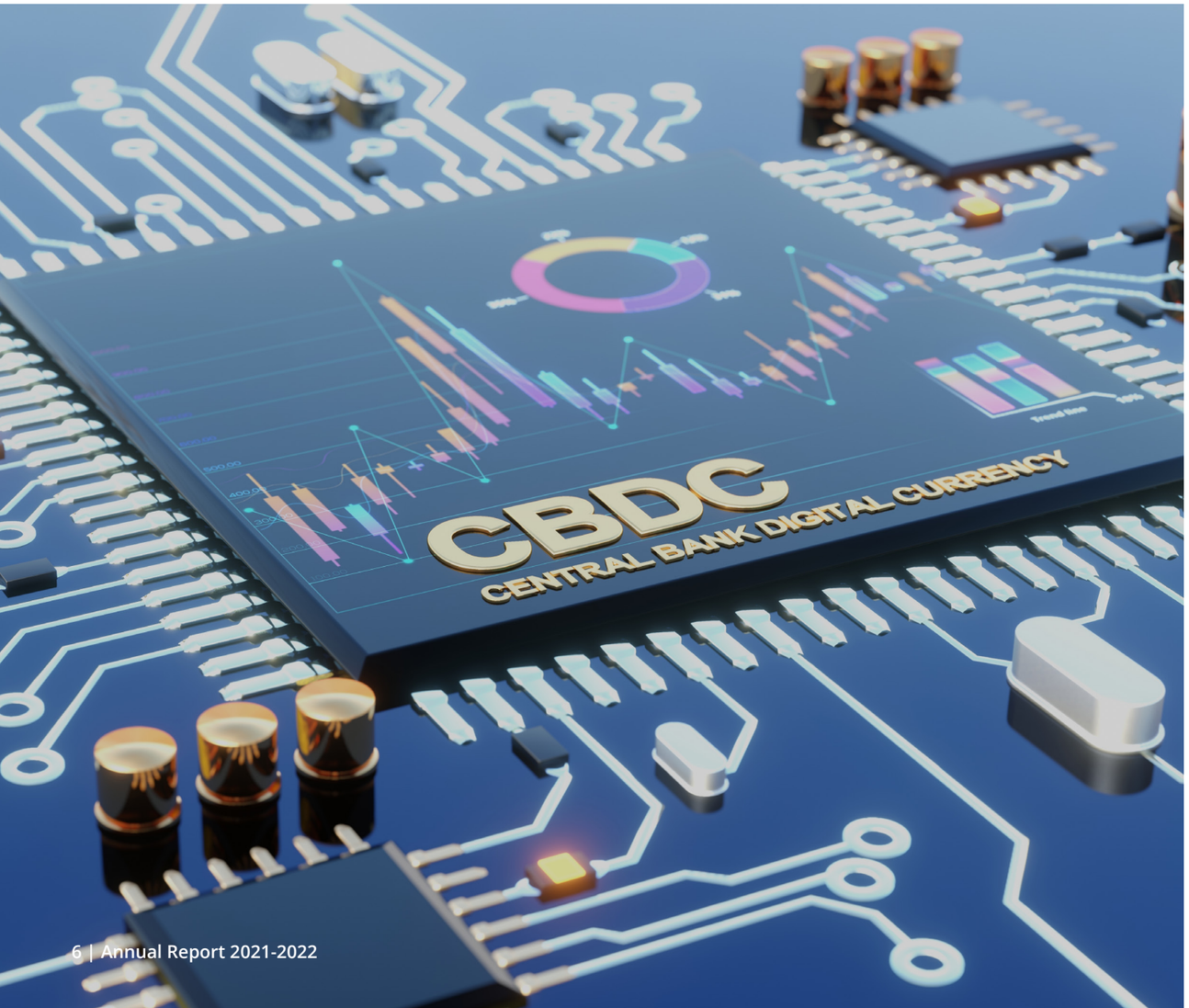
Payment technologies offered by the Federal Reserve, USA, have evolved over time. In the Federal Reserve's early years, it established a national check-clearing system and used dedicated telegraph wires to transfer funds between banks. In the 1970s, the Federal Reserve developed an automated clearinghouse (ACH) system that offered an electronic alternative to paper checks. And in 2019, the Federal Reserve committed to building the FedNow SM Service, which will provide real-time, around-the-clock interbank payments, every day of the year.

Recent technological advances have ushered in a wave of new private-sector financial products and services, including digital wallets, mobile payment apps, and new digital assets such as crypto currencies and stablecoins. These technological advances have also led central banks around the globe to explore the potential benefits and risks of issuing a CBDC.

Central bank digital currencies **(CBDC)**

Central bank digital currencies (CBDCs) have been making news headlines lately. With PayPal's big news that it will start supporting cryptocurrencies, now the payments giant confirmed during its recent Q3 earnings call that CBDCs are also on its radar. Mastercard, in its own Q3 earnings call, also stated it was readying for a future in which CBDCs played a prominent role, telling investors that its existing patents would ensure it can accommodate any developments.

But is all this mere speculation on the part of payment giants? Far from it. Speaking to the International Monetary Fund in mid-October, Federal Reserve Chair Jerome Powell acknowledged the potential of CBDCs to improve the existing payment system. The crypto markets responded enthusiastically, with Bitcoin quickly climbing over 2.5% on hearing Powell's assessment. Industry SMEs report that with all that's going on with CBDC, nothing is seen as yet. This is because CBDCs require us to ask all those interesting questions about payments that have yet to be raised.



According to the authors of the book, The Pay Off :

- If the payments system is a public good, should payment systems be operated as public utilities?
- What is more important, our privacy or our security? Speed or certainty? Ubiquity or choice? Are all these irreconcilable?
- What informs our payments preferences – history, geography, technology, or a bit of all three?
- What's a digital identity, who's in charge of it and why don't (some of us) have one?
- What level of surveillance are we happy with – and whose? If we're happy for Amazon or Apple, Visa or PayPal to see everything we buy online, why not our central banks? Do we need banks? Do we need branches and if so, who should pay for them?
- Is the world's US dollar dependency desirable, affordable or even acceptable? Could a digital alternative from the other side of the world challenge it? Whose sovereignty do we want – and how much backing do we want our sovereigns to give (and to whom)?
- If banks can't give us a seamless, frictionless, borderless payments experience, why shouldn't we throw in our lots with Alipay, Tencent or Libra (now Diem)? Or, for that matter, why shouldn't central banks put their convening power to play and put all their backs to the wall with CBDCs?
- Can the digital dream break down currency borders, or will it just result in new, digitised dams? Should credit subsidise payments, and if not who or what should – the taxpayer with their money, or the user with his/her privacy?
- How many payment choices do we need? And do choices really mean redundancy – can you really spread payment risk around? Shouldn't we instead put all our eggs in one basket and get someone to sit on it – and if so, who?
- If cash goes, what money can we trust? Are cryptocurrencies and or stablecoins really serious contenders in payments, and while we're at it, do we actually need money at all?

With the sand dollar already busy on Bahamanian beaches and the e-CNY chugging along in Shenzhen, Suzhou and Chengdu, all these questions are ripe for asking – which is why answers you are starting to find a plenty. While in The Economist's view "the new yuan will be a lot like the old yuan", Niall Ferguson warns on Bloomberg that China's e-CNY will challenge US (currency) supremacy if the dollar isn't digitised.

What about the banks? Rarely backward when it comes to coming forward, the US banks aren't taking chances on a new digital US dollar surprising them. Instead, they are already lined up and warning about CBDC through their advocacy body, the Bank Policy Institute. A CBDC publication from the BPI duly notes that "issuance of a CBDC would be a larger policy change for our society than practically any legislation in living memory". If that weren't enough to send tremors through US Congress, the BPI went on to critique a BIS publication which had carefully set out the tensions between different CBDC design choices and their relative benefits. Lashing out at this considered summary, the BPI snarled: "*to those who have ever worked in business, where rising enthusiasm is not considered proof of concept, this discussion reads like a post mortem explanation for why a project was abandoned due to undue complexity and cost*".

Anyone that has ever got involved in payment systems knows there are (undue) complexities, costs and trade-offs – central bankers as much as anybody. So don't expect that enthusiasm to stop rising and, again, don't expect to stop hearing about CBDC any time soon. If nothing else, the questions that CBDC raise are well worth asking.

What is a CBDC and How Are They Different from Cryptocurrencies?

Despite a long-standing association with cryptocurrencies, CBDCs don't share many characteristics with Bitcoin. Bitcoin is based on blockchain technology. New bitcoins are created as a reward for miners, to incentivize them to continue confirming blocks of transactions. The network of bitcoin miners is decentralized and public, so anyone can join and start mining bitcoins, providing they have the right equipment.

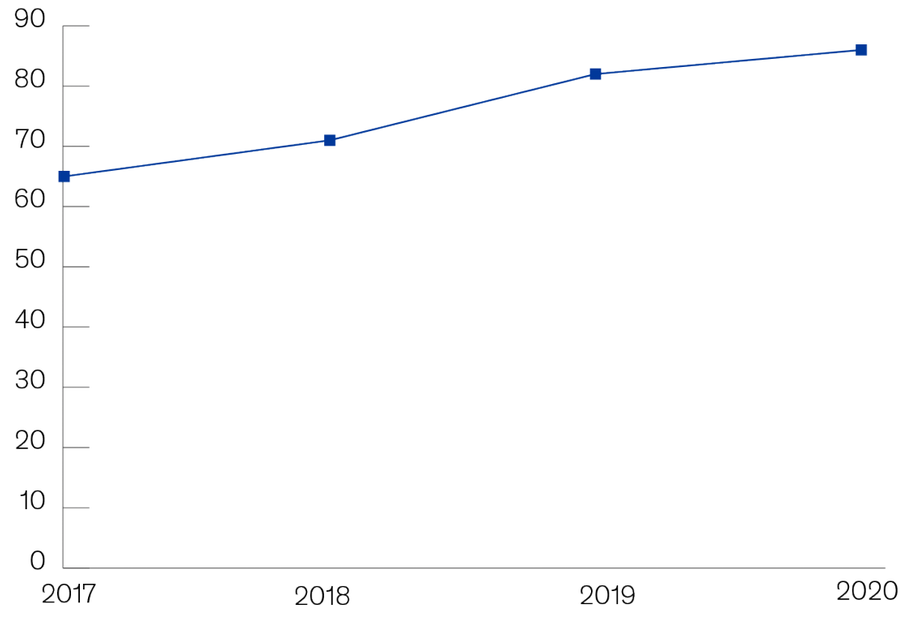
Bitcoin is also a deflationary currency. The issuance of new bitcoins is programmed to decrease over time, which helps to drive the value through scarcity.

In contrast, a **CBDC** simply refers to a digital currency issued by a central bank. It doesn't need to be based on a blockchain or any kind of distributed ledger, although it may be in some cases. For instance, **China** is blazing a trail with its digital yuan, which isn't thought to be based on a blockchain. Furthermore, although many CBDCs are still in the research stage, it's unlikely that they'll be based on public blockchains where anyone can join due to cybersecurity concerns.

CBDCs are foreseen to act as a complement to, and replace, physical cash with digital equivalents. Therefore, their issuance will be subject to the control of central banks in the same way as fiat currencies. It inevitably follows that their value will be determined by the value of the national currency. In October 2021, the Bank of International Settlements (BIS) published its latest report into CBDCs together with seven national banks with which it's collaborating. The report laid out three principles for a ***CBDC – that it should co-exist with cash rather than replace it, that it should support broader policy objectives without damaging the economy, and it should promote innovation and efficiency.***

The proportion of central banks actively engaged in CBDC work is growing.

Share of respondents conducting work on CBDCs, %



Source: Codruta Boar and Andreas Wehrli, "Ready, steady, go? – Results of the third BIS survey on central bank digital currency," Bank for International Settlements, January 2021, bis.org.



Various public statements indicate that central banks envision CBDCs as more than simply a digital-native version of traditional notes and coins. Beyond addressing the challenge of greater financial inclusion, some governments view CBDCs as programmable money—vehicles for monetary and social policy that could restrict their use to basic necessities, specific locations, or defined periods of time. Implementing such functionality will be a complex and multilayered undertaking. Meanwhile, central banks face the challenge of introducing a timely CBDC model at least on par with digital offerings of private-sector innovators in order to establish credibility with such efforts and achieve adoption. While existing electronic payment systems are considered by some to be expensive, inefficient, and at times difficult to access, emerging privately issued stablecoin alternatives could raise concerns over the potential for large private entities to aggregate and monetize large sets of behavioral data on private citizens.

Although the market is far too nascent to confidently predict outcomes, constituents from all corners of the payments ecosystem can take valuable steps to position themselves for the inevitable changes on the horizon—regardless of the form such changes take. Many retail banks already face extensive payments modernization requirements in the coming years—tackling infrastructure for digital currencies represents an additional demand on limited development capacity. Incorporating all such efforts into an integrated road map, reflecting potential synergies and possible triage, should promote long-term efficiency and avoid duplication of effort. The impact of CBDCs on private-sector banks likely depends on the speed of their adoption. Specifically, if adoption of CBDCs were to happen relatively quickly, the flow of funds into bank deposits would be diverted, at least temporarily, into digital cash, thereby limiting the ability of banks to lend and generate fee income with such deposits. Accordingly, it would seem in the interest of private-sector banks for the introduction of CBDCs to be slower and more carefully orchestrated, potentially with initial transaction limits. The most advanced market application of CBDC to date has been the People's Bank of China's (PBoC) multicity pilot of its digital version of RMB, called eCNY.

Clearly these technological considerations, regulatory actions, and market dynamics carry major systemic implications for baking and the payments industry. Sheer regulation is highly unlikely to suppress the demand for digital currencies, and innovators will continue to push the envelope by developing new uses and distribution models satisfying both demand and legislative requirements. Similarly, the results of initial pilots and ongoing research of CBDCs will help shape their evolution and potential adoption.

Global payments **2022**

In 2021, the offline and online worlds merged for good, solidifying the digital-first economy as the new normal for businesses and consumers. Even though in-person shopping has largely reopened, consumers have become accustomed to the simplicity and ease of ecommerce. And we have merchants, issuers, and fintechs to thank for creating and enabling frictionless digital experiences at scale.

The melding of online and offline means that omnichannel commerce has become a business requirement. While physical stores still have an essential role in a digital-first economy, that role may now include facilitating online shopping by acting as a showroom, a micro fulfillment center, a curbside pick-up location, and more.

2021 also witnessed notable labor and product shortages due to the 'Great Resignation,' continued impact from the COVID-19 pandemic, and constricted supply chains. While the causes for these shortages may be temporary, the actions businesses took to overcome them are not. By embracing automation, businesses now do more with less while serving customers more effectively. As workers return and supply chains start flowing again, these actions will leave businesses better prepared to serve customers in the digital-first economy.

Key trends have been identified as expected to shape or continue to shape–commerce and payments over the next 12 months.

The trends include:

- Changing customer expectations

Businesses are expanding their payment options to meet customer preferences for digital payments, both contactless in-store and flexible choices online. In 2021, 38% of merchants reported expanding their digital payment options. This momentum is poised to grow at an accelerated rate in 2022 when 53% of merchants expect to accept more digital payment options over the year.

"People want to have a frictionless commerce experience at the point when they want to transact. And that's not just at the point of sale; it's across the entire experience," said Bob Cortopassi, president at Global Payments Integrated.

53% of merchants plan to expand payment methods in 2022.



39%
shop from a smartphone daily/weekly

23%
shop online at least daily

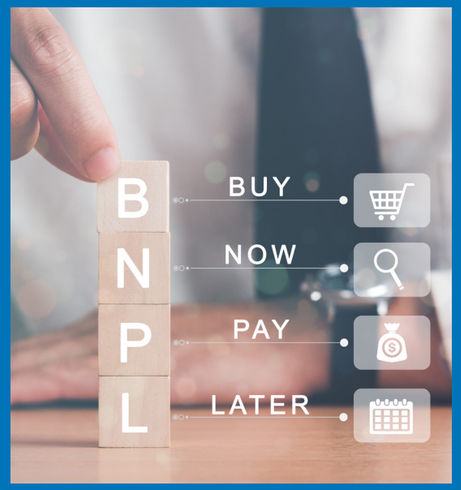
An estimated 4.4 billion global consumers will shop with a digital wallet by 2023, accounting for 52% of ecommerce payments globally. 1.6 billion global consumers will pay by digital wallets at the point of sale (POS) in 2023, accounting for 30% of POS payments.

"With the increased acceptance of digital transactions, coupled with consumer preference, there's going to be an acceleration in [digital wallet] usage, even more than there already has been," said Dave Duncan, EVP, chief product officer at Global Payments.

QR codes continue to grow as a popular, safe, and easy payment method. While QR-code adoption rates vary by country–for example, 70% usage rate in China and only 8% usage rate next door in Japan–the market is projected to grow significantly across all countries over the next few years. By 2025, QR-code payment users are expected to exceed 2.2 billion, equating to 29% of all mobile phone users globally.

Pay by link allows businesses to create instant custom links to send to customers to initiate payments online. Customers can then pay using their preferred payment method. These links make it easy to use any channel, including text messaging, email, social media, and messaging platforms, to accept online payments.

While similar to pay by link, business-to-business (B2B) payments traditionally use digital invoicing, an invoice that can be viewed and paid digitally. Both options improve the speed and efficiency of payments as well as automate manual processes and help improve cash flow. Both forms of digital payments are on the rise; one pay by link provider reports seeing 6x growth in transactions from 2020 to 2021, while digital invoicing is projected to grow at a compound annual rate of 20.4% from 2019 to 2027.



Growth of buy now, pay later

Businesses like furniture and electronics retailers have long offered customers installment payment plans for major purchases. Today, paying for purchases with tailored, flexible buy now, pay later plans–for even small ticket items–is poised to become one of the fastest-growing payment trends in 2022.

65% of merchants plan to add buy now, pay later as a payment method in 2022.

BNPL is the payment method in the right place at the right time. "The recent surge in BNPL transactions can be attributed to several factors, including rising merchant adoption, its omnichannel application, flexibility, and loyal youth consumers," said Gaylon Jowers, president at TSYS Issuer Solutions, SEVP at Global Payments.

BNPL payments online are on the rise, expected to account for roughly 24% of all global ecommerce transactions by 2026, up from just 9% in 2021. Younger shoppers appreciate the flexibility of BNPL, with 44% of Gen Z and 37% of millennials expected to make a BNPL payment in 2022, compared to 23% of Gen X and 9.4% of baby boomers.

In addition, many younger shoppers may not have the income or credit history required to leverage credit cards, as 30% of millennials say they live paycheck to paycheck, compared to 15% of older shoppers. These consumers appreciate the simplicity and predictability of BNPL.18 BNPL allows these shoppers to be more strategic about their spending to avoid debt.

Acceleration of connected commerce



While enterprises traditionally have the technology advantage, providers are integrating payments with solutions for small and medium businesses to benefit from, and deliver, the connected commerce experience. These solutions seamlessly integrate omnichannel payments, point-of-sale, rich data and analytics, email marketing, advertising, and more. In addition, there is often just one integration point, making it easier for small businesses to run and grow their businesses.

Idea is to work with a limited number of providers that allow you to choose the solutions you need for all of your commerce requirements. This allows you to quickly integrate data and gain greater control over your commerce technology while providing consumers with a seamless experience.

For issuers, these providers can help you more easily build, deploy, and support digital experiences through a range of unbundled API-enabled microservices. "It can be challenging to cobble together point solutions from several different providers. Identifying a single source provider who offers a variety of connected solutions from which you can pick and choose will help streamline and simplify your overall commerce tech stack", said Cortopassi.

The digitization of B2B payments

While the use of paper checks continues to decrease by the year, it still accounts for more than 50% of the overall transaction value for B2B payments. When it comes to vendor relationships, businesses are still preparing and sending paper invoices, or emailed invoices that get printed out and annotated by someone in an office who inputs it into an ERP system. The payment experience is even more manual. For example, someone writes paper checks, puts them in envelopes, or inputs payments into a spreadsheet for uploading to the bank for ACH or EFT. Or it's someone with a corporate purchasing card calling the provider and giving the payment details over the phone.

With the recent move to a more remote workforce, businesses see that their employees need to manage their accounts receivable and payable functionality outside of a physical office. Digitizing B2B payments, including accounts payable, accounts receivable, expense reimbursement, and employee-initiated spending, is the solution with significant benefits.

With digital B2B payments, a business has more visibility into what funds are going where and why. In turn, they gain the transparency and control needed to optimize cash flow, reduce errors, and mitigate payment-related fraud. Another benefit in reducing your manual payment, processes gets down to the bottom line: saving money. Reducing checks by 10-50% equates to $1.3-$58.3 billion savings each year. The hard costs of B2B check payments disappear when migrating to digital processes including paper, postage, and the time it takes to stuff envelopes. For all of these reasons, global B2B non-cash transactions will increase to nearly 200 billion transactions by 2025, from 121.5 billion in 2020, according to Capgemini estimates.

Attention to data privacy, end to end

Data privacy is increasingly important on both the global and local levels as regulators seek to protect their constituents. GDPR, CCPA, and LGPD are just a few of the data privacy regulations passed in recent years that organizations need to comply with when doing business in a global market, significantly increasing the complexity of compliance.

"Data privacy is very difficult. We have stratification of regulation across every jurisdiction. We have a different rule in every state. We have different rules in cities, in some cases. We have different rules in most countries. Not only do we have different rules, we have constantly changing rules," said Dara Steele-Belkin, SVP, assistant general counsel, chief privacy officer at Global Payments.

Payment providers are leveraging technology to facilitate data privacy. For example, the payment industry has adopted tokenization to separate personally identifiable information (PII) from other customer data so businesses can maintain compliance, better protect customers, and leverage non-personal data for new insights.

"We spend a lot of time thinking about how we secure PII and devalue the data so that we can deliver the same seamless experience. That's why we've been hyperfocused on network tokens that can provide a secure credential that obscures the PIN and devalues the token," Cohen said.

The ability to maintain data privacy is only as strong as the ability to protect personal data, making cybersecurity a must. It's important to work with payment partners and leverage their solutions to the fullest. But while data privacy may not be an area of expertise, it may still be a responsibility.

"Businesses need to understand which obligations belong to them and which obligations belong to their technology provider. Sometimes they belong to the merchant under the law. So if you have obligations as the merchant, with regard to the cardholders, then you need to be really careful about who your technology provider is," Steele-Belkin said.

With the speed at which change occurs, digital-first commerce will soon be the new normal. The faster you can adapt, the more competitive you will be.

Cloud-based payment infrastructures

With the rise of cloud-based payment infrastructures, and particularly PaaS models, banks can now more easily work with partners to establish connections in new countries or keep up with the introduction of new high value and low value real-time payments networks in countries where they already operate. This is accelerating the integration with additional domestic real-time networks, with 73% of respondents claiming they will be increasing the number they connect to within the next 12 months. Cloud is the dominant deployment foundation for payment systems today with 69.5% saying it is where their payments systems are mostly deployed. PaaS providers are taking a growing slice of this, with 11.4% saying it accounts for most of their payment systems. The trend towards cloud is even more pronounced, with 89.2% of all new payments system implementations going on cloud or with a PaaS provider.



ISO 20022 messaging standard continues

The ISO 20022 messaging standard continues to gain momentum as more and more clearing and settlement mechanisms adopt the standard. At a national and cross-border infrastructure level, readiness for supporting ISO 20022 message types is driving a lot of change. But payment services providers themselves are also busy investing in the future of payments. Many domestic and cross-border payments networks are aligning in terms of message standards such as ISO 20022, and similar API-based architectures. 54.9% of organisations expect to be supporting two or more new cross-border payment networks in the next 12 months, and they are spoiled for choice with SWIFT's new services gaining traction, card schemes moving into corporate cross-border payments, blockchain and DLT-based solutions maturing, and possibilities emerging around Central Bank Digital Currencies (CBDC).

Without interoperability, real-time payments have little viability

Real-time payments are growing fast. They are a network or platform solution that consumers use to transact in seconds. Ideally, these platforms or networks should operate 24x7x365. Banks looking to leverage RTP technology require 24×7 backend systems. In 2020, Real-time transactions numbered 70.3 billion, a 41 percent increase from 2019. RTPs real-time share of global electronic transactions in 2020 was 9.8 percent and is expected to hit 17.4 percent by 2025.



Without interoperability, real-time payments have little viability when it comes to cross-border transactions. Achieving true interoperability involves establishing universal connectivity between international payment hubs, a problem which has proved uniquely challenging to solve, but that initiatives such as P27 in Scandinavia and the IXB collaboration between EBA Clearing, SWIFT and The Clearing House seem poised to overcome in the near future. A survey carried out by Volante says 92.7% of respondents were now connected to at least one domestic real-time payment network, with 46% connected to multiple.

92.7% of respondents connected to at least one domestic real-time payment network, with **46%** connected to multiple

Looking forward, we see a handful of primary drivers influencing the payments revenue trajectory. On the one hand, continued cash displacement and a return to global economic growth will accelerate existing upward trends in the share and number of electronic transactions. On the other, interest margins will likely remain muted. Sustained softness in this key topline contributor will create greater incentive for payments players to pursue new fee-driven revenue sources and to expand beyond their traditional focus to adjacent areas such as commerce facilitation and identity services.

Given the above assumptions global payments revenues is expected to quickly return to their long-term 6 to 7 percent growth trajectory, recouping 2020's declines in 2021 and reaching roughly $2.5 trillion by 2025. More importantly, however, as "payments" become further absorbed into commercial and consumer commerce journeys, established payments providers will gain access to adjacent opportunities as large as the core payments revenue pool. Of course, an opportunity of this magnitude draws attention—tech firms and ecosystem competitors are already focusing on these attractive (and often less regulated) elements of the payments value chain, rather than traditional interchange, acquiring, and transaction fees linked to payment flows.

New opportunities in payments

The push for digital identity verification systems gained momentum during the pandemic, both as a facilitator for expanding e-commerce volumes and as a means for governments to rapidly disburse welfare and other social payments. Examples proliferated across the globe: a digital ID system enabled Chilean authorities to swiftly pre-enroll millions of beneficiaries in social programs and allowed potential recipients to confirm eligibility and, where necessary, appeal their support status online. In Thailand, more than 28 million people applied for a new benefit for informal workers affected by the pandemic: a digital ID system enabled the government to efficiently filter out those eligible for assistance through other programs.



Digital ID–enabled payment solutions achieved broader usage as well. Transactions through India's bank-led and real-time Aadhaar Enabled Payments System (AEPS) more than doubled over the two years ending in March 2021, while the value conveyed more than tripled over the same period.

Cross-border payments remain a significant growth area. In 2020, even with travel and trade volumes in decline, cross-border e-commerce transactions grew 17 percent. Volumes for cross- border network provider SWIFT were 10 percent higher in December 2020 compared to the prior year: not only has the "re-shoring" of production chains and related shift in trade flows we expected last year so far failed to materialize, but increases in non-trade payment flows have more than offset lower transaction volumes in trade, driven by increased volatility in treasury, FX, and securities. These dynamics are leading to growth in volumes as well as record market valuations for a growing list of payments specialists such as Currencycloud (recently acquired by Visa), Banking Circle, and Wise.

The B2B payment arena is also showing strong growth internationally, especially when viewed in conjunction with invoicing and accounts receivable/accounts payable (AR/AP) management solutions. The largest transaction banks continue to invest in innovative solutions; and Goldman Sachs, a more recent entrant into the space, is developing a platform including integration with SAP Ariba.

Fraud moving to digital channels – **Learning from India**

Employing Data Analytics for Fraud Detection and Prevention



February 2018 started with a shock when India was rocked by the news of fraud worth billions of dollars. This was followed by media frenzy trying to identify the source of the problem. Some blamed the banking system, some blamed auditors, and others held the politicians responsible. Every taxpayer rued the misuse of taxes paid from their hard earned money. Smartphones were flooded with WhatsApp jokes, cartoons, opinions, and views. The sentiment was more of fault-finding than of tightening our belts to prevent a repetition of such a fiasco. Haven't we Indians had enough of that already?

There is a data analytic solution approach for fraud detection and prevention.

> "CIBIL data shows the total amount outstanding with wilful defaulters has gone up from Rs. 28,416.93 crore as of 30 September 2013 to Rs 1.11 trillion on 30 September, 2017 a CAGR of 40.82%"
>
> - Livemint report, Feb 21, 2018

So how could a data analytics solution help detect or prevent a fraud? Before we attempt to answer this question, let us look at some of the causes of financial fraud.

- Ignorance: At times bankers lack awareness about the fraud potential of the job they are responsible for. These bankers become an easy target for perpetrators of fraud. Either the bank lacks a well-defined fraud awareness training program or the employees are not subjected to this training process. This happens due to lack of knowledge.
- Negligence: At times the employees responsible for a job are aware of potential frauds imminent on the job as well as the control mechanisms built into the process to prevent them. But they fail to abide by the set rules or fail to notice and report irregularities out of sheer negligence. Such bankers can become passive perpetrators of fraud. Some bankers view compliance with fraud regulations to be burdensome. In such cases, there is no lack of knowledge. The root cause could be general laxity of attitude, apathy or even an overzealousness to meet financial goals.
- Connivance: This happens in spite of adequate knowledge and no laxity of attitude. Rather, the problem lies in wilful damaging. These are the real perpetrators of fraud. More often than not, this involves multiple parties across business functions and organization hierarchy.

Employing data analytics could help better business visibility and effective identification of incidents for better governance. For example, if there is a case of absence of collaterals in loan processing, this would be flagged as an outlier. The basic assumption here is that the bank, by and large, follows processes and absence of collaterals is a stray case.

Let us ponder case by case.

Ignorance: Data analytics solutions can help improve governance of employee learning and skill development process. Bank management will be able to identify lapses in employee learning and development and fix them. The central regulator will be able to track and monitor the breadth and depth of the banks' learning and development process and its implementation.

Negligence: Here again data analytics solutions can help improve governance of process compliance by employees. Better governance will help reduce process violations and effective identification of risky transactions.

Connivance: This is where data analytics solutions can make a substantial difference. Some use cases are cited below.

Case 1. One of the causes of fraud plaguing the banking system is a diversion of funds. Often fraudsters siphon money using transactions which appear innocent when viewed in isolation, but a pattern emerges on a closer look. Link analysis will help identify fund movement in and out of accounts. It will ease the identification of dubious accounts that fraudsters may use to camouflage fraudulent transactions.

Let us dig a little deeper. Link analysis is an analytical technique where relationships are depicted as a connection between nodes. In the given context, bank accounts will represent nodes and account transfers will represent connections between the nodes. The connections will be directed from payee account to payer account. A dubious account is likely to show intense payer relationship with some accounts and payee relationship with some other accounts. See graphical representation :-

From / To	Account 1	Account 2	Account 3	Account 4	Account 5
Account 1		1	0	0	0
Account 2	2		0	0	0
Account 3	0	0		0	0
Account 4	0	0	100		0
Account 5	0	0	0	95	

In this case, account 1 has made one payment to account 2 and received two payments from account 2. Account 1 and account 2 do not show any relationship with the other three accounts. Account 3 has made one hundred payments to account 4. Account 4 has made ninety-five payments to account 5. This indicates that account 4 is possibly acting as a conduit to transfer money between account 3 and 5. Instead of transferring the money directly from account 3 to account 5, account 4 is being used to camouflage money transfers.

Case 2. Loan fraud is likely to happen when collaterals required to cover a loan are either absent or get overvalued or are used to cover multiple loans. A single entity getting multiple loans with subsequent non-payment and accumulation of dues carries potential fraud risks. Data analytics can help classify and profile loan accounts and loan receivers to identify outliers. Data visualization techniques will ease the governance process.

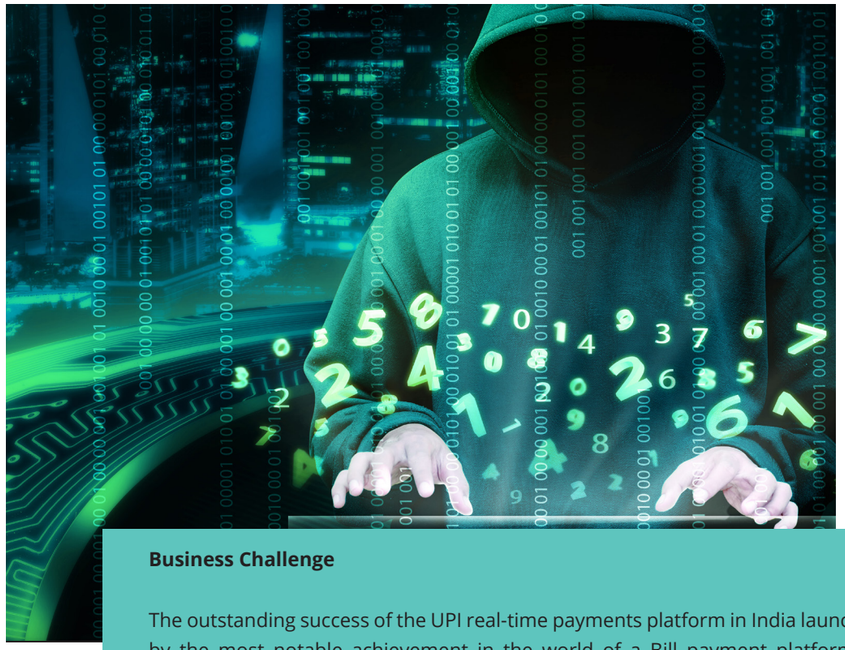
Case 3. Insider fraud happens when an employee or multiple employees collude with or without external parties to dupe the system. Network analysis techniques can be employed to identify the recurring nexus between parties carrying potential fraud risks.

A survey conducted by Deloitte in 2016 predicted an increase in financial fraud in India in the near future. This malady needs a cure. While fraudsters employ ingenious methods to dupe the banking system, data analytics can be gainfully employed to improve governance and easily identify potential fraud scenarios. Bank management, auditors and regulators will have better insights into the identification of risky transaction patterns through analytical methods followed by a visual depiction of data. Today, this technology can be effectively utilized to address the maladies plaguing the banking system and to prevent such catastrophic consequences while ensuring social and economic good for humankind.

RS **Case Study**

Enterprise Fraud and Risk Platform

Client: National Payments Corporation of India (NPCI)



Business Challenge

The outstanding success of the UPI real-time payments platform in India launched in April 2016, followed by the most notable achievement in the world of a Bill payment platform BBPS in India (both the platforms built exclusively by RS Software India Limited), resulted in exceptional levels of adoption of digital payments, transforming the lives of a billion+ Indian residents. History tells us that high and that too quick adoption brings with it rapid increase in fraud levels, creating risks for individuals, businesses and the nation at large. The foremost challenge was that huge increase in account based real-time payments was new to the world, and there was no system available globally that could provide adequate risk management. The second important challenge was that India has as many as 18 different payment channels. The existing Fraud and Risk Management (FRM) system at national level operated in silos, catered to a limited number of digital channels, and was incompatible with the new digital API first, and Mobile First platforms launched in the country. The legacy technology of the existing platform failed to match the YoY growth of digital transactions in the country. The result was heavy timeouts and latency, with inevitable undesirable consequences. In fact India's Minister of State for Finance at that time, Mr Anurag Thakur said in a written reply in the parliament that "Digital payments frauds make up for a significant portion – up to half – of all bank fraud cases".

Fraud risk management solutions must be customized to address the specific vulnerabilities of these payment providers while adhering to regulatory standards, best practices, customer data privacy and data localization laws. Unfortunately, even the most respected global companies have little or no flexibility to tailor their products to meet stakeholder needs. Many find it challenging to apply artificial intelligence and machine learning (AI/ML) techniques to the unstructured and often unlabeled data that organizations generate. Nor can they recommend technology stacks that work with both online and offline components, guaranteeing data security and PCI compliance. Building a cost-optimized distributed processing architecture that works under these constraints is a formidable task even for the best-of-breed suppliers of fraud management solutions.

The Indian government decided to float a global RFP to build a new Enterprise Fraud and Risk Management (EFRM) system for all its digital channels, leveraging business rules and ML models to filter or alert on fraudulent transactions.

Solution

Utilizing its analytics platform, RS IntelliEdge™, RS proposed a platform with a unique Scoring Engine that filtered fraud based on risk scores computed using deterministic rules applied to payment context as well as used AI/ML models for probabilistic coverage.

It used Data Stream Analytics-based learning to continuously monitor, interpret, and update the behavior of payer/payee profiles in real-time. This led to a hyper-focused high fidelity fraud classification. To cover for new fraud patterns, it used self-learning AI techniques to detect anomalous payment behavior to filter fraud. Key performance metrics are:

- Response time of <200 milliseconds
- A payment-focused Rule Editor and Rule Simulator helped self-service for risk analysts to build rules; there are now 34,000 live rules
- Federated architecture helped banks to have their own rules overlayed on rules developed by the central hub; it also allowed the central hub to defer the alert categorization to the bank's risk teams.



Results

EFRM went live with POS and ECOM channels in May 2019 and was subsequently integrated with other digital channels.

A snapshot of current performance reveals:

The platform currently averages 2200 TPS and peaks at 4500 TPS

- Fraud Detection Rate (FDR) is >70% and False Positive Rate (FPR) is <25%. Reduction in False Positives protected customer brand value against denial of service for legitimate transactions. With little timeouts and response times less than the blink of an eye, the customer business grew by increasing TPS.
- 1200+ banks have been onboarded
- EFRM currently handles 150+ million transactions per day, where 60% are RTP (UPI) transactions
- There are more than 34,000 rules in production with a hot rollout of Rules and Model Refresh with zero downtime
- It provides Federated Case Management and Turbo Transaction Search
- The platform supports a wide range of message formats (ISO 8583, ISO 20022, XML, ISO X.509, JSON, fixed-width formats) and complies with regulatory Data Security Policies (PCI-DSS, PA-DSS)

Between October 2019, when all channels went live, and May 2022, the potential fraud savings enabled by EFRM was USD 243.32 billion.

The spectacular success of the platform has led to the customer re-engaging with RS Software to extend the EFRM load to 5,500 TPS, with plans to horizontally scale up the system to 10,000 TPS within a year of implementation.

RS Software builds ‘giant leap’ **for India’s digital payments**

Between 2010 and 2015, digital payment transactions hovered around 10-20% of total transactions. It was only meant for the tech savvy and worked only where the internet was available.

Around this time, a group of people embarked on reimagining digital payments for India – an inclusive design that would run using an indigenous protocol, open technology, and commodity hardware, utilizing the existing banking infrastructure while supporting innovation and low total cost of ownership (TCO).

The outcome was Unified Payments Interface (UPI), which was envisioned as a unified access mechanism to all existing payment options in the country and built as the real-time payment rails for India. RS Software was privileged to have been chosen to build the state-of-the-art platform, ground-up.

On 11-April-2016, when real-time payment launched as the first channel with the UPI access layer, it was the inflection point that would go on to revolutionize the digital payments landscape in India. UPI became synonymous with real-time payments in India.

Echoing the sentiment of Neil Armstrong with respect to the Apollo 11 mission in April 1969, we can perhaps say for UPI that, “This small step towards enabling real-time payment for India became a giant leap for the nation’s digital payments ecosystem”. Today, UPI has reached more than a billion people in the country. A relentless focus on customer experience, design, accessibility, and convenience have been key to UPI’s resounding success.



Since that day, the following developments have been reported:

- UPI scaled from ~0.09 billion since launch to a staggering 5862 billion transactions worth Rs 10 trillion in June 2022 - a period oaf just 6 years
- 330 banks are live on UPI
- Rural real-time payment transactions have moved to ~6% of total UPI transactions
- Digital penetration of UPI apps like PhonePe and Google Pay saw steep growth in rural India amid the pandemic
- Innovative usage has been launched by giant techs as well as local start-ups
- Channels like IMPS and AEPS has been made accessible through the UPI interface
- Use cases such as pre-approved payments and recurring payments have been supported
- Cost of payment acquisition (MDR) has dropped from 0.9%-3% (cards) to 0% (UPI)
- With the launch of UPI123Pay in March 2022, the RBI has permitted the payment mechanism for feature phone users and offline mode to spread UPI adoption further.

As adoption of the platform grew and UPI closed in on the rated throughput capacity. RS stepped-in with a new-age big-data based non-blocking solution that scaled the platform to a billion transactions a day. UPI transaction volume has grown 3 times since this new architecture has been deployed.

UPI is a truly federated and open design unlike the closed systems of some of its predecessors. These aspects of UPI are the largest set of business architectural shifts from earlier generations of faster payments and now Real-Time Payments. Major payment networks Visa and Mastercard are committed to the principle of payments anytime, anywhere, and recognize that UPI like systems will shape the digital financial services landscape globally.

Rapid adoption and the fact that UPI has exceeded the 20+ billion per year mark since launch bear testimony to the strengths of its architecture and design, and most importantly, demonstrate scale and innovation at a pace not achieved anywhere else in the world. Global acceptance of the superiority of the platform –“Most advanced, sophisticated public digital Payments infrastructure in the world”– the Immediate Payment System (IMPS) on which UPI was built was the only payment scheme to have received a 5 rating in the FIS Flavors of Fast Report in 2018.

Today UPI is crossing borders as RBI forges relationships for the expansion of UPI in other countries. Bhutan and Nepal are already accepting UPI, and it is likely to go live in Singapore later this year. Merchants in Singapore, Cambodia, Malaysia, Thailand, Philippines, Vietnam and Bhutan accept UPI payments through QR-codes. NIPL, the international arm of NPCI is in talks with Australia to integrate UPI with Australia’s New Payments Platform, its faster payments rail. NIPL has signed a MOU with France-based payments solution provider Lyra Network to accept UPI and RuPay cards in the country,

[As per a PhonePe-Boston Consulting Group report (“Digital payments in India: A $10 trillion opportunity”), India’s digital payments market is expected to increase more than threefold from the current $3 trillion to $10 trillion by 2026. This would translate to digital payments constituting 2 out of 3 payment transactions by 2026.]

Chairman's overview **2022**



Raj Jain
Chairman & Managing Director

> ***Strength and growth only come from continuous effort and struggle***
>
> *— Napolean Hill*

Fiscal 2022 has set the foundation to win, and it feels almost like 'lull before the storm'. What is driving us is the patience and the commitment to do all we can for our stakeholders, the belief in ourselves that continues to be reinforced by our existing and potential customers, the validation of our strategy to focus on the payments modernization opportunity, and the conviction in what we are here for, which is to transform humanity with the power of payments. Our corporate journey for 30+ years is enriched, while working with global leaders and start-ups alike.

Keep going, the best is yet to come!

What keeps us going

At RS Software, innovation, creativity, and entrepreneurship come together in delivering payment systems that impact people, country, businesses and government, making it possible for us to address the demand for new type of financial infrastructure globally, which enables shared digital capabilities. The four major payment platforms that we have helped to build globally process 350+ billion transactions annually. India's success story with digital payments is unfolding every minute to achieve the next level of success, and what enables this unprecedented set of achievements are the three major payment platforms exclusively built by RS Software. The RS Payments Innovation Lab pursues with passion that 5G enabled connectivity, coupled with advances in AI algorithms, quantum computing, and blockchain will radically alter the payments, leading to continuous demand for payments modernization - a multi-decade opportunity. **The company's leadership is committed to execute a fine balance that helps to achieve optimal cashflow based financial strategy, while reaching out in the market with its strategic partnering model to go after the continuing growth opportunities in payments modernization.**

Transforming India – dream coming true

During the fiscal 22, transactions volume on the UPI platform scaled from ~0.09 billion since launch in 2016, to a staggering 5+ billion transactions, and most recently the month of June recorded 5.8 billion transactions, valued at Rs 10 trillion. There are today 330 banks live on the UPI platform. What started as a small step when RS Software exclusively built the UPI platform, has become a 'giant leap' for India. With the launch of UPI123Pay in March 2022, making UPI transactions possible for feature phone users and available in the offline mode as well, rural India particularly has got empowered, bringing with it true financial inclusion. This level of adoption bear testimony to UPI architecture and design strengths, executed by RS Software. Most importantly, it demonstrates scale and innovation at a pace not achieved anywhere else in the world.

Major payment networks Visa and Mastercard are committed to the principle of payments anytime, anywhere, and recognize that UPI like systems will shape the digital financial services landscape globally. UPI is the first faster payment system that truly has demonstrated the success of going international, UPI is on a roll to be accepted in many countries. The technology stack of UPI, built exclusively by RS Software is such that it enables easy integration with other payment infrastructure. Indian government has been fostering relationships with several nations including UAE and France in the recent past. Prime Minister of India, Mr Modi said at the recent Digital India week that "Everyone including the World bank has appreciated it as the best platform".

Making this world a better place to be

The bedrock of India's digital payment infrastructure, the three major platforms have built a solid foundation for India, making it amongst the first few countries globally to announce the launch of central bank digital currency (CBDC). How money moves has undergone and is undergoing huge, unprecedented change – increasingly, cards, digital and mobile payments dominate, and cash is fast on the way out. Advances in technology, the COVID-19 pandemic, cryptocurrency, and more have shaped the movement of money and have redefined roles for banks and cash systems. The COVID-19 pandemic has accelerated the move away from cash. Lots of youngsters don't carry cash anymore. There will come a moment, and it's approaching fast, when merchants and shopkeepers will say, "Why keep accepting cash, we're going to stop accepting cash."

India is leading the world in terms of digital payments innovations. Its payment systems are available 24X7, available to both retail and wholesale customers, they are largely real-time, the cost of transaction is perhaps the lowest in the world, users have an impressive menu of options for doing transactions and digital payments have grown at an impressive rate. While presenting Budget 2022, the Indian Finance Minister Nirmala Sitharaman stated Digital Rupee, the name of the Central Bank Digital Currency in India, will give a big boost to the digital economy. Digital currency will also lead to a more efficient and cheaper currency management system, she said. In order to counter the cryptocurrency craze, the central banks across the globe are taking a keener look at introducing central bank digital currencies. Central Bank Digital Currencies is the digital form of a country's fiat currency. This will be issued by the federal bank of that particular country. Although it is in digital form, CBCD can be exchanged with the fiat currency of the country.

[As per a PhonePe-Boston Consulting Group report ("Digital payments in India: A $10 trillion opportunity"), India's digital payments market is expected to increase more than threefold from the current $3 trillion to $10 trillion by 2026. This would translate to digital payments constituting 2 out of 3 payment transactions by 2026.]



All that can be digital comes together - Metaverse

The massive decrease in the cost of computing power and the widespread availability of devices able to process information has led to an unprecedented level of connectivity. For the first time, algorithms can be created to read and analyze bank account information and combine this data with other information from disparate sources. Moreover, real-time payments allow for the movement of money in a matter of seconds regardless of the time or date of application. Consumer and business expectations have evolved and when end user demands change, existing players must innovate in order to meet these demands. The maintenance and reporting of real-time balances is essential to allow customers to benefit from real-time payments and open banking. The technology to meet these needs is available today. By using a flexible payments hub, combined with a modern orchestration layer, messaging standards, and API-based interfaces, banks will improve their positions for the future. Customers want banks to provide these services and banks will add value and increase their share of the value chain if they can meet them.

The new payments ecosystem views open banking and real-time payments as two sides of the same coin: they are part of a larger transformation of how banking is conducted today. While banks have a checklist of to-dos, the list of opportunities is even longer.

With digital payments must come digital authentication and security, of course. Biometric measures are tipped to bridge the gap here. According to Juniper research, roughly 90 percent of smartphones worldwide will have a form of biometric capability by 2024, to enable authenticated mobile payments. Juniper's research also forecasts $2.5 trillion in mobile payments, facilitated by biometric data, by 2024, compared with $228 million in 2019.

We are closer to a fully digital payment landscape than we've ever been before, online payments have been scaling steadily over the past 5 – 10 years and the natural evolution of online payments to augmented payments is already happening before our very eyes. Everyday things such as in-game or in-app purchases from places like Fortnite's VBuck System, the NFT market in places like Opensea, communities, and tokens are replacing traditional systems we all relied upon where the direct consumer can pay the producer of the digital asset directly with no financial intermediary in their decentralised way. The instant element of blockchain and crypto payments means instant processing and settlement of digital assets like NFTs, cryptocurrency and other future discovered digital assets. These assets could be traded, sold, and marketed through the metaverse marketplace tied to an individual's blockchain based payment wallet or equivalent, meaning a secure, instant, scalable way of accepting a payment for commerce. I encourage you to read in this annual report about Metaverse, the emerging future for humanity and also about CBDC, likely to become the way the world pays as it goes through its everyday life.



The digitization of B2B payments

While the use of paper checks continues to decrease by the year, it still accounts for more than 50% of the overall transaction value for B2B payments. When it comes to vendor relationships, businesses are still preparing and sending paper invoices, or emailed invoices that get printed out and annotated by someone in an office who inputs it into an ERP system. The payment experience is even more manual. For example, someone writes paper checks, puts them in envelopes, or inputs payments into a spreadsheet for uploading to the bank for ACH or EFT. Or it's someone with a corporate purchasing card calling the provider and giving the payment details over the phone.

With the recent move to a more remote workforce, businesses see that their employees need to manage their accounts receivable and payable functionality outside of a physical office. Digitizing B2B payments, including accounts payable, accounts receivable, expense reimbursement, and employee-initiated spending, is the solution with significant benefits.

With digital B2B payments, a business has more visibility into what funds are going where and why. In turn, they gain the transparency and control needed to optimize cash flow, reduce errors, and mitigate payment-related fraud. Another benefit in reducing your manual payment processes gets down to the bottom line: saving money. Reducing checks by 10-50% equates to $1.3-$58.3 billion savings each year. The hard costs of B2B check payments disappear when migrating to digital processes including paper, postage, and the time it takes to stuff envelopes. For all of these reasons, global B2B non-cash transactions will increase to nearly 200 billion transactions by 2025, from 121.5 billion in 2020, according to Capgemini estimates.

"All of this augurs great for our company which has a track record for 30 years to pivot itself and respond to the changing demands of the markets globally"



RS Software's demonstrated success to pivot strategy and bounce back

The company has significantly enhanced investments in RS School of Payments and RS Payments Innovation Lab, both of which have institutionalized our ability to respond quickly to the changing needs of our customers. This foundation has helped the company to successfully transition to deliver:

- Products and Platforms lead revenue model, combined with a core foundation in services
- Be better prepared to deliver – API-first, Mobile-first, and Cloud-first, and the emerging world of metaverse, where the way the world pays is changing revolutionarily.

The company is pursuing a three-prong growth strategy:

- Transition to innovation and product-lead revenue
- Strategic partnerships to achieve revenue growth
- Major cost management initiatives to optimize its financial structure

While the 3rd component of the strategy has been well implemented over the past two years, the first two components are in the early stages of demonstrating results. The company is making significant progress in its financial performance, as is evident from the results of the last two fiscal years, All the major opportunities being pursued by the company are now product lead, with strategic partnering becoming the key market reach channel. **RS Software's growth direction is risk-managed, with 30 years of implementation track record and a strategic partnership model for product and innovation lead growth.**

RS product suite is getting recognized in important markets, creating strategic partnerships, the foundation for the company's long-term growth. While global leaders have on their roadmap the creation of multi-rail capability, RS Software has already executed it successfully. We now have experience building digital payments in both developed and developing economies, giving us a solid foundation to go after global opportunities. RS Software has demonstrated a track record of success that has translated into building trust and stability over three decades. Today, the company's solutions are installed in 12 of the top 20 banks in India. The company has a rare track record in the payment domain. We continue to march towards our vision of enabling *payments at the speed of thought.*

> ***"If you have never reached rock bottom, you have never attended the school of greatness"***

Partnership model for growth

- Hitachi payments, India, 100% subsidiary of Hitachi, a $90 Billion company: India and global markets
- Deloitte, Canada: Canada, United States, and any strategic opportunity globally
- The Strawhecker Group: Merchant acquiring and payment acceptance in North America and Europe, including strategic opportunities globally
- NIPL: The objective of this partnership is to explore international markets with NIPL, subsidiary of NPCI, and for RS Software to implement NPCI products in countries where NIPL wins the contract.

Since the launch of this three-prong strategy the company has achieved ~ Rs 250 million cash savings, and finalized four strategic partnerships. The growth model for the company draws its foundation and strength from this three-prong strategy, and this will translate to achieving 'Best is yet to come' for RS Software.



> ***"Our greatest glory is not in never failing but in rising every time we fall"***
>
> — Confuscious

India's payments journey moving at **unprecedented pace**

In 2018 RBI's "Payment & Settlement Systems in India: Vision-2021 " spelled its core theme for 2019-2021 as "Empowering Exceptional (E) Payment Experience" and its Vision as "Empower every Indian with access to a bouquet of e-payment options that is safe, secure, convenient, quick and affordable". The Vision highlighted the need for continued emphasis on innovation, cyber security, financial inclusion, customer protection and competition. Vision 2021 covered till 31-Dec-2021.

"Vision 2018 has facilitated

- Continued decrease in the share of paper based clearing instruments
- Consistent growth in individual segments of retail electronic payment systems such as the National Electronic Funds Transfer (NEFT), Immediate Payment Service (IMPS) and card transactions
- Increase in registered customer base for mobile banking
- Launch of new products like Unified Payments Interface (UPI) and Bharat QR (BQR)
- Significant growth in acceptance infrastructure
- Accelerated use of Aadhaar in payment systems



The quantitative estimates mentioned in Vision 2021 and the actual value as reported in the "Payment Vision 2025" were:

- Further decrease in use of paper cheques to less than 2% of retail electronic payments, the actual value 0.88%
- Payment systems like UPI / IMPS to register average annualized growth of 100%, and NEFT 40%; UPI grew by 104%, IMPS by 39%
- Digital payment transaction to grow by 4 times from 2069 crore in December 2018 to 8707 crores in December 2021; between March 2019 and March 2022 the digital payment has increased by 216% by volume and 10% by value
- Ratio of debit card usage at only-POS vs POS+ATM to move to 44% by volume and 22% by value (from 15.2% in 2018-19); debit card usage at POS decreased by 3.7% largely because of the pandemic
- Number of card acceptance device to increase to 5 million by end 2021, which along with QR code based digital acceptance to make it 6 times of 2018
- FTS [Fraud to Sales (Fraud value / Sales value) x 10000] count for payment systems is expected to be less than 10 bps for most of the payment systems; for this framework for regulating Payment Aggregators (PAs), e-mandates for recurring transactions, tokenisation of card transactions and Card-on-File Tokenisation (CoFT), setting up of Centralised Payments Fraud Information Registry (CPFIR), geo-tagging of payment system touch points, framework for outsourcing of payment and settlement-related activities by PSOs, etc have been built.

After launch of UPI on 11 April 2016, it has grown phenomenally and in June 2022 reported 5862 billion transactions, worth Rs 10 trillion – all happened in 6 years. We at RS Software are proud to be the technology provider and had developed UPI grounds up that is serving the nation's needs. However, to support the exponential growth RS had to step in and constantly innovate to support the scale-up that the system demanded.

To provide guard against fraud, especially for UPI, which was real-time, new payment type and hence subjected to bot system and business stabilization, NPCI implemented Enterprise Fraud and Risk Management (EFRM) through customized implementation of RS IntelliEdge™ in 11 May 2019 with full fledged multi-channel support accomplished in Oct 2019. This protected citizens a total of Rs. 17.14 trillion as potential savings out of which UPI was 97.67% as recorded between Oct 2020 and May 2022. After implementation, RS Software has been operating the platform for almost 3 years now and keeping up the scale and business demands of the national multichannel fraud and risk management platform diligently.

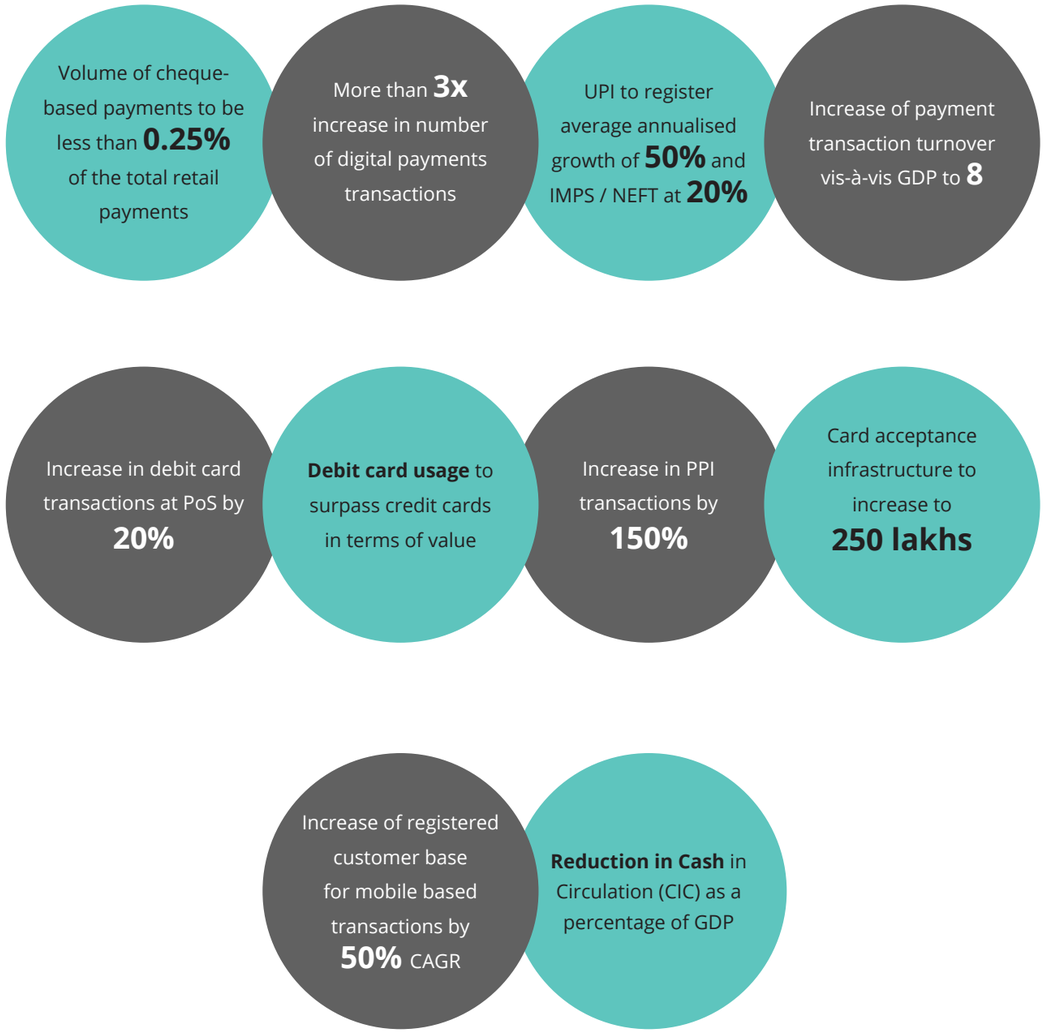
Bharat Bill Payment System (BBPS), which was launched in April 2018 and did 2.42 million transactions worth Rs. 263.43 crores and did 82.12 million worth Rs. 15, 154 crores in June 2022; thus, the volume grew by ~34 times and value grew by ~58 times in little over 4 years. When RS Software had built and launched the system in 2018, there were only a handful of billers and in June 2022 there were 20,062 billers onboarded.



The Payment Vision 2025 states: "Provide every user with Safe, Secure, Fast, Convenient, Accessible, and Affordable e-payment options."

Vision 2021 had 4 goalposts of Competition, Cost, Convenience and Confidence. Payment Vision 2025 states: "As we embark upon the journey of realising Payments Vision 2025, the steps taken so far towards enhanced outreach, customer centricity, cyber security and digital deepening would be further consolidated and built upon through the **five pillars** of **integrity, inclusion, innovation, institutionalisation** and **internationalisation**." Enhancement of **cross border payments** would focus on **four key challenges** of **cost, speed, access** and **transparency**.

Various initiatives proposed under these five pillars shall have the following ten expected outcomes during the Vision period that ends in 31-Dec-2025 (reproduced from the Payments Vision 2025):



It is very clear that the change would not be incremental but rather a step jump. Multiple initiatives are already underway, and we are hearing about several innovative ideas.

CBDC

An April 2022 Bank for International Settlements (BIS) paper on CBDCs in emerging market economies reiterates the fact that India is leading the world in terms of digital payments innovations, and pinpoints three reasons why CBDC could be useful:

- Although digital payments have grown at a CAGR of 55% over the last five years in India, an RBI pilot survey on retail payment habits of individuals in six cities indicates that cash remains the preferred mode of payment especially for low-value transactions. CBDC could target digitisation of these cash preferences, as long as anonymity is guaranteed.
- India's high currency-to-GDP ratio provides a strong motivation for introducing CBDCs that can reduce the cost of printing, transporting, storing, and distributing currency.
- A third consideration relates to the public demand for virtual currency that has been largely held back by the fear of financial instability. CBDC could provide greater security and viability of holding currency while protecting them from abnormal levels of volatility that some of the private virtual currencies endure. This would help RBI to retain control over domestic monetary policy by preventing the flight of money towards cryptocurrencies and foreign CBDCs.

On April 8, 2022, the RBI reconfirmed that it is now in a position to start testing and running CBDC pilots. The RBI is currently working towards a phased implementation strategy and examining use cases which could be implemented with minimal disruption. Some key issues under examination include:

- The scope of CBDCs – whether they should be used in retail payments or wholesale payments or both
- The underlying technology – whether it should be a distributed or centralised ledger, and whether the choice of technology should vary according to use cases
- The validation mechanism – whether token-based or account-based
- The distribution architecture – whether direct issuance by the RBI or through banks, or a hybrid model with both RBI and intermediary banks
- The degree of anonymity

There are other critical design choices such as whether CBDCs should be non-interest bearing like cash or should they carry positive interest rates (remunerated CBDC). The latter would need to pay competitive rates and allow the public to hold significant amounts. This could in turn disintermediate banks and make fund flows more volatile.

The RBI has been considering pilot projects in CBDC in the wholesale as well as retail segments. Across both segments, the introduction of CBDC has the potential to provide significant benefits, as outlined above. CBDCs are expected to coexist with other forms of currency and payment systems, as ensuring interoperability across different systems would be necessary for ease of transactions and enhanced consumer experience.



New Umbrella Entities

In a bid to boost competition in retail payments in India, the RBI had come up with the proposal of "New Umbrella Entities" ('NUE') to promote private participation. Envisioned as an alternative to NPCI, NUE would be primarily responsible for developing new payment systems, standards and technologies, and clearing and settlement mechanisms, while monitoring and preventing fraud. This was expected to boost transaction volumes and promote financial inclusion in the country. Although there has been a delay in approving the licences of the applications by the RBI - Six consortia formed by various banks, card networks and corporate groups are reported to have put in applications to set up NUEs – the general opinion is that considering the growing volumes of digital transactions, it is already time for a reliable alternative, especially for B2B payments in the country that still has unaddressed challenges that NUEs could address.

Payment Aggregators

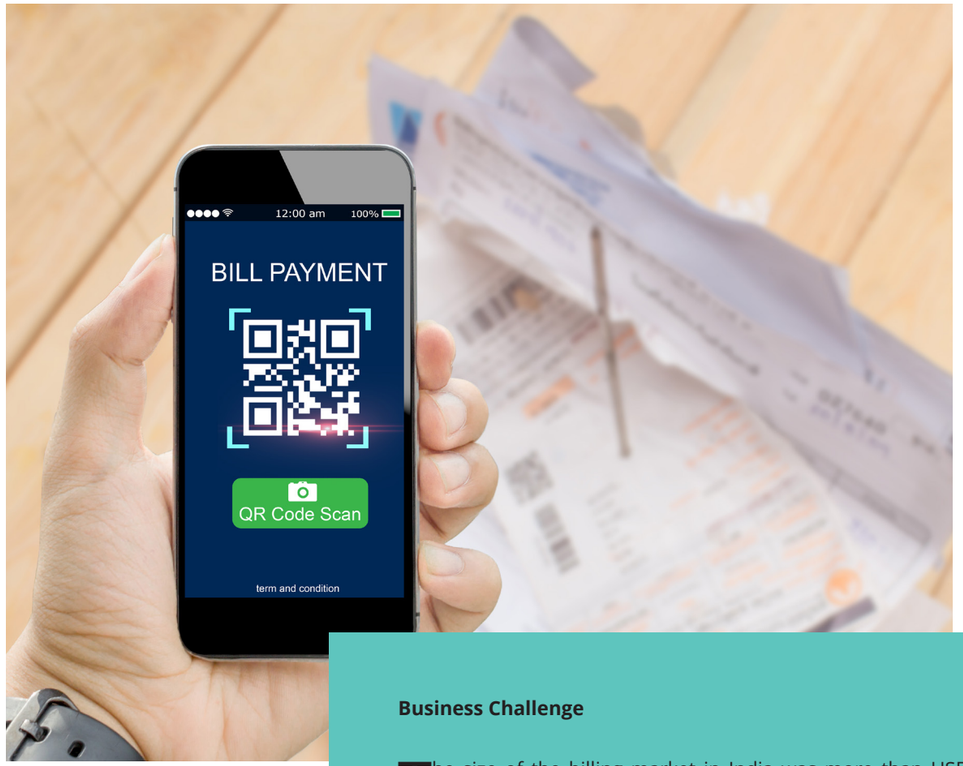
In order to ensure safety of merchants and consumers, the RBI issued a payment aggregator (PA) framework in March 2020 stating that payment gateways will be mandated to have a license in order to acquire merchants and provide them with digital payments acceptance solutions. For this, RBI had instructed non-bank companies offering PA services to apply for authorisation by June 30, 2021, which was later pushed to September 30, 2021. Under RBI's evaluation process, about 185 fintech enterprises and start-ups submitted their proposals for a payment aggregator license. The few firms authorized to operate as payment aggregators in India will come under the direct purview of the RBI. Razorpay, Pine Labs and U.S.-based payments firm Stripe have received the in-principal nod from RBI for the PA licence. In the absence of the license, e-commerce and other players will either have to have a tie-up with a bank that can aggregate payments on their behalf (it will increase costs) or will have to depend on a PA, leading to more business for these licensed entities. The companies will have to conduct an audit within the next six months to get a final nod, in-line with RBI's procedure for all licenses.

> "Shiny new technologies such as blockchain may be cool, but less flashy efforts driving open standards and interoperability are delivering a real revolution that flies under the radar of the tech gurus in England's Shoreditch and America's Silicon Valley. India is very astutely leaping ahead of the world"
>
> - Fortune magazine commentary on digital payments praising the economic inclusion of millions of Indians through the population-scale UPI platform

Anytime anywhere **bill payments**

Bill Payment Platform

National Payments Corporation of India (NPCI)



Business Challenge

The size of the billing market in India was more than USD 90 billion in 2016, and about 98% of these bill payments were made using cash or check. Several bill payment aggregators were operating in silos in this heavily fragmented market. Without a countrywide integrated billing system, attempts to integrate with these players involved extensive paperwork, delays, transaction failures, and poor customer support.

To address this problem, the client commissioned the Bharat Bill Payment System (BBPS), a nationwide integrated bill payment system that offers interoperable and accessible bill payment services to customers through a network of agents, allowing multiple payment modes, and providing instant confirmation of payment. NPCI floated a global RFP, to procure this unique platform for India.

Solution
BBPS - Central platform

RS Software using its payments domain expertise built over 23 years, and combining different digital assets built at RS Payments innovation lab., offered a solution stack that would deliver the 1st of its kind, bill payment network, architected with principles of API first and Mobile first. The highly innovation solution approach combined with design thinking led to RS Software winning the global RFP.

The solution design assumed the overall ecosystem to have a Central Unit that would govern, manage disputes, and route transactions through the unified rails and multiple operating units that would connect to the Central Unit, and facilitate the processing of bills across multiple customers (both individual and corporate) and the billers. Hence the system was visualized as the Bharat Bill Payment Central Unit that sets operational, technical, and business standards for the entire platform, and the numerous Bharat Bill Payment Operating Units that connect to the Central Unit and adhere to its directives.

The nationwide integrated bill payment platform build achieved the following and onboarded more than sixty banking and non-banking entities.

- End-to-end implementation of core transaction processing integrated with the existing nationwide digital platform of NPCI
- Channels for bill payment through the web, mobile, and in-person
- On-boarding portal for the customer, agent, and agent institutions along with self-registration features
- Management of complaints and disputes
- Customer dashboard
- Bill fetch and processing lifecycle
- Alerts and notifications
- MIS Reports



BBPSOU platform

The BBPSOU platform has been built to allow the banks to function as the Operating Units of the BBPS – central platform

Key features:

- Dashboards providing transaction history, transaction pattern, complaint history, registered biller list, searching pending bills, etc.
- Multiple bill fetch and payment for different service providers
- Scheduler to collect entire billing information for subscribed billers on a given date for a customer
- Automatic payment schedules for Utilities
- Reconciliation & Settlement process for refund and reversal transactions

BBPS platform has high adoption since its launch, and increasingly more and more customers are able to pay digitally, thus transforming a nation of billion+ people. It is one of the most successful use cases globally of request to pay.

BBPS platform scaled up three times the transaction volume projected by NPCI in year three post-go-live, clocking ~1 billion transactions in year three vs 332 million projected.

CBDC **- India**



While presenting Budget 2022, the Indian Finance Minister Nirmala Sitharaman stated Digital Rupee, the name of the Central Bank Digital Currency in India, will give a big boost to the digital economy. Digital currency will also lead to a more efficient and cheaper currency management system, she said. In order to counter the cryptocurrency craze, the central banks across the globe are taking a keener look at introducing central bank digital currencies. Central Bank Digital Currencies is the digital form of a country's fiat currency. This will be issued by the federal bank of that particular country. Although it is in digital form, CBCD can be exchanged with the fiat currency of the country.

Why do we need CBDC in India?

India is leading the world in terms of digital payments innovations. Its payment systems are available 24X7, available to both retail and wholesale customers, they are largely real-time, the cost of transaction is perhaps the lowest in the world, users have an impressive menu of options for doing transactions and digital payments have grown at an impressive rate.

The adoption of CBDC has been justified for the following reasons:

- Central banks, faced with dwindling usage of paper currency, seek to popularise a more acceptable electronic form of currency (like Sweden)
- Jurisdictions with significant physical cash usage seeking to make issuance more efficient (like Denmark, Germany, or Japan or even the US)
- Central banks seek to meet the public's need for digital currencies, manifested in the increasing use of private virtual currencies, and thereby avoid the more damaging consequences of private currencies



However, the introduction of CBDCs poses a few major challenges. The first challenge is the increased threats to the privacy of individuals. The second is choosing the privacy & security for enhancing technology that needs to be employed and the last challenge is the regulatory architecture which has to be set up to combat issues that include data breaches.

The challenge to tackle is the heightened risk to the users' privacy, provided that the federal bank could end up handling a huge amount of data about the user transactions as it has serious implications provided that digital currencies will not render users the level of privacy as well as anonymity offered by transacting in cash.

Apart from that, the data stored with the federal bank in a centralized system will hold higher security risks, and therefore, robust data security systems will have to be set up in order to prevent data breaches. Hence, it is highly crucial to implement the right technology which will back the issue of CBDCs (central bank digital currencies).

The other challenge is the choice of technology implemented for central bank digital currencies is critical as it should not only be scalable, with almost zero latency, but also secure and, privacy-preserving. The most logical candidate for central bank digital currencies should be a conventional multi-tier web architecture however this also possesses a potential downside.

While the RBI has begun to work on Central Bank Digital Currency and other fintech-related activities, it has recently set up a new fintech department which will be the central point of contact in the Reserve Bank of India for all fintech-related activities.

According to Aniket Jindal, Co-founder, Biconomy, "The blockchain-based digital rupee is a welcome step. While the critics rightly point out that it's not decentralized & issued by the govt, we need to understand that the mainstream adoption of web3 & crypto won't happen overnight. It will happen slowly with small steps toward our eventual goals. And such a blockchain-based digital rupee has the potential for being a big step in onboarding 100s of millions of Indians into the blockchain economy. It will also help open one of the largest economies to innovations in the web3 ecosystem."

A survey conducted by Bank of International Settlements (BIS) in 2021 revealed that 86% of the central banks were exploring the potential of CBDCs and about 15% of the states are set to launch their pilot projects. The CBDC will fulfil the basic functions as a medium of exchange, unit of account, store of value, and standard of deferred payment.





According to a note released by the State Bank of India (SBI), the CBDC has the potential to offer benefits in terms of liquidity, scalability, acceptance, ease of transactions and faster settlement in comparison with existing forms of money. It can be a pragmatic shift to a cashless economy soon. The adoption of CBDC will improve and make it easier for people to use with the supporting infrastructure provided by the government. It will boost the government's mission to move towards the digital economy. It can establish an environment created for interoperability whereby faster real-time remittance occurs.

The RBI confirmed in May 2022 that India's CBDC will be rolled out in 2022. CBDC will significantly bring down time taken for cross-border transactions and make transactions real-time. The Indian Prime Minister Narendra Modi said that the CBDC launched by RBI will be as good as India's fiat currency – Indian National Rupee (INR) and will be exchangeable to the cash at par. It is sovereign currency in an electronic form and will appear as liability (currency in circulation) on a central bank's balance sheet, says the RBI website.

In an interview in May 2022, Aruna Sharma, a practitioner of development economics and former secretary, Ministry of Electronics and IT, said "CBDC will be stable and as good as legal tender. It will enable faster transactions at much lesser cost, including FEMA compliant cross-border transactions". Data Protection Bill for 'Personal Data' is a must for a sovereign country and will be applicable to the entire digital world, she added.

"The CBDC launched by RBI will be as good as India's fiat currency – Indian National Rupee (INR) and will be exchangeable to the cash at par"

- Narendra Modi (Prime Minister India)



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

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

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

1. User Identity: The 'user identity' was an important aspect even if the 'privacy' or 'anonymity' aspect is preserved, especially for its usage in electronic payments. Moreover, the permissionless aspect is a great feature, but as it attracted enormous processing power and users had misused anonymity, many 'permissioned' DLTs were gaining ground.

2. Power Guzzler: One of the main reasons of high-power usage was how the miners made money while mining. The bane of high-power wastage was because of unbridled mining that used the process of 'Proof-of-Work' (PoW). In contrast 'Proof-of-Stake' (PoS) reduces the incentive for arbitrarily mining of blockchain, thus saving energy.

3. Smart Contract: Another important aspect is Smart Contracts that permit trusted transactions and agreements to be carried out among disparate, anonymous parties without the need for a central authority, legal system, or external enforcement mechanism. In many of the matured alternative implementations of blockchain and DLT, production level code samples for Smart Contracts exist in Git for reuse. However, in upcoming solutions, code samples exist for the same but are not field tested at scale.

We had experimented with Ethereum in the past and have had discussions with Concordium as well to explore their technology in implementing use cases applicable for payments and related areas.

Some of the use cases are:

1. Stored Value or Prepaid Instruments with traceability of fund flow – today if someone buys a bunch of Gift Cards and gives them out to some people, there is no trace of fund flow possible as the buyer and the users can remain anonymous. This can be addressed by implementing the service to some extent (at least for the buyer of the cards) by using blockchain. The open and permissionless nature of Concordium can help implement the same yet improve the regulatory aspects.

2. Closed loop payment instruments – the unit of value in Concordium, called Global Transaction Unit (GTU) can be transferred within entities who are within the closed loop, which is useful for common platforms (like Amazon, Flipkart) or upcoming Super Apps.

3. Crowdsourced Lending – with the rise of Buy Now Pay Later (BNPL) schemes, blockchain can be used to build an exchange for lending where micro-lenders may invest and get decent low risk high IRR.

4. Co-owning High Value Assets – periodic time or event triggered payment between anonymous parties based on smart contracts. This can be leveraged for owning fractional assets, worth very high value, incrementally using systematic investment plans, like N-number of people owning a software, or a rare oil painting, a sculpture, or a diamond, etc. as an investment option. The item itself can be part of assets in the blockchain.

5. Cross Border Payments – As identity is baked into the protocol of Concordium, it can eventually be used for cross border or at least cross regional payments. It may take time for this use case to blossom.

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

1.	Familiarization ➢ Exploring the smart contract space ➢ Connecting to the Testnet/Mainnet
2.	Use Case Mapping to Technology ➢ Study implementation of fungible tokens ➢ Study of the protocol used
3.	Architecture and Design ➢ Implementing APIs ➢ Implementing privacy and security ➢ Implementing the use case
4.	Engineering
5.	POC Demo

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

Financial and marketing strategy come together to **strengthen the long-term growth**



The company's strategic move to build products and platforms at significant investment has started to generate interest and is helping to get traction with some powerful opportunities. RS product suite is getting recognized in important markets, creating strategic partnerships, the foundation for the company's long-term growth.

Partnership model for growth

- Hitachi payments, India, 100% subsidiary of Hitachi, a $90 Billion company: India and global markets
- Deloitte, Canada: Canada, United States, and any strategic opportunity globally
- The Strawhecker Group: Merchant acquiring and payment acceptance in North America and Europe, including strategic opportunities globally
- NIPL: The objective of this partnership is to explore international markets with NIPL, subsidiary of NPCI, and for RS Software to implement NPCI products in countries where NIPL wins the contract.

In India we operate for NPCI, India's national Enterprise Fraud and Risk Management platform (EFRM). The IP of this platform belongs to RS Software. The UPI and BBPS platforms, built exclusively by RS Software and launched in 2016 by NPCI, continue to be enhanced by us to meet the market's demands, as evidenced by the outstanding adoption of digital payments in India.

The company is pursuing a three-prong growth strategy

- Transition to Innovation and product-lead revenue
- Strategic partnerships to achieve revenue growth
- Major cost management initiatives to optimize its financial structure

RS Software's growth direction is risk-managed, with 30 years of implementation track record and a strategic partnership model for product and innovation lead growth.

During the five years starting with April 2016, the company has generated revenue of ~ Rs 3 billion, with a gross contribution margin of ~27%. Recognizing the significant multi-trillion-dollar opportunity in payments modernization, the company continues to invest and has already invested in excess of ~Rs 1 billion from its own cash reserves. During the last 15 years, the company has invested in RS School of Payments and RS Payments Innovation Lab, both of which have institutionalized our ability to respond quickly to the changing needs of our customers. This foundation has helped the company to successfully transition in the immediate past to deliver:

- Digital-first capabilities – API-first, Mobile-first, and Cloud-first
- Products and Platforms lead revenue model, combined with a core foundation in services

The company's leadership is committed to execute a fine balance that helps to achieve optimal cashflow based financial strategy, while reaching out in the market with its strategic partnering model to go after the continuing growth opportunities in payments modernization.

RS Software has demonstrated a track record of success that has translated into building trust and stability over three decades. Today, the company's solutions are installed in 12 of the top 20 banks in India. The four major platforms built by RS Software cumulatively process 350+ billion transactions annually, giving the company a rare track record in the payment domain. We continue to march towards our vision of enabling payments at the speed of thought.

Management
Discussion Analysis



Revenue opportunities and sales performance

What are the principal trends influencing the revenue for RS Software?

The Digital boom:

Globally, the economic effects of the Covid-19 pandemic have boosted the adoption of digital solutions to drive innovation, customer reach and business growth. Digital payments is an integral part of such business and technology trends, and therefore the growth of its adoption has reached an all-time high. Importantly are developments in what is being termed as metaverse where all digital comes together. Please read all about Metaverse at the start of our annual report. Central bank digital currencies (CBDC) are an integral part of our future and India is launching its CBDC in 2023, as announced by the finance minister during the national budget presentation in February this year. Please read the sections in this report on CBDC, and in particular CBDC, India.

Market trends and key opportunity areas:

In FY21, as the pandemic was beginning to come under control, we had analysed the market trends and had identified the top opportunity areas in digital payments, namely -

i. Account-to-account real-time payments (RTP) - for country-level systems and for banks/financial institutions

ii. Application areas such as bill payments for faster adoption of digital payments

iii. Similarly, fraud and risk management to ensure end-user confidence and trust, and therefore, drive further adoption of digital payment

iv. Acquiring and acceptance solutions to enable digital payment solutions and innovation for merchants, businesses, and end-consumers

v. At the same time, while newer digital payment solutions are implemented for first-time adoption, countries, banks/financial institutions, and payment service providers, who have already adopted digital payments and RTP, are looking to either modernise their existing payment systems, and/or are planning to build innovative solutions to offer more value-added services to businesses and end-customers.

We expect to see a continuation of the above trends at least for the next 5 years globally. The focus is on all categories of customer and business payments – person-to-person (P2P), customer-and-business (B2C), and business-to-business (B2B), including government payments.

Additional trends globally:

Therefore, we see the following additional trends also gathering attention and momentum across several countries, and please read the sections on Global payment opportunities, and

i. Muti-rail platform by using a common code base across multiple payment options. This has already been implemented for India, and RS has been an integral part of this implementation.

ii. The bill payment use-case being extended to also cater to invoice (B2B) payments which may also need integrations with backend supply chain.

iii. More efficient, real-time and more cost effective cross-border payments.

iv. Several countries are aiming to have their own CBDC (Central Bank Digital Currency), which would be closely aligned to their central RTP infrastructure.

v. More innovative solutions to drive greater adoption, financial inclusion, and value-added services – e.g., offline payments (therefore, to some extent, sacrificing real-time for reliable transactions), sound wave-based payments (data-over-voice spectrum reduces cost of transactions), super-apps (vertically integrated purchase-to-payment solutions), invisible payments (auto-debit with preset limits on commerce-to-payments apps).

vi. Combining payments with data, and using AI and ML based technology solution to provide solutions catering to –

a. Highly efficient and effective KYC, screening, fraud, risk, and AML solutions for highly secure digital payment transactions

b. New customer acquisition and effective cross-selling into existing customers to drive profitable growth for businesses

c. More choices of products and services, better deals and superior user experience for consumers and businesses

What were the principal challenges faced during FY 2021-22, resulting in lower revenue?

For expanding our reach to our target customers, in FY 2020-21, we identified target channel partners that have a far better global market presence and with the necessary financial qualifications to lead the bid in case of payments modernization at central infrastructure level. As we engaged with the target global partners, we found that it takes lot longer to interlock the working together processes, and most important is sorting out the initial steps to establish go to market activity. The teething troubles resulted in much slower ramp up in revenue during the FY22.

Focus on existing accounts for revenue growth:

We continued to improve our engagement with our existing clients. We increased our penetration through cross-sell efforts at one of our top accounts, with a high value, and high-quality revenue outlook for FY 2022-23 for this account.
We are confident of significantly increasing our transaction-based revenue in the Indian geography. This has been made possible with sustained focus in strategic areas.

Sales execution and productivity of salesforce:

The sales team used digital tools and channels to collaborate internally and engage with our partners and customers. We further enhanced our website to improve our brand and positioning, drive increase in visitors and provide a better experience as they go through our offerings and capabilities. We continued our focus on digital marketing through social media to promote our products with the focus dominantly on Europe, US and Canada markets. We refined the performance metrics to measure our sales execution and the productivity of our salesforce. This has helped us in improving our sales pipeline both for the short and the medium term. This will directly reflect on our revenues over the next three years, as we monetise our investment into our products suite, namely RS RTPS™, RS BillAbhi™, RS IntelliEdge™, RS DigitalEdge™ and Payabbhi®.

Where is your focus to generate revenue in FY 2022-23?

We expect to achieve the following in FY 2022-23:

i. Cross-sell and grow at one of our large customers in the areas of RTP, Bill Payments and FRM, and multi-rail areas.

ii. Leverage our partnerships and win new deals in each of the following focus areas for a new platform implementation, or modernization of an existing payment system globally,

a. Central (country-level) RTP infrastructure, with our product, RS RTPS™

b. Central bill payment infrastructure, with our product, RS BillAbhi™

c. FRM for a central infrastructure and/or a bank/financial institute, with our product, RS IntelliEdge™

d. Banks' connectivity into central RTP and/or bill payment infrastructure, with our product, RS RealEdge™

e. Digital overlay layer for a central or bank-specific payment infrastructure for enabling value-added services, with our product, RS DigitalEdge™

f. Acquiring and acceptance for at least one leading payment service provider, with our product, Payabbhi®

Finance

What has been the biggest challenge for the finance process in FY22?

To meet the cashflow focused strategy that does not compromise on the growth strategy of the company.

How did you meet the challenge?

The Finance team focused on building strategic cost structure that would meet the short-term requirements of the company, and allow it to prepare for the longer-term growth at the same time. This included allocation of budgets very carefully and tracking cost productivity at all levels in the organization. Treasury management continues to be an important focus, in addition to meeting all the statutory requirements of a public listed company.



Risk and Response

With consistent financial losses for the past 5 years, what is the viability of the company's ability to stay in business?

During the five years starting with April 2016, the company has generated revenue of ~ Rs 3 billion, with a gross contribution margin of ~27%. Recognizing the significant multi-trillion-dollar opportunity in payments modernization, the company continues to invest and has already invested in excess of ~Rs 1 billion from its own cash reserves. During the last 15 years, the company has invested in RS School of Payments and RS Payments Innovation Lab, both of which have institutionalized our ability to respond quickly to the changing needs of our customers. This foundation has helped the company to successfully transition in the immediate past to deliver:

- Digital-first capabilities – API-first, Mobile-first, and Cloud-first
- Products and Platforms lead revenue model, combined with a core foundation in services

The company chose to elect a conservative approach where the investments have been written off in each fiscal year, building, in turn, an extensive portfolio of assets, the value of which is off the balance sheet. Importantly, the financial foundation continues to be good and strong.

- Public listed on India's NSE and BSE stock exchanges
- Positive net worth
- Cash reserves on the balance sheet
- Zero debt for the past 14 years
- Financial structure growth-friendly with favorable debt and equity expansion available

The Company is pursuing a three-fold growth strategy:

- Transition to Innovation and product-lead revenue
- Strategic partnerships to achieve revenue growth
- Major cost management initiatives to optimize its financial structure

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

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

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

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

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

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

Are there regulatory risks in your industry?

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

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

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

HR Highlights

What were some of the Employee focused key initiatives taken by the company?

RS Software has taken the following key initiatives towards greater employee focus:

- The organization moved from the work-from-home (WFH) that was adopted during Covid time to the hybrid model (partly WFH and partly from RS office). Leadership team and managers set the example by working form RS Towers almost every day, and they decided which personnel on their team needs to work from office on which days. At the same time, employee safety continued to be the top criteria while deciding the details of the hybrid mode. HR processes enhanced to ensure all elements of human touch while working in the hybrid model. All of this, together, has helped improve employee engagement, employee morale and overall productivity.
- The employee health insurance scheme was enhanced with added benefits, including Covid-19 coverage
- Tied-up with leading medical institutions to ensure convenience in vaccination for employees and their dependants
- Implemented additional risk management processes to ensure effectiveness in 100% availability of Infrastructure to support Delivery, Operations, and Innovation. Employees now have more direct access (in-person or remotely) to support functions/teams for faster better service levels and faster turnaround time.



How did you ensure communication with employees during FY22 when most employees were working from home?

The RS workforce operated primarily in a work-from-home model during FY 2021-22. During the first half of the fiscal, almost 95% of our workforce worked from home. As the Covid-19 situation improved and our employees got vaccinated, on an average, 20% of our Delivery organization and key Support personnel started working from RS Software office. Importantly, our leadership team started regularly working from office during the second half of FY 2021-22.

During the fiscal, we ensured employee communication using the following execution framework;

- We invested in an organization-level collaboration platform which all our employees adopted to engage with each other for all forms of communication – email, audio and video calls for 1:1 and team discussions. This had a very positive effect in terms of our teams' productivity and it also improved our engagement with clients. The collaboration platform also helped in bonding our employees far more effectively.
- During the first quarter, while most of the workforce worked from home, the executive management team, led by the CEO, had focused open-house sessions with the entire workforce, in smaller groups, through audio-video meetings using the company's collaboration platform. The employees were updated on the company's performance in the previous year, the strategy and business plan for the fiscal, and therefore the key business and employee related initiatives that we would execute during the fiscal. The objective was to ensure that the complete workforce fully understands the company's direction and plans, and everyone is aligned with it for an effective execution. The executive management's engagement with all employees was consistently maintained and executed 2-3 times each quarter to share updates on the company's performance and seek inputs and feedback from them for any improvements. This ensured that the employees were fully involved in taking the company to the next level.
- The operational leaders in our Innovation, Delivery and Support functions had weekly meetings with their teams to not only manage the business execution, but to also share progress updates of the company and seek their teams' inputs related to day-to-day operational aspects. Here again, the collaboration platform was widely used for open and seamless communication to ensure each team's effective execution on client-facing projects and internal organizational initiatives.
- The CEO and the executive management team had skip-level meetings to drive a culture of open communication and employee participation at all levels. This helped improve the people management for all leaders in the organization and the overall employee morale and satisfaction.

What are the key actions taken by HR during the FY22?

Since the industry experienced a challenging period during the Covid pandemic, which lasted for almost the whole of FY21, we at RS Software were determined to apply our learnings from that experience to our execution in FY22. In doing so, we implemented the following actions in FY22:

- Fiscal FY23 began with a shift from an almost 100% work-from-home at the beginning of the fiscal to a hybrid model by the end of Q2-FY22. As listed above, high degree of attention was given to hygiene safety, resetting the in-office work environment, and employee engagement, including improved employee communication.
- As the world was poised to bounce back and accelerate growth given the new, emerging opportunities in digital payments, we quickly enhanced our focus on the go-to-market and sales engine. We continued our focus with our Sales and Sales support teams through the sales war-room calls, we invested in a more modern and effective collaboration platform across the company, and increased our focus on creating new sales pipeline through superior outreach and coverage of the market, and improved offerings and collaterals.
- Given the changed market conditions for talent acquisition and retention, performance management across all levels, employee remuneration for annual salary increments in the case of existing employees, talent acquisition, and employee retention were the key focus areas in FY22. Through these key initiatives, we used this opportunity to restructure our project delivery teams for more effective delivery performance and an improved and more balanced cost structure across the Delivery and Innovation organization. It helped provide opportunities to existing and new talent to assume higher responsibilities and therefore develop a more 'hungry' workforce wanting to learn more and faster, and execute better to achieve the desired business results.
- We focused on employee engagement, with increased interaction between executive management and the employees. Executive management updated the workforce of the company's strategy and progress each month, which helped in retaining key talent and in motivating our workforce to contribute that much more towards the company's success. Many employees are also motivated to take up larger responsibilities and play a more significant role. It has helped the company in fulfilling key positions in our project delivery and business growth.

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

The following HR practices are helping the company significantly in achieving the transformational goals that we are pursuing:

- HR is enabling continuous employee engagement, across all leadership levels, through digital channels and tools, and also through in-person interactions and focused sessions.
- There is a special focus on training and building competencies that are directly aligned with the company's business plan. The competency building also takes into consideration the performance, strengths and capabilities of every individual, the existing team composition, and the employee's career growth aspirations. Highly knowledgeable and key leaders in the company are directly involved in driving this focused exercise, and the same is assessed each month for effectiveness and results.

- The performance management system has been refined to ensure better individual and team performances contributing to the company's business goals, and also ensuring retention of quality talent. We have taken judicious calls in deciding the accountability structure for each of the following key areas:
  - Organization and team goals - financial and non-Financial
  - Project delivery to clients – therefore, client delight
  - Innovation and product development
  - Self (employee) development
- Overall, we have established a people, process and performance oriented culture, that recognizes the strengths of our human capital and also the company's needs towards its business plans, and with a commitment to achieve a win-win result for the organization as a whole and every employee.

5. What are HR's plans/goals in FY23?

We have developed a healthy sales pipeline and we expect quality growth in FY23. To help achieve our business goals in FY23, we have laid down the following key plans for HR, which will be evaluated on a monthly basis against target KPIs and defined metrics:

- Talent acquisition: Taking into consideration the projected employee strength month-on-month, we plan to attract and hire a combination of experienced professionals and fresh graduates, dominantly with qualifications in computer science and engineering, across multiple roles in our Innovation/Products and Delivery organizations. The talent acquisition process, including channels and partners, evaluation methods, and onboarding and training have been customised in order to meet the target number for fulfilment and high quality performance.
- Talent management: Ensuring right hire and allocation for the right role, competency building, managing employee performance, talent mobility, HR practices and policies, and effective employee engagement, together will drive our end-to-end talent management.
- Induction program: We believe that starting right through a high quality, effective induction helps ensure better employee performance and morale. In view of this, we have enhanced our employee induction program keeping our fulfilment plan in mind, and therefore customised the agenda and its execution to be able to meet our FY23 goals. We are effectively leveraging RS School of Payments and our knowledge repository in this initiative.
- Employee morale and satisfaction: Our objective is to continue to develop a high quality workforce, that is fully engaged and actively participates in the company's pursuit of its strategic growth. For this, we believe employee morale is key, and therefore we have defined employee engagement on a continuous basis to be one of the key KPAs for HR and every member of the senior leadership team. Through this initiative, we are also targeting a higher retention of our talent, which will also yield better returns over the coming years.



Innovation at RS Software

What has been the primary focus during FY 2021-2022?

The innovation and competency building process is both strategic and key to achieving the company's transformation to the new enhanced strategy and its implementation. The FY22 has validated global interest in all our products that are MVP ready. The Company has focused on building expertise, products and solutions to address the growing demand for payments modernization globally. The focus areas for FY 2021-2022 chiefly centred around Products and the RS Payments Universe portal. Importantly new initiatives have been added to include work Hyper Scalability, Digital Ledger Technology, CBDC and Overlay Service Layer.

Products

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

RS IntelliEdge – Central™ implemented as an Enterprise Fraud Risk Management (EFRM) is already successfully running pan-India. During the year, EFRM has been implemented for all banks across digital payment channels like ATM, POS, ECOM, UPI, BHIM, IMPS, AEPS (Aadhaar) and for commerce focused channels such as NETC and BBPS with risk scoring of 4.4+ billion transactions per month.

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

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

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

RS Payments Universe

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

What are your future plans for FY23?

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

Quality & Benchmarking

What are the major achievements during FY22?

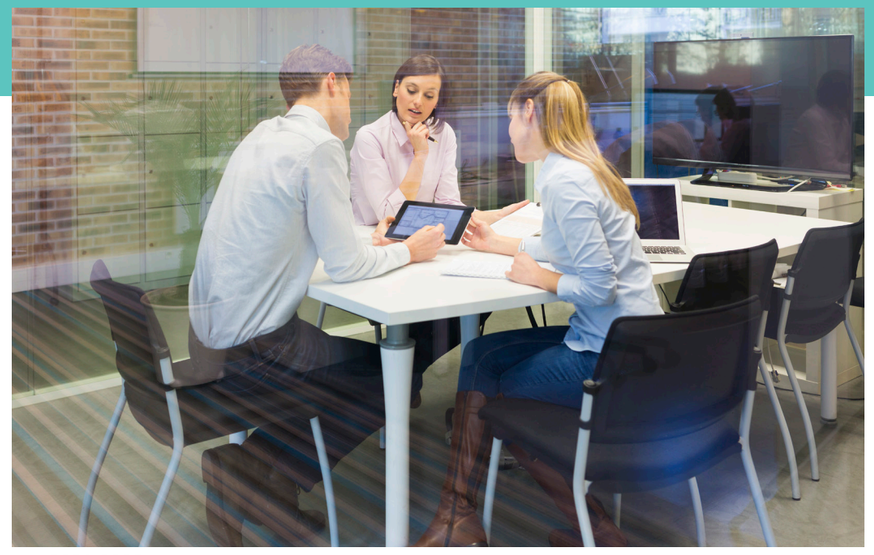
The Q&B process is strategic to the company since its inception, and the company has pursued global benchmarking all thru its existence, of its process architecture.

- Certification of ISO 27001:2013 and ISO 9001:2015
- 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 FY23?

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:

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





Marketing & Branding Initiatives

What are some of the marketing and branding initiatives taken by the company?

1. RS Software was a strategic partner at the IIT Kharagpur organized Global Entrepreneurial Summit, attended by 8K+ students from premier engineering colleges across India. Apart from getting a brand boost, we have also been able to tap talent through them and now many of them have also been offered to join the company.
2. Enhanced and revamped corporate website which serves as a strong marketing tool
   a. For the first time ever, there were ten business queries through the website post launch of new website in the first month itself.
   b. Highly profile visitors from companies like TCH,JP Morgan Chase & Co., Pricewaterhouse Coopers, Paypal, Charles Schwab & Co., Inc., Discover Financial Services, Truist, Amex, NPCI, ICICI Bank, Yes Bank, European Central Bank, Raymond James Financial, Inc. to name a few
   c. Focused extensive tracking of visitors from countries like Saudi Arabia, Italy, UK, and from companies like Wipro, Accenture, Infosys, Mastercard, SIA, Montran, Deloitte TCS to help identify RS understand what its competitors want to offer to prospects
   d. Focussed tracking of specific visits form Uganda and Riyadh because of regular business interactions with companies (Sybyl and Manam Infotech) within these locations
   e. The most sought-after areas were on national payments infrastructure and networks. RS Insights section depicting our thought leadership was another area which was in high demand
   f. Our products suite comprising real-time payments and risk and fraud solutions were also the areas where our visitors focused on
3. The company has been active on social media and made an impact significantly.
   a. On LinkedIn alone, our follower base has increased by 1,107% during the last 12 months
   b. Audience interaction on LinkedIn increased during the last 12 months – while the average Engagement Rate is at 4% (above the benchmarked figure), one of our posts on campus recruitment received an unbelievable Engagement Rate of 26%
   c. For the first time, an article titled "Digital Payments – the growth engine" authored by CMD Raj Jain was published on the company page witnessing a wonderful response
   d. Continuing with our list of firsts, job requirements were posted on LinkedIn resulting in a wonderful response – we have already received around 150 resumes
   e. To attract the young blood who are regular on Instagram, we have now made our presence felt on that platform too

Board of **Directors**



Raj Jain

Chairman & Managing Director

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

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

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



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.

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 Honours, Masters degree in English from Delhi University and an associate degree in Mass Communication.



Lakshmanan Narayan

Director

Lakshmanan (Lux) Narayan has joined the board of RS Software India Limited in 2020. He is the co-founder and CEO of WordsWorth.ai, focused on helping online presenters increase and monetize livestream engagement. In his last role, he was the co-founding CEO of Unmetric, a social media analytics company that was acquired by Cision. He is a serial entrepreneur and has significant expertise in the disciplines of marketing and product management. He is also the co-founder at ShareMyCake Charitable Foundation, a non-profit that was launched to raise a more 'giving' generation of kids. Lux is the author of an Amazon Bestseller, "Name, Place, Animal, Thing - An Inspiring Fable for Grown-Ups about Hope, Positivity, and Living your Best Life". His TED talk on "What I learned from 2,000 obituaries" has made him a well-known speaker. He holds an MBA from IIM Kolkata and a B.Tech. from IIT Madras.

Senior Executive **Profiles**



Raj Jain

Chairman & Managing Director

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Milind Kamat

Chief Operating Officer

Milind, as the Chief Operating Officer (COO), provides leadership to all the strategic initiatives and business operations of RS. As the executive leader of the organization, he is responsible for sponsoring the successful delivery of the strategic and operational milestones in the annual and long-term business plans of RS. His exemplary corporate track record, spanning almost three decades, has numerous success stories in delivering transformational growth to IT Services business and Payments platform business across international and domestic geographies. At RS Software, he champions the setting up of new growth engines to deliver top and bottom line growth for the company. Milind's multi-disciplinary leadership skill makes him an inspirational leader and motivates an entrepreneurial organisation like RS to plan and deliver its strategic vision – Payments at the speed of thought. He is similarly committed to deliver transformative payment solutions to RS Software's customers to facilitate their competitive advantages, and enable their market leadership in respective business verticals.

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

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



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

Senior Vice President

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



Aniruddha Rai Chaudhuri

General Manager - Business Operations

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

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



Sujit Shankar Banerjee

General Manager

Sujit S Banerjee brings with him more than 22 years of experience in Product development & Management, Solution Architecture, Software Solution Design, International Client Management and Enterprise Application Integration along with rich exposure to technical consultancy to high volume payment transaction solutions. Sujit has led the design & implementation of technical business solutions in line with business vision, process excellence; wide expertise in Payments, Acquiring Space, Middleware, and API Management Technologies serving different roles as engineer, project lead and project manager on large complex projects. At RS Software, he is instrumental in strengthening and extending our position as a leader in the payments space by developing products in the field of RTPS and acquiring and acceptance. Sujit holds a Commerce degree and post graduate diploma in software development.

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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 Fourth Annual General Meeting of the members of R. S. Software (India) Limited will be held on Friday, 12th August, 2022 at 11:30 AM. 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, 2022 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, 2022 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 appoint M/s Chaturvedi & Company (Registration No. 302137E) as the Statutory Auditor of the Company to hold office from the conclusion of this 34th Annual General Meeting till the conclusion of the 39th Annual General Meeting of the Company to be held in the year 2027 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. Chaturvedi & Company (Registration No. 302137E) be and are hereby appointed as the Statutory Auditors of the Company for the five consecutive financial years i.e. to hold the office from the conclusion of this 34th Annual General Meeting till the conclusion of the 39th 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 (a). **To Approve of the Company's Employees Stock Option Scheme 2022 (ESOP Scheme 2022) to employees of the Company and in this regard to consider and if thought fit, to pass, the following resolution as Special Resolution.**

"**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, enabling provisions of the Memorandum and Articles of Association of the Company and pursuant to the provisions contained in the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by the Securities and Exchange Board of India ("SEBI") (including any statutory amendment, modification or re-enactment of the Act, for the time being in force in all regulations) and further subject to such terms and conditions as may be prescribed while granting such approval(s) / consent(s) / permission(s) / sanction(s), and which may be agreed to and accepted by the Nomination and Remuneration Committee also designated as ESOP Compensation Committee ("the Committee") constituted by the Board, for the time being exercising the powers conferred on the Board by this Resolution), the consent of the members of the company, be and is hereby accorded, for the purpose of formulation, administration and superintendence of proposed "R S Software Employee Stock Option Plan-2022" (hereinafter termed as "ESOP Scheme 2022" or "ESOP Plan 2022") and to create, offer, issue and allot in one or more tranches under the said "Employee Stock Option Plan" at any time to or for the benefit of present and future employees of the Company as designated by the company, who is exclusively working in India or outside India and its director(s), whether whole time director or not, including a non-executive director who is not a promoter or member of the promoter group but excluding independent directors of the Company and any other individuals / entities as allowed under applicable rules, regulations, guidelines and laws (hereinafter referred to as "employees" or "said employees") for such number of stock options /equity shares and / or equity linked instruments including any other instruments or securities which could give rise to the issue of equity shares (hereinafter collectively referred to as "Securities") of the Company, not exceeding 20,00,000 (Twenty Lakhs) options in aggregate, at such price and on such terms and conditions as may be fixed or determined by the Committee/Board of Directors in accordance with the Guidelines or other applicable provisions of any law as may be prevailing at that time.

RESOLVED FURTHER THAT the said Securities may be granted/allotted directly to such employees/directors of the company in accordance with the ESOP Scheme 2022 framed.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the provisions.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, buy-back of shares, split or consolidation of shares etc. of the Company, the number of above mentioned options shall be appropriately adjusted.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to take necessary steps for listing of the Securities allotted upon exercise under the ESOP Scheme 2022, on the Stock Exchanges where the Company's shares are listed as per terms and conditions of the agreement entered into with Stock Exchange erstwhile the Listing Agreement and SEBI Listing Regulations, 2015 and other applicable guidelines, rules, and regulations.

RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company, to make and carry out any modifications, changes, variations, alterations or revisions in the terms and conditions of the ESOP Scheme or to the terms of Options granted and/or vested but not exercised, including modifications or changes to the quantum and price of such Options, from time to time, which are not detrimental to the interests of the Employees and the Company and are in accordance with applicable laws and regulations prevailing from time to time, as it may deem fit, necessary or desirable, without requiring the Board to secure any further consent(s) or approval(s) of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT for the purpose of bringing into effect and implementing the ESOP Scheme and generally for giving effect to this resolution, the Board be and is hereby authorized, on behalf of the Company, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose and with power to settle any issues, questions, difficulties or doubts that may arise in this regard."

4 (b). **To Approve of the Company's Employees Stock Option Scheme 2022 (ESOP Scheme 2022) to emplyees of the Subsidiary Companies working in India and abroad and in this regard to consider and if thought fit, to pass, the following resolution as Special Resolution.**

"**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act 2013, read with rules made thereunder, enabling provisions of the Memorandum and Articles of Association of the Company and pursuant to the provisions contained in the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by the Securities and Exchange Board of India ("SEBI") (including any statutory amendment, modification or re-enactment of the Act, for the time being in force in all regulations)and further subject to such terms and conditions as may be prescribed while granting such approval(s) / consent(s) / permission(s) /

sanction(s), and which may be agreed to and accepted by the Nomination and Remuneration Committee also designated as ESOP Compensation Committee (" the Committee") , the consent of the members, be and is hereby accorded for the purpose of formulation, administration and superintendence of proposed "R S Software Employee Stock Option Plan-2022" (hereinafter termed as "ESOP Scheme 2022" or "ESOP Plan 2022") and to create, offer, issue and allot in one or more tranches under the said "Employee Stock Option Plan 2022" at any time to or for the benefit of the present and / or future employees of all the subsidiary companies of the Company working in India or abroad and / or directors whether a whole time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director of the subsidiary companies of the Company in India or aboard and any other individuals / entities as allowed under applicable rules, regulations, guidelines and laws (hereinafter referred to as "employees" or "said employees") for such number of stock options /equity shares and / or equity linked instruments including any other instruments or securities which could give rise to the issue of equity shares (hereinafter collectively referred to as "Securities") of the Company, not exceeding the same overall ceiling of 20,00,000 (Twenty Lakhs) options in aggregate, as mentioned in the resolution passed for approval of R S Software Employee Stock Option Scheme 2022 of the Company, at such price and on such terms and conditions as may be fixed or determined by the Committee/ Board of Directors in accordance with the Guidelines or other applicable provisions of any law as may be prevailing at that time.

RESOLVED FURTHER THAT the said Securities may be granted/allotted directly to such employees/directors of the subsidiary companies in India and Abroad in accordance with the ESOP Scheme 2022 framed.

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the provisions.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, buy-back of shares, split or consolidation of shares etc. of the Company, the number of above mentioned options shall be appropriately adjusted.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to take necessary steps for listing of the Securities allotted upon exercise under the ESOP Scheme 2022, on the Stock Exchanges where the Company's shares are listed as per terms and conditions of the agreement entered into with Stock Exchange erstwhile the Listing Agreement and SEBI Listing Regulations, 2015 and other applicable guidelines, rules, and regulations.

RESOLVED FURTHER THAT the new Equity Shares to be issued and allotted by the Company in the manner aforesaid shall rank pari passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company, to make and carry out any modifications, changes, variations, alterations or revisions in the terms and conditions of the ESOP Scheme or to the terms of Options granted and/or vested but not exercised, including modifications or changes to the quantum and price of such Options, from time to time, which are not detrimental to the interests of the Employees and the Company and are in accordance with applicable laws and regulations prevailing from time to time, as it may deem fit, necessary or desirable, without requiring the Board to secure any further consent(s) or approval(s) of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT for the purpose of bringing into effect and implementing the ESOP Scheme and generally for giving effect to this resolution, the Board be and is hereby authorized, on behalf of the Company, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose and with power to settle any issues, questions, difficulties or doubts that may arise in this regard."

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
Date: 22/04/2022

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 , January 13, 2021 and 5th May, 2022 and Circular SEBI/ HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI (hereinafter collectively referred to as "the 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 6th August 2022 to 12th August 2022 (both days inclusive) for the purpose of Annual General Meeting for Financial Year 2021-22.

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

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

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

6. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition and relodged transfers of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/ CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, CB Management Services Private Limited ("CBMPL") for assistance in this regard.

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

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

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

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

      i. To register e-mail address, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN and AADHAR (self-attested scanned copy of both PAN card and Aadhar card)

      ii. To update bank account details, please send the following additional documents / information followed by the hard copies:

a. Name of the bank and branch address

b. Type of b ank account i.e., savings or current,

c. Bank account no. allotted after implementation of core banking solutions.

d. 9-digit MICR code no., and

e. 11-digit IFSC code

f. Original cancelled cheque bearing the name of the first shareholder, failing which a copy of the bank passbook / statement attested by a bank.

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

9. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2021-22 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.

10. If your e-mail address is not registered with the Depositories (if shares held in electronic form) / Company's Registrars and Share Transfer Agents (if shares held in physical form), you may register it before Friday, August 05, 2022, to receive the Notice of the AGM along with the Annual Report 2021-22.

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

12. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by March 31, 2023, and linking PAN with Aadhaar by March 31, 2022, vide its circular dated November 3, 2021, and December 15, 2021. Shareholders are requested to submit the physical copy of their PAN, KYC and nomination details to the Company's registrars M/s. CB Management Services Pvt. Ltd. The forms for updating the same are available at https://www.cbmsl.com and at https://www.rssoftware.com. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, our registrars are obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the registrar / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.

13. 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.

14. 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.

15. 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.

16. Members are requested to note that, dividends if not enchased 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.

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

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

VOTING THROUGH ELECTRONIC MEANS

1) In compliance with the provisions of Section 108 of the Companies Act, 2013 and the relevant rules of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated December 9,2020, Company is pleased to provide the Members facility of voting by electronic means in respect of business to be transacted at the 34th 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 5, 2022 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 Tuesday, August 9, 2022 at 9.00 a.m. and ends on Thursday, August 11, 2022 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 Tuesday, August 9, 2022 at 9.00 a.m. and ends on Thursday, August 11, 2022 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 5, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

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

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and circular no. 2/2022 dated 5th May, 2022. The forthcoming AGM will thus be held 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 and 5th May, 2022 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 EGM/AGM will be provided by CDSL.

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

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

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, April 13, 2020 and May 05, 2020 and 5th May, 2022, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.rssoftwatre.com. 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 and circular no. 2/2022 dated 5th May, 2022.

8. In continuation of this Ministry's circular no. 2/2022 dated 5th May, 2022 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2022, to conduct their AGMs on or before 31.12.2022, in accordance with the requirements provided in the General Circular.

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

Step 1 : Access through Depositories CDSL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

B. The voting period begins on Tuesday, August 9, 2022 at 9.00 a.m.and ends on Thursday, August 11, 2022 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 Friday, August 5, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

D. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

Step 1 : Access through Depositories CDSL e-Voting system in case of individual shareholders holding shares in demat mode

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

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

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no: 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

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

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

2) Click on "Shareholders" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

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

	For Physical shareholders and other than individual shareholders holding shares in Demat.
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 sent by Company/RTA or contact Company/RTA.
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.

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

H. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

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

K. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

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

M. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

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

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

P. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

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

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com 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 will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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 mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; goenkamohan@gmail.com and vijendras@rssoftware.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance at least **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

11. SINCE SOME BROWSERS ARE NOT OPTIMISED, SHAREHOLDERS ARE REQUESTED TO DOWNLOAD CISCO WEBEX MEETINGS APP FOR BEST RESULTS IN VIEWING THE WEBINAR. IT IS AVAILABLE IN GOOGLE PLAY STORE

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

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

2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon 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 1800 22 55 33.

a. The e-voting period commences on Tuesday, August 9, 2022 at 9.00 am.and ends on Thursday, August 11, 2022 at 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 5, 2022. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.

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
Date: 22/04/2022

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 34th Annual General Meeting of the Company to be held on August 12, 2022.

Item No. 4(a) and 4(b):

Stock options are an effective instrument to align interests of employees with those of the Company and provide an opportunity to employees to participate in the growth of the Company, besides creating long term wealth in their hands. This also helps the Company to attract, retain and motivate the best available talent in a competitive environment. The Board of Directors of the Company therefore wants to get the ESOP Scheme 2022 approved by the shareholders for a period of 3 years from 1 April, 2022. The Company can grant new stock options as per the provisions contained in the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (including any statutory amendment, modification or reenactment to the Act, for the time being in force). The Board, therefore, proposes to introduce, formulate and create the modified Employee Stock Option Scheme 2022 (ESOP Scheme 2022). Grant of stock options under ESOP Scheme 2022 shall be as per the terms and conditions as may be decided by Nomination and Remuneration Committee for the purpose of formulation, administration and superintendence of proposed "R S Software Employee Stock Option Plan-2022" (hereinafter termed as "ESOP Scheme 2022" or "ESOP Plan 2022") from time to time in accordance with the Applicable Laws. The salient features of the ESOP Scheme 2022 are as under:-

Particulars of ESOP Scheme as per Regulation 6 (2) of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

a) Brief description of the Scheme(s): ESOP is intended to reward the eligible employees of the Company, for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this scheme to retain talent in the organization as it views options as instruments that would enable the employees to share the value they create for the Company and align individual objectives of employees with the objectives of the Company in the years to come.

b) Total number of options to be granted: A total of 20,00,000 (Twenty Lac) Options would be available for grant to the eligible employees under the scheme. Number of options shall be adjusted due to any corporate action(s) such as rights issue, bonus issue, buy-back of shares, split or consolidation of shares etc. of the Company. Each option when exercised would give the option holder a right to get one fully paid equity share of the Company. Further, the options, which will lapse, expire or be forfeited, will be available for further grant to the eligible employees.

c) Identification of classes of employees entitled to participate and be beneficiaries in the ESOP Scheme (2022): The process for determining the eligibility of the employees will be specified by Nomination and Remuneration Committee and will be based on designation, period of service, band, performance linked parameters such as work performance and such other criteria as may be determined by the Nomination and Remuneration Committee at its sole discretion, from time to time. for the benefit of present and future employees of the Company as designated by the company, who is exclusively working in India or outside India and its director(s), whether whole time director or not including a non-executive director who is not a promoter or member of the promoter group but excluding independent directors of the Company and any other individuals / entities as allowed under applicable rules, regulations, guidelines and laws (hereinafter referred to as "employees" or "said employees") of the Company and its Subsidiary Companies located either in India or in abroad shall be eligible to participate in the ESOP Scheme 2022. The promoter, the person belonging to the promoter group or director, who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company, shall not be eligible to participate in the ESOP Scheme 2022.

d) Requirements of Vesting and period of Vesting: The options granted shall vest so long as an employee continues to be in the employment of the Company or Subsidiary company, as applicable. The Board may, at its discretion, lay down certain performance metrics on the achievement of which such options would vest, subject to the minimum vesting period of 1 (one) year and a staggered vesting period of 4 (four) years from the date of grant of the options. 25% of the total option granted to an employee will become vested after each year. Options shall vest essentially based on continuation of the employment of the Employee. Provided however, the Board may prescribe parameters for achievement of any performance condition(s) for vesting.

e) Maximum period within which the options shall be vested: The Employee Stock Options granted under ESOP shall vest in a minimum period of one year and a staggered vesting period of 4 (four) years from the date of grant of the options. 25% of the options granted to an employee will become vested after each year.

f) Exercise Price or pricing formula: Exercise price will be equal to the market price of RS shares every year or alternately a price recommended by the evaluation committee, and approved thereafter by the compensation committee. For the purpose of this clause the market price will be determined as per the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and relevant circulars and Guidelines.

g) Exercise Period and process of exercise: The exercise period will be commenced from the date as to be declared by the HR Department of the Company after vesting of such options each year and there will be a minimum vesting period of one year from the date of grant of such options.

h) Appraisal process for determining the eligibility of employees: The appraisal process for determining the eligibility of the employees will be decided by the Board from time to time.

i) Maximum No. of Options to be granted per employee : The maximum number of options that may be granted in any Financial Year to any specific Employee under the ESOP shall not be equal to or exceed 1% of the total issued capital of the company at the time of grant.

j) Maximum Quantum of benefits to be provided per employee: The Maximum quantum of benefits underlying the options issued to an eligible employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of Exercise of options.

k) Route of Scheme implementation: The Scheme would be implemented through the Company.

l) Source of Shares: The Scheme involves new issue of shares by the Company only.

m) The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.; - Not applicable

n) Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s); - Not applicable

o) Method of Valuation: To calculate the employee compensation cost, the Company shall use the Intrinsic Value method for valuation of the options granted.

p) Accounting and Disclosure Policies: The Company shall comply with the disclosures, the accounting policies and other requirements as may be prescribed under the ESOP Regulations and other Applicable Laws from time to time. The Nomination and Remuneration Committee shall have all the powers to take necessary decisions for effective implementation of the ESOP Scheme (2022). In terms of the provisions of the ESOP Regulations, ESOP Scheme (2022) is required to be approved by the members by passing of special resolution.

q) In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that should have been recognized if it had used the fair value, and the impact of this difference on the profits and EPS of the company and these should also be disclosed in the directors report ESOP Regulations also require separate approval of members by way of Special Resolution to grant stock options to the employees of holding and/or Subsidiary Companies. Accordingly, a separate resolution under Item No. 4(a) and 4(b) is proposed to extend the benefits of ESOP Scheme (2022) to the employees of the Company and Subsidiary Companies as may be decided by the Nomination and Remuneration Committee from time to time under Applicable Laws.

r) Period of lock-in: ESOP Options granted to the Employees and Directors shall be locked in for the period of one year from the date of grant of the options.

s) Terms & conditions for buyback, if any, of specified securities covered under these regulations: Not applicable.

A copy of the draft ESOP Scheme will be available for inspection on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. at the Registered office of the Company.

None of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution(s) except to the extent of the stock options that may be granted to them under ESOP Scheme 2022.

The Board recommends passing of the resolution(s) as set out under Item No. 4(a) and 4(b) for approval of the members as 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
Date: 22/04/2022

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

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

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

Name	**Mr. Rajnit Rai Jain**
DIN	00122942
Date of Birth	10th September, 1956
Date of appointment	2nd December, 1987
Terms and Conditions of Appointment	As per Letter of Appointment
Qualification and Expertise in specific functional areas	Mr. Jain has over 32 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 the director	He has drawn INR 59.32 lacs in the financial year 2021-22.
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	10,090,288 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
Date: 22/04/2022

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

DIRECTORS' REPORT 21-22

Dear Members,

Your Directors have immense pleasure in presenting the Thirty Fourth Annual Report together with the Audited Statement of Accounts, highlighting the business operations and financial results for the Financial Year ended March 31, 2022.

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

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

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

(Rupees in Lacs)

Particulars	**2021-22**	**2020-21**
Total Revenue	3206.81	3715.09
Profit before Finance Charges, Tax, Depreciation/Amortization (PBITDA)	(442.73)	(1039.49)
Less: Finance Charges	0.05	27
Profit before Depreciation/Amortization (PBTDA)	(442.68)	(1066.49)
Less: Depreciation	318.67	380.91
Profit before Taxation (PBT)	(761.35)	(1447.40)
Profit/(Loss) after Taxation (PAT) from Continuing operation	(1246.69)	(1446.18)

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

(Rupees in Lacs)

Particulars	**2021-22**	**2020-21**
Total Revenue	3231.43	3726.42
Profit before Finance charges, Tax, Depreciation/Amortization (PBITDA)	(1628.12)	(1607.17)
Less: Finance Charges	0.05	27.00
Profit before Depreciation/Amortization (PBTDA)	(1628.07)	(1634.17)
Less: Depreciation	420.12	483.28
Profit before Taxation (PBT)	(1207.95)	(2117.45)
Profit/(Loss) after Taxation (PAT)	(1645.16)	(1995.88)

2. STATE OF COMPANY'S AFFAIRS

The company continues to be on a sound financial foundation. The stand alone performance continues to improve significantly, with operating losses improving by a whopping 60% during the fiscal year 21-22.While the subsidiary Paypermint continues to contribute towards the losses at consolidated level, it may be noted that the losses here are infact an investment , translating in to an asset that has marketable value, which is significant. The company is committed to pursue cashflow focus strategy, as the growth strategy continues to get execute, and the leadership team is focused on keeping a fine balance between the two.

- **Margins analysis**

The standalone net revenue for the financial year 2021-22 stood at Rs 3206.81 Lacs as compared to the previous financial year, which was Rs. 3715.09 Lacs. The dominant part of the reduction in revenue is attributable to the Staff Aug Business of the Company which is neither strategic to the core business, and neither has it been contributing to the margins. On a standalone basis, the Company's Standalone profit/(loss) before tax stood at Rs. (761.35) Lacs in the financial year 2021-22, vis-à-vis Rs.

(1447.40) Lacs in the previous year. The Margins of the company has improved with the emphasis on product lead revenue and Strategic cost management initiatives, as reflect in the financial results of the company.

The company's progress is slow but steady on 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 5 years. The investments made have been written off as expenses in respective fiscal years and the valuation today of these products and platform does not appear in the balance sheet, standalone or consolidated. The company is pursuing its growth strategy in payments modernization, which is all about digital payments, and it's a multi-decade long opportunity.The covid-19 pandemic has accelerated the need for digital.

On a consolidated basis, the Company's profit/ (loss) before tax stood at Rs. (1207.95) Lacs in the financial year 2021-22, vis-à-vis Rs. (2117.45) Lacs in the previous year, operating loss reduced by almost half. The consolidated net revenue for the financial year 2021-22 decreased to Rs3231.43lacs as compared to the net consolidated net revenue for the last financial year which was Rs. 3726.42Lacs. The dominant part of the reduction in revenue is attributable to the Staff Aug Business of the Company which is neither strategic to the core business, and neither has t it been contributing to the margins.

- **Reserves**

  The total standalone capital employed decreased from Rs. 6075.79 Lacs in 2020-21 to Rs. 4799.13 Lacs in 2021-22.

- **Economic Scenario, outlook and strategy**

  We are closer to a fully digital payment landscape than we've ever been before, online payments have been scaling steadily over the past 5 – 10 years and the natural evolution of online payments to augmented payments is already happening before our very eyes. Towards the end of 2021 came a resurgence of interest in the metaverse, opening a door on the subject to many more people. First, Facebook rebranded to Meta, and shifted focus from social media to a new platform—the meta universe (or metaverse for short). Within a few weeks, both Microsoft and Nvidia updated analysts on their own metaverse ambitions. And, soon after, The Economist magazine announced to its global readership that "something metaverse-shaped lying in the relatively near future is an idea worth taking seriously."

  The metaverse represents a strategic inflection point for today's financial institutions. Its arrival accentuates and accelerates three big trends that were already in play. Financial institutions need to address these trends to enable future success – both within the metaverse itself and across the wider world of digital commerce. According to Mckinsey the metaverse is still being defined, both literally and figuratively. Yet its potential to unleash the next wave of digital disruption seems increasingly clear, with real-life benefits already emerging for early adopting users and companies.

  Payments are the lifeblood of today's global economy. Issuers, networks, payments processors, and merchant acquirers are investing heavily to retool their payments systems, capitalizing on several advances in technology to better align with customer preferences and sector-specific business requirements. In this article we examine recent trends in payments technology modernization, and four emergent technologies that are now—or about to—spark a wave of innovation. Disruption and innovation in payments technology, of course, is ongoing. Real-time payments, already commonplace in many geographies, are gaining ground.

  The first section of this annual report has details included on the various aspects of the payments industry which impact our company and are creating the medium to long term growth opportunities. We have also detailed our growth strategy as a result of these opportunities.

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

- **COVID-19 pandemic**

In view of COVID-19, Financial assistance has been received by the company from US government to help with the impact of the Covid-19, and strengthen the company's cashflows, a business loan of ≈ $1 Million was received at a nominal interest rate of 1% during FY21 -22, and now the company has received a waiver of $559432 aggregating to Rs.408 Lacs during the year which has been reflected in the accounts of the company.

3. TRANSFER TO RESERVES

The Directors do not propose to transfer any amount to the General Reserves. However, it has transferred an amount of 29.97 lacs to the Inter Brach Fluctuation Reserve and 109.96 lacs to the other items of other comprehensive income during the period.

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 recommend any dividend for the Financial Year ended 2021-22.

7. DETAILS OF BOARD MEETING

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

Date of the meeting	No. of Directors attended the meeting
19.05.2021	6
09.08.2021	5
07.09.2021	5
08.11.2021	6
02.02.2022	6

The maximum time gap between any two consecutive meetings did not exceed 120 (One Hundred Twenty) days. In view of the Covid-19 pandemic all these Board meeting held in Video conferencing / other audio-visual mode as allowed under MCA circular No. 20/2020 dated 13thJanuary, 2021 and SEBI/HO/DDHS/DDHS/CIR/P/2021/21 February 26, 2021.

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. Rajasekar Ramaraj(Chairman)	00090279	Non- Executive & Independent Director
2.	Mr. Shital Kumar Jain	00047474	Non Executive & Independent Director
3.	Mr. Rajnit Rai Jain	00122942	Executive Director
4.	Mr. Richard Nicholas Launder	03375772	Non- Executive & Independent Director

The Company Secretary of your Company acts as the Secretary to the Audit Committee. The terms of reference of the Audit Committee have been provided in the Corporate Governance Report forming part of this Report. During the Financial Year, the committee had met Four times as on May 19th 2021, August 9th, 2021, November 8th, 2021, and February2nd, 2022.

Recommendation by audit committee:

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

Vigil Mechanism/Whistle blower Mechanism

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

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

The Company's Whistle Blower Policy is available on the company's website www.rssoftware.com 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. Richard Nicholas Launder (Chairman)	03375772	Non-Executive & Independent Director
2.	Mr. Rajasekar Ramaraj	00090279	Non –Executive & Independent Director
3.	Mr. Rajnit Rai Jain	00122942	Executive Director
4.	Mr. Shital Kumar Jain	00047474	Non- Executive & Independent Director

The Board of Directors of your Company has constituted a Nomination and Remuneration Committeein 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 Four times as on May 19th 2021, August 9th, 2021, November 8th, 2021, and February 2nd, 2022.

c. **Stakeholders Relationship Committee**

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

The terms of reference of the Committee have been provided in the Governance Report forming part of this Report. During the financial year, the Committee met Four times as on May 19th 2021, August 9th, 2021, November 8th, 2021, and February 2nd, 2022.

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

Keeping in view, the losses incurred during the year including previous year(s), the provisions of spending money towards CSR expenditure under section 135 of the Companies Act, 2013 is not applicable to the company during the period, therefore no meetings were held during the financial year 2021-2022.

e. Executive committee

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

During the financial year, the Committee met Four times as on May 18th 2021, August 9th, 2021, November 8th, 2021, and February 2nd, 2022.

9. EMPLOYEE STOCK OPTION SCHEME

ESOP Scheme

The Company's erlier ESOP Scheme 2019 has expired on 31 March, 2022 and none of the emplyess were awarded any options in the financial year 2021-22. Your directors have recommended Shareholders approval in the ensuing Annual General Meeting for the Company's new Employees Stock Option Scheme 2022 effective from 1st April, 2022 for a further period of 3 years. The Nomination and Remuneration Committee also designated as ESOP Compensation Committee, is empowered to formulate detailed terms and conditions of the Company's new ESOP Scheme 2022, administer, and supervise the same. 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.

Company's Employees Stock Option Scheme 2022 is in compliance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The disclosure required to be made under Regulation 14 of the said Regulations is available on the Company's website at www.rssoftware.com

10. TRANSFER OF UNPAID AND UNCLAIMED DIVIDEND AMOUNTS TO IEPF

Pursuant to the provisions of Section 124 of the Act, the dividend amounts which have remained unpaid or unclaimed for a period of seven years from the date of declaration have been transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government pursuant to Section 125 of the Act. The details of unpaid / unclaimed dividend that will be transferred to IEPF in subsequent years are given in the Corporate Governance Report. Further, according to the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), the shares in respect of which the dividend has not been claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. Accordingly, the Company will transfer the corresponding shares for which the unpaid and unclaimed dividend has been transferred, as per the requirements of the IEPF Rules. The details of such shares are available on the website of the Company at https://www.rssoftware.com/investors.

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

11. DISCLOSURE RELATING TO MATERIAL VARIATIONS

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

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

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

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

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

14. RISK MANGEMENT POLICY

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

15. INTERNAL CONTROL SYSTEMS

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

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

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

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

16. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

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

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

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

During the year, there were no changes in the subsidiary company. Currently the company has two subsidiaries namely Responsive Solutions, Inc. and Paypermint Private Limited. Further, the Company has no Joint Venture and Associate during the financial year ended 31st March, 2022.

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) retires as Auditor of your Company. M/s. Chaturvedi & Company (Registration No. 302137E) are being appointed as the Auditors of the Company in place of the retiring Auditors to hold office from the conclusion of this 34th Annual General Meeting for a term of consecutive five years till conclusion of the 39th Annual General Meeting subject to approval by the shareholders at ensuing Annual General Meeting.

The retiring Statutory M/s Deoki Bijay & Co., Chartered Accountants (Registration No. 313105E) has submitted an un-qualified Audit Report for the financial year 2021-22 and no frauds were detected by the Auditor during the financial year.

20. SECRETARIAL AUDIT REPORT

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

The Secretarial Auditors' Report, in the prescribed format, for the year ended March 31, 2022 is annexed to this Directors' Report as Annexure B and forms part of the Annual Report.

The remarks in the Secretarial Audit Report for the financial year ended March 31, 2022, is self-explanatory. The Report of the Secretarial Audit is annexed herewith as "**Annexure B**" to the Directors Report.

The Secretarial Auditor's certificate on the implementation of share-based schemes in accordance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be made available at the AGM, electronically.

21. COST RECORDS AND AUDIT

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

22. EXTRACT OF THE ANNUAL RETURN

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

23. MANAGEMENT DISCUSSION AND ANALYSIS

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

24. PARTICULARS OF EMPLOYEES AND MANAGERIAL REMUNERATION

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

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

25. CORPORATE SOCIAL RESPONSIBILITY

The concept of Corporate Social Responsibility has gained prominence from all avenues. Organizations have realized that Government alone will not be able to get success in its endeavour to uplift the downtrodden of Society. With the rapidly changing corporate environment, more functional autonomy, operational freedom etc. our company has adopted CSR as a strategic tool for sustainable growth. Pursuant to Section 135 of the Companies Act, 2013 read with Schedule VII and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company has in place a Corporate Social Responsibility (CSR) Policy. The CSR policy is uploaded on Company's website i.e. on https://www.rssoftware.com/investors. However, due to loss in the last three financial years the company is not required to spend money for CSR activity. Therefore, the Report on CSR Activities/ Initiatives along with other relevant disclosures is not applicable to the company since no CSR activity took place during the financial year 2021-2022.

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 D**".

27. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Rajnit Rai Jain, 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.

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.

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.

During the year, change in designation of Mr. Laxmanan Narayan took place. He was regularised as a Director of the company w.e.f. 10th August, 2021.

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

The following directors/executives of your Company are whole-time Key Managerial Personnel (KMPs) as on March 31, 2022, in accordance with the provisions of Section 203 of the Companies Act, 2013

Mr. Rajnit Rai Jain - Chairman & Managing Director

Mr. Vijendra Surana – Chief Financial Officer and Company Secretary.

28. REMUNERATION POLICY

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

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

29. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the notes of the Financial Statements for the year ended 31st March, 2022 and form a part of this Annual Report.

30. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

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

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

31. ANNUAL EVALUATION OF BOARD'S PERFORMANCE

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

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

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

32. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS (IDs)

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

In addition to the above, the Board of Directors are continuously encouraged to participate in various external training sessions to ensure that the Board members are kept up to date. The details are uploaded on the website of the company www.rssoftware.com.

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 E",** together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, 2015.

35. POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT

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

36. DIRECTORS' RESPONSIBILITY STATEMENT

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

(i) In the preparation of the annual accounts for the financial year ended 31st March 2022, 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 havetaken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) They have prepared the annual accounts for the financial year ended 31st March, 2022 on a going concern basis;

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

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

37. INSOLVENCY AND BANKRUPTCY CODE, 2016

There were no applications made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year.

38. ONE TIME SETTLEMENT

There were no one time settlement made during the year, therefore the disclosures of the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions is not applicable.

39. 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 under section 118(10) of the act.

40. 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 group 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: New Delhi
Date:22.04.2022

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, 2021 to March 31, 2022
5.	**Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries**	75.90
6.	**Share capital**	US$ 4,99,995
7.	**Retained earnings**	US$ 395,187
8.	**Total assets**	US$ 903,388
9.	**Total Liabilities**	US$ 903,388
10.	**Investments**	0
11.	**Turnover**	0
12.	**Profit/Loss before taxation**	US$ (34,078)
13.	**Provision for taxation**	0
14.	**Profit/Loss after taxation**	US$ (34,078)
15.	**Proposed Dividend**	0
16.	**Extent of shareholding**	100%

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

1.	**Sl. No**	2
2.	**Name of the subsidiary**	Paypermint Private Limited
3.	**The date since when subsidiary was acquired**	24th August, 2016
4.	**Reporting period for the subsidiary concerned**	April 1, 2021 to March 31, 2022
5.	**Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries**	Not Applicable
6.	**Share capital**	Rs.1015 lacs
7.	**Reserves & surplus**	Rs.(633.51) lacs
8.	**Total assets**	Rs. 457.05 lacs

9.	**Total Liabilities**	Rs. 457.05 lacs
10.	**Investments**	-
11.	**Turnover**	Rs.1.13 lacs
12.	**Profit/Loss before taxation**	Rs.(336.14)lacs
13.	**Provision for taxation**	NIL
14.	**Profit/Loss after taxation**	Rs. (336.14) lacs
15.	**Proposed Dividend**	0
16.	**Extent of shareholding**	80.30%

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

PART "B": ASSOCIATES AND JOINT VENTURES

The Company does not have any Associate or Joint Venture during the Financial Year 2021-22.

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. 55117	**M N0. 11559**	**DIN: 00090279**	**DIN: 00122942**

Place: **New Delhi**

Date:**22/04/2022**

ANNEXURE 'B'

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion and to the best of our understanding, the company has, during the audit period covering the Financial Year ended on 31st March, 2022 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 2022 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 read with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as applicable;

We 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 as amended by the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as applicable;

(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, 2009 read with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

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

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

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

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

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

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

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

We further report that,

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors, that took place during the period under review were carried out in compliance 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 generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

None of the Directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, as stated by the management, due to the spread of COVID-19 pandemic, compliances had been made considering the various relaxations granted, from time to time, by the Securities and Exchange Board of India and the Ministry of Corporate Affairs and other Regulatory authorities, as applicable except certain delays in disclosure made under Regulation 39(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for loss of share certificate intimated on 13.09.2021 and the Annual Return on Foreign Liabilities and Assets (FLA return) under FEMA 1999 for the financial year 2020-21 submitted on 07.09.2021.

We further report that during the period under review, the Company had paid penalty of Rs. 10,38,400/- under Reg. 17(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to National Stock Exchange Limited.

We further report that during the audit period the Company had obtained approval of shareholders by way of Special Resolution vide Postal Ballot notice dated 9th August, 2021 for:

i) approval for giving loan or guarantee or providing security in connection with loan availed by any of the company's subsidiary (ies) or any other person specified under section 185 of the Companies Act, 2013 upto a sum not exceeding Rs. 60,00,00,000 only.

ii) to make investments, give loans, guarantees and provide securities under section 186 of the Companies Act, 2013 upto a sum not exceeding Rs. 40,00,00,000, Rs. 10,00,00,000 and Rs. 10,00,00,000 respectively.

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

For MR & Associates
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 720/2020

Place : Kolkata
Date : 22.04.2022

[CS Sneha Khaitan]
Partner
ACS No.: A34458
C P No.:14929
UDIN: A034458D000184168

"ANNEXURE – A" TO THE SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022)

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. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.

7. 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.

8. We have conducted our Audit remotely, based on the records and information made available to us through electronic platform by the Company.

For MR & Associates
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 720/2020

Place : Kolkata
Date : 22.04.2022

[CS Sneha Khaitan]
Partner
ACS No.: A34458
C P No.:14929
UDIN: A034458D000184168

Annexure 'C'

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 2021-22 is as follows:

Sl.No.	Name of the Directors	Remuneration (Rs. In lacs)	Median Remuneration of Employees (Rs. In Lacs)	Ratio
1.	RAJNIT RAI JAIN	59.32	7.13	8.32:1

ii. The percentage increase in remuneration of each Director, Chief Financial Officer & Company Secretary in the financial year 2021-22:

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	59.33	59.32	(0.02)
2	MR. VIJENDRA KUMAR SURANA	CFO & COMPANY SECRETARY	78.91	85.44	8.28

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

Median remuneration of previous year (Rs. In lacs)	Median remuneration of current year (Rs. In lacs)	% Increase
10.02	7.13	(28.84)

iv. The number of permanent employees on the rolls of company as on 31.03.2022 is 91.

v. Average percentiles increased in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Sl. No.	Particulars	Average % increase/ (decrease)
1	Increase/ (decrease) in salary of KMP	4.13
2	Increase/ (decrease) in salary of employee (other than KMP)	(4.10)

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

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

Name	Design-ation	Remuneration Received (INR Lacs)	Qualifi-cation	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
Mr. Milind Kamat	COO	141.80	M.Sc.	32	56	25-Jan-19	Ingenico	-
Mr. Vijendra Kumar Surana	CFO & CS	85.44	MBA, FCA, ACS, AICMA	27	50	02-Nov-07	Visa International	-
Mr. Sumit Misra	Associate VP	62.10	M.E.	30	55	21-Apr-08	Praxis Softek Solutions	-
Mr. Rajnit Rai Jain	Chairman & MD	59.32	B.S., MBA	34	65	02-Dec-87	-	39.25
Mr. Aniruddha Rai Chaudhuri	General Manager	49.23	B.Sc, PGCACS	28	50	03-May-99	Globsyn Technologies	-
Mr. Pranjal Chakraborti	General Manager	44.35	B.Tech, MBA	25	49	03-May-18	Indepay Network Pvt Ltd.	-
Mr. Abhishek Seal	Manager	35.11	B.E	18	40	19-Jul-19	Indepay Network Pvt Ltd.	-
Mrs. Manisha Choudhury	General Manager	33.71	B.E	32	54	10-Jun-21	Siemens	-
Mr. Lab Bhattacharya	Technical Consultant	32.84	B.E	18	40	03-Jul-17	Orga Systems	-
Mr. Dipak Adhikari	Assistant Technical Consultant	28.88	MCA	17	42	10-Sep-12	Times Internet Limited	-

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

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

Place: New Delhi
Date: 22/04/2022

ANNEXURE "D" 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 systems, lighting, and utilities in the work premises. All possible measures have been taken to conserve energy.

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

B. Technology Absorption : The details are given below:

(α) **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 that was done last year in UPI (Unified Payments Interface) moved into production. Analogous technology would be required to scale up companion platforms like Bill Payments and Fraud and Risk Management and research was done for that.

Major research was undertaken to enable the product components to be cloud compatible so that moving the platform into cloud technology becomes possible.

Research was also conducted in Artificial Intelligence and Machine Learning in order to improve the efficiency of the fraud and risk management engine RS operates for the nation on behalf of our customer.

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

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

2. Future plan of action : Continue technology exploration on Payment Modernization which comprises of Faster Payments, both domestic and cross-border, API-zation of Platform, Transformation of SWIFT messages from MT to MX, adoption of ISO 20022, Fraud and Risk Management, Artificial Intelligence and Machine Learning, Digital Commerce, 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; docker-ization, 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.

(β) **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 use it for replacing the Redis in-memory processing so that architecture becomes cloud compatible. AI/ML model refresh strategy was altered to increase fraud detection ratio and decrease false positive ratio.

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

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

1. Initiatives like increasing exports, Development of new export markets etc. : Nil

to earnings in foreign currency.

2. Earning in Foreign Currency (Export Services) (INR in Lacs) : 1134.77

3. Foreign Branch Expenditure in Foreign Currency (INR in Lacs) : 1752.63

For and on behalf of the Board of Directors

Sd/-

Rajnit Rai Jain

Chairman & Managing Director

(DIN: 00122942)

Place: New Delhi

Date: April 22, 2022

ANNEXURE "E" TO DIRECTORS' REPORT

CORPORATE GOVERNANCE AND DISCLOSURES

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

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

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

A. MANDATORY DISCLOSURES

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Corporate Governance philosophy of the Company is as follows:

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

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

2. THE BOARD OF DIRECTORS

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

BOARD SIZE AND COMPOSITION

The Board of Directors ("Board") of the Company has an optimum combination of Executive and Non-Executive Directors with a Woman Director and Independent Directors, and not less than Fifty percent of the Board of Directors comprising Non-Executive Directors who have in-depth knowledge of the business. Your Company has 6 (Six) Directors consisting of 1 (One) Promoter Directors which is an Executive Director who is designated as Chairman & Managing Director, 1(One) Women Director who is Non-Executive Non-Independent Director and four Non-Executive Independent Directors. During the fiscal year the Board met on 5 (Five) times on May 19, 2021, August 9, 2021, September 7, 2021, November 8, 2021 and February 2, 2022 and as per the statutory requirements. During the year, all meetings held through Video Conference.

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

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

The Composition of the Board of Directors as on March 31, 2022 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, 2022 are as under:

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

Mr. Lakshmanan Narayan (holding DIN: 01582059) has been regularized by the approval of shareholders on AGM dated 10th August, 2021 from additional director to Director of the company. Mr. Rajnit Rai Jain is presently liable to retirement by rotation, 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 fulfills the condition specified in SEBI Listing regulations and are independent of the management.

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

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

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

Name of the Directors	Attendance Particulars				Number of other Directorship, Committee Membership and Chairmanship			No. of shares and convertible instruments held *	Relationship with other Directors
	Board Meetings		Category	Last AGM	Other Directorship @	Committee Membership #	Committee Chairmanship #		
	Held	Attended							
Mr. Ranjit Rai Jain	5	5	Executive Director (Chairman & Managing Director)	Yes	-	2	-	10090288 Equity Shares	Husband of Mrs. Sarita Jain
Mr. Shital Kumar Jain	5	5	Non-Executive & Independent Director	Yes	1	1	1	Nil	-
Mrs. Sarita Jain	5	4	Non-Executive & Non - Independent Director	No	-	-	-	3,66,544 Equity Shares	Wife of Mr. Ranjit Rai Jain
Mr. Rajasekar Ramaraj	5	5	Non-Executive & Independent Director	Yes	3	1	1	3,24,000 Equity Shares	-
Mr. Richard Nicholas Launder	5	5	Non-Executive & Independent Director	No	-	1	-	48,400 Equity Shares	-
Mr. Lakshmanan Narayan	5	4	Non-Executive & Independent Director	Yes	-	-	-	-	-

@ 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 31.03.2022.*

Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board meetings in F.Y. 21-2022 were held through Video Conferencing.

In compliance with Regulation 36(3) of the Listing Regulations read with the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the required information about the Directors proposed to be appointed / re-appointed has been provided in the Notice convening the 34th Annual General Meeting.

INDEPENDENT DIRECTOR (ID)

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.

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 has resigned before the expiry of his/her tenure during the period under review.

MEETING OF INDEPENDENT DIRECTOR (ID)

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 of the company met virtually on 22nd February, 2022 complying with the provisions of the same.

FAMILIARIZATIONS PROGRAMME FOR INDEPENDENT DIRECTORS

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

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	✔	✔	✔	✔	✔	✔	✔
Mr. Lakshmanan Narayan	✔	✔	✔	✔	✔	✔	✔

CODE OF CONDUCT

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

The Company's Code of Conduct is available on the company's website www.rssoftware.com. 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 Cconduct for financial year 2021-22.

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 including the Chairman of the committee and 1(one) Executive Director.

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

Name of Members	Category	Attendance at Audit Committee Meetings	
		Held	Attended
Mr. Rajasekhar Ramaraj (Chairman of the Audit Committee)	Non –Executive & Independent Director	4	4
Mr. Richard Nicholas Launder	Non –Executive & Independent Director	4	3
Mr. Shital Kumar Jain	Non- Executive & Independent Director	4	4
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 through Video Conferencing during the year 2021-22 on May 19th, 2021, August 9th, 2021, November 8th, 2021, and February 2nd, 2022 and the necessary quorum was present in all the meeting as required under SEBI Listing Regulations, 2015. The maximum time gap between two consecutive meetings did not exceed 120 (One Hundred Twenty) days. The representatives of the Statutory Auditors are permanent invitees to the Audit Committee Meetings. During the year, all meetings held through Video Conference.

TERMS OF REFERENCE:

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

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

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation to the Board for appointment, re-appointment, remuneration, terms of appointment of Auditor and if required the replacement or removal of Auditors of the Company.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing and monitor the auditor's independence and performance, and effectiveness of audit process.
- Reviewing with management, performance of Statutory & Internal Auditor, adequacy of Internal Control System, scope of audit and note the observation of Auditors.
- Examination & review of the Annual financial statement, auditors' report with management before submission to board with particular reference to:
  - Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Modified opinion in the draft audit report.
- Review, approve or any subsequent modification of transactions of the company with related parties and to grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis subject to the approval of the Board.
- Reviewing with management quarterly, half yearly financial statement before submission to the board for approval;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the management, the statement of uses /application of funds raised through an issue & other related matter and make appropriate recommendations to the Board to take up steps in this matter.
- Discussion with Statutory Auditor before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- The review the functioning of Vigil Mechanism /Whistle Blower Policy adopted for Directors & employees of the company to report their genuine concerns and shall have direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.
- Scrutiny of Inter corporate Loans & Investments.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and

frequency of internal audit.

- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- Approval or any subsequent modification of transactions of the listed entity with related parties;
- Approval of appointment/ removal including terms of remuneration of Chief Financial Officer. (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

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

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

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

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

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

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

Particulars	Fees (Amount in Rs.)
Audit Fees	2,50,000.00
Consolidation Fees	40,000.00
Limited Review Fees	90,000,00
Tax Audit Fees	60,000.00
Total	**4,40,000.00**

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. Shital Kumar Jain (Non- Executive & Independent Director) who is the Chairman of the Committee and Mr. Rajnit Rai 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	4
Mr. Rajnit Rai Jain	Executive Director	4	4
Mr. Rajasekhar Ramaraj	Non-Executive Director & Independent Director	4	3

Meetings:

During the year 2021-22 the Committee met 4 (Four) times on May 19th 2021, August 9th, 2021, November 8th, 2021, and February 2nd, 2022 through Video Conference. The Committee has been formed to undertake following activities:

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

Terms of Reference

- The terms of reference of Stakeholders Relationship Committee with effect from 1st April 2020shall, 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 10.08.2021 to answer queries of the security holders.

INVESTORS' GRIEVANCES

During the Financial Year ended March 31, 2022, 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	1
Number of complaint not solved to the satisfaction of shareholders	1
Number of pending complaints at the end of the year	Nil

SEBI SCORES

During the year company has not received any complaints in SCORES.

NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER:

Mr. Vijendra Kumar Surana

CFO & Company Secretary and Compliance Officer.

RS Software (India) Limited

'FMC FORTUNA', 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 is 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	4
Mr. Rajasekar Ramaraj	Non-Executive & Independent Director	4	3

MEETINGS:

During the year 2021-22 the Committee met 4 (Four) times on May 19th, 2021, August 9th, 2021, November 8th, 2021, and February 2nd, 2022. 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 structure 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.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

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

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

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

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

✓ Diversity of the Board.

✓ Demonstrable leadership skills;

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

REMUNERATION POLICY

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

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

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

REMUNERATION POLICY FOR DIRECTORS

- **NON-EXECUTIVE DIRECTORS:**

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

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

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

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

The sitting fees paid to the Non-Executive Directors during the Financial Year 2021-22 are as under:

Name of Non-Executive Directors	Sitting fees (Rs. in Lakhs)	
	Board Meeting	Committee Meeting
Mrs. Sarita Jain	1.20	-
Mr. Shital Kumar Jain	1.60	6.40
Mr. Rajasekar Ramaraj	1.60	4.80
Mr. Richard Nicholas Launder	1.60.	4.40
Mr. Lakshmanan Narayan	1.60	1.60
Total	**7.60**	**17.20**

- **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 2021-22

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 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 2021-22

(Rs. in Lakhs)

Particulars of Remuneration	**Rajnit Rai Jain (Executive Director)**	**Shital Kumar Jain (Non-Executive Director)**	**Rajasekhar Ramaraj (Non-Executive Director)**	**Sarita Jain (Non-Executive Director)**	**Richard Launder (Non-Executive Director)**	**Lakshmanan Narayan (Non-Executive Director)**	Total
Salary	54.00	-	-	-	-		54.00
Benefits	-	-	-	-	-		-
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

Keeping in view, the losses incurred during the year including previous year(s), the provisions of spending money towards CSR expenditure under section 135 of the companies act, 2013 is not applicable to the company during the period, therefore no meetings were held during the financial year 2021-2022.

TERMS OF REFERENCE:

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

- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of the CSR Policy of the Company from time to time.
- To approve the Corporate Sustainability Reports and oversee the implementation of sustainability activities.

7. EXECUTIVE COMMITTEE:

COMPOSITION:

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

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

Members	Category	Attendance at Executive Committee Meetings	
		Held	Attended
Mr. Rajnit Rai Jain (Chairman of the Committee)	Executive Director	4	4
Mr. Shital Kumar Jain	Non-Executive & Independent Director	4	4
Mr. Rajasekar Ramaraj	Non-Executive & Independent Director	4	3
Mr. Richard Nicholas Launder	Non-Executive & Independent Director	4	3
Mr. Lakshmanan Narayan	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 2021-22 on May 18th 2021, August 9th, 2021, November 8th, 2021, and February 2nd, 2022.

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
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)
2019-2020	Tuesday, August 11, 2020 at 11:30 A.M	Meeting conducted through VC / OAVM pursuant to the MCA Circular	To re-appoint Mr. Rajnit Rai Jain (DIN:00122942) as Chairman and Managing Director.
2020-2021	Tuesday, August 10, 2021 at 05:30 P.M	Meeting conducted through VC / OAVM pursuant to the MCA Circular	To appoint Mr. Lakshmanan Narayan (DIN 01582059) as a Director of the Company

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

During the Financial Year 2020-2021, the Company had not obtained approval of the shareholders by way of any postal ballot.

No Resolution is proposed to be passed through Postal Ballot in the Financial Year 2022-23 as of now.

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.**

Notice has been received by the Company from BSE Limited and National Stock Exchange Limited for delayed or Non-compliance with Reg. 17(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company had paid penalty of Rs. 10,38,400/- to National Stock Exchange Limited. However, BSE Limited had waived off the fine on the request made by the company.

- **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 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 REQUIREMENTS AND DISCRETIONARY REQUIREMENTS:**

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

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

Chairman of the Board :	The Chairman of the Company is an Executive Director and hence this provision is not applicable to us.
Shareholder Rights :	We display our quarterly and half yearly results on our web site www.rssoftware.com 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. However, the Policy for Determining 'Material' Subsidiaries is uploaded on the website of the company on www.rssoftware.com.

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. The disclosure of the said has been made in the section of this 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 2022.

DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A).- Not Applicable.

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

The Company has obtained a certificate from MR & Associates certifying that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of the Company by Securities and Exchange Board of India (SEBI)/ Ministry of corporate Affairs (MCA) or any such Statutory Authority.

COMPLIANCE CERTIFICATE BY PRACTICING COMPANY SECRETARY:

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

RECOMMENDATION OF THE COMMITTEE:

The board had accepted all the recommendation of Committees of the Board which is mandatorily required, in the relevant financial year.

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

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

PROHIBITION OF INSIDER TRADING:

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) the Company has adopted a Code of Conduct for regulating, monitoring and reporting of Trading by Insider with a view to regulate trading in securities by the Directors and designated employees of the Company. This policy also provides for periodical disclosures from designated employees as well as preclearance of transactions by such persons. The Compliance Officer is responsible for implementation of the Code. During the year under review there has been due compliance with the said code. All Board Directors and the designated employees have confirmed compliance with the Code. The Code is available on the company's website www.rssoftware.com.

POLCY 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 programs against sexual harassment are conducted across the organization.

The details of complaint for the Financial Year 2021-22 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 **Aajkaal**, vernacular newspaper **(Bengali)**.
- The quarterly, half yearly and Annual Financial Results of the company along with Annual Report and other statutory filings are posted on the website of the company **www.rssoftware.com.** The website also contains information on the businesses of the Company, governance and important policies of the Company.
- News and press release as available are posted on the website of the company. During the year under review there were no such news releases.
- As the company does not have any institutional investors and angel investors, so no presentation made to institutional investors or to the analysts.
- Management Discussion & Analysis forms the part of the Annual Report.

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

Transfer of unclaimed dividend of Rs.15, 57, 329 and 67722 shares has been made to Investor Education and Protection Fund during the year 2021-22.

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**	Through Video Conferencing / Other Audio Visual Means
v.	**Dividend Payment date**	The Company did not recommend any dividend during the year 2022-23
vi	**Book Closure for AGM**	6th August 2022 to 12th August 2022 (both days inclusive)
vii.	**Tentative Calendar of Events for the Financial Year 2022-2023**	
	First quarter results	August, 2022
	Second quarter and half-year results	November, 2022
	Third quarter results	February, 2023
	Annual Result	April, 2023
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 Pvt. 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 2021-2022
xiv.	**Share Transfer System**	Share transfers, transmissions, issue of duplicate share certificates, issue of share certificates through sub-division and consolidation are also given effect on fortnightly basis through the 'Share Transfer Committee' constituted by the CFO and Company Secretary of the Company. All the formalities relating to transfer, transmission, issue of duplicate share certificates, issue of share certificates through sub-division and consolidation approved through 'Share Transfer Committee' are ratified by the Stakeholders Relationship Committee of the Board in the subsequent Committee Meeting and the Minutes of Stakeholders Relationship Committee are placed in the subsequent meeting of the Board of Directors of the Company.
xv.	**Custodial fees to Depositories**	Custodial fees to NSDL and CDSL paid up-to 31st March, 2022.
xvi	**Listing Fees**	Listing fees paid to both the Stock Exchanges where the Company's equity shares are listed up-to 31st March, 2023.
xvii.	**Credit Ratings**	There were no credit ratings obtained by the company during the period.

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, 2021 to March 31, 2022 are as follows:

- **MONTHLY HIGH, LOW & CLOSING SHARE PRICE AT BSE**

(Amount in Rs.)_____

Month	High Price	Low Price	Closing Price
Apr-21	29.00	24.25	27.00
May-21	32.40	26.20	27.65
Jun-21	45.40	26.00	37.65
Jul-21	38.90	34.50	35.85
Aug-21	37.50	27.00	36.20
Sep-21	37.00	31.10	32.75
Oct-21	40.85	31.90	32.05
Nov-21	44.90	30.85	32.55
Dec-21	45.80	32.45	43.15
Jan-22	51.90	39.70	40.55
Feb-22	44.60	28.70	32.95
Mar-22	36.10	30.80	30.90

- **MONTHLY HIGH, LOW & CLOSING SHARE PRICE AT NSE**

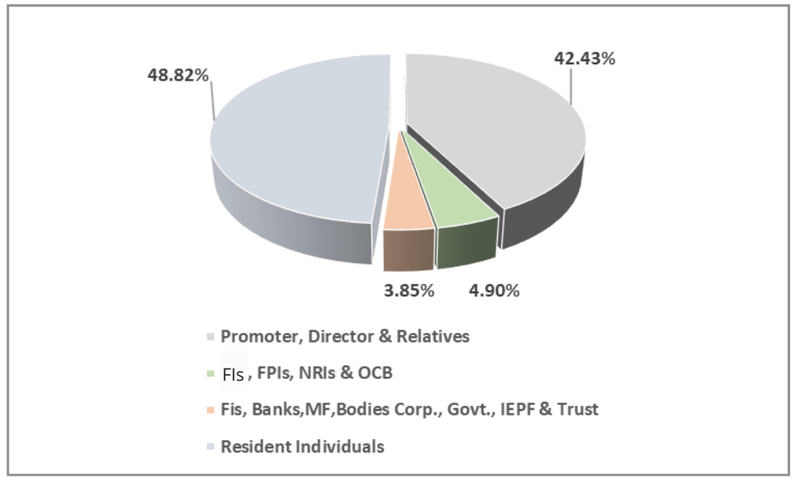
(Amount in Rs.)

Month	High Price	Low Price	Closing Price
Apr-21	29.00	24.30	26.90
May-21	32.20	26.25	27.65
Jun-21	46.00	26.60	38.20
Jul-21	39.00	34.05	36.00
Aug-21	37.50	27.85	36.10
Sep-21	37.00	31.00	32.80
Oct-21	41.00	31.15	31.85
Nov-21	45.20	31.05	32.75
Dec-21	45.80	32.25	43.10
Jan-22	52.00	39.50	40.45
Feb-22	44.00	30.55	33.05
Mar-22	36.40	30.00	30.90

b. i. DISTRIBUTION OF EQUITY SHAREHOLDING AS ON 31.03.2022

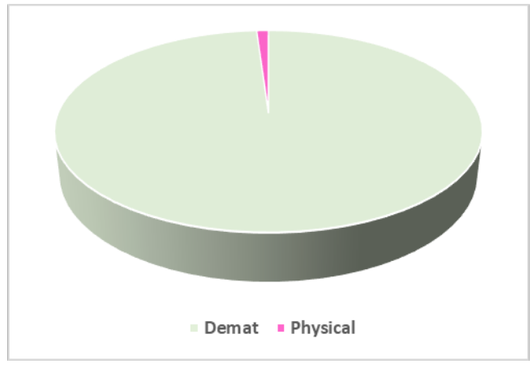
Range of Shares		Number of Shares	Number of Shareholders	% of Shares	% of Shareholders
1	500	3171650	23179	12.34	82.22
501	1000	2092780	2741	8.14	9.72
1001	2000	1878694	1242	7.31	4.41
2001	3000	994900	391	3.87	1.39
3001	4000	568372	159	2.21	0.56
4001	5000	689013	146	2.68	0.52
5001	10000	1486691	205	5.78	0.73
10001	50000	2174417	111	8.46	0.39
50001	100000	411902	7	1.60	0.03
	and Above	12239899	9	47.61	0.03
		25708318	**28190**	**100.00**	**100.00**

ii. SHARE HOLDING PATTERN AS ON MARCH 31, 2022:



iii. DEMATERIALISATION OF SHARES AND LIQUIDITY AS ON MARCH 31, 2022:

Nature of Holding



IMPACT IN EQUITY:

The Company has not issued any GDRs / ADRs / Warrants or other instruments, which are pending for conversion.

c. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

No such risks or activities to report during the year under review.

d. PLANT LOCATIONS

The Company is engaged in the Software development activities; therefore, the Company does not have any Plant Locations.

e. 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

f. 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

g. ATTORNEYS & SOLICITORS

- **Sandersons & Morgans**

  Royal Insurance Buildings,

  5, Netaji Subhas Road,

  Kolkata-700001

Place: New Delhi

Date: 22/04/2022

For and on behalf of the Board of Directors
Sd/-
Rajnit Rai Jain
CHAIRMAN AND MANAGING DIRECTOR
(DIN: 00122942)

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

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

Dear Sir (s),

Pursuant to the provisions of Regulation 17 (8) of the Listing Regulation, we hereby certify that:

(a) We have reviewed the financial statements and the cash flow statement of the Company for the financial year ended 31st March 2022, 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 2021-22 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 2021-22;
  (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: **New Delhi**

Date: **22/04/2022**

Sd/-	Sd/-
Rajnit Rai Jain	**Vijendra Surana**
Chairman & Managing Director	Chief Financial Officer &
DIN: 00122942	Company Secretary

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 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, 2022.

Place: New Delhi
Date: 22/04/2022

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

PRACTICING COMPANY SECRETARY'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members,

R.S. Software (India) Limited

1. We have examined the compliance of conditions of Corporate Governance by **R.S. Software (India) Limited** (hereinafter called the Company) for the Financial Year ended on 31st March, 2022 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.

   In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations') for the year ended 31st March, 2022 *except the company delayed in compliance of Reg. 17(1)(c) of the said Regulation regarding minimum number of Directors in the Company for which the company paid a fine of Rs. 10,38,400 to National Stock Exchange Limited. However, BSE Limited had waived off the fine on the request made by the company during the financial year.*

3. 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

4. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For M R & Associates
Company Secretaries

Place: Kolkata
Date: 22/04/2022

Sd/-
[Sneha Khaitan]
Partner
ACS No.:A34458
C P No.:14929
UDIN: A034458D000338883

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, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Directors	DIN	Date of Appointment in Company
1.	MR. RAJNIT RAI JAIN	00122942	02/12/1987
2.	MR. SHITAL KUMAR JAIN	00047474	04/12/2006
3.	MR. RAJASEKAR RAMARAJ	00090279	01/05/2009
4.	MRS. SARITA JAIN	00206743	20/01/1988
5.	MR. RICHARD NICHOLAS LAUNDER	03375772	28/07/2009
6.	MR. LAKSHMANAN NARAYAN	01582059	24/09/2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M R & Associates
Company Secretaries

Place: Kolkata
Date: 22/04/2022

Sd/-
[Sneha Khaitan]
Partner
ACS No.:A34458
C P No.:14929
UDIN No. : A034458D000184245

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **M/s. R S Software (India) Limited ("*the Company*")** which comprises the Balance Sheet as at March 31, 2022, 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, 2022, and its loss (Including Other Comprehensive Income), Statement of Changes in Equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Standalone Financial Statement.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed and communicated with management in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in 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. Effectiveness of controls have also been tested which broadly includes identification of major performance obligations of the company as stated in the agreement, nature of contracts whether milestone based, fixed price contracts, maintenance contracts, certain enhancement related contracts and determination of revenue recognition accordingly (like Fixed price / maintenance revenue contracts should be recognized on a straight line basis or using the percentage completion method) 4. Reviewing the details of the resources engaged in the performance of the contracts, on test check basis, along with their approved attendance by the client 5. Reviewed the terms of the contracts in relation to 'transaction price' including any variable consideration and tested that revenue booking corresponds to the same. 6. In respect of revenue recorded for time and material and fixed price monthly contracts samples were tested using a combination of approved time sheets customer acceptances & subsequent invoicing and existing trend of collections. 7. In respect of revenue recorded for fixed price development contract and fixed time frame contract samples were tested to check the performance and obligation using the percentage of completion method based on Management's estimate of the Contract cost.

Emphasis of Matter

Attention is invited to Note 36 of the accounts where considering the second wave of pandemic Covid-19, the company continued with its policy of work from home to ensure continuity

Our opinion is not modified in respect of matter stated in point mentioned above

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors Report including Annexures to Directors' Report, Report on Corporate Governance but does not include the Standalone Financial Statements and our auditors' report thereon. The Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report and Report on Corporate Governance are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 has disclosed the impact of pending litigations in its financial statements (refer Note 23)

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.

iv. As per the management representation provided, we report –

- no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the Intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

- no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

- Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given by management under the above sub-clauses contain any material mis-statement.

v. As per the records of the Company no dividend has been declared or paid during the year.

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

Sd/-
CA D.N.AGRAWAL
Partner
Memb No. 051157
UDIN: 22051157AKPIDX4030

Dated : 22nd April, 2022
Place : New Delhi

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, 2022, we report that

i. (a) (A) The Company has generally maintained proper records showing full particulars, including quantitative details of Property, Plant and Equipment except location thereof.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified every year. In accordance with this programme, all the Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable property disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The Company is a service company, primarily rendering software services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees at any point of time of the year in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the requirement to report on para 3(ii)(b) 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 made investment, provided any gurantee or security of granted advances in the nature of loans secured or unsecured to companies firms, limited liability Partnership or any other parties during the year except that the Company has granted unsecured loans to one subsidiary company during the year which is covered in the register maintained under section 189 of the Companies Act, 2013. The aggregate amount of loan given during the year was Rs. 2,12,48,896, balance outstanding as on 31.03.2022 was Rs. 44,35,782.

(b) According to the information and explanation given to us and based on the audit proceeding conducted by us, we are of the opinion that the terms and conditions of the loans given are prima facie not prejudices to the interest of the Company.

(c) According to the information and explanation given to us and on the basis of examination of the records of the Company, no schedule of repayment of principal and interest has been stipulated in this regard and hence clause (iii)(c) to Clause (iii)(e) of the order is not applicable.

(d) According to the information and explanation given to us and on the basis of examination of the records of the Company, the Company has granted loan to its subsidiary without specifying any terms or period of repayment. The aggregate amount of such loan is for Rs. 2,12,48,896 and it is hundred percent of the total loan granted to related party as defined in clause (76) of section 2of the Companies Act, 2013.

(iv) On the basis of examination of records of the Company and according to information and explanation given to us, the Company has granted loan to its subsidiary in compliance with provision of Section 185 and 186 of the Companies Act.

(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 and hence para 3(v) of the Order is not applicable to the Company.

(vi) According to the information and explanation given to us, 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. Thus paragraph 3(vi) of the Order is not applicable.

(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 and non deposit of Federal Tax, Interest and Penalty in USA to the extent of demand of Rs.6.04 crores. Except none deposit of Federal Tax, Interest and Penalty in USA, no other statutory dues were outstanding, as at 31st March 2022 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and examination of the records of the Company, 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 2022 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
Federal Tax USA	Income Tax	3.75 crores 2.29 crores	- FY2011 & 2012 - FY 2014,2015 & 2016	- Process of Seeking relief and Installment based payment system has been initiated has been initiated -Steps have undertaken to get waiver

(viii) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transaction, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company have not defaulted in repayment of any loans or borrowings from any lender during the year.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared willful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of term loans.

(d) According to the information and explanations given to us and based on our examination of the records of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and based our examination of the records of the Company, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. According clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.

(b) According to 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 convertible debentures during the year. Hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) Based on the examination of the books and records of the Company and according to the information and explanation given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) According to the information and explanation given to us, there was no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of the Order is not applicable.

(xiii) According to the information and explanation given to us and based on the audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.

(xiv) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business and we have considered the internal audit reports for the year under audit.

(xv) In our opinion and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) According to the information and explanation given to us and based on the audit procedures performed by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

(b) According to the information and explanation given to us and based on the audit procedures performed by us, the Company has not conducted any non-banking Financial or Housing Finance Activities. Hence reporting under paragraph 3(xvi(b) of the Order is not applicable.

(c) According to the information and explanation given to us and based on the audit procedures performed by us, the Company is jot Core Investment Company (CIC) as defined in the regulation made by the Reserve Bank of India. Hence reporting under paragraph 3(xvi(c) of the Order is not applicable.

(d) According to the information and explanation given to us and based on the audit procedures performed by us, the Group does not have any CIC as part of the Group. Hence reporting under paragraph 3(xvi(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses in the Financial Year and in the immediately preceding financial year. The cash loss during the year was Rs. 442.68 lacs and in the immediately preceding year it was Rs. 1,066.49 lacs.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on paragraph 3(xviii) of the Order is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report of the Company's capability of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanation given to us and based on the audit procedures performed by us, provision of section 135 relating to corporate social responsibility is not applicable on the company, hence nothing is required to be reported under clause (xx) (a) & clause (xx) (b)of the order.

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

Sd/-
CA D.N.AGRAWAL
Partner
Memb No. 051157
UDIN: 22051157AKPIDX4030

Dated : 22nd April, 2022
Place : New Delhi

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, 2022 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, 2022, 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. 051157
UDIN: 22051157AKPIDX4030

Dated : 22nd April, 2022
Place : New Delhi

R S SOFTWARE INDIA LIMITED
BALANCE SHEET AS AT MAR 31,2022

PARTICULAR		Notes	As at Mar 31,2022 ₹ in Lac	As at MAR 31, 2021 ₹ in Lac
ASSETS				
NON CURRENT ASSETS				
a	**PROPERTY PLANT EQUIPMENT & INTANGIBLE ASSETS**			
i	PROPERTY PLANT & EQUIPMENT	3	156.04	254.88
ii	OTHER INTANGIBLE ASSETS	3	587.62	869.94
b	**FINANCIAL ASSETS**			
(i)	INVESTMENTS	4	3,173.30	3,023.30
(ii)	OTHER FINANCIAL ASSET	5	14.97	496.53
c	**DEFERRED TAX ASSETS (Net)**	6	-	-
c	**OTHER NON CURRENT ASSETS**	7	416.92	575.80
CURRENT ASSETS				
d	**FINANCIAL ASSETS**			
(i)	INVESTMENT	8	816.31	447.67
(ii)	TRADE RECEIVABLES	9	386.23	1,026.48
(iii)	CASH & CASH EQUIVALENTS	10	440.85	995.98
(iv)	OTHER BANK BALANCES	10	563.39	51.10
(v)	LOANS TO RELATED PARTY	11	44.32	-
(vi)	OTHER FINANCIAL ASSETS	12	427.63	514.12
e	**OTHER CURRENT ASSETS**	13	516.86	1,277.26
	TOTAL ASSETS		**7,544.44**	**9,533.05**
EQUITY AND LIABILITIES :				
EQUITY				
(i)	EQUITY SHARE CAPITAL	14	1,285.42	1,285.42
(ii)	OTHER EQUITY	15	4,799.13	6,075.79
LIABILITIES				
NON CURRENT LIABILITIES				
a)	**NON CURRENT FINANCIAL LIABILITIES**			
(i)	BORROWINGS	16	8.66	780.09
b)	**PROVISIONS**	17	88.70	148.36
CURRENT LIABILITIES				
c)	**FINANCIAL LIABILITIES**			
(i)	SHORT TERM ADVANCES	18	665.33	741.93
(ii)	TRADE PAYABLES	19	138.87	198.38
(iii)	OTHER FINANCIAL LIABILITIES	20	453.86	207.16
d)	**OTHER CURRENT LIABILITIES**	21	80.90	91.14
f)	**SHORT TERM PROVISIONS**	22	23.57	4.78
	TOTAL LIABILITIES		**7,544.44**	**9,533.05**

Significant Accounting Policies and Notes on Accounts 1 to 47

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:Apr.22,2022
PLACE : New Delhi

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 PERIOD ENDED MAR 31,2022

PARTICULARS		Notes	PERIOD ENDED MAR 31,2022 ₹ in Lac	PERIOD ENDED MAR 31,2021 ₹ in Lac
I	REVENUE FROM OPERATIONS	24	2,751.23	3,538.02
II	OTHER INCOME	25	455.58	177.07
III	**TOTAL REVENUE**		**3,206.81**	**3,715.09**
IV	**EXPENSES :**			
	PURCHASE OF STOCK IN TRADE	26	159.14	199.37
	EMPLOYEE BENEFIT EXPENSES	27	2,384.94	3,221.25
	SUBCONTRACTOR EXPENSES	28	280.80	397.84
	FINANCE COST	29	0.05	27.00
	DEPRECIATION& AMORTISATION	3	318.67	380.91
	OPERATION AND OTHER EXPENSES	30	824.57	936.13
	TOTAL EXPENSES		**3,968.16**	**5,162.50**
V	**PROFIT / (LOSS) BEFORE TAX :** (III - IV)		**(761.35)**	**(1,447.41)**
VI	**TAX EXPENSES**			
	Tax Expense For Earlier Years		375.38	-
	PROFIT/ (LOSS) FOR THE YEAR ENDED		**(1,136.73)**	**(1,447.41)**
	OTHER COMPREHENSIVE INCOME/(LOSS)			
	ITEMS WHICH WILL NOT BE CLASSIFIED INTO P&L RELATING TO ACTUARIAL GAIN/LOSS		-109.96	1.23
	TOTAL COMPREHENSIVE INCOME/(LOSS)		**(109.96)**	**1.23**
VII	**PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATION :** (V - VI)		**(1,246.69)**	**(1,446.18)**
VIII	EARNINGS PER EQUITY SHARE :			
	BASIC	39	(4.85)	(5.63)
	DILLUTED	39	(4.85)	(5.63)

Significant Accounting Policies and Notes on Accounts 1 to 47

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:Apr.22,2022
PLACE : New Delhi

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 PERIOD ENDED MAR 31,2022

PARTICULARS		PERIOD ENDED MAR 31,2022 ₹ in Lac	PERIOD ENDED MAR 31,2021 ₹ in Lac
CASH FLOW STATEMENT			
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	NET PROFIT BEFORE TAX	(761.35)	(1,447.41)
	ADJUSTMENT FOR :		
	DEPRECIATION	318.67	380.91
	INTEREST PAID	0.05	27.00
	FOREIGN EXCHANGE FLUCTUATION RESERVE	(29.97)	(15.83)
	PROVISION FOR GRATUITY, LEAVE ENCASHMENT	(44.59)	38.63
	INTEREST RECEIVED	(78.70)	(177.07)
	DIVIDEND RECEIVED		
	EMPLOYEES EXPENSES AMORTIZATION	(125.03)	(82.04)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**(720.92)**	**(1,275.81)**
	ADJUSTMENT FOR :		
	TRADE AND OTHER RECEIVABLES	726.75	(399.84)
	LOANS AND ADVANCES AND OTHER ASSETS	1,356.51	1,035.15
	TRADE PAYABLES & OTHER LIABILITIES(INCLUDES EMPLOYEE AMORTISATION & FOREX)	(256.24)	(375.42)
	CASH GENERATED FROM OPERATIONS	**1,106.10**	**(1,015.93)**
	NET CASH FROM OPERATING ACTIVITIES	**1,106.10**	**(1,015.93)**
B	**CASH FLOW FROM INVESTMENT ACTIVITIES :**		
	PURCHASE OF PROPERTY PLANT & EQUIPMENT	62.48	(4.94)
	INTEREST RECEIVED	80.31	209.81
	CSR FUND	-	(5.00)
	INVESTMENT MADE DURING THE YEAR	(520.26)	718.80
	NET CASH FROM INVESTMENT ACTIVITIES	**(377.46)**	**918.67**
C	**CASH FLOW FROM FINANCE ACTIVITIES:**		
	INTEREST PAID	(0.05)	(27.00)
	Loan Paid	(771.43)	
	NET CASH FROM FINANCING ACTIVITIES	**(771.48)**	**(27.00)**
	NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(42.84)**	**(124.26)**
	OPENING CASH AND CASH EQUIVALENTS	1,047.08	1,171.34
	CLOSING CASH AND CASH EQUIVALENTS	1,004.24	1,047.08

The Cash flow statement has been made under the indirect method as per IND AS - 7

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)

Sd/-
CA D.N.AGRAWAL
Partner
M. No. 51157
DATED:Apr.22,2022
PLACE : New Delhi

ON BEHALF OF THE BOARD

Sd/-	Sd/-	Sd/-
V. SURANA	**R.RAMARAJ**	**R.R. JAIN**
CFO & COMPANY SECRETARY	DIRECTOR	CHAIRMAN & MANAGING DIRECTOR
Mem no:11559	DIN:00090279	DIN : 00122942

15. STATEMENT OF CHANGE IN EQUITY FOR THE PERIOD ENDED MAR 31, 2022

PARTICULARS	Reserve and Surplus					Other comprehensive income			₹ in Lac
	Securities premium reserve	Retained earnings	CSR FUND Reserve	Inter Branch Foreign Fluctuation Reserve	Share Forfeiture Reserve	PREFERENCE SHARE REDEMPTION RESERVE	Equity Instruments through other comprehensive income	Other items of other comprehensive income	Total equity attributable to equity holders of the Company
Equity Share Capital									
Balance as of April 1, 2021									1,285.42
Changes during the period									-
Balance as of MAR 31,2022									1,285.42
Other Equity									
Balance as of April 1, 2021	2,586.38	2,790.06	113.15	473.63	43.50	255.31	-	(186.24)	6,075.79
Changes in equity for the period									
Changes due to Inter Branch Foreign Fluctuation Account	-			(29.97)	-	-	-	-	(29.97)
Changes during the period	-	(1,136.73)	-	-	-	-	-	(109.96)	(1,246.69)
Balance as of MAR 31,2022	2,586.38	1,653.32	113.15	443.66	43.50	255.31	-	(296.20)	4,799.13

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MAR 31 2021

PARTICULARS	Reserve and Surplus					Other comprehensive income			₹ in Lac
	Securities premium reserve	Retained earnings	CSR FUND Reserve	Inter Branch Foreign Fluctuation Reserve	Share Forfeiture Reserve	PREFERENCE SHARE REDEMPTION RESERVE	Equity Instruments through other comprehensive income	Other items of other comprehensive income	Total equity attributable to equity holders of the Company
Equity Share Capital									
Balance as of April 1, 2020									1,285.42
Changes in equity for Year Ended MAR 31,2021									-
Balance as of MAR 31,2021									1,285.42
Other Equity									
Balance as of April 1, 2020	2,586.38	4,237.46	118.15	489.46	43.50	255.31	-	(187.46)	7,542.81
Changes in equity for Year Ended Mar 31,2021									
Changes due to Inter Branch Foreign Fluctuation Account	-			(15.83)	-	-	-	-	(15.83)
Changes during the year	-	(1,447.41)	(5.00)	-	-	-	-	1.23	(1,451.18)
Balance as of MAR 31,2021	2,586.38	2,790.06	113.15	473.63	43.50	255.31	-	(186.24)	6,075.79

The company has retained its CSR fund created earlier suo motto by the company in order to meet its obligation towards the society, despite being in losses.

***This Statement forms a integral part of Standalone Financial Statement**

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

Sd/-
CA D.N.AGRAWAL
Partner
M. No. 51157
DATED:Apr.22,2022
PLACE : New Delhi

ON BEHALF OF THE BOARD

Sd/-	Sd/-	Sd/-
V. SURANA	**R.RAMARAJ**	**R.R. JAIN**
CFO & COMPANY SECRETARY	DIRECTOR	CHAIRMAN & MANAGING DIRECTOR
Mem no:11559	DIN:00090279	DIN : 00122942

R S SOFTWARE INDIA LIMITED
NOTES ON ACCOUNTS FOR THE PERIOD ENDED MAR 31,2022

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 APR 22,2022. +B105

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(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.

R S SOFTWARE INDIA LIMITED
NOTES ON ACCOUNTS FOR THE PERIOD ENDED MAR 31,2022

d Revenue Recognition

Revenue is realized on time-and-material basis or Fixed Bid or Milestone as specified in the work order. Revenue from software development on time and material basis is recognized based on Service rendered (software developed) and billed to clients as per the terms of specific contracts. Revenue from Fixed Bid contract is recognized on monthly basis as per contract terms. Revenue from Milestone base contract is being recognized based on effort given during the period but the Invoice is sent to customer when the milestone is achieved as per contract. Value Added tax in UK is not included in the income from Software development. Contracts are unbundled into separately identifiable components and the consideration is allocated to those identifiable components on the basis of their fair values. Revenue is recognized for respective components either at the point in time or over time, as applicable. Revenue from software development contracts, which are generally time bound fixed price contracts, is recognized over the life of the contract using the percentage-of-completion method, with contract costs determining the degree of completion. Revenue from the sale of internally developed and manufactured systems and third party products which do not require significant modification is recognized upon delivery, which is when the absolute right to use passes to the customer and the Company does not have any material remaining service obligation. Unbilled Revenue included in Other Financial Assets, represents amounts recognized in respect of services performed in a accordance with Contract terms, not yet billed to Customers as at Reporting Period end.

The Company derives revenues primarily from business IT services comprising of software dev elopement and related services, consulting and package implementation and from the licensing of software products and platforms across our core and digital offerings ("together called as software related services"). Revenue from subsidiaries is recognised based on transaction price which is at arm's length. Interest income has been booked as per effective interest method.

The Company presents revenues net of indirect taxes in its Statement of Profit & loss.All other investment income has been accounted for on accrual basis.

Arrangements with customers for software related services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

In arrangements for software development and related services and maintenance services, the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the company is unable to determine the standalone selling price, the company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control f the work as it progresses.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access"

is recognized over the access period. Arrangements to deliver software products generally have three elements license, implementation and Annual Technical Services (ATS).

e Cost recognition

Costs and expenses are recognized when incurred and have been classified according to their primary nature.

The costs of the company are broadly categorized in employee benefit expenses, depreciation and amortization and other operating expenses. Employee benefit expenses include employee compensation, allowances paid and staff welfare expenses. Other operating expenses majorly include fees to external consultants, Rent, cost running its facilities, travel expenses, communication costs allowances for delinquent receivables and other expenses. Other expenses is an aggregation of costs which are individually not material such us commission , bank charges, freight, Postage etc.

f Property ,Plant & Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Property, plant and equipment individually costing Rs 5,000 or less which are not capitalised except when they are part of a larger capital investment programmed.

Depreciation is provided for property, plant and equipment so as to expense the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

BUILDING	60 Years
PLANT AND EQUIPMENT	3 years/6 years
FURNITURE AND FIXTURES	10 Years
VEHICLES	8 years
OFFICE EQUIPMENT	5 Years
AIR CONDITIONER	15 Years
ELECTRICAL INSTALLATIONS	10 Years

Depreciation on fixed assets is provided using the straight-line method on the basis of use full life of assets under schedule II of the Indian Companies Act, 2013.

g Intangible assets

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets/Software 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 Transactions

Foreign Currency Transactions are recorded at exchange rate prevailing at the closing of the month for respective months. Exchange difference arising on settlement was included in Profit & Loss Account till the accounts ended 30th September '2008. Foreign unit is considered as non-integral and the foreign exchange difference is transferred to "Inter Branch Foreign Fluctuation Reserve Account". Revenue items of the Foreign Branch are converted in equivalent Indian Rupees at the buying rate prevailing at the end of the month. Assets and Liabilities of the Foreign Branch are converted in equivalent Indian rupees at the applicable rate prevailing at the end of the year. The effect of exchange rate fluctuation in respect of fixed assets is adjusted with the cost of the respective assets. Investment in subsidiary Company is being valued at carrying cost adjusted by any non-temporary decline in their value according to the requirements of statute.

k Spares and Consumables (Computers spares accessories and stationery re charged to revenue in the year they are purchased.**)**

l Cash Flows are reported using the indirect method whereby profit for the period is adjusted for the effects of transactions of non cash nature,any deferrals ,accruals of past and future operating cash receipts and payments associated with investing and financing cash flows.Cash from operating,investing and financing activities are segregated.

m Employee Benefits

Contribution of Employers share to Employees' Provident Fund and ESI are worked on accrual basis and charged to Profit & Loss Account. The Company also provides for Gratuity and Leave Encashment based on actuarial valuation made by an independent actuary as per IAS 19 Compliance of The Institute of Chartered Accountants of India, Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur.

n Income Tax

Current Income tax expense comprise taxes on income from operation in India and in foreign jurisdiction. Income tax payable in India is determined 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 & liabilities for all leases taken for a term of more than 12 months are recognised as per IND AS 116 unless unlined assets is of low value.

q Impairment of Assets

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future post-tax cash flows of the relevant cash generating unit or fair value less cost to sell, whichever is higher. The discount rate is applied, based upon the weighted average cost of capital with appropriate adjustments for the risks associated with the relevant business. Any impairment in value is charged to the Income Statement in the year, which it occurs.

Expected Credit Loss: As per Ind AS 109, the company uses expected credit loss model to assess to impairment of loss or gain.The company uses provision metrics to compute expected credit loss allowances.For Trade receivables and unbilled revenue, the provision metrics takes into account available external & internal credit risk factors such as delay risk & default risk.

r Segment Reporting

The company's operating business are organized and managed as per Location of the client. Common costs are allocated to the cost based on the Revenue Mix. Unallocated costs are disclosed separately. The company prepare its segment information in conformity with the accounting policy adopted for preparing and presenting the financial statement of the Company as a whole.

s Earnings per share

Basic earning per share is calculated by dividing the net profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For Calculating Diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

t Recent Indian Accounting Standard (Ind AS)

Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 replacing Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.The effect on adoption of Ind AS 116 Appendix C would be insignificant in the standalone financial statements

IndAS 20 of Government grants shall apply to any benefits received by the company from any government agencies. The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to assets are treated as deferred income and are recognized in net profit in the Profit and Loss on a systematic and rational basis. Government grants related to revenue are recognized on a systematic basis in Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

• to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

3.PROPERTY PLANT AND EQUIPMENT

₹ in Lac

PARTICULARS	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION & AMORTISATION				NET CARRYING AMOUNT	
	AS ON 1ST OF APRIL 21	ADDITIONS	DED/ADJ	AS AT MAR 31,2022	AS ON 1ST OF APRIL 21	ADDITIONS	DED/ADJ	AS AT MAR 31,2022	AS AT MAR 31,2022	AS AT MAR 31,2021
LAND	7.76	1.92		9.68	-			-	9.68	7.76
BUILDING	105.37			105.37	20.466	4.09		24.56	80.81	84.90
PLANT & EQUIPMENT	458.72	5.82		464.54	433.21	11.75		444.97	19.57	25.51
OFFICE EQUIPMENT	94.67		42.47	52.20	88.98	1.47	40.75	49.69	2.51	5.69
AIR CONDITIONER	124.67		91.16	33.51	34.21	7.67	33.21	8.68	24.84	90.46
ELECTRICAL INSTALLATIONS	64.55		64.55	0.00	60.71	0.70	61.41	0.00	(0.00)	3.84
FURNITURE & FITTINGS	160.70		70.16	90.53	124.41	10.67	62.75	72.34	18.20	36.28
MOTOR VEHICLES	16.14			16.14	15.70			15.70	0.44	0.44
TOTAL (a)	**1,032.58**	**7.74**	**268.34**	**771.97**	**777.70**	**36.36**	**198.12**	**615.93**	**156.04**	**254.88**
OTHER INTANGIBLE ASSETS										
SOFTWARE PRODUCT - EFRM	1,162.51			1,162.51	342.50	234.28		576.78	585.73	820.01
COMPUTER SOFTWARE	333.76			333.76	283.83	48.04		331.87	**1.89**	49.93
TOTAL (b)	**1,496.27**	**-**	**-**	**1,496.27**	**626.33**	**282.31**	**-**	**908.65**	**587.62**	**869.94**
TOTAL (a+b)	**2,528.85**	**7.74**	**268.34**	**2,268.24**	**1,404.03**	**318.67**	**198.12**	**1,524.58**	**743.66**	**1,124.82**

FY 20-21

PARTICULARS	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION & AMORTISATION				NET CARRYING AMOUNT	
	AS ON 1ST OF APRIL 20	ADDITIONS	DED/ADJ	AS AT MAR 31,2021	AS ON 1ST OF APRIL 20	ADDITIONS	DED/ADJ	AS AT MAR 31,2021	AS AT MAR 31,2021	AS ON 31st MARCH 20
LAND	7.76			7.76	-		-	-	7.76	**7.76**
BUILDING	105.37			105.37	*16.37*	4.09	-	20.47	84.90	**89.00**
PLANT & EQUIPMENT	*465.26*	2.08	8.62	458.72	**394.10**	47.44	8.33	433.21	25.51	**71.16**
OFFICE EQUIPMENT	93.05	1.62		94.67	**82.52**	6.45	-0.01	88.98	5.69	**10.53**
AIR CONDITIONER	124.67			124.67	**24.58**	9.63		34.21	90.46	**100.09**
ELECTRICAL INSTALLATIONS	64.55			64.55	**58.70**	2.01		60.71	3.84	**5.85**
FURNITURE & FITTINGS	*160.70*			160.70	**110.75**	13.66		124.41	36.28	**49.94**
MOTOR VEHICLES	16.14			16.14	**15.70**			15.70	0.44	**0.44**
TOTAL (a)	**1,037.50**	**3.70**	**8.62**	**1,032.58**	**702.73**	**83.29**	**8.32**	**777.70**	**254.88**	**334.77**
OTHER INTANGIBLE ASSETS										
SOFTWARE PRODUCT - EFRM	1,162.51			1,162.51	108.22	234.28		342.50	820.01	1,054.28
COMPUTER SOFTWARE	332.21	1.55		333.76	220.47	63.35	-0.01	283.83	49.93	111.74
TOTAL (b)	**1,494.72**	**1.55**	**-**	**1,496.27**	**328.70**	**297.63**	**-0.01**	**626.33**	**869.94**	**1,166.02**
TOTAL (a+b)	**2,532.22**	**5.25**	**8.62**	**2,528.85**	**1,031.43**	**380.91**	**8.31**	**1,404.03**	**1,124.82**	**1,500.79**

1)Land includes Leasehold land amounting to Rs. 458,694/- from WBEIDC The lease expires in year 2086. Bills for yearly lease payments have been received and paid, as 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.

R S SOFTWARE INDIA LIMITED
NOTES ON ACCOUNTS FOR THE PERIOD ENDED MAR 31,2022

4

NON-CURRENT INVESTMENTS (AT COST) (Others - unquoted)	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
In Subsidiary		
RESPONSIVE SOLUTION INC.	163.30	163.30
(500 no.(Previous year 500 no.) Equity Share of USD 0.01 each fully paid up)		
	163.30	**163.30**
Paypermint Pvt Ltd	3,010.00	2,860.00
(8150000(previous year 7600000) nos of equity shares of Rs 10 each fully paid up)	-	
	3,173.30	**3,023.30**
Total Carrying value of investment (at Cost)	**3,173.30**	**3,023.30**

5

OTHER FINANCIAL ASSETS	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Fd On Lien (With Original Maturity More Than 12 Months)		-
ICICI Bank	14.97	48.02
Yes Bank	-	448.51
	14.97	**496.53**

6

Deferred tax Assets (NET)

Deferred Tax Liability Calulation:

Deferred Tax Asset	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Tax Rate	26.00	26.00
WDV Difference closing Property Plant & Equipment	(9,725,299.34)	(4,040,243.74)
Asset as per Companies Act	74,366,263.48	112,481,682.11
Asset as per Income Tax	84,091,562.82	116,521,925.85
Closing Temporary Difference	(9,725,299.34)	(4,040,243.74)
Closing Balance DTL	(2,528,577.83)	(1,050,463.37)
Loss on business	1,509,068,647.82	1,401,481,222.38
Provision for Gratuity & Leave	11,227,089.00	15,313,376.00
Originating TD	1,520,295,736.82	1,416,794,598.38
Closing TD	1,520,295,736.82	1,416,794,598.38
Closing Balance DTA	395,276,891.57	368,366,595.58
Net Deferred Tax Assets	**397,805,469.40**	**369,417,058.95**

The Company has not considered booking Deferred Tax Assets in accordance with Prudent Accounting Policies during corresponding periods.

7 OTHER NON CURRENT ASSETS

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Prepaid Expenses	4.59	10.84
Security Deposits	8.81	69.39
Advance Taxes (Net Of Provisions)	167.75	255.08
Balances With Govt. Authorities	235.78	240.49
	416.92	**575.80**

8 CURRENT INVESTMENT

	MAR 31,2022		MAR 31,2021	
	No. of unit	₹ in Lac	No. of unit	₹ in Lac
Investment in Mutual Fund (Others - unquoted)				
ICICI Ultra Short Term Fund Dp Growth	128.12	0.03	308207.92	70.51
Nippon India Floating Rate Fund Direct Growth Plan	4767.92	1.80	679556.51	244.56
Nippon India Ultra Short term Fund-Direct Plan Growth Option	8586.27	303.02		
Nippon India Money Market Fund - Direct Growth Plan Growth Option (Lqagg)	0.00	-	17.45	0.56
Kotak Credit Risk Fund-Direct Plan Growth	396619.45	106.75	396619.45	99.82
Nippon India Low Duration Fund Direct Growth	9592.27	303.96		
L & T Low Duration Fund Direct Plan - Growth	422212.00	100.74		
Reliance Nippon Money Market Fund - Direct Plan Daily Dividend Plan (Lqadr)	0	-	2834.45	28.46
Nippon India Corporate Bond Fund-Direct Plan Growth Option		-	124.65	3.76
(Aggregate amount of investment at Market Value as on March 31, 2022 ₹ 816.31 Lacs (Previous year Rs.447.67 Lacs)		**816.31**		**447.67**

9 TRADE RECEIVABLES

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Unsecured and Considered good	435.14	1,330.01
less:Expected Credit loss on receivables	(48.91)	(303.52)
	386.22	**1,026.48**

Receivable ageing	Out Standing for the following periods from the due date				
Particulars for Y/E 03/2022	< 6 months	6 m-1 yr	1-2 years	2-3 years	Total
Undisputed - Good	376.16	10.06			386.22
Undisputed -Doubtfull					0.00
Disputed - Good		10.06			
Total	**376.16**	**20.12**	**0.00**	**0.00**	**386.22**
Particulars for Y/E 03/2021	< 6 months	6 m-1 yr	1-2 years	2-3 years	Total
Undisputed - Good	825.70	200.78			1026.48
Undisputed -Doubtfull					0.00
Total	825.70	200.78	0.00	0.00	1026.48

10 CASH AND BANK BALANCE

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
CASH & CASH EQUIVALENTS		
CASH IN HAND *	8.00	6.27
BALANCE WITH BANK :		
SCHEDULED BANKS		
- in Current Account (Axis bank)	47.20	45.99
- in Current Account (HDFC Bank)	12.59	33.37
- in Current Account (ICICI Bank)	335.12	183.73
- in Current Account (YES Bank)	8.26	2.02
- in Current Account (SBI Bank)	16.72	11.22
FOREIGN BANK		
- in Current Account(with ICICI,SILICON VALLEY BANK)	12.96	695.39
FIXED DEPOSITS - with original maturity less than 3 Months		
Fixed Deposits with Yes Bank / ICICI	0.00	18.00
	440.85	**995.98**
OTHER BANK BALANCES		
FD with ICICI Bank (On Lien Less Than 12 Months)	51.13	5.97
FD with Axis Bank (On Lien Less Than 12 Months)	7.77	8.12
FD with Allahabad Bank (On Lien Less Than 12 months)	10.19	10.16
FD with Yes Bank (On Lien Less Than 12 Months)	478.89	-
Earmarked Balances With Banks(Unclaimed Dividend A/C)	15.41	26.85
	563.39	**51.10**

* Cash in hand is as certified by the Management

11 LOANS

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Unsecured loan to subsidiary	44.32	-
	44.32	**-**

12 OTHER FINANCIAL ASSETS

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Unbilled Revenue	427.63	514.12
	427.63	**514.12**

13 OTHER CURRENT ASSETS

	MAR 31,2022	MAR 31,2021
Advances Other Than Capital Advances	26.51	12.89
Prepaid Expenses	26.16	39.61
Deposits	109.03	50.25
Advance To Staff	6.64	5.72
Advance Taxes (Net Of Provisions)	299.68	1,166.25
Balances With Govt. Authorities	48.83	2.54
	516.86	**1,277.26**

14 EQUITY SHARE CAPITAL

		MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
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 Shares having a par value of ₹ 5/- at the beginning of the year. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holder of the equity shares would be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exist currently. The distribution would be in proportion to the number of equity shares held by the shareholders.

The company granted 250000 ESOP options to one of the Senior Management Employees of the company on 29th Jan,2019 and as per the Terms of the Company's ESOP Scheme 25% of the total options granted would be vested after each one year with a maximum staggered vesting period of four years from the date of grant of the options. The concerned employee didn't exercise the first three instalment of 75% of the options granted in the exercise period declared after January 2022 for the allotment of shares.

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

Equity Share	MAR 31,2022		MAR 31,2021	
	No. of Share	₹ in Lac	No. of Share	₹ in Lac
Number of shares at the beginning	25708318	1,285.42	25,708,318	1,285.42
Number of shares at the end	**25708318**	**1,285.42**	**25,708,318**	**1,285.42**

d

SHAREHOLDER HOLDING MORE THAN 5% OF THE SHARE	MAR 31,2022	MAR 31,2021
Mr. Rajnit Rai Jain	10090288 shares of INR 5 each	10090288 shares of INR 5 each
	(39.25% of total shareholding)	(39.25% of total shareholding)
Mrs. Elizabeth Mathew		1378334 shares of INR 5 each
		(5.36% 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 — NIL — NIL

f

Shares held by the Promoters at the end of the year	Promoter Name	No. of Shares 31-03-22	% holding	No. of Shares 31-03-21	% holding	% change during year
	Mr. Rajnit Rai Jain	10090288	39.2%	10090288	39.2%	-
	Mrs Sarita Jain	366544	1.4%	366544	1.4%	-

16

NON CURRENT FINANCIAL LIABILITIES	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
BORROWINGS	**8.66**	**780.09**

The fair valuation of the Loan received and benefits in form of grant has been done in accordance with Ind AS20.

The company received a waiver of loan & interest of $559432(Rs.408 Lacs) under the PPP Loan Programme of US government for 2021

17

NON CURRENT PROVISIONS	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Provision For Leave Encashment	9.24	15.71
Provision For Gratuity	79.46	132.65
	88.70	**148.36**

18

SHORT TERM ADVANCE	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Advances From Subsidiaries *	665.33	741.93
	665.33	**741.93**

*The unsecured interest free advance has been taken from 100% subsidiary of the company

19

CURRENT _TRADE PAYABLE	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Trade Payable-other than MSMED vendor	**138.87**	**198.38**
	138.87	**198.38**

Payable aging Schedule	Out Standing for periods from the due date - 31.03.2022			Out Standing for periods from the due date - 31.03.2021		
Particulars	< I year	>1 years	Total	< I year	>1 years	Total
MSME						
Others	138.87	0	138.87	198.38	0	198.38
MSME (Disputed)						
Others (Disputed)						
Total	138.87	0	138.87	198.38	0	198.38

20

CURRENT OTHER FINANCIAL LIABILITIES	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Unpaid Dividend	15.41	26.85
Salary Payable	25.62	101.02
Statutory Liability Including PF, TDS, ESI Etc.	412.83	79.30
	453.86	**207.16**

21 OTHER CURRENT LIABILITIES

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Statutory Liability Including GST	50.91	80.26
Advance From Customers	27.55	8.63
Security Deposit & Others	2.44	2.26
	80.90	**91.14**

22 SHORT TERM PROVISIONS

	MAR 31,2022	MAR 31,2021
Provision For Leave Encashment	2.31	0.55
Provision For Gratuity	21.27	4.23
	23.57	4.78

23 CONTINGENT LIABILITIES & ASSETS (TO THE EXTENT NOT PROVIDED FOR/ACCRUED)

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
a) Guarantee Outstanding *	436.22	427.22

b) 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.

c) The Company has a tax demand from Franchisee Tax Board of $494563 (Rs 3.75 Crores) relating to tax years 2011 and 2012 . The same has been provisioned in the Current year . Company has Initiated process to seek relief and installment based payment schedule for Payment to FTB , California.

d) The Company has a tax asseement going on with FTB, California USA for Tax Years 2014, 2015 and 2016 wherein the demand has been reduced to $ 302257 (Rs 2.29Crores) . The Company has undertaken steps to get further waiver on the said demand.

e) The Company has pending claims of Rs 1.88 Crores on account of Service Tax Refunds.

24 REVENUE FROM OPERATION

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Export of Software Services Income	1,134.77	1,625.42
Domestic Income from Software Services	1,447.32	1,713.23
Domestic Sales of stock in trade	169.14	199.37
	2,751.23	**3,538.02**

* Annexure to Note 24 has been attached for other disclosure purpose.

25 DETAILS OF OTHER INCOME

	MAR 31,2022	MAR 31,2021
Interest Received from Bank Fixed Deposit	38.95	37.04
Net gain on Sale of Investments in Mutual Funds	28.10	130.41
Interest on Income Tax Refund	90.99	-
Deferred Income- Govt. Grant *	(12.03)	29.55
Unrealised gain/loss on Investment carried at FV through P&L	(1.62)	(32.74)
Interest Income From Subsidiary	0.33	-
Other Income*	408.24	12.81
Income Tax Adjustment	(90.99)	-
Net Gain /loss from Foreign Transaction	(6.39)	-
	455.58	**177.07**

* Other Income includes income arising out of part waiver of PPP Loan by SBA, USA amounting to $559432 aggregating to Rs.408 Lacs.

26 PURCHASE OF STOCK IN TRADE

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Purchase of stock in trade	159.14	199.37
	159.14	**199.37**

27 EMPLOYEE BENEFIT EXPENSES

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Salary Wages And Bonus	2,096.66	2,921.32
Contribution to PF And Other Funds	151.44	154.91
Staff Welfare Expenses	136.84	145.03
	2,384.94	**3,221.25**

28 SUBCONTRACTOR EXPENSES

	MAR 31,2022	MAR 31,2021
	280.80	**397.84**

29 FINANCE COST

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Other Borrowing Cost (SVB charges)	0.05	18.92
SVB Renewal Fees	-	8.08
	0.05	**27.00**

30 OPERATION AND OTHER EXPENSES

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Travelling	88.06	72.96
Conveyance	8.73	3.81
Staff Welfare	9.77	12.67
Communication	35.31	71.06
Printing and Stationery	0.16	0.33
Electricity and Power	76.88	90.16
Rent - Apartment & Ground	162.46	255.88
Repairs - Machinery	56.84	69.07
Repairs - Building	39.27	56.59
Repairs - Others	5.33	8.12
Education and Training Expenses	6.14	0.81
Insurance	44.71	32.74
Auditors' Remuneration - Refer Note no.31	3.80	3.80
Books and Periodicals	-	0.12
Directors' Fees	24.80	25.20
Rates & Taxes	42.22	61.20
Legal / Professional Fee	63.14	92.54
Consultancy Charges	2.16	2.24
Recruitment & Relocation Expenses	17.21	19.66
General and Board Meeting expenses	0.10	-

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Membership and Subscription	28.40	25.80
Business Promotion	19.09	15.25
Advertisement	4.06	3.20
Loss on Disposal of Asset	50.30	-
Bank Charges	7.11	24.85
Impairment loss recognised under Expected Credit loss	28.52	(11.95)
	824.57	**936.13**

31

AUDITOR'S REMUNERATION	MAR 31,2022	MAR 31,2021
As Statutory Auditors	2.50	2.50
Other certification	1.30	1.30
The above remunerations are exclusive of GST		
	3.80	**3.80**

32 There is no Impairment of assets during the year/ period ended MAR 31,2022 under Ind AS 36.

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

34 Litigation

a) Company has filed a recovery suit of $ 70K upon its Customer Payefx in USA and the customer has filed a counter suit of $ 75K. The outcome is delayed and awaited .

b) Case filed by Company on Software One, its Vendor for Non Perfrormance is pending with High Courts

c) Case filed by Company on G Ravi.s disputed claim/ of 12000 Shares is pending with court.

35 The Company has extended its rental agreement of a Building from Saltee Infotex (India) Pvt. Ltd.upto 31.05.2022

36 The Company continues with its policy of Work From Home to ensure Business Continuity in wake of Pandemic caused by Covid 19.

37 a) Fair Value Measurements are annexed to these account are disclosed in Annexure 37 a)

b) Financial Risk Management assesements are disclosed in Annexure 37 b)

c) Acturial valuation of Leave and gratuty is done at End of Fiscal and details are given in Annexure 37 c)

Fair Value Measurements Finacial disclosures are annexed to these accounts. Acturial valuation is done at End of Fiscal. Quarterly Estimates are made by management

38 **RELATED PARTY TRANSACTION DISCLOSURES AS PER IND AS-24**

a) **Enterprises where control exists:**

Wholly Owned Subsidiaries:	' % of holding	Country of Incorporation
Responsive Solutions Inc	100%	USA

b) **Partly Owned Subsidiary**

Paypermint Pvt Ltd	80.30%	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. Lakshmanan Narayan		Director
Mr. Raghav Raj Jain	-	Designated Sales Director
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 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Particulars		**Amount**	**Amount**
Reimbursement of Expenses on behalf of Subsidiary			
Paypermint Pvt Ltd		212.46	272.51
Balance :			
Advance taken against services	Responsive Solution Inc	676.27	741.93
Loan Given to Subsidiary			
Paypermint Pvt Ltd		44.36	
Advance received/paid from subsidiary			
Repayment of advances from	Responsive Solution Inc	104.39	113.40
Reimbursement of expenses receivable	Paypermint Pvt Ltd	168.13	289.10
Interest Received from	Paypermint Pvt Ltd	0.33	
Maximum balance outstanding during the period ended			
	Responsive Solution Inc	754.54	840.70
	Paypermint Pvt Ltd	70.99	151.71

ii

With Related parties

Compensation to KMP'S :	Short Term Employee Benefit	
R R Jain(MD)	**84.36**	**91.60**
Mr.Richard Launder (Director)	**6.00**	**6.40**
Mr.S.K.Jain (Director)	**8.00**	**8.00**
Mr.R. Ramaraj (Director)	**6.40**	**8.00**
Mr.Lakshmanan Narayan	**3.20**	**1.60**
Mrs Sarita Jain (Director)	**1.20**	**1.20**
Vijendra Kumar Surana (CFO & CS)	**81.27**	**75.49**
Relatives	**267.00**	**225.91**

39 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 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Numerator for Basic and Diluted EPS:		
Profit & Loss for the Year ended	(1,246.69)	(1,446.18)
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	(4.85)	(5.63)
Diluted Earning per Share	(4.85)	(5.63)

40 Declaration received from Micro,Small and Medium Enterprises under section 22 of MSMED Act 2006 and disclosures has been made accordingly under Note no. 19

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

a The Company is engaged in the business of development & maintenance of computer software and other related services. The production and sale of such software services are not capable of being expressed in generic terms.

Particulars	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Expenditure in Foreign Currency:		
Foreign branch expenditure	1,752.63	1,994.87
Earning in Foreign Currency		
Export of services	1,134.77	1,659.57

b Remittance in Foreign Currency

The Company has remitted ₹ Nil (MAR 2021: ₹ Nil) in foreign currencies on accounts of dividends as on March 31, 2022 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 2014-15 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 2014-15 declared in July,15	588	2,229,422	March, 2015	27,86,777.50
Dividend for 2015-16 declared in July,2016	564	1,790,888	March, 2016	17,90,888.00

42 Reporting of Segment Wise Revenue, Results and Capital Employed:

Particulars	Period ended MAR 31,2022 ₹ in Lac	Period ended MAR 31,2021 ₹ in Lac
1. Segment Revenue (net sale / income from each segment)		
a. Segment - A (USA)	1,129.27	1,652.03
b. Segment - B (ROW)	1,621.96	1,920.45
Total	**2,751.23**	**3,572.48**
Other Income		
a. Segment - A (USA)	389.48	142.61
b. Segment - B (ROW)	66.10	-
Total	455.58	142.61
Total	**3,206.81**	**3,715.09**
Less : Inter - segment revenue	**-**	
Total Revenue	**3,206.81**	**3,715.09**
2.Segment Results Profit/(Loss) before Tax & Interest from each segment		
a. Segment - A (USA)	(295.62)	(970.78)
b. Segment - B (ROW)	439.12	477.39
Total	**143.50**	**(493.38)**
Less : Interest	0.05	27.00
Less : Depreciation	318.67	380.91
Less : Unallocable Selling , General & Administrative Expenses	586.14	546.10
Profit before tax	**(761.36)**	**(1,447.40)**
3. Capital Employed		
Total Assets	**7,544.44**	**9,533.05**
Total Liability	**7,544.44**	**9,533.05**

Note *Assets used in the Company's business are not capable of being specifically identified with any of the segments, and it is not practicable to provide segmented disclosures in relation to total assets and liabilities with any reasonable degree of accuracy. Unallocated expenses have not been disclosed in any segment.

43

Disclosure under clause 32 of the listing agreement amount of loans and advances outstanding from subsidiary		
	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Outstanding as on		
Responsive Solution Inc	676.27	741.93
	-	-
Paypermint Pvt Ltd	44.36	-
Maximum balance outstanding during the year		
Responsive Solution Inc	754.54	840.70
	-	-
Paypermint Pvt Ltd	70.99	151.71

44 Additional Regulatory Information required by Schedule III

(i) Borrowing secured against current assets

The Company does not have any borrowings in the form of term loans, overdraft and extended credit secured against Current Assets.

(ii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Company has not entered into any transactions with the companies struck off under the Companies Act, 2013 or the Companies Act, 1956.

(iv) Compliance with number of layers of companies

There is no non-compliance with regard to the number of layers of companies prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(v) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entitiy (Intermediary) with the understanding that the Intermediary shall:

a) directly or indirectly lend or invest in other person or entitiy identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

a) directly or indirectly lend or invest in other person or entitiy identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vii) Undisclosed income

The company has not surrendered or disclosed any income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Corporate Social Responsibility

The Company is not covered under section 135 of the companies Act 2013 and rules made thereunder.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of PP&E, intangible asset and investment property

There is no revaluation of PP & E, Intangible assets and investment Property.

(xi) Benami Property

No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made therunder.

(xii) Financial Ratios

Ratio	Numerator (a)	Denominator (b)	Current Year	Previous Year	Variance %
Current Ratio (in times)	Total current assets	Total current liabilities	2.35	3.47	1.12
Debt-Equity raio (in times)	Debt consist of borrowing	Total equity	0.00	0.11	0.10
Debt service coverage ratio (in times)	Earning for debt service (i.e Net Profit after taxes + Non-cash operating expenses + other non-cash adjustment)	Debt service (i.e interest + principal repayment)	-	-	-
Return on equity ratio (in %)	Profit for the year	Average total equity	-20%	-0.20	0.01
Inventory turnover ratio (in times)	Revenue from operations	Average Inventory	-	-	-
Trade receivables turnover ratio (in times)	Net credit sales	Average accounts receivables	3.89	6.89	3.00
Trade payables turnover ratio (in times)	Net credit purchases	Average accounts payable	6.56	13.45	6.89
Net capital turnover ratio (in times)	Revenue from operations	Average working capital	1.50	1.15	-0.35
Net profit ratio (in %)	Profit for the year	Revenue from operations	-39%	-39%	-0.00
Return on capital employed (in %)	profit before tax and finance costs	Capital employed = Networth	-24%	-39%	-0.15
Return on Investments (in %)	Income generated from invested funds	Average invested funds	-20%	-0.20	0.01

* Debt service Coverage Ratio is insignificant

R S SOFTWARE INDIA LIMITED
NOTES ON ACCOUNTS FOR THE PERIOD ENDED MAR 31,2022

45 The Company is primarily engaged in the rendering services relating to maintenance and testing of Computer Software . These cannot be expressed in any generic units. Hence it is not possible to give the quantities details of sales and certain information as required under paragraph 5 (viii) '(c) of general instructions for preparation of statement of profits and loss as per revised schedule VI of the Companies Act 2013.

46 The previous year figures have been regrouped, reclassified and restated, wherever necessary, to correspond with the current year's classification.

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

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

Sd/-
CA D.N.AGRAWAL
Partner
M. No. 51157
DATED:Apr.22,2022
PLACE : New Delhi

ON BEHALF OF THE BOARD

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. 24 - Revenue from Operations

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Revenue disaggregations by nature of revenue:		
Software Development services	2,582.09	3,338.65
Sale of Third party hardware	169.14	199.37
	2,751.23	**3,538.02**

Revenue disaggregations by geography:

India	1,610.95	1,912.60
USA	1,134.77	1,599.08
UK	-	22.53
Japan	5.51	3.82
SGP	-	
TOTAL	**2,751.23**	**3,538.02**

Revenue disaggregations by Sector:

Government	1,610.95	1,912.60
Non Government	1,140.28	1,625.42
TOTAL	**2,751.23**	**3,538.02**

The company has one customer who represents more than 10% of its revenue in period .
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.

37. a) Fair value measurements

Financial instruments by category

Particulars	MAR 31,2022			MAR 31,2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	3,989.61	-	-	3,470.97	-	-
Trade receivables	-	-	386.23	-		1,026.48
Loans	-	-	-	-		-
Cash and cash equivalents	-	-	440.85	-		995.98
Other financial assets	-	-	14.97	-		496.53
Total financial assets	**3,989.61**	**-**	**842.04**	**3,470.97**	**-**	**2,518.99**
Financial liabilities						
Borrowings- Advance from Subsidiary	-	-	665.33	-		741.93
Trade payables	-	-	138.87	-		198.38
Other financial liabilities	-	-	453.86	-		207.16
Total financial liabilities	**-**	**-**	**1,258.06**	**-**	**-**	**1,147.47**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed At 31st Mar 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
Trade receivables	-	-	386.23	386.23
Loans	-	-	-	-
Cash and cash equivalents	440.85	-	-	440.85
Other financial assets	-	-	14.97	14.97
Total financial assets	**440.85**	**-**	**401.20**	**842.04**
Financial liabilities				
Borrowings- Advance from Subsidiary	-	-	665.33	665.33
Trade payables	-	-	138.87	138.87
Other financial liabilities	-	-	453.86	453.86
Total financial liabilities	**-**	**-**	**1,258.06**	**1,258.06**

37. a) Fair value measurements

Financial assets and liabilities measured at amortised cost for which fair values are disclosed At 31 March 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
Trade receivables	-	-	1,026.48	1,026.48
Loans	-	-	-	-
Cash and cash equivalents	995.98	-	-	995.98
Other financial assets	-	-	496.53	496.53
Total financial assets	**995.98**	**-**	**1,523.02**	**2,518.99**
Financial liabilities				
Borrowings- Advance from Subsidiary	-	-	741.93	741.93
Trade payables	-	-	198.38	198.38
Other financial liabilities	-	-	207.16	207.16
Total financial liabilities	**-**	**-**	**1,147.47**	**1,147.47**

Level 1: Level 1 hierarchy includes financial instruments basically here includes cash and bank balances which are at carrying value which approximates to its fair value.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is generally the case for unlisted equity securities.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:
• the use of Net assets value/ realisable value in case of investment in mutual fund
• Other financial instruments have been carried at their carrying value which approximates to its fair value

37. a) Fair value measurements

(iii) Fair value of financial assets and liabilities measured at amortised cost

	As at Mar 31,2022		As at MAR 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Trade receivables	386.23	386.23	1,026.48	1,026.48
Loans	-	-	-	-
Cash and cash equivalents	440.85	440.85	995.98	995.98
Other financial assets	14.97	14.97	496.53	496.53
Total financial assets	**842.04**	**842.04**	**2,518.99**	**2,518.99**
Financial liabilities				
Borrowings- Advance from Subsidiary	665.33	665.33	741.93	741.93
Trade payables	138.87	138.87	198.38	198.38
Other financial liabilities	453.86	453.86	207.16	207.16
Total financial liabilities	**1,258.06**	**1,258.06**	**1,147.47**	**1,147.47**

The carrying amounts of trade receivables, loans, cash and cash equivalents, other bank balances, other financial assets, security deposits, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

37. b) Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Management
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 31Mar 22 and 31 March 2021 is the carrying amounts of trade receivables.

Provision for expected credit loss

In determination of the allowance for credit losses on receivables, the Company has used a practical experience by computing the expected credit losses based on ageing matrix, which has taken into account historical credit loss experience and adjusted for forward looking information.

ii) Financial instruments and cash deposits

Credit risk from balances with banks and investments is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

37. b) Financial risk management

Contractual maturities of financial liabilities 31 MAR 2022	Less than 1 year	More than 1 year	Total
Non-derivatives			
Short Term Advances	665.33	-	665.33
Other financial liabilities	453.86	-	453.86
Trade payables	138.87	-	138.87
Total non-derivative financial liabilities	**1,258.06**	**-**	**1,258.06**

Contractual maturities of financial liabilities 31 MAR 2021	Less than 1 year	More than 1 year	Total
Non-derivatives			
Short Term Advances	741.93	-	741.93
Other financial liabilities	207.16	-	207.16
Trade payables	198.38	-	198.38
Total non-derivative financial liabilities	**1,147.47**	**-**	**1,147.47**

(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.

37 (c) ACTUARIAL VALUATION DISCLOSURE

PARTICULARS	Mar 31, 2022	Mar 31, 2022	Mar 31, 2021	Mar 31, 2021
1)EXPENSE RECOGNISED IN THE INCOME STATEMENT	**GRATUITY**	**LEAVE ENCASHMENT**	**GRATUITY**	**LEAVE ENCASHMENT**
Current Service Cost				
as on 31/03/2021	727,320	259,981	1,622,148	446,189
Past Service Cost				
Loss / (Gain) on settlement				
Net Interest Income / (cost) on the Net Defined Benefit Liability (Asset)	943,760	112,115	1,275,446	164,542
Actuarial (gains) / losses due to :				
change in demographic assumptions	-	-	(1,238,186)	177,972
Change in financial assumptions	(370,104)	(46,002)	2,108,561	317,981
experience varience (i.e. Actual experience vs assumptions)	11,366,300	986,158	3,224,183	728,235
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	10,996,196		(122,564)	
2)Net Asset				
Funded Status				
Present value of Defined Benefit Obligati	10,072,242	1,154,847	13,687,366	1,626,010
Fair value of plan assets				
Funded status [Surplus/(Deficit)]	(10,072,242)	(1,154,847)	(13,687,366)	(1,626,010)
Effect of balance sheet asset limit				
Unrecognised Past Service Costs				
Present value of Defined Benefit Obligation				
Net asset/(liability) recognised in balance sheet	(10,072,242)	(1,154,847)	(13,687,366)	(1,626,010)
Net asset/(liability) recognised in balance sheet at beginning of				
period	(13,687,366)	(1,626,010)	(19,338,605)	(2,494,830)
Expense recognised in Income Statement	1,671,080	1,312,252	2,897,594	843,063
Expense recognised in Other Comprehensive Income	(122,564)		(122,564)	
Employer contributions	16,282,400	1,783,145	8,426,269	1,711,883
Net Acquisitions / Business Combinations				
Net asset/(liability) recognised in balance sheet at end of the period	(10,072,242)	(1,154,847)	(13,687,366)	(1,626,010)

37 (c) ACTUARIAL VALUATION DISCLOSURE

PARTICULARS	Mar 31, 2022	Mar 31, 2022	Mar 31, 2021	Mar 31, 2021
3)Change in Defined Benefit Obligations (DBO)				
Present Value of DBO at beginning of period	13,687,366	1,626,010	19,338,605	2,494,030
Current Service cost	727,320	259,981	1,622,148	446,189
Interest cost	943,760	112,115	1,275,446	164,542
Curtailment cost/(credit)				
Settlement cost/(credit)				
Employee contribution				
Past Service Cost				
Acquisitions				
Re-measurement (or Actuarial (gains)/ losses) arising from				
change in demographic assumptions	-	-	(1,238,186)	(177,972)
Change in financial assumptions	(370,104)	(46,002)	2,108,561	(317,931)
- experience varience (i.e. Actual experience vs assumptions	11,366,300	986,158	3,224,183	728,235
others				
Benefits paid	(16,282,400)	(1,783,145)	(8,426,269)	(1,711,883)
Present Value of DBO at the end of period	10,072,242	1,154,847	13,687,366	1,626,010
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	16,282,400	1,783,145	8,426,269	1,711,883
Fund Transferred				
Employee contributions				
Benefits paid	(16,282,400)	(1,783,145)	(8,426,269)	(1,711,883)
Plan assets at the end of period	`-	-	`-	-
Current Liabilty	2,126,555	230,712	422,513	55,204
Non current Liabilty	7,945,687	924,135	13,264,853	1,570,806
5)Actuarial Assumptions				
Financial Assumptions				
Discount Rate	7%	7%	7%	7%
Rate of increase in salaries	1%	1%	1%	1%
Demographic Assumptions				
Mortality Rate (% of IALM 06-08)	100%	100%	100%	100%
Normal Retirement Age	65 years	65 years	65 years	65 years
Attrition Rates, based on age (% p.a.) FOR ALL AGES	1%	1%	1%	1%

RESPONSIVE SOLUTION INC.

DIRECTORS' REPORT

The Directors present their report together with the audited accounts for the period ended 31st March, 2022.

Review of Financial Performance

The company during the year under review reported a loss of US$ 0.15 million (Previous year loss US$ 0.13 million). The company is exploring different avenues of revenues, particularly in areas where the Parent Company RS Software is not focusing, and the plan to achieve more profits during the fiscal year 2021-22.

In view of the slowdown in the global economies and that of US in particular, the opportunity for offshore outsourcing only increases and your management team is confident of improved financial performance in years to come.

Directors' Responsibilities

(i) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.

(ii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of the Company.

(iii) That the Directors have prepared the accounts for the financial year ended 31st March, 2022 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.

Sd/-
On behalf of the Board of Directors
R R Jain
Chairman

Milpitas
April 7, 2022

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors Responsive Solutions, Inc. 1900 McCarthy Blvd, Suite 103 Milpitas, California 95035

Opinion

We have audited the financial statement of Responsive Solutions, Inc., (a California Corporation) which comprise the balance sheet as of March 31, 2022, and the related statement of operations, change in stockholders' equity, and cash flows for the three and twelve months ended March 31, 2022, and the related notes to the financial statements.

In our opinion, the accompanying financial statement present fairly, in all material respects, the financial position of Responsive Solutions, Inc., as of March 31, 2022, and the results of its operations and its cash flows for the three months and twelve months ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 required to be independent of Responsive Solutions, Inc., and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for 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. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Responsive Solutions, Inc's ability to continue as a going concern within one year from the date the financial statements are available to be issued.

Auditors' 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 Responsive Solutions, Inc's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Responsive Solutions, Inc's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Sd/-

San Francisco, California

April 7, 2022

RESPONSIVE SOLUTIONS, INC.
BALANCE SHEET
MARCH 31, 2022

ASSETS

	March 31, 2022
CURRENT ASSETS	
Cash and cash equivalents	$ 1,503
Prepaid taxes	25,301
Note receivable, related affiliate	876,584
Total assets	**903,388**
LIABILITIES AND STOCKHOLDERS' EQUITY	
CURRENT LIABILITIES	
Accounts payable	7,401
Income taxes payable	800
Total current liabilities	8,201
STOCKHOLDERS' EQUITY	
Common stock, $.01 par value, Authorized 1,000 shares; Issued and outstanding 500 shares as of March 31, 2022	5
Additional paid-in capital	499,995
Retained earnings	395,187
Stockholders' equity	895,187
Liabilities and Stockholders' equity	**$ 903,388**

RESPONSIVE SOLUTIONS, INC.
STATEMENT OF OPERATIONS
FOR THE THREE AND TWELVE MONTH ENDED MARCH 31, 2022

	Three Month Ended March 31, 2022	Twelve Month Ended March 31, 2022
COST AND EXPENSES		
Salary, wages and payroll taxes	$ 21,576	$ 85,843
Mileage and reimbursements	3,796	13,909
Medical insurance	3,920	25,728
Professional fees	3,000	12,500
Payroll processing fees	1,771	5,755
Bank fees	15	160
Total Expenses	34,078	143,895
Net Loss Before Income Taxes	(34,078)	(143,895)
Provision for income taxes	-	1,629
Net Loss	**$ (34,078)**	**$ (145,524)**

RESPONSIVE SOLUTIONS, INC.
STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE THREE MONTHS AND TWELVE MONTHS ENDED MARCH 31, 2022

	Common Stock	Paid-In Capital	Retained Earnings	Stockholders' Equity
Balance, March 31, 2021	$ 5	$ 499,995	$ 540,711	$ 1,040,711
Net loss- nine months	-	-	(111,446)	(111,446)
Balance, December 31, 2021	5	499,995	429,265	929,265
Net loss- three months	**-**	**-**	**(34,078)**	**(34,078)**
Balance, March 31, 2022	**$ 5**	**$ 499,995**	**$ 395,187**	**$ 895,187**

RESPONSIVE SOLUTIONS, INC.
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS AND YWELVE MONTHS ENDED MARCH 31,2022

	Three Month Ended March 31, 2022	Twelve Month Ended March 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (34,078)	$ (145,524)
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in assets and liabilities:		
Accounts payable	3,301	1,402
Income taxes payable	-	800
Net Cash Used In Operating Activities	(30,777)	(143,322)
CASH FLOWS FROM FINANCING ACTIVITIES		
Note receivable, related affiliate	14,415	137,536
Net Cash Provided by Financing Activities	14,415	137,536
Net Change in Cash and Cash Equivalents	(16,362)	(5,786)
Cash and cash equivalents, beginning balance	17,866	7,290
CASH AND CASH EQUIVALENTS, MARCH 31, 2022	**$ 1,503**	**$ 1,503**
SUPPLEMENTAL CASH-FLOW INFORMATION		
Interest paid	**$ -**	**$ -**
Income taxes paid	**$ -**	**$ 1,600**

RESPONSIVE SOLUTIONS, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2022

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 $876,584 to the Parent, RS Software (India) Ltd which bears no interest rate. Related party receivable balance was $876,584 as of March 31, 2022. Management estimates the note is going to be received full in year 2022.

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, 2022 are as follows:
Responsive Solutions issued short term unsecured receivable amounting to $876,584 to the Parent, RS Software (India) Ltd which bears no interest rate. Related party receivable balance was $876,584 as of March 31, 2022. Management estimates the note is going to be received full in year 2022.

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, 2022, 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, 2022, 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, 2022 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, 2022 that exceeded the balance insured by the FDIC. Management of Responsive Solutions periodically reviews its cash policies and believes any potential accounting loss is minimal.

Subsequent Event -- As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may impact operating activities, though such potential impact is unknown at this time. Management has evaluated subsequent events through April 7, 2022, 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.

Paypermint Private Limited

BOARD REPORT

To

The Members,

Your Directors have pleasure in presenting their 6th Annual Report of the Company together with the Audited Statement of Accounts of **Paypermint Private Limited** for the Financial Year ended March 31, 2022.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The financial performance is tabled below: (**Rs. In Lakh**)

Particulars	31st March, 2022	31st March, 2021
Revenue from operations	1.13	7.65
Other income	23.83	3.68
Total revenue	24.95	11.33
Profit before finance charges, Tax, Depreciation/Amortization (PBITDA)	**(234.69)**	**(473.24)**
Less : Finance Charges	-	-
Less : Depreciation and Amortization Expense	101.45	102.37
Profit before Taxation (PBT)	**(336.14)**	**(575.60)**
Less : Deferred Tax written off for earlier year	-	-
Profit after Taxation (PAT)	**(336.14)**	**(575.60)**
Other Comprehensive Income	(22.53)	7.45
Profit/(Loss) from Continuous Operations	**(358.67)**	**(568.15)**

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

During the fiscal year 21-22 the Reserve Bank of India changed its regulations, as a result of which the company does not qualify to operate its payment platform, and hence the reduction in revenue as compared to the last fiscal year. However, the company's platform is built on state-of-the-art technology, making it a significant asset that can be montised in thie payments acceptance market opportunities, which are growing in India and globally. Therefore the management team and the board has decided to continue the development on the platform to respond to the growth opportunities. During the year the Company had incurred loss of Rs. 336.14 lakhs on account of further development of the payment platform of the company.

3. DIVIDEND

In view of absence of profit, your Directors do not propose any dividend for the Financial Year ended March 31, 2022.

4. TRANSFER TO RESERVES

No amount was transferred to the reserves by your Company during the financial year ended 31st March, 2022.

5. COVID- 19 PANDEMIC:

The Covid-19 pandemic has significantly increased the demand for digital payments. This augurs very well for the platform owned by the company, and this asset can be monetized by making it available to companies who have the license to be in

this business.

6. CHANGE(S) IN THE NATURE OF BUSINESS, IF ANY

There has been no Change in the business of the Company during the financial year ended 31st March 2022.

7. CHANGE(S) IN SHARE CAPITAL

During the Financial Year 2021-22 the company has issued and allotted 1,50,000 equity shares through rights issue of shares. The Present Paid up Share capital of the Company is Rs. 10,15,00,000/- (Previous Year Rs.10,00,00,000/-)

8. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION

There have been no material changes and commitments affecting the financial position of the Company, which have occurred till 31st March 2022, being the end of the Financial Year of the Company to which financial statements relate and the date of the report.

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

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operation in future.

10. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements which are commensurate with the size and nature of business.

11. DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES

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

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

The Company does not have any Subsidiary, Joint Venture or an Associate Company. Hence, the disclosure in terms of Rule 8(1) of the Companies (Accounts) Rules, 2014, as amended read with other relevant rules is not applicable.

13. DEPOSITS

The Company has not accepted any kind of deposit from the public falling within the ambit of Chapter V of the Companies Act, 2013 read with relevant rules applicable as amended.

14. AUDITORS

At the Annual General Meeting (AGM) of your Company held on August 28, 2017, M/s. Chaturvedi & Co., Chartered Accountants,(Firm Registration No. 302137E), allotted by The Institute of Chartered Accountants of India (ICAI), were appointed as Statutory Auditors of your Company to hold office for a term of 5 (Five) years till the conclusion of sixth Annual General

Meeting of the Company i.e., till the AGM to be held for the Financial year ended 31.03.2022 i.e. the ensuing AGM. Further, M/s. Chaturvedi & Co., Chartered Accountants has consented for re- appointment for a term of five years as recommended by the Audit Committee and the Board of Directors at such remuneration as mutually decided. The Members are requested to confirm the appointment of M/s. Chaturvedi & Co, Chartered Accountants as the Statutory Auditors from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held for the financial year ended 31.03.2027. They have confirmed their eligibility and willingness to accept the office of Auditors, if re-appointed, in the ensuing Annual General Meeting. The Company has also received a confirmation that their re-appointment, if made will be within the limit as prescribed under Section 139 of the Companies Act, 2013 and the rules therein.

The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer. Further, the Statutory Auditors have not reported any incident of fraud during the year under review to the Audit committee of your Company.

15. EXTRACT OF THE ANNUAL RETURN

As the Company does not have its own website, hence, requirements of Section 92(3) of the Act and Rules framed thereunder would not be applicable.

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

Since the Company does not own any manufacturing facility, the requirements pertaining to disclosure of particulars relating to conservation of energy and technology absorption pursuant to section 134(m) of Companies Act, 2013 do not apply to our Company.

The Company has not made any foreign exchanges earning and outgoing during the year under review.

17. DIRECTORS AND KEY MANAGERIAL PERSON

Mr. Rajnit Rai Jain and Mr. Rajasekar Ramaraj has been re-designated to whole- time director and Independent Director respectively for a period of five years with effect from 2nd April, 2021. The company has appointed Mr. Richard Nicholas Launder, as an additional independent director of the company, with effect from 18th August, 2021. The aforesaid appointments are subject to the approval of shareholders in the ensuing annual general meeting.

Your company has also appointed Mr. Vijendra Kumar Surana with effect from 2nd April, 2021 as a Chief Financial Officer and Mrs. Sonu Agarwal Maskara, as a Company Secretary of the company with effect from 5th August, 2021 during the period.

18. NUMBER OF MEETINGS OF BOARD OF DIRECTORS

The Company has duly complied with section 173 of the Companies Act, 2013. During the Financial Year 2021-22, 8 (Eight) 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 2nd April, 2021, 19th May, 2021, 9th August, 2021, 18th August, 2021, 13th September, 2021, 8th November, 2021, 22nd December, 2021 and 2nd February, 2022.

19. COMMITTEES OF THE BOARD

The Audit Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013. 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. Rajasekar Ramaraj	00090279	Non- Executive & Independent Director
2.	Mr. Richard Nicholas Launder	03375772	Non- Executive & Independent Director
3.	Mr. Rajnit Rai Jain	00122942	Executive Director

The Company Secretary of your Company acts as the Secretary to the Audit Committee. During the Financial Year, the committee had met two times on 8th November 2021 and 2nd February, 2022.

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.

b. Nomination & Remuneration Committee

The Nomination and Remuneration Committee has been constituted in line with the provisions of Section 178 of the Companies Act, 2013. The details of composition of the Committees of the Board of Directors are as under:

Sl. No.	Name	DIN	Category
1.	Mr. Rajasekar Ramaraj	00090279	Non- Executive & Independent Director
2.	Mr. Richard Nicholas Launder	03375772	Non- Executive & Independent Director
3.	Mr. Rajnit Rai Jain	00122942	Executive Director

During the Financial Year, the Committee had met two times on 8th November, 2021 and 2nd February, 2022.

20. MANAGERIAL REMUNERATION

The company had not paid any remuneration to its Directors during the Financial Year 2021-22.

21. 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.

22. 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.

23. 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.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not made any Investment, given guarantee and securities during the year under review. Therefore, no need to comply provisions of section 186 of Companies Act, 2013.

25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year ended 31st March, 2022 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.

26. 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.

27. SECRETARIAL STANDARDS

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

28. 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.

29. INSOLVENCY AND BANKRUPTCY CODE, 2016

There were no applications made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year.

30. ONE TIME SETTLEMENT

There were no one time settlement made during the year, therefore the disclosures of the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions is not applicable.

31. 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, 2022, 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, 2022 on a going concern basis;

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

32. 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: New Delhi
Date: 22/04/2022

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

Sd/-
Rajasekar Ramaraj
Director
(DIN: 00090279)

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, 2022, 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, 2022, 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

We draw attention to financial statements, which indicates that the Company incurred a net loss of Rs. 336.14 lakhs during the year ended March 31, 2022 and as of that date, the Company's current liabilities and provisions amount to Rs. 75.77 lakhs. Attention is invited to Note No. 29 of the accounts where the management has made assessment of the company's ability to continue as 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 in respect of above mentioned matter stated) 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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, there has been no remuneration paid by the company to its directors during the year and accordingly reporting under section 197(16) of the Act is not applicable to the Company

(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.

iv. As per the management representation provided, we report –

- no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the Intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

- no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

- Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given by management under the above sub-clauses contain any material mis-statement.

v. As per the records of the Company no dividend has been declared or paid during the year.

For **Chaturvedi & Company**
Chartered Accountants
(**Firm Reg. No. 302137E**)

Sd/-
Nilima Joshi
Partner
Mem. No. 52122
UDIN : 22052122AHSQNI3145

Dated : 22ND day of April, 2022
Place : New Delhi

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, 2022 we report that

i. (a) (A) The Company has generally maintained proper records showing full particulars, including quantitative details of Property, Plant and Equipment except location thereof.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified every year. In accordance with this programme, all the Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not have any immovable properties. Accordingly, para 3(i)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The Company is a service company, primarily rendering software services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees at any point of time of the year in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the requirement to report on para 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not made investment, provided any guarantee or security or granted advances in the nature of loans secured or unsecured to companies firms, limited liability Partnership or any other parties during the year. Hence the provisions of paragraph 3(iii)(a) to (f) or the Order are not applicable.

(iv) On the basis of examination of Records of the Company and According to the information and explanations given to us, provisions of section 185 and 186 of the Act is not applicable to the Company. Thus paragraph 3(v) of the Order is not applicable to the Company.

(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 and hence para 3(v) of the Order is not applicable to the Company.

(vi) According to the information and explanation given to us, 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. Thus paragraph 3(vi) of the Order is not applicable.

(vii) (a) According to the information and explanations given to us and as per the records of the Company examined by us, the Company is generally in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable to the Company, except certain delays in deposit of GST during the year with the appropriate authorities. There are no undisputed statutory dues payable in respect of above statues outstanding as at 31st March 2022 for a period of more than six months from the date they became payable.

(b) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of income tax, Goods & service tax, cess etc. which have not been deposited as at 31 March, 2022 on account of any dispute

(viii) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transaction, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company have not defaulted in repayment of any loans or borrowings from any lender during the year.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not been declared willful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not raised any money by way of term loans.

(d) According to the information and explanations given to us and based on the audit procedures performed by us, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on paragraph 3(ix)(e) and (f) of the Order are not applicable to the Company.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company does not have any subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.

(b) According to the information and explanation given to us and based on the audit procedures performed by us, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year, only allotment of Right Shares have been made during the year. Hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) Based on the examination of the books and records of the Company and according to the information and explanation given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) According to the information and explanation given to us, there were no whistle blower complaints received by the Company during the year

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of the Order is not applicable.

(xiii) According to the information and explanation given to us and based on the audit procedures performed by us,

transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.

(xiv) Provisions of section 138 of the act relating to Internal audit is not applicable on the company, hence clause (xiv) of the order is not applicable ad hence nothing is required to be reported under this clause.

(xv) In our opinion and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) According to the information and explanation given to us and based on the audit procedures performed by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

(b) According to the information and explanation given to us and based on the audit procedures performed by us, the Company has not conducted any non-banking Financial or Housing Finance Activities. Hence reporting under paragraph 3(xvi) (b) of the Order is not applicable.

(c) According to the information and explanation given to us and based on the audit procedures performed by us, the Company is not Core Investment Company (CIC) as defined in the regulation made by the Reserve Bank of India. Hence reporting under paragraph 3(xvi(c) of the Order is not applicable.

(d) According to the information and explanation given to us and based on the audit procedures performed by us, the Group does not have any CIC as part of the Group. Hence reporting under paragraph 3(xvi(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses in the Financial Year and in the immediately preceding financial year. The cash loss during the year was Rs. 234.69 lacs and in the immediately preceding year it was Rs. 473.24 lacs

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on paragraph 3(xviii) of the Order is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and assurance of the holding company for ongoing financial support to the company for next financial year in order to meet all its obligation, we are of the opinion that no material uncertainty exists as on the date of the audit report of the Company's capability of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanation given to us and based on the audit procedures performed by us, provision of section 135 relating to corporate social responsibility is not applicable on the company, hence nothing is required to be reported under clause (xx)(a) & clause (xx)(b) of the order.

(xxi) The preparation of consolidated financial statements is not applicable to the Company. Hence reporting under paragraph (xxi) of the Order is not applicable to the Company.

For **Chaturvedi & Company**
Chartered Accountants
(**Firm Reg. No. 302137E**)

Sd/-
Nilima Joshi
Partner
Mem. No. 52122
UDIN : 22052122AHSQNI3145

Dated : 22nd day of April, 2022
Place : New Delhi

PAYPERMINT PVT LTD
BALANCE SHEET AS AT MAR 31 2022

PARTICULARS		Notes	AS AT MAR 31 2022 ₹ in Lac	AS AT MAR 31 2021 ₹ in Lac
ASSETS				
NON CURRENT ASSETS				
a	**PROPERTY PLANT & EQUIPMENT**			
i)	PROPERTY PLANT & EQUIPMENT	3	0.28	0.57
ii)	INTANGIBLE ASSETS	3	293.53	394.69
b	**FINANCIAL ASSETS**			
(i)	OTHER FINANCIAL ASSET	5	-	0.00
b	**DEFERRED TAX ASSETS (Net)**	4		
c	**OTHER NON CURRENT ASSETS**	5	0.09	0.12
CURRENT ASSETS				
a	**FINANCIAL ASSETS**			
	i) INVESTMENT	6	-	6.43
	ii)TRADE RECEIVABLES	7	-	0.00
	ii)CASH & CASH EQUIVALENTS	7	4.75	85.60
	iii)OTHER FINANCIAL ASSET	8	20.30	19.49
b	**OTHER CURRENT ASSETS**	9	138.10	135.31
	TOTAL ASSETS		**457.05**	**642.21**
EQUITY AND LIABILITIES :				
EQUITY				
a	EQUITY SHARE CAPITAL	10	1,015.00	1000.00
b	OTHER EQUITY	11	-633.51	-409.84
LIABILITIES				
NON CURRENT LIABILITIES				
a	PROVISIONS	24	2.73	13.02
b	DEFERRED TAX LIABILITIES (Net)	4	-	
CURRENT LIABILITIES				
a	**FINANCIAL LIABILITIES**			
	i) BORROWINGS	11	44.32	0.00
	ii) TRADE PAYABLES	12	1.81	7.72
	iii) OTHER FINANCIAL LIABILITIES	13	26.65	25.58
b	**OTHER CURRENT LIABILITIES**	14	-	1.62
c	**SHORT TERM PROVISIONS**	15	0.04	4.11
	TOTAL		**457.05**	**642.21**

Significant Accounting Policies and Notes on Accounts 1 to 33

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: Apr 22,2022
PLACE :New Delhi

Sd/-
VIJENDRA SURANA
CHIEF FINANCIAL OFFICER
M. NO.: 057123

Sd/-
R R JAIN
DIRECTOR
DIN:00122942

Sd/-
R RAMARAJ
DIRECTOR
DIN:00090279

PAYPERMINT PVT LTD
STATEMENT OF PROFIT & LOSS FOR PERIOD ENDED MAR 31,2022

PARTICULARS		Notes	YEAR ENDED MAR 31,2022 ₹ in Lac	YEAR ENDED MAR 31,2021 ₹ in Lac
I	**REVENUE FROM OPERATION**	**16**	1.13	7.65
II	**OTHER INCOME**	**17**	23.83	3.68
III	**TOTAL REVENUE**		**24.95**	**11.33**
IV	**EXPENSES :**			
	EMPLOYEE BENEFIT EXPENSES	**18**	189.81	388.29
	SUBCONTRACTOR EXPENSES	**19**	5.34	-
	DEPRECIATION & AMORTISATION	**3**	101.45	102.37
	OPERATION AND OTHER EXPENSES	**20**	64.16	96.28
	INTEREST EXPENSE		0.33	
V	**TOTAL EXPENSE**		**361.09**	**586.93**
VI	**PROFIT/(LOSS) BEFORE TAX : (III - V)**		**(336.14)**	**(575.60)**
VII	TAX EXPENSES			
	CURRENT TAX			
VIII	**PROFIT & (LOSS) FOR THE YEAR ENDED (VI - VII)**		**(336.14)**	**(575.60)**
	OTHER COMPREHENSIVE INCOME/(LOSS)			
	ITEMS WHICH WILL NOT BE CLASSIFIED INTO P&L RELATING TO ACTUARIAL GAIN/LOSS		**(22.53)**	**7.45**
	TOTAL COMPREHENSIVE INCOME/(LOSS)		**(22.53)**	**7.45**
	PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATION :		**(358.67)**	**(568.15)**
	PROFIT & LOSS BROUGHT FORWRAD FRPM PREVIOUS YEAR		**(2,467.33)**	
	Deferred TAX ASSETS ADJUSTED		**-**	
	PROFIT & LOSS ACCOUNT CARRIED FORWARD TO BALANCE SHEET		**(2,826.00)**	**-**
	EARNING PER EQUITY SHARE :			
	BASIC	**30**	(3.53)	(5.68)
	DILLUTED		5.00	5.00
VIII	EARNING PER EQUITY SHARE :			
	BASIC			
	DILLUTED			
	RESTATED EPS FOR PREVIOUS YEAR on face value of INR 5 Each :			
	BASIC		-	-
	DILLUTED		-	-
	DILLUTED	**30**	(3.53)	(5.68)

Significant Accounting Policies and Notes on Accounts 1 to 33

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)

Sd/-
NILIMA JOSHI
PARTNER,
M. No. 52122
DATED: Apr 22,2022
PLACE :New Delhi

ON BEHALF OF THE BOARD

Sd/-
VIJENDRA SURANA
CHIEF FINANCIAL OFFICER
M. NO.: 057123

Sd/-
R R JAIN
DIRECTOR
DIN:00122942

Sd/-
R RAMARAJ
DIRECTOR
DIN:00090279

PAYPERMINT PVT LTD
CASH FLOW STATEMENT FOR THE PERIOD ENDED MAR 31,2022

PARTICULARS		YEAR ENDED MAR 31,2022 ₹ in Lac	YEAR ENDED MAR 31 2021 ₹ in Lac
CASH FLOW STATEMENT			
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	NET PROFIT BEFORE TAX	(336.14)	(772.05)
	ADJUSTMENT FOR :		
	DEPRECIATION	101.45	108.18
	PROFIT ON SALE OF INVESTMENT	(0.13)	(65.53)
	FOREIGN EXCHANGE DIFFERENCES	(22.02)	-
	PROVISION FOR GRATUITY, LEAVE ENCASHMENT	(36.89)	1.92
	INTEREST RECEIVED	(0.90)	(0.92)
	LOSS ON REVALUATION ON INVESTMENT	0.24	28.60
	EMPLOYEES EXPENSES AMORTIZATION & DEFFERED TAXATION		
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**(294.40)**	**(699.80)**
	ADJUSTMENT FOR :		
	TRADE AND OTHER RECEIVABLES	0.03	0.16
	LOANS AND ADVANCES AND OTHER ASSETS	40.72	(13.15)
	TRADE PAYABLES & OTHER LIABILITIES	(6.46)	5.33
	CASH GENERATED FROM OPERATIONS	(260.11)	(707.46)
	NET CASH FROM OPERATING ACTIVITIES	**(260.11)**	**(707.46)**
B	**CASH FLOW FROM INVESTMENT ACTIVITIES :**		
	PURCHASE OF FIXED ASSETS	(0.00)	(0.00)
	INTEREST RECEIVED	0.90	0.92
	PROFIT ON SALE OF INVESTMENT	0.13	65.53
	INVESTMENT REDEEMED DURING THE YEAR	28.22	681.36
	NET CASH FROM INVESTMENT ACTIVITIES	29.26	747.81
C	**CASH FLOW FROM FINANCE ACTIVITIES:**	**-**	
	PROCEEDS FROM SHARE CAPITAL	15.00	985.00
	INTEREST PAID		
	DIVIDEND AND DIVIDEND TAX PAID		
	PAYMENT OF CSR FUND		
	NET CASH FROM FINANCING ACTIVITIES	**15.00**	**985.00**
	PROCEEDS FROM SHARE CAPITAL	150.00	
	NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(80.85)	40.35
	OPENING CASH AND CASH EQUIVALENTS	85.60	2.29
	CLOSING CASH AND CASH EQUIVALENTS	4.75	85.60

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)

Sd/-
NILIMA JOSHI
PARTNER,
M. No. 52122
DATED: Apr 22,2022
PLACE :New Delhi

ON BEHALF OF THE BOARD

Sd/-
VIJENDRA SURANA
CHIEF FINANCIAL OFFICER
M. NO.: 057123

Sd/-
R R JAIN
DIRECTOR
DIN:00122942

Sd/-
R RAMARAJ
DIRECTOR
DIN:00090279

Note No: 12

STATEMENT OF CHANGE IN EQUITY FOR THE PERIOD ENDED MAR 31,2022 *

Particulars	Reserve and Surplus						Other comprehensive income		
	Securities premium reserve	Retained earnings	CSR FUND Reserve	Inter Branch Foreign Fluctuation Reserve	Share Forfeiture Reserve	Preference Share Redemption Reserve	Equity Instruments through other comprehensive income	Other items of other comprehensive income	Total equity attributable to equity holders of the Company
Equity Share Capital									
Balance as of April 1, 2021									1,000.00
Changes In Equity For Period Ended March 31,2022									15.00
Balance as of Mar 31,2022									1,015.00
Other Equity									
Balance as of April 1, 2021	2,060.00	(2,467.33)	-	-	-	-	-	(2.51)	(409.84)
Changes during the period	135.00	(336.14)	-	-	-	-	-	(22.53)	(223.67)
Balance as of Mar 31,2022	2,195.00	(2,803.47)	-	-	-	-	-	(25.04)	(633.51)

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MAR 2021

Particulars	Reserve and Surplus						Other comprehensive income		
	Securities premium reserve	Retained earnings	CSR FUND Reserve	Inter Branch Foreign Fluctuation Reserve	Share Forfeiture Reserve	Preference Share Redemption Reserve	Equity Instruments through other comprehensive income	Other items of other comprehensive income	Total equity attributable to equity holders of the Company
Equity Share Capital									
Balance as of April 1, 2020									1,000.00
Changes In Equity For Period Ended MAR 31,2021									-
Balance as of MAR 31,2021									1,000.00
Other Equity									
Balance as of April 1, 2020	1,600.00	(1,891.72)	-	-	-	-	-	(9.95)	(301.68)
Changes In Equity For Period Ended MAR 31,2021									
Changes during the year	460.00	(575.60)	-	-	-	-	-	7.45	(108.16)
Balance as of MAR 31,2021	2,060.00	(2,467.33)	-	-	-	-	-	(2.51)	(409.84)

***This Statement forms an integral part of Standalone Financial Statement**

For CHATURVEDI & COMPANY
CHARTERED ACCOUNTANTS
(Reg. no : 302137E)

NILIMA JOSHI
PARTNER,
M. No. 52122
DATED: Apr 22,2022
PLACE :New Delhi

ON BEHALF OF THE BOARD

Sd/-
VIJENDRA SURANA
CHIEF FINANCIAL OFFICER
M. NO.: 057123

Sd/-
R R JAIN
DIRECTOR
DIN:00122942

Sd/-
R RAMARAJ
DIRECTOR
DIN:00090279

PAYPERMINT PVT LTD
NOTES ON ACCOUNTS FOR THE PERIOD ENDED MAR 31 2022

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 Apr 22, ,2022.

1.2 Basis of preparation of Financial Statement

These financial statements are prepared in accordance with Indian Accounting Standard (Ind 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 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.

1.3 Use of Estimates & Judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of goodwill, impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets and provisions and contingent liabilities. Key estimates are critical accounting estimates.

2 Critical Accounting Estimates:

a Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

b Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 2(M).

c Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

d Revenue Recognition

Revenue is recognised based on the occurance of transaction and rendered in books on monthly basis commensurating with the term as agreed upon with the merchant and the other payment since provided

e Cost recognition

Costs and expenses are recognized when incurred and have been classified according to their primary nature.

The costs of the company are broadly categorized in employee benefit expenses, depreciation and amortization and other operating expenses. Employee benefit expenses include employee compensation, allowances paid and staff welfare expenses. Other operating expenses majorly include fees to external consultants, Rent, cost running its facilities, travel expenses, communication costs allowances for delinquent receivables and other expenses. Other expenses is an aggregation of costs which are individually not material such us commission, bank charges, freight, Postage etc.

f Property ,Plant & Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Property, plant and equipment individually costing Rs 5,000 or less which are not capitalised except when they are part of a larger capital investment programmed.

Depreciation is provided for property, plant and equipment so as to expense the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

PLANT AND EQUIPMENT	3 years/6 years

Depreciation on fixed assets is provided using the straight-line method on the basis of use full life of assets under schedule II of the Indian Companies Act, 2013.

g Intangible assets

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets/Software 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 in 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.

j Spares and Consumables (Computers spares accessories and stationery are charged to revenue in the year they are purchased.**)**

k Cash Flows are reported using the indirect method whereby profit for the period is adjusted for the effects of transactions of non cash nature,any deferrals ,accruals of past and future operating cash receipts and payments associated with investing and financing cash flows. Cash from operating,investing and financing activities are segregated.

l Employee Benefits

Contribution of Employers share to Employees' Provident Fund and ESI are worked on accrual basis and charged to Profit & Loss Account. The Company also provides for Gratuity and Leave Encashment based on actuarial valuation made by an independent actuary as per IAS 19 Compliance of The Institute of Chartered Accountants of India, Actuarial gains and losses are recognised in full in the Statement of Profit & Loss account for the period in which they occur.

m Income Tax

Current Income tax expense comprise taxes on income from operation in India . Income tax payable in India is determined in accordance with the provision of I. Tax Act 1961.

Advance tax and provisions for current income taxes are presented in the Balance Sheet after off setting advance taxes paid and income tax provision arising in the same tax jurisdiction and where the company intends to settle the assets and liabilities on a net basis.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

n Financial instruments

i) Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

ii) Financial assets at amortised cost

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iv) Financial assets at fair value through Profit & Loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

v) Investment in subsidiaries

Investment in subsidiaries are measured at cost

vi) Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for Derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

p Asset taken on Lease

Lease rentals on operating leases are charged on a monthly basis to accounts. Assets taken on Finance Lease have

been capitalized during the year of agreement and charged off in accordance with the applicable rate of Depreciation.

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.

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.

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.

p Earnings per share

Basic earning per share is calculated by dividing the net profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For Calculating Diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

t Recent Indian Accounting Standard (Ind AS)

Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 replacing Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease

expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.The effect on adoption of Ind AS 116 Appendix C would be insignificant in the standalone financial statements

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

• to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

3. PROPERTY PLANT & EQUIPMENT AS ON MAR 31, 2022

₹ in Lac

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION & AMORTISATION			NET CARRYING AMOUNT	
	AS ON 1ST OF APRIL 21	ADDITIONS	DED/ADJ	AS ON 1ST OF APRIL 21	ADDITIONS	DED/ADJ	AS AT MAR 31 2022	AS ON 31st MARCH 21
PLANT & EQUIPMENT	27.52		-	26.95	0.29		27.24	0.28	0.57
TOTAL (a)	**27.52**	**-**	**-**	**26.95**	**0.29**	**-**	**27.24**	**0.28**	**0.57**
OTHER INTANGIBLE ASSETS									
COMPUTER SOFTWARE	706.19	-	-	311.50	101.16	-	412.66	293.53	394.69
TOTAL (b)	**706.19**	**-**	**-**	**311.50**	**101.16**	**-**	**412.66**	**293.53**	**394.69**
TOTAL (a+b)	**733.71**	**-**	**-**	**338.45**	**101.45**	**-**	**439.90**	**293.81**	**395.26**

PROPERTY PLANT & EQUIPMENT AS ON MAR 31,2021

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION & AMORTISATION			NET CARRYING AMOUNT	
	AS ON 1ST OF APRIL 20	ADDITIONS	DED/ADJ	AS ON 1ST OF APRIL 20	ADDITIONS	DED/ADJ	AS AT MAR 31 2021	AS ON 31st MARCH 20
PLANT & EQUIPMENT	27.52		-	25.47	1.48		26.95	0.57	2.05
TOTAL (a)	**27.52**	**-**	**-**	**25.47**	**1.48**	**-**	**26.95**	**0.57**	**2.05**
OTHER INTANGIBLE ASSETS									
COMPUTER SOFTWARE	706.19	-	-	210.61	100.88	-	311.50	394.69	495.58
TOTAL (b)	**706.19**	**-**	**-**	**210.61**	**100.88**	**-**	**311.50**	**394.69**	**495.58**
TOTAL (a+b)	**733.71**	**-**	**-**	**236.08**	**102.37**	**-**	**338.45**	**395.26**	**497.63**

4 Deferred tax Assets / (NET)

Deferred Tax Liability Calulation:

Deferred Tax Liability	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Tax Rate	25.00	25.00
WDV Difference closing FIXED ASSETS	17,705,056.33	24,931,015.75
Asset as per Companies Act	29,381,309.97	39,526,332.80
Asset as per Income Tax	11,676,253.64	14,595,317.05
Closing Temporary Difference	17,705,056.33	24,931,015.75
Closing Balance DTL	4,426,264.08	6,482,064.10
Deferred Tax Asset		
Tax Rate	25.00	26.00
LTCG Tax Rate	20.80	20.80
Opening TD		
Loss on business	271,087,397.28	237,473,346.00
Long Term Capital Loss	-	-
Provision for Gratuity & Leave	273,430.00	1,711,646.00
Originating TD	271,360,827.28	239,184,992.00
Closing TD	271,360,827.28	239,184,992.00
Closing Balance DTA	67,840,206.82	62,188,097.92
Net Deferred Tax Assets / (Liability)	**63,413,942.74**	**55,706,033.83**

The Company has not considered booking Deferred Tax Assets in accordance with Prudent Accounting Policies.

5 OTHER NON-CURRENT ASSET

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Balances With Govt. Authorities	0.09	0.12
(Unsecured & Considered Good)		
	0.09	**0.12**

6 CURRENT INVESTMENT

	No. of unit	MAR 31,2022 ₹ in Lac	No. of unit	MAR 31,2021 ₹ in Lac
L and T Short Term Direct Fund	-	-	17,505.42	4.01
Reliance/Nippon Money Market Fund - Direct Growth Plan Growth Option (Lqagg)	-	-	75.15	2.42
(Aggregate amount of investment at cost as on Mar 31 2022 : Rs 0 Lacs) (March 31,2021 INR 6.18 Lacs)		**-**		**6.43**

7 CASH AND CASH EQUIVALENTS

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
BALANCE WITH BANK :		
SCHEDULED BANKS		
- in Current Account (HDFC Bank)	3.67	85.44
- in Current Account (HDFC Bank Opearations)	1.07	0.16
	4.75	**85.60**

8 OTHER FINANCIAL ASSETS

	MAR 31,2022	MAR 31,2021
Interest accrued on FD	5.30	4.49
FD with HDFC Bank (Less Than 12 Months)	15.00	15.00
	20.30	**19.49**

9 OTHER CURRENT ASSET

	MAR 31,2022	MAR 31,2021
Advance To Staff	-	0
Advance Others	4.56	-
Balances With Govt. Authorities	133.54	135.31
	138.10	**135.31**

10 EQUITY SHARE CAPITAL

		MAR 31,2022	MAR 31,2021
a The AUTHORISED CAPITAL is :			
12,000,000.00	EQUITY SHARE OF INR 10/- EACH	1,200.00	1,000.00
		1,200.00	**1,000.00**
b ISSUED SUBSCRIBED AND PAID-UP-FULLY CALLED AND PAID UP			
10,000,000.00	EQUITY SHARE OF INR 10/- EACH	1,000.00	960.00
150,000.00	EQUITY SHARE OF INR 10/-	15.00	40.00
10150000 Equity Shares of Rs 10 each			
		1,015.00	**1,000.00**

The company has only one class of Shares referred to as equity share having a par value of ₹ 10/- at the beginning of the year. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

RS Software (India) Ltd is holding 80 lacs equity shares(80%holding) of Rs 10/each.

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

Equity Share	MAR 31,2022		MAR 31,2021	
	No. of Share	₹ in Lac	No. of Share	₹ in Lac
Number of shares at the beginning	10,000,000.00	1,000.00	9,600,000.00	960.00
10000000 Equity SHARES @ Rs.10 per share				
Issued during the year				
150000 Equity SHARES @Rs.10 per share	150,000.00	15.00	400000	40
	10,150,000.00	**1051.00**	**10,000,000.00**	**1,000.00**

d Shareholder Holding More Than 5% Of The Share As On Marc 31,2022

Mr. Rajnit Rai Jain	1990000 Eq. shares of Rs 10 each	**20%**	**20%**
RS Software(India) Ltd	8,000,000 equity shares of Rs 10 each	**80%**	**80%**

f Shares held by the Promoters at the end of the year

Promoter Name	No. of Shares	% holding	No. of Shares	% holding	% change during year
RS Software (I) Limited	8150000	80.3%	8000000	80.0%	2%
Rajnit Rai Jain	1990000	19.6%	1990000	19.9%	0

11 CURRENT BORROWINGS

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Loan from related parties	44.32	-
	44.32	**-**

12 TRADE PAYABLE (SHORT TERM)

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Other than MSME Vendors:	1.81	7.72
	1.81	**7.72**

Payable aging Schedule	Mar-22			Mar-21		
Particulars	< I year	> 1year	Total	< I year	> 1year	Total
MSME						
Others	1.81		1.81	7.72		7.72
MSME (Disputed)						
Others (Disputed)						
Total	1.81		1.81	7.72		7.72

13 OTHER FINANCIAL LIABILITIES

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Salary Payable	22.01	15.13
Statutory Liability Including Pf, Tds, Esi Etc.	4.63	10.46
	26.65	**25.58**

14 OTHER CURRENT LIABILITIES

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Statutory Liability Including GST	-	1.08
Advance From Customers	-	0.54
	-	1.62

15 SHORT TERM PROVISIONS

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Provision For Leave Encashment	0.03	1.21
Provision For Gratuity	0.01	2.90
	0.04	4.11

16 REVENUE FROM OPERATION

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Commission Income On Sales	-	-
Domestic Income From Software Services	1.13	7.65
	1.13	**7.65**

17 OTHER INCOME

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Profit On Sale of Mutual Fund	0.13	4.69
Profit on Revaluation Of Investment	(0.24)	-3.04
Gratuity Expense Written Back	22.02	-
Interest Received from Bank Fixed Deposit	0.90	1.54
Other Income	1.01	0.49
	23.83	**3.68**

18 EMPLOYEE BENEFIT EXPENSES

	MAR 31,2022	MAR 31,2021
Salary Wages And Bonus	175.96	364.89
Contribution to PF And Other Funds	9.37	18.99
Staff Welfare Expenses	4.48	4.41
	189.81	388.29

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.

19 SUBCONTRACTOR EXPENSES

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Subcontractor Expenses	5.34	-
	5.34	-

20 OPERATION AND OTHER EXPENSES

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Travelling	-	-
Conveyance	0.03	0.01
Communication	52.65	65.24
Repairs - Machinery	0.03	1.68
Auditors' Remuneration (Refer Note 23)	1.18	0.80
Legal / Professional Fee	5.35	19.37
Business Promotion	1.94	6.69
Membership and Subscription	1.94	2.34
Bank Charges	1.06	0.14
	64.16	**96.28**

21 AUDITOR'S REMUNERATION

	MAR 31,2022	MAR 31,2021
Statutory Audit	0.88	0.50
Other Certification	0.30	0.30
	1.18	**0.80**

22 There is no Impairment of assets during the period ended as on MAR 31,2022.

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

24 **EMPLOYEE BENEFIT PROVISIONS**

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Provision for Leave Encashment in Profit and Loss statement	0.73	1.43
Provision for Gratuity in Profit and Loss statement	2.00	11.59
	2.73	13.02

25 a) The Company continues with its policy of Work From Home to ensure Business Continuity in wake of Pandemic caused by Covid 19. Based the Assesement of information available as on date hereof and accordingly has concluded there are no adjustments required in these financial results.

b)Fair Value Measurement is gioven in Annexure 25 b)

c) Financial Risk Management assesements are disclosed in Annexure 25 c)

d) Actuarial valuation of Leave & Gratuty are disclosed in Annexure 25 d)

RELATED PARTY TRANSACTION

26 **Enterprises whose control exists:**

HOLDING COMPANY	' % of holding	Country of Incorporation
R S SOFTWARE INDIA LTD	80.3%	INDIA
PERSON WITH SIGNIFICANT INFLUENCE		
RAJNIT RAI JAIN	19.7%	

KEY MANAGEMENT PERSONNEL

RAJNIT RAI JAIN (DIRECTOR)
R RAMARAJ (DIRECTOR)

27 **Disclosure of transactions between the Company and Related Parties and the status of outstanding balances**

i **With Holding Company**

Particulars		MAR 31,2021
Loan taken from Holding company		
RS Software India Ltd	44.36	-
Maximum balance outstanding during the year		
RS Software India Ltd	70.99	151.71

28 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.

29 Segment Reporting is not applicable as company has no geographical as well as product wise and operating segments.

30

EARNING PER EQUITY SHARE AS PER IND AS 33 :	MAR 31,2022	MAR 31,2021
Profit & Loss From Continuous Operations :	**(358.67)**	**(568.15)**
Issued Subscribed And Paid-Up-Fully Called And Paid Up	**10,150,000.00**	**10,000,000.00**
Basic	(3.53)	(5.68)
Dilluted	(3.53)	(5.68)

31

Ratios	MAR 31,2022	MAR 31 2021	Change	Remark
(a) Current Ratio,	2.24	6.32	-135%	Losses
(b) Debt-Equity Ratio,	0.12	-	0%	-
(c) Debt Service Coverage Ratio,	0	0	0%	
(d) Return on Equity Ratio,	-88%	-29%	-405%	Losses
(e) Inventory turnover ratio,	0	0	0%	
(f) Trade Receivables turnover ratio,	-	-		
(g) Trade payables turnover ratio,	-	-		
(h) Net capital turnover ratio,	-	-		
(i) Net profit ratio,	0%	0%		
(j) Return on Capital employed,	0%	0%		
(k) Return on investment.	0	0		

32 Figures reported in INR lacs and rounded off to nearest rupee.

33 Previous year figure have been regrouped , reclassified and restated, wherever necessary, to correspond with current year classifications.

For Chaturvedi & Company
Chartered Accountants
(Reg. no : 302137E)

On behalf of the Board

Sd/-
Nilima Joshi
Partner
(M. No.52122)
DATED: Apr 22,2022
PLACE :New Delhi

Sd/-
VIJENDRA SURANA
CHIEF FINANCIAL OFFICER
M. NO.: 057123

Sd/-
R R JAIN
DIRECTOR
DIN : 00122942

Sd/-
R RAMARAJ
DIRECTOR
DIN:00090279

25b.Fair value measurements

Financial instruments by category						
Particulars	31 Mar 2022			31 Mar 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	-	-	-	6.43	-	-
Trade receivables	-	-	-	-		-
Loans	-	-		-		
Cash and cash equivalents	-	-	4.75	-		85.60
Other financial assets	-	-	-	-		-
Total financial assets	**-**	**-**	**4.75**	**6.43**	**-**	**85.60**
Financial liabilities						
Borrowings- Advance from Subsidiary	-	-	-	-		-
Trade payables	-	-	1.81	-		7.72
Other financial liabilities	-	-	26.65	-		25.58
Total financial liabilities	**-**	**-**	**28.46**	**-**	**-**	**33.30**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed At 31 Mar 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
Trade receivables	-	-	-	-
Loans	-	-	-	-
Cash and cash equivalents	4.75	-	-	4.75
Other financial assets	-	-	-	-
Total financial assets	**4.75**	**-**	**-**	**4.75**
Financial liabilities				
Borrowings- Advance from Subsidiary	-	-	-	-
Trade payables	-	-	1.81	1.81
Other financial liabilities	-	-	26.65	26.65
Total financial liabilities	**-**	**-**	**28.46**	**28.46**

Financial assets and liabilities measured at amortised cost for which fair values are disclosed At 31 March 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
Trade receivables	-	-	-	-
Loans	-	-	-	-
Cash and cash equivalents	85.60	-	-	85.60
Other financial assets	-	-	-	-
Total financial assets	**85.60**	**-**	**-**	**85.60**

Financial liabilities				
Borrowings- Advance from Subsidiary	-	-	-	-
Trade payables	-	-	7.72	7.72
Other financial liabilities	-	-	25.58	25.58
Total financial liabilities	**-**	**-**	**33.30**	**33.30**

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 2022		31 March 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Trade receivables	-	-	-	-
Loans	-	-	-	-
Cash and cash equivalents	4.75	4.75	85.60	85.60
Other financial assets	-	-	-	-
Total financial assets	**4.75**	**4.75**	**85.60**	**85.60**
Financial liabilities				
Borrowings- Advance from Subsidiary	-	-	-	-
Trade payables	1.81	1.81	7.72	7.72
Other financial liabilities	26.65	26.65	25.58	25.58
Total financial liabilities	**28.46**	**28.46**	**33.30**	**33.30**

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.

25c..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 DEC 31 2020 and 31 March 2020 is the carrying amounts of trade receivables.

Provision for expected credit loss

In determination of the allowance for credit losses on receivables, the Company has used a practical experience by computing the expected credit losses based on ageing matrix, which has taken into account historical credit loss experience and adjusted for forward looking information.

ii) Financial instruments and cash deposits

Credit risk from balances with banks and investments is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities MAR 31 2022	Less than 1 year	More than 1 year	Total
Non-derivatives			
Short Term Advances	-	-	-
Other financial liabilities	26.65	-	26.65
Trade payables	1.81	-	1.81
Total non-derivative financial liabilities	**28.46**	**-**	**28.46**

Contractual maturities of financial liabilities 31 March 2021	Less than 1 year	More than 1 year	Total
Non-derivatives			
Short Term Advances	-	-	-
Other financial liabilities	25.58	-	25.58
Trade payables	7.72	-	7.72
Total non-derivative financial liabilities	**33.30**	**-**	**33.30**

(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.

25c. ACTUARIAL VALUATION DISCLOSURE (PAYPERMINT)

PARTICULARS	2022	2022	2021	2021
1)EXPENSE RECOGNISED IN THE INCOME STATEMENT	**GRATUITY**	**LEAVE ENCASHMENT**	**GRATUITY**	**LEAVE ENCASHMENT**
Current Service Cost				
as on 31/03/2021	68,594	26,120	244,678	120,835
Past Service Cost				
Loss / (Gain) on settlement				
Net Interest Income / (cost) on the Net Defined Benefit Liability (Asset)	99,846	18,173	143,277	25,158
Actuarial (gains) / losses due to :				
change in demographic assumptions	-	-	(191,128)	(40,622)
Change in financial assumptions	(14,813)	(5,284)	(210,654)	(61,716)
experience varience (i.e. Actual experience vs assumptions)	2,268,206	220,606	(342,867)	35,118
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	2,253,393		(744,649)	
2)Net Asset				
Funded Status				
Present value of Defined Benefit Obligation	201,500	76,410	1,448,080	263,566
Fair value of plan assets				
Funded status [Surplus/(Deficit)]	(201,500)	(76,410)	(1,448,080)	(263,566)
Effect of balance sheet asset limit				
Unrecognised Past Service Costs				
Present value of Defined Benefit Obligation				
Net asset/(liability) recognised in balance sheet	(201,500)	76,410	(1,448,080)	263,566
Net asset/(liability) recognised in balance sheet at beginning of	(1,448,080)	263,566	(2,172,402)	(381,455)
period	-	-	-	-
Expense recognised in Income Statement	168,440	259,615	387,955	78,773
Expense recognised in Other Comprehensive Income	2,253,393	-	(744,649)	
Employer contributions	(3,668,413)	(446,771)	(367,628)	(196,662)
Net Acquisitions / Business Combinations				
Net asset/(liability) recognised in balance sheet at end of the period	(201,500)	(76,410)	(2,172,402)	(263,566)
3)Change in Defined Benefit Obligations (DBO)				
Present Value of DBO at beginning of period	201,500	-	2,172,402	-
Current Service cost	68,594	26,120	244,678	120,835
Interest cost	99,846	18,173	143,277	25,158
Curtailment cost/(credit)				

	2022	2022	2021	2021
Settlement cost/(credit)				
Employee contribution				
Past Service Cost				
Acquisitions				
Re-measurement (or Actuarial (gains)/ losses) arising from				
change in demographic assumptions	-	-	(191,128)	(40,622)
Change in financial assumptions	(14,813)	(5,284)	(210,654)	(61,716)
- experience varience (i.e. Actual experience vs assumptions	2,268,206	220,606	(342,867)	35,118
others				
Benefits paid	3,668,413	446,771	(367,628)	(196,662)
Present Value of DBO at the end of period	201,500	76,410	1,448,080	263,566
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	3,668,413	446,771	367,628	196,662
Fund Transferred				
Employee contributions				
Benefits paid	(3,668,413)	(446,771)	(367,628)	(196,662)
Plan assets at the end of period				
5)Actuarial Assumptions				
Financial Assumptions				
Discount Rate	7%	7%	7%	7%
Rate of increase in salaries	1%	1%	1%	1%
Demographic Assumptions				
Mortality Rate (% of IALM 06-08)	100%	100%	100%	100%
Normal Retirement Age	65 years	65 years	65 years	65 years
Attrition Rates, based on age (% p.a.) FOR ALL AGES	1%	1%	1%	1%

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of **M/s. R S Software (India) Limited** ("the Company") and its subsidiaries M/s. Responsive Solutions Inc., and Paypermint Pvt. Limited (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, 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, 2022, of Consolidated Loss and (including other Comprehensive Income), Consolidated Changes in Equity and its Consolidated Cash Flows for the year the ended as on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements

Key Audit Matters

Key audit matters (KAM) are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion of these matters.

Sr. No	Key Audit Matter	How our audit addressed the Key Audit Matter
1	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. Effectiveness of controls have also been tested which broadly includes identification of major performance obligations of the company as stated in the agreement, nature of contracts whether milestone based, fixed price contracts, maintenance contracts, certain enhancement related contracts and determination of revenue recognition accordingly (like Fixed price / maintenance revenue contracts should be recognized on a straight line basis or using the percentage completion method) 4. Reviewing the details of the resources engaged in the performance of the contracts, on test check basis, along with their approved attendance by the client. 5. Reviewed the terms of the contracts in relation to 'transaction price' including any variable consideration and tested that revenue booking corresponds to the same. 6. In respect of revenue recorded for time and material and fixed price monthly contracts samples were tested using a combination of approved time sheets customer acceptances & subsequent invoicing and existing trend of collections. 7. In respect of revenue recorded for fixed price development contract and fixed time frame contract samples were tested to check the performance and obligation using the percentage of completion method based on Managements estimate of the Contract cost.

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 Companies annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibility of Management and Those charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, Consolidated Financial performance and Consolidated Cash Flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies including in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs we exercise professional judgement and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the interim Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required

to draw attention in our auditor's report to the related disclosures in the interim consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the interim consolidated financial statements, including the disclosures, and whether the interim consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditor's such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the interim consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statement of M/s. Responsive Solutions Inc and M/s. Paypermint Pvt. Ltd. (the subsidiaries) whose financial statements reflect total assets (net) of Rs. 1137.11 Lacs as at 31st March, 2022 and total revenue of Rs. 24.95 Lac and net decrease in Cash Flows amounting to Rs. 84.22 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management. The audit reports of foreign subsidiary namely M/s. Responsive Solutions Inc have been prepared under generally accepted auditing standards of their respective countries and has been provided to us by the company and the audited Financial Statements has been converted by the management of the holding Company to accounting principles generally accepted in India for the purpose of preparation of the Companies Consolidated Ind AS financial statements under accounting principles generally accepted in India. Our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. 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.

2. 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 Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Company as on 31st March, 2022 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, 2022 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 Control 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.

In our opinion and according to the information and 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 Consolidated Financial Statements of the group has disclosed the impact of pending litigations in its financial statements (refer Note 21) as at 31st March, 2022.

ii. The group does not have any long term contracts including derivative contract for which there are any material foreseeable losses during the year ended 31st March, 2022.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding Company during the year ended 31st March, 2022.

iv. As per the management representation provided, we report

- no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the Intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

- no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

- Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given by management under the above sub-clauses contain any material mis-statement.

v. As per the records of the Company no dividend has been declared or paid during the year by the group.

According to the information and explanation given to us by the Company and based on the audit report of the auditors of the Subsidiary Company incorporated in India there are no qualification or adverse remarks by the auditor in their report on Companies (Auditors Report) Order 2020 included in the consolidated financial Statement.

For **DEOKI BIJAY & Co**.
CHARTERED ACCOUNTANTS
Firm Regn. No : 313105E

Sd/-
CA D.N.AGRAWAL
Partner
Memb No. 51157
UDIN :22051157AKPIUH5861

Dated : 22nd day of April , 2022
Place : New Delhi

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, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date. (One Company of the group which have been incorporated outside India and one subsidiary incorporated in India have been exempted from reporting requirement under section 143(3)(i) and vide MCA notification G.S.R 583-E dated 13th June,2017 respectively hence reporting requirement under section 143(3)((i) are similar to the comments in the auditor's report in Annexure-B of the auditor's report on Standalone Financial Statement of the Company).

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safe guarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operative effectiveness.

Our audit of internal Financial Controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 unauthorized acquisition,

use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and nor be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future period are subject to the risk that the internal financial control over financial reporting may become inadequate because of change in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DEOKI BIJAY & Co**.
CHARTERED ACCOUNTANTS
Firm Regn. No : 313105E

CA D.N.AGRAWAL
Partner
Memb No. 51157
UDIN :22051157AKPIUH5861

Dated :22nd day of April, 2022
Place : New Delhi

R S SOFTWARE INDIA LIMITED
CONSOLIDATED BALANCE SHEET AS AT MAR 31,2022

After consolidating the results of the Company with those of its wholly owned foreign subsidiary Responsive Solution INC. and Paypermint Pvt LTD

PARTICULARS		Notes	As at MAR 31,2022 ₹ in Lac	As at MAR 31,2021 ₹ in Lac
ASSETS				
NON CURRENT ASSETS				
A)	**PROPERTY PLANT & EQUIPMENT**			
	(i)PROPERTY PLANT & EQUIPMENT	3	156.32	255.45
	(ii)OTHER INTANGIBLE ASSETS	3	881.16	1,264.63
B)	**FINANCIAL ASSETS**			
	(i)OTHER FINANCIAL ASSET	4	14.97	496.53
C)	**DEFERRED TAX ASSETS (Net)**	5	-	-
D)	**OTHER NON CURRENT ASSETS**	6	417.01	575.91
CURRENT ASSETS				
E)	**FINANCIAL ASSETS**			
	(i)INVESTMENT	7	816.31	454.10
	(ii)TRADE RECEIVABLES	8	386.23	1,025.36
	(iii)CASH & CASH EQUIVALENTS	9	467.04	1,106.39
	(iv)OTHER BANK BALANCES	9	563.39	51.10
	(v)OTHER FINANCIAL ASSETS	10	427.62	514.12
F)	**OTHER CURRENT ASSETS**	11	654.96	1,412.57
	TOTAL ASSETS		**4,785.01**	**7,156.17**
EQUITY AND LIABILITIES :				
EQUITY				
	(i)EQUITYSHARE CAPITAL	12	1285.42	1285.42
	(ii)OTHER EQUITY	13	2,640.01	4284.86
	(iii)NON CONTROLLING INTEREST	14	47.37	118.03
LIABILITIES				
NON CURRENT LIABILITIES				
A)	**NON CURRENT FINANCIAL LIABILITIES**			
	(i)BORROWINGS	15	8.66	780.09
B)	PROVISIONS	16	91.43	161.38
CURRENT LIABILITIES				
C)	**FINANCIAL LIABILITY**			
	(i)TRADE PAYABLES	17	146.30	210.48
	(ii)OTHER FINANCIAL LIABILITIES	18	461.30	214.26
D)	**OTHER CURRENT LIABILITIES**	19	80.90	92.77
E)	**SHORT TERM PROVISIONS**	20	23.62	8.87
	TOTAL LIABILITIES		**4785.01**	**7156.17**

Significant Accounting Policies and Notes on Accounts 1 to 44

The Notes referred to above form an integral part of the Consolidated Financial Statement.
This is the Consolidated Financial Statement referred to in our report of even date.

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

ON BEHALF OF THE BOARD

Sd/-
CA DEOKI NANDAN AGARWAL
PARTNER,
M. No. 51157
DATED: Apr 22,2022
PLACE : New Delhi

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 PERIOD ENDED MAR 31,2022

After consolidating the results of the Company with those of its wholly owned foreign subsidiary Responsive Solution INC. and Paypermint Pvt LTD

	PARTICULARS	Notes	PERIOD ENDED MAR 31 2022 ₹ in Lac	PERIOD ENDED MAR 31 2021 ₹ in Lac
I	REVENUE FROM OPERATION	22	2,752.35	3,545.67
II	OTHER INCOME	23	479.08	180.75
III	**TOTAL REVENUE**		**3,231.43**	**3,726.42**
IV	**EXPENSES :**			
	PURCHASES OF STOCK IN TRADE	24	159.14	199.37
	EMPLOYEE BENEFIT EXPENSES	25	2,669.99	3,685.13
	SUBCONTRACTOR EXPENSES	26	286.14	397.84
	FINANCE COST	27	0.05	27.00
	DEPRECIATION	3	420.12	483.28
	OPERATION AND OTHER EXPENSES	28	903.94	1,051.25
	0			
	TOTAL EXPENSES		**4,439.38**	**5,843.87**
			-	
V	**PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS & TAX :**	(III - IV)	**(1,207.95)**	**(2,117.45)**
VI	TAX EXPENSES			
	TAX EXPENSES RELATING TO PAST YEARS		375.38	0.73
VII	**PROFIT (LOSS) FOR THE YEAR FROM CONTUNUING OPERATIONS**		**(1,583.33)**	**(2,118.18)**
	ATTRIBUTABLE TO :			
	SHAREHOLDERS' OF THE COMPANY		*(1,512.67)*	*(2,004.55)*
	NON CONTROLLING INTEREST		*(70.66)*	*(113.63)*
	COMPREHENSIVE INCOME/(LOSS)			
	ITEMS WHICH WILL NOT BE CLASSIFIED INTO P&L RELATING TO ACTUARIAL GAIN/LOSS		(132.50)	8.67
VIII	**TOTAL OTHER COMPREHENSIVE INCOME/(LOSS)**		**(132.50)**	**8.67**
IX	**PROFIT/(LOSS) FOR THE YEAR AFTER OTHER COMPREHENSIVE INCOME :**	(V - VI)	**(1,645.16)**	**(1,995.88)**
	ATTRIBUTABLE TO:			
	SHAREHOLDERS OF THE COMPANY		*(1,512.67)*	*(2,004.55)*
	NON CONTROLLING INTEREST	14	*(70.66)*	*(113.63)*
X	**EARNING PER EQUITY SHARE(FOR CONTINUING OPERATION) :**			
	BASIC	31	(6.40)	(7.76)
	DILLUTED	31	(6.40)	(7.76)

Significant Accounting Policies and Notes on Accounts 1 to 44

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 DEOKI NANDAN AGARWAL
PARTNER,
M. No. 51157
DATED: Apr 22,2022
PLACE : New Delhi

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 PERIOD ENDED MAR 31,2022

After consolidating the results of the Company with those of its wholly owned foreign subsidiary Responsive Solution INC. and Paypermint Pvt LTD

	PARTICULARS	YEAR ENDED MAR 31,2022 ₹ in Lac	YEAR ENDED MAR 31,2021 ₹ in Lac
	CASH FLOW STATEMENT		
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	NET PROFIT BEFORE TAX	(1,207.95)	(2,117.45)
	ADJUSTMENT FOR :		
	DEPRECIATION	420.12	483.28
	INTERESTPAID	0.05	27.00
	FOREIGN EXCHANGE FLUCTUATION RESERVE	141.63	(145.27)
	PROVISION FOR GRATUITY, LEAVE ENCASHMENT	40.11	8.87
	INTEREST RECEIVED	(100.20)	(180.75)
	MINORITY INT	(70.66)	113.63
	EMPLOYEES EXPENSES AMORTIZATION	(242.55)	(53.26)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**(1,019.44)**	**(1,863.95)**
	ADJUSTMENT FOR :		
	TRADE AND OTHER RECEIVABLES	725.63	(397.83)
	LOANS AND ADVANCES AND OTHER ASSETS	1,398.07	1,020.68
	TRADE PAYABLES & OTHER LIABILITIES(INCLUDES AMORTISATION)	185.73	(260.99)
	LESS:INCOME TAX	(375.38)	(0.73)
	NET CASH FROM OPERATING ACTIVITIES	**914.62**	**(1,502.82)**
B	**CASH FLOW FROM INVESTMENT ACTIVITIES :**		
	PURCHASE OF PROPERTY PLANT & EQUIPMENT	62.48	(4.94)
	INTEREST RECEIVED	102.05	216.53
	INVESTMENT DURING THE PERIOD	(364.07)	1,264.11
	NET CASH FROM INVESTMENT ACTIVITIES	**(199.54)**	**1,475.70**
C	**CASH FLOW FROM FINANCE ACTIVITIES:**		
	MINORITY INTEREST	(70.66)	(19.12)
	INTEREST PAID	(0.05)	(27.00)
	PAYMENT OF CSR FUND	-	(5.00)
	LOAN PAID	(771.43)	-
	NET CASH FROM FINANCING ACTIVITIES	**(842.14)**	**(51.12)**
	NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(127.06)**	**(78.24)**
	OPENING CASH AND CASH EQUIVALENTS	1,157.49	1,235.73
	CLOSING CASH AND CASH EQUIVALENTS	1,030.43	1,157.49

The Notes referred to above form an integral part of the Financial Statement.

This is the Financial Statement referred to in our report of even date.

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

ON BEHALF OF THE BOARD

Sd/-
CA DEOKI NANDAN AGARWAL
PARTNER,
M. No. 51157
DATED: Apr 22,2022
PLACE : New Delhi

Sd/-
V. SURANA
CFO & COMPANY SECRETARY
Mem no:11559

Sd/-
R.RAMARAJ
DIRECTOR
DIN:00090279

Sd/-
R.R. JAIN
CHAIRMAN & MANAGING DIRECTOR
DIN : 00122942

13. CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE PERIOD ENDED MAR 31,2022 * — **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	Equity Instruments through other comprehensive income	Non Controlling Interest	Other items of other comprehensive income	Total equity attributable to equity holders of the Company
Equity												-
Balance as of April 1, 2021												**1,285.42**
Changes in equity for Period												
Balance as of MAR 31,2022												**1,285.42**
Other Equity												
Balance as of April 1, 2021	**2,586.38**	**1,727.46**	**113.15**	**344.20**	**43.50**	**255.31**	**(643.10)**	**(71.34)**	**-**	**118.03**	**(188.73)**	**4,284.86**
Changes during the period		(1,583.33)	-	141.63	-	-	-	-	-	(70.66)	(132.50)	**(1,644.85)**
Balance as of MAR 31,2022	**2,586.38**	**144.13**	**113.15**	**485.83**	**43.50**	**255.31**	**(643.10)**	**(71.34)**	**-**	**47.37**	**(321.23)**	**2,640.01**

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MAR ,2021 — **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	Equity Instruments through other comprehensive income	Non Controlling Interest	Other items of other comprehensive income	Total equity attributable to equity holders of the Company
Equity												
Balance as of April 1, 2020												**1,285.42**
Changes in equity for Period Ended MAR 31,2021												**-**
Balance as of Mar 31,2021												**1,285.42**
Other Equity												
Balance as of April 1, 2020	**2,586.38**	**3,845.64**	**118.15**	**489.47**	**43.50**	**255.31**	**(846.08)**	**(71.34)**	**-**	**207.38**	**(197.40)**	**6,431.00**
Changes in equity for Period Ended MAR 31,2021		-										-
Shift to Capital reserve		-					202.98			(202.98)		**-**
Changes due to Inter Branch Foreign Fluctuation Account	-	-	-	(145.27)	-	-		-	-		-	**(145.27)**
Changes during the period		(2,118.18)	(5.00)		-	-	-	-	-	113.63	8.67	**(2,000.88)**
Balance as of Mar 31,2021	**2,586.38**	**1,727.46**	**113.15**	**344.20**	**43.50**	**255.31**	**(643.10)**	**(71.34)**	**-**	**118.03**	**(188.73)**	**4,284.86**

The company has retained its CSR fund created earlier suo motto by the company in order to meet its obligation towards the society, despite being in losses.

*This Statement forms an integral part of Consolidated Standalone Financial Statement.

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

Sd/-
CA DEOKI NANDAN AGARWAL
PARTNER,
M. No. 51157
DATED: Apr 22,2022
PLACE : New Delhi

ON BEHALF OF THE BOARD

Sd/-
V. SURANA
CFO & COMPANY SECRETARY
Mem no:11559

Sd/-
R.RAMARAJ
DIRECTOR
DIN:00090279

Sd/-
R.R. JAIN
CHAIRMAN & MANAGING DIRECTOR
DIN : 00122942

1 Corporate Information

RS Software has focused exclusively on providing software solution to electronic payment industries since its inception. The company is engaged in development, testing and maintenance of software for its clients based in different geographies. The company operates in US, UK and India. The Financial Statement are approved for issue by the company's Board of Directors on APR 22,2022.

2

a. Significant Accounting Policies

These financial statements are prepared in accordance with Indian Accounting Standard (Ind 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.

The Consolidated financial statements comprise the financial statements of the Company, its controlled trusts and its subsidiaries, as disclosed in Notes to Accounts. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. The financial statements of the subsidiaries are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group.

b. Use of Estimates & Judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of goodwill, impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets and provisions and contingent liabilities.Key estimates are critical accounting estimates.

c. Critical Accounting Estimates:

i) **Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

ii) **Valuation of deferred tax assets**

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 2(M).

iii) **Provisions and contingent liabilities**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are

not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

d. Revenue Recognition

Revenue is realized on time-and-material basis or Fixed Bid or Milestone as specified in the work order. Revenue from software development on time and material basis is recognized based on Service rendered (software developed) and billed to clients as per the terms of specific contracts. Revenue from Fixed Bid contract is recognized on monthly basis as per contract terms. Revenue from Milestone base contract is being recognized based on effort given during the period but the Invoice is sent to customer when the milestone is achieved as per contract. Value Added Tax in UK is not included in the income from Software development. Contracts are unbundled into separately identifiable components and the consideration is allocated to those identifiable components on the basis of their fair values. Revenue is recognized for respective components either at the point in time or over time, as applicable. Revenue from software development contracts, which are generally time bound fixed price contracts, is recognized over the life of the contract using the percentage-of-completion method, with contract costs determining the degree of completion. Revenue from the sale of internally developed and manufactured systems and third party products which do not require significant modification is recognized upon delivery, which is when the absolute right to use passes to the customer and the Company does not have any material remaining service obligation. Unbilled Revenue included in Other Financial Assets, represents amounts recognized in respect of services performed in 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 developement and related services, consulting and package implementation and from the licensing of software products and platforms across our core and digital offerings (“together called as software related services”). Revenue from subsidiaries is recognised based on transaction price which is at arm’s length. Interest income has been booked as per effective interest method.

The Company presents revenues net of indirect taxes in its Statement of Profit & loss. All other investment income has been accounted for on accrual basis.

Arrangements with customers for software related services are either on a fixed-price, fixed-timeframe or on a time-and-material basis.

Revenue on time-and-material contracts are recognized as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue. Revenue from fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

In arrangements for software development and related services and maintenance services, the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the company is unable to determine the standalone selling price, the company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.

Revenue from licenses where the customer obtains a “right to use” the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a “right to access” is recognized over the access period. Arrangements to deliver software products generally have three elements license, implementation and Annual Technical Services (ATS).

e. Cost recognition

Costs and expenses are recognized when incurred and have been classified according to their primary nature.

The costs of the company are broadly categorized in employee benefit expenses, depreciation and amortization and other operating expenses. Employee benefit expenses include employee compensation, allowances paid and staff welfare expenses. Other operating expenses majorly include fees to external consultants, Rent, cost running its facilities, travel expenses, communication costs allowances for delinquent receivables and other expenses. Other expenses is an aggregation of costs which are individually not material such 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 Transaction

Foreign Currency Transactions are recorded at exchange rate prevailing at the closing of the month for respective months. Exchange difference arising on settlement was included in Profit & Loss Account till the accounts ended 30th September, 2008. Foreign unit is considered as non-integral and the foreign exchange difference is transferred to "Inter Branch Foreign Fluctuation Reserve Account". Revenue items of the Foreign Branch are converted in equivalent Indian Rupees at the buying rate prevailing at the end of the month. Assets and Liabilities of the Foreign Branch are converted in equivalent Indian rupees at the applicable rate prevailing at the end of the year. The effect of exchange rate fluctuation in respect of fixed assets is adjusted with the cost of the respective assets. Investment in subsidiary Company is being valued at carrying cost adjusted by any non-temporary decline in their value according to the requirements of statute.

k. Spares and Consumables (Computers spares accessories and stationery re charged to revenue in the year they are purchased.**)**

l. Cash Flows are reported using the indirect method whereby profit for the period is adjusted for the effectsof transactions of non cash nature,any deferrals ,accruals of past and future operating cash receipts and payments associated with investing and financing cash flows.Cash from operating,investing and financing activities are segregated.

m. Employee Benefits

Contribution of Employers share to Employees' Provident Fund and ESI are worked on accrual basis and charged to Profit & Loss Account. The Company also provides for Gratuity and Leave Encashment based on actuarial valuation made by an independent actuary as per IAS 19 Compliance of The Institute of Chartered Accountants of India, Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur.

n. Income Tax

Current Income tax expense comprise taxes on income from operation in India and in foreign jurisdiction. Income tax payable in India is determined 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 & liabilities for all leases taken for a term of more than 12 months are recognised as per IND AS 116 unless unlined assets is of low value.

q. Impairment of Assets

Property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future post-tax cash flows of the relevant cash generating unit or fair value less cost to sell, whichever is higher. The discount rate is applied, based upon the weighted average cost of capital with appropriate adjustments for the risks associated with the relevant business. Any impairment in value is charged to the Income Statement in the year, which it occurs.

Expected Credit Loss: As per Ind AS 109, the company uses expected credit loss model to assess to impairment of loss or gain.The company uses provision metrics to compute expected credit loss allowances.For Trade receivables and unbilled revenue, the provision metrics takes into account available external & internal credit risk factors such as delay risk & default risk.

r. Segment Reporting

The company's operating business are organized and managed as per Location of the client. Common costs are allocated to the cost based on the Revenue Mix. Unallocated costs are disclosed separately. The company prepare its segment information in conformity with the accounting policy adopted for preparing and presenting the financial statement of the Company as a whole.

s. Earnings per share

Basic earning per share is calculated by dividing the net profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For Calculating Diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

t. Recent Indian Accounting Standard (Ind AS)

Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 replacing Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.The effect on adoption of Ind AS 116 Appendix C would be insignificant in the standalone financial statements

IndAS 20 of Government grants shall apply to any benefits received by the company from any government agencies. The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to assets are treated as deferred income and are recognized in net profit in the Profit and Loss on a systematic and rational basis. Government grants related to revenue are recognized on a systematic basis in Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.
The amendments require an entity:
• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
• to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.
Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment

4

OTHER FINANCIAL ASSETS	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
FD On Lien (Original Maturity More Than 12 Months) With		
ICICI Bank	14.97	48.02
Yes Bank	-	448.51
	14.97	**496.53**

5 **Deferred tax Assets /- (NET)**

Deferred Tax Asset/ Liability Calulation:

Deferred Tax Liability	MAR 31,2022	MAR 31,2021
Tax Rate	26.00	26.00
WDV Difference closing FIXED ASSETS	7,979,756.99	20,890,772.01
Asset as per Companies Act	103,747,573.45	152,008,014.91
	-	-
Asset as per Income Tax	95,767,816.46	131,117,242.90
Closing Temporary Difference	7,979,756.99	20,890,772.01
Closing Balance DTL	1,897,686.25	5,431,600.72
Deferred Tax Asset		
Loss on business	1,780,156,045.10	1,638,954,568.38
Long Term Capital Loss	-	-
Provision for Gratuity & Leave	11,500,519.00	17,025,022.00
Originating TD	1,791,656,564.10	1,655,979,590.38
Closing TD	1,791,656,564.10	1,655,979,590.38
Closing Balance DTA	463,117,098.39	430,554,693.50
Net Deferred Tax Assets / (Liability)	**461,219,412.14**	**425,123,092.78**

The Company has not considered booking Deferred Tax Assets in accordance with Prudent Accounting Policies .

6

OTHER NON CURRENT ASSETS	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
(Unsecured and Consid-ered good)		
Prepaid Expenses	4.59	10.84
Deposits	8.81	69.39
Advance Taxes (Net Of Provisions)	167.75	255.08
Balances With Govt. Authorities	235.87	240.61
	417.01	**575.91**

7

CURRENT INVESTMENT	MAR 31,2022		MAR 31,2021	
	No. of unit	₹ in Lac	No. of unit	₹ in Lac
Investment in Mutual Fund (Others - unquoted)				
ICICI Ultra Short Term Fund Dp Growth	128.12	0.03	308,207.92	70.51
Nippon India Floating Rate Fund Direct Growth Plan	4,767.92	1.80	679,556.51	244.56
Nippon India Ultra Short term Fund-Direct Plan Growth Option	8,586.27	303.02	124.65	3.76
Nippon India Money Market Fund - Direct Growth Plan Growth Option (Lqagg)	-	-	-	4.01
Kotak Credit Risk Fund-Direct Plan Growth	396,619.45	106.75	-	-
Nippon India Low Duration Fund Direct Growth	9,592.27	303.96	396,619	99.82
Reliance Fixed Horizon Fund - Xxxiii - Series 2 - Direct Growth Plan	-	-	75	2.42
L & T Low Duration Fund Direct Plan - Growth	422,212.00	100.74	2,834.45	28.46
		816.31		**454.10**

(Aggregate amount of investment at Market Value as on March 31, 2022 ₹ 816.31 Lacs (Previous year Rs.454.1 Lacs)

8

TRADE RECEIVABLES	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Unsecured and Considered good	386.23	1,328.89
Expected Credit Loss	-	(303.52)
	386.23	**1,025.36**

Receivable ageing	Out Standing for the following periods from the due date				
Particulars for Y/E 03/2022	< 6 months	6 m-1 yr	1-2 years	2-3 years	Total
Undisputed - Good	376.16	10.06	0.00	0.00	386.22
Undisputed -Doubtfull	0.00	0.00	0.00	0.00	0.00
Disputed - Good/ Doubtfull	0.00	10.06	0.00	0.00	10.06
Total	376.16	20.12	0.00	0.00	396.28
Particulars for Y/E 03/2021	< 6 months	6 m-1 yr	1-2 years	2-3 years	Total
Undisputed - Good	824.58	200.78			1025.36
Undisputed -Doubtfull					0.00
Total	824.58	200.78	0.00	0.00	1025.36

9

CASH & CASH EQUIVALENT	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
CASH IN HAND *	8.00	6.27
BALANCE		
- in Current Account (Axis Bank)	47.20	45.99
- in Current Account (Allahabad Bank)	-	-
- in Current Account (HDFC)-including Paypermint	17.34	118.96
- in Current Account (ICICI Bank)	335.12	183.73
- in Current Account (YES Bank)	8.26	2.02
- in Current Account (SBI Bank)	16.72	11.22
FOREIGN BANK		
- in Current Account(in SVB & ICICI UK)	14.10	700.71
OTHER BALANCES		
FIXED DEPOSITS - with original maturity less than 12 months		
Fixed Deposits -without Lien	0.00	18.00
Fixed Deposits -without Lien	20.30	19.49
TOTAL	**467.04**	**1,106.39**
OTHER BANK BALANCES		
FD with ICICI Bank (On Lien Less Than 12 Months)	51.13	5.97
FD with Axis Bank (On Lien Less Than 12 Months)	7.77	8.12
FD with Allahabad Bank (On Lien Less Than 12 Months)	10.19	10.16
Earmarked Balances With Banks(Unclaimed Dividend A/C)	15.41	26.85
TOTAL	**563.39**	**51.10**

* Cash in hand is as certified by the Management

10

OTHER FINANCIAL ASSETS	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Unbilled Revenue	427.63	514.12
TOTAL	**427.63**	**514.12**

11

OTHER CURRENT ASSETS	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
ADVANCES (Recoverable in cash or in kind or for value to be received)		
Advances Other Than Capital Advances	164.62	148.20
Prepaid Expenses	26.16	39.61
Deposits	109.03	50.25
Advance To Staff	6.64	5.72
Advance Taxes (Net Of Provisions)	299.68	1,166.25
Balances With Govt. Authorities	48.83	2.54
	654.96	**1,412.57**

12 a

SHARE CAPITAL The AUTHORISED CAPITAL is :		MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
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 granted 250000 ESOP options to one of the Senior Management Employees of the company on 29th Jan,2019 and as per the Terms of the Company's ESOP Scheme 25% of the total options granted would be vested after each one year with a maximum staggered vesting period of four years from the date of grant of the options. The concerned employee didn't exercise the first & second instalment of 50% of the options granted in the exercise period declared after January 2021 for the allotment of shares.

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

Equity Share	MAR 31,2022		MAR 31,2021	
	No. of Share	₹ in Lac	No. of Share	₹ in Lac
Number of shares at the beginning	25,708,318.00	1,285.42	25,708,318.00	1,285.42
Add : Shares issued as Preferential Allotment				
Add : Shares issued as Bonus				
Add : Shares issued on exercise of Employee Stock option				
Add : Bonus Shares issued on Employee Stock option				
	25,708,318.00	**1,285.42**	**25,708,318.00**	**1,285.42**

d

SHAREHOLDER HOLDING MORE THAN 5% OF THE SHARE	MAR 31,2022	MAR 31,2021
Mr. Rajnit Rai Jain	10090288 shares of INR 5 each	10090288 shares of INR 5 each
	(39.25% of total shareholding)	(39.25% of total shareholding)
Mrs. Elizabeth Mathew	-	1378334 shares of INR 5 each
	-	(5.36% 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 — Nil — Nil

f

Shares held by the Promoters at the end of the year	March 31, 2022		March 31, 2021		
Promoter Name	No. of Shares	% holding	No. of Shares	% holding	% change during year
Rajnit Rai Jain	1378334	39.25%	1378334	39.25%	0
Sarita Jain	366544	1.40%	366544	1.40%	0

14

NON CONTROLLING INTEREST	MAR 31,2022	MAR 31,2021
Minority Interest	**47.37**	**118.03**

15

NON CURRENT FINANCIAL LIABILITIES	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
BORROWINGS	8.66	780.09
	8.66	**780.09**

The fair valuation of the Loan receved and benefis in form of grant has been done in accordance with IndAS20.

The company received a waiver of loan & interest of $559432(Rs.408 Lacs) under the PPP Loan Programme of US government for 2021

16

NON CURRENT PROVISIONS	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Provision For Leave Encashment	9.97	17.14
Provision For Gratuity	81.46	144.24
	91.43	**161.38**

17

CURRENT TRADE PAYABLE	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Trade Payable-other than MSMED vendor	146.30	210.48
	146.30	**210.48**

Payable aging Schedule	Out Standing for periods from the due date - 31.03.2022			Out Standing for periods from the due date - 31.03.2021	
Particulars	< I year	>1 years	Total	< I year	>1 years
MSME					
Others	146.30	0	146.30	210.48	0
MSME (Disputed)					
Others (Disputed)					
Total	146.30	0	146.30	210.48	0

18

CURRENT OTHER FINANCIAL LIABILITIES	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Unpaid Dividend	15.41	26.85
Salary Payable -	47.64	116.14
Statutory Liability Including PF, TDS, ESI Etc.	398.26	71.27
	461.30	**214.26**

19

OTHER CURRENT LIABILITIES	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Advance From Customers	27.55	9.17
Statutory Liability Including GST	50.91	81.34
Security Deposit & Others	2.44	2.26
	80.90	**92.77**

20

CURRENT PROVISION	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Provision For Leave Encashment	2.34	1.75
Provision For Gratuity	21.28	7.12
	23.62	**8.87**

21

CONTINGENT LIABILITIES & ASSETS (TO THE EXTENT NOT PROVIDED FOR/ACCRUED)	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
(To the extent not provided for in the books)		
a) Guarantee Outstanding *	436.22	427.22

b) 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.

c) The Company has a tax demand from Franchisee Tax Board .of $494563 (Rs 3.75 Crores) relating to tax years 2011 and 2012 . The same has been provisioned in the Current year . Company has Initiated process to seek relief and installment based payment sc

d) The Company has a tax asseement going on with FTB, California USA for Tax Years 2014, 2015 and 2016 wherein the demand has been reduced to $ 302257 (Rs 2.29Crores) . The Company has undertaken steps to get further waiver on the said demand

e) The Company has pending claims of Rs 1.88 Crores on account of Service Tax Refunds

22

REVENUE FROM OPERATION	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Export of Software Services Income	1,134.77	1,625.42
Domestic Income from Software Services	1,447.32	1,720.88
Domestic Sales of stock in trade	170.26	199.37
	2,752.35	**3,545.67**

23

OTHER INCOME	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Interest Received from Fixed Deposit	39.85	38.58
Deferred Income- Government Grant*	(12.03)	29.55
Net gain on Sale of Investments in Mutual Funds	28.24	135.10
Export of Software Services Income	90.99	-
Income Tax Adjustments	(90.99)	-
Net Gain /loss from Foreign Transaction	(6.39)	0.00
Unrealised gain/loss on Investment carried at FV through P&L.	(1.86)	(35.78)
Gain/ Loss on sale of asset	-	-
Other Income	431.27	13.31
	479.08	**180.75**

* Other Income includes income arising out of part waiver of PPP Loan by SBA, USA amounting to $559432 aggregating to Rs.408 Lacs.

24

PURCHASE OF STOCK IN TRADE	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Purchase of stock in trade	159.14	199.37
	159.14	**199.37**

25

EMPLOYEE BENEFIT EXPENSES	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Salary Wages And Bonus	2,367.86	3,361.79
Contribution to PF And Other Funds	160.81	173.90
Staff Welfare Expenses	141.32	149.44
	2,669.99	**3,685.13**

26

SUBCONTRACTOR EXPENSES	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
	286.14	**397.84**

27

FINANCE COST	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Interest Expenses	0.05	18.92
SVB Renewal Fees	-	8.08
	0.05	**27.00**

28

OPERATION AND OTHER EXPENSES	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Travelling	88.06	72.96
Conveyance	8.76	3.82
Staff Welfare	9.77	12.67
Communication	87.96	136.30
Printing and Stationery	0.16	0.33
Electricity and Power	76.88	90.16
Rent - Apartment & Ground	162.46	255.88
Repairs - Machinery	56.87	70.76
Repairs - Building	39.27	56.59
Repairs - Others	5.33	8.12
Education and Training Expenses	6.14	0.81
Insurance	44.71	32.74
Auditors' Remuneration - Refer Note no.29	4.98	4.60
Books and Periodicals	-	0.12
Directors' Fees	24.80	25.20
Rates & Taxes	43.45	64.61
Legal / Professional Fee	68.48	111.91
Consultancy Charges	16.02	17.58
Recruitment & Relocation Expenses	17.21	19.66
General and Board Meeting expenses	0.10	-
Membership and Subscription	30.34	28.14
Business Promotion	21.03	21.95
Advertisement	4.06	3.20
Loss on Disposal of Asset	50.30	(11.95)
Bank Charges	8.29	25.09
Impairment loss recognised under Expected Credit loss	28.52	
	903.94	**1,051.25**

29

AUDITOR'S REMUNERATION	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
As Statutory Auditors	3.38	3.00
Other certification	1.60	1.80
	4.98	**4.30**

The above remunerations are not inclusive of GST

30 **RELATED PARTY TRANSACTION**

a **Enterprises where control exists:**

Wholly Owned subsidiary:	' % of holding	Country of Incorporation
Responsive Solutions Inc	100%	USA

Subsidiary

b

Paypermint Pvt Ltd	80%	INDIA

c **Key Management Personnel:**

Mr. Rajnit Rai Jain	Chairman and Managing Director
Mr. Richard Launder	Director
Mr. Shital Kr. Jain	Director
Mr. R Ramaraj	Director
Mrs. Sarita Jain	Director
Mr. Lakshmanan Narayan	Director
Mr. Raghav Raj Jain	Head Staff Augmentation
Ms. Shrishti Jain	Head Global Sales
Mr. Vijendra Surana	CFO & Company Secretary

d **Disclosure of transactions between the Company and Related Parties and the status of outstanding balances**

i

With Wholly Owned Subsidiary (WOS)	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Particulars	**Amount**	**Amount**
Reimbursement of Expenses on behalf of Subsidiary		
Paypermint Pvt Ltd	212.46	272.51
Advance Received From Subsidiary		
Responsive Solution Inc	676.27	741.93
Loan Given to Subsidiary		
Paypermint Pvt Ltd	44.36	-

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Advance received/paid from subsidiary		
Repayment of advances from Resposive Solution Inc	104.39	113.40
Advance taken against services		
Paypermint Pvt Ltd	168.13	289.10
Maximum balance outstanding during the period ended		
Responsive Solution Inc	754.54	840.70
Paypermint Pvt Ltd	70.99	151.71
		-

ii **With Related parties** ₹ in Lac

Compensation to KMP'S :	Short Term Employee Benefit	
R R Jain(MD)	**84.36**	**91.60**
MR.RICHARD LAUNDER (Director)	**6.00**	**6.40**
MR.S.K.JAIN (Director)	**8.00**	**8.00**
MR.R. RAMARAJ (Director)	**6.40**	**8.00**
MR.LAKSHMANAN NARAYAN (Director)	**3.20**	**1.60**
Mrs Sarita Jain (Director)	**1.20**	**1.20**
Vijendra Kumar Surana(CFO & CS)	**81.27**	**75.49**
Relatives	**267.00**	**274.55**

31 EPS has been calculated as per the provisions of IND AS 33 issued by the Institute of Chartered Accountants of India. The details of calculation are as follows:

Particulars	MAR 31,2022	MAR 31,2021
Numerator for Basic and Diluted EPS:		
Profit for the Year ended	(1,645.16)	(1,995.88)
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	**25,708,318.00**	**25,708,318.00**
Nominal Value of share	5.00	5.00
Basic Earning per Share	(6.40)	(7.76)
Diluted Earning per Share	(6.40)	(7.76)

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

a

Particulars	MAR 31,2022	MAR 31,2021
Expenditure in Foreign Currency:		
Foreign branch expenditure	1,752.63	3,741.76
Earning in Foreign Currency		
Export of services	1,134.77	3,576.86

b **Additional Information pursuant to provisions of the Para 2 of Part II Schedule III for the Companies Act, 2013:-**

Name of the entity	Net Assets i.e total assets minus total liability as on Dec 31 2021		Share in profit or Loss for period ended on Dec 31, 2021	
	As a % con-solidated net Assets	₹ in Lac	As a % consol-idated profit & loss	₹ in Lac
Parent Company				
R S Software India Ltd.	0.88	6,084.56	0.73	(1,246.69)
Subsidiary Company - Foreign				
Responsive Solution Inc. (100% Subsidiary)	0.10	680.05	0.06	(110.45)
R S Software Asia Pte Ltd (100% Subsidiary)	-	-	-	-
Paypermint Pvt Ltd	0.02	166.49	0.21	(358.67)

c **Remittance in Foreign Currency**

The Company has remitted ₹ Nil (MAR 2021: ₹ Nil) in foreign currencies on accounts of dividends as on March 31, 2022 and does not have information as to the extent to which remittance, if any, in foreign currencies on account of dividends have been made by / on behalf of non-resident shareholders. The Particulars of dividends declared and paid on account of non-resident shareholders for the years 2014-15 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 2014-15 declared in July,15	0	588	2229422	March'2015
Dividend for 2015-16 declared in July,2016	0	564	1790888	March'2016

33 **Reporting of Segment Wise Revenue, Results and Capital Employed:**

Particulars	Period Ended MAR 31,2022 ₹ in Lac	Period Ended MAR 31,2021 ₹ in Lac
1. Segment Revenue (net sale / income from each segment)		
a. Segment - A (USA)	1,129.27	1,006.86
b. Segment - B (ROW)	1,623.09	977.59
Total	**2,752.35**	**1,984.45**
Other Income		
a. Segment - A (USA)	**389.48**	**-**
b. Segment - B (ROW)	89.60	104.24
	479.08	104.24
Total	**3,231.43**	**2,088.68**
Less : Inter - segment revenue	**-**	-
Total Revenue	**3,231.43**	**2,088.68**
2.Segment Results Profit/(Loss) before Tax & Interest from each segment		
a. Segment - A (USA)	(405.90)	(568.59)
b. Segment - B (ROW)	203.97	(77.69)
Total	**(201.93)**	**(646.28)**
Less : Interest	0.05	12.13
Less : Depreciation	420.12	244.81
Less : Unallocable Selling , General & Administrative Expense	585.85	188.38
Profit before tax	**(1,207.95)**	**(1,091.60)**
3. Capital Employed		
Total Assets	**4,785.01**	**8,077.43**
Total Liability	**4,785.01**	**8,077.43**

*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.

34 Disclosure under clause 32 of the listing agreement amount of loans and advances outstanding from subsidiary

	MAR 31,2022 ₹ in Lac	MAR 31,2021 ₹ in Lac
Outstanding as on		
Responsive Solution Inc	676.27	741.93
RS Software (Asia) Pte Ltd	-	-
Paypermint Pvt Ltd	44.36	-
Maximum balance outstanding during the year		
Responsive Solution Inc	754.54	840.70
RS Software (Asia) Pte Ltd	-	-
Paypermint Pvt Ltd	70.99	151.71

35 **Additional Regulatory Information required by Schedule III**

(i) Borrowing secured against current assets

The Company does not have any borrowings in the form of term loans, overdraft and extended credit secured against Current Assets.

(ii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Company has not entered into any transactions with the companies struck off under the Companies Act, 2013 or the Companies Act, 1956.

(iv) Compliance with number of layers of companies

The Company has not entered into any transactions with the companies struck off under the Companies Act, 2013 or the Companies Act, 1956.

(v) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entitiy (Intermediary) with the understanding that the Intermediary shall:

a) directly or indirectly lend or invest in other person or entitiy identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

a) directly or indirectly lend or invest in other person or entitiy identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vii) Undisclosed income

The company has not surrendered or disclosed any income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Corporate Social Responsibility

The Company is not covered under section 135 of the companies Act 2013 and rules made thereunder.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of PP&E, intangible asset and investment property

There is no revaluation of PP & E, Intangible assets and investment Property.

(xi) Benami Property

No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made therunder.

36 **Financial Ratio**

Ratio	Numerator (a)	Denominator (b)	Current Year	Previous Year	Variance %
Current Ratio (in times)	Total current assets	Total current liabilities	4.66	8.67	-46%
Debt-Equity ratio (in times)	Debt	Total equity	0.00	0.14	-98%
Debt service coverage ratio (in times) *	Earning for debt service (i.e Net Profit after taxes + Non-cash operating expenses + other non-cash adjustment)	Debt service (i.e interest + principal repayment)	0	0	0%
Return on equity ratio (in %)	Profit for the year	Average total equity	-40%	-10%	284%
Inventory turnover ratio (in times)	Revenue from operations	Average Inventory	0	0	0%
Trade receivables turnover ratio (in times)	Net credit sales	Average accounts receivables	7.80	8.30	-6%
Trade payables turnover ratio (in times)	Net credit purchases	Average accounts payable	7.71	10.11	-24%
Net capital turnover ratio (in times)	Revenue from operations	Average working capital	1.39	0.75	85%
Net profit ratio (in %)	Profit for the year	Revenue from operations	-37%	-53%	-29%
Return on capital employed (in %)	profit before tax and finance costs	Capital employed = Networth	-41%	-31%	33%
Return on Investments (in %)	Income generated from invested funds	Average invested funds			

* Debt service Coverage Ratio is insignificant

37 Litigation

a) Company has filed a recovery suit of $ 70K upon its Customer Payefx in USA and the customer has filed a counter suit of $ 75K. The outcome is delayed and awaited .

b) Case filed by Company on Software One, its Vendor for Non Perfrormance is pending with High Courts

c) Case filed by Company on G Ravi.s disputed claim/ of 12000 Shares is pending with court.

38 There is no Impairment of assets during the period ended MAR 31,2022 under Ind AS 36.

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

R S SOFTWARE INDIA LIMITED
NOTES ON ACCOUNTS FOR THE PERIOD ENDED MAR 31,2022

40 The Company has extended its rental agreement of a Building from Saltee Infotex (India) Pvt. Ltd.upto 31.05.2022

41 The Company continues with its policy of Work From Home to ensure Business Continuity in wake of Pandemic caused by Covid 19.

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.

On behalf of the Board

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

Sd/-
CA DEOKI NANDAN AGARWAL
PARTNER,
M. No. 51157
DATED: Apr 22,2022
PLACE : New Delhi

Sd/-
V. SURANA
CFO & Company Secretary
Mem no:11559

Sd/-
R.RAMARAJ
Director
DIN:00090279

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

3 .PROPERTY PLANT & EQUIPMENT	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION & AMORTISATION				NET CARRYING AMOUNT	
PARTICULARS	AS ON 1st of APR 21	ADDITIONS	DED/ADJ	AS AT MAR 31, 2022	AS ON 1st of APR 21	ADDITIONS	DED/ADJ	AS AT MAR 31, 2022	AS AT MAR 31, 2022	AS AT MAR 31,2021
LAND	7.76	1.92	0.00	9.68	0.00	0.00	0.00	0.00	9.68	7.76
BUILDING	105.37	0.00	0.00	105.37	20.47	4.09	0.00	24.56	80.81	84.90
PLANT & EQUIPMENT	486.24	5.82	0.00	492.06	460.16	12.04	0.00	472.21	19.85	26.08
OFFICE EQUIPMENT	94.67	0.00	42.47	52.20	88.98	1.47	40.75	49.69	2.51	5.69
AIR CONDITIONER	124.67	0.00	91.16	33.51	34.21	7.67	33.21	8.68	24.84	90.46
ELECTRICAL INSTALLATIONS	64.55	0.00	64.55	0.00	60.71	0.70	61.41	0.00	-0.00	3.84
FURNITURE & FITTINGS	160.70	0.00	70.16	90.53	124.41	10.67	62.75	72.34	18.20	36.28
MOTOR VEHICLES	16.14	0.00	0.00	16.14	15.70	0.00	0.00	15.70	0.44	0.44
TOTAL (I)	**1060.10**	**7.74**	**268.34**	**799.49**	**804.65**	**36.65**	**198.12**	**643.17**	**156.32**	**255.45**
OTHER INTANGIBLE ASSETS										
SOFTWARE PRODUCT - EFRM	1162.51	0.00	0.00	1162.51	342.50	234.28	0.00	576.78	585.73	820.01
COMPUTER SOFTWARE	1039.95	0.00	0.00	1039.95	595.33	149.20	0.00	744.52	295.43	444.62
TOTAL(II)	**2202.46**	**0.00**	**0.00**	**2202.46**	**937.83**	**383.47**	**0.00**	**1321.30**	**881.16**	**1264.63**
TOTAL(I+II)	**3262.56**	**7.74**	**268.34**	**3001.95**	**1742.48**	**420.12**	**198.12**	**1964.48**	**1037.48**	**1520.08**

PROPERTY PLANT & EQUIPMENT FOR FY 20-21	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION & AMORTISATION				NET CARRYING AMOUNT	
PARTICULARS	AS ON 1st of APR 20	ADDITIONS	DED/ADJ	AS AT MAR 31 2021	AS ON APR 20	ADDITIONS	DED/ADJ	AS AT MAR 31 2021	AS AT MAR 31 2021	AS AT MAR 31,2020
LAND	7.76	0.00	0.00	7.76	0.00	0.00	0.00	0.00	7.76	7.76
BUILDING	105.37	0.00	0.00	105.37	16.37	4.09	0.00	20.47	84.90	89.00
PLANT & EQUIPMENT	492.78	2.08	8.62	486.24	419.57	48.93	8.33	460.16	26.08	73.21
OFFICE EQUIPMENT	93.05	1.62	0.00	94.67	82.52	6.45	-0.01	88.98	5.69	10.53
AIR CONDITIONER	124.67	0.00	0.00	124.67	24.58	9.63	0.00	34.21	90.46	100.09
ELECTRICAL INSTALLATIONS	64.55	0.00	0.00	64.55	58.70	2.01	0.00	60.71	3.84	5.85
FURNITURE & FITTINGS	160.70	0.00	0.00	160.70	110.75	13.66	0.00	124.41	36.28	49.94
MOTOR VEHICLES	16.14	0.00	0.00	16.14	15.70	0.00	0.00	15.70	0.44	0.44
TOTAL (I)	**1065.02**	**3.70**	**8.62**	**1060.10**	**728.20**	**84.77**	**8.32**	**804.65**	**255.45**	**336.82**
OTHER INTANGIBLE ASSETS										
SOFTWARE PRODUCT - EFRM	1162.51	0.00	0.00	1162.51	108.22	234.28	0.00	342.50	820.01	1054.28
COMPUTER SOFTWARE	1038.40	1.55	0.00	1039.95	431.08	164.23	-0.01	595.33	444.62	607.32
TOTAL(II)	**2200.91**	**1.55**	**0.00**	**2202.46**	**539.31**	**398.51**	**-0.01**	**937.83**	**1264.63**	**1661.60**
TOTAL(I+II)	**3265.93**	**5.25**	**8.62**	**3262.56**	**1267.51**	**483.28**	**8.31**	**1742.48**	**1520.08**	**1998.42**

1)Land includes Leasehold land amounting to Rs. 458,694/- from WBEIDC The lease expires in year 2086. The yearly lease payments have been insignificant, 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.

Annexure to Note no. 22 - Revenue from Operations

	PERIOD ENDED MAR 31,2022	PERIOD ENDED MAR 31,2021
Revenue disaggregations by nature of revenue:		
Software Development services	2,582.09	3,346.30
Sale of Third party hardware	170.26	199.37
	2,752.35	**3,545.67**

Revenue disaggregations by geography:

India	1,617.58	1,920.24
USA	1,131.29	1,599.08
UK	-	22.53
Japan	3.48	3.82
SGP		
TOTAL	**2,752.35**	**3,545.67**

Revenue disaggregations by Sector:

Government	1,617.58	1,920.24
Non Government	1,134.77	1,625.42
TOTAL	**2,752.35**	**3,545.67**

The company has one customer who represents more than 10% of its revenue.

While disclosing aggregate amount of transaction price the company has not disclose the aggregate transaction price allocated to unsatisfied or partially satisfied performance obligation which pertains to contract where revenue recognised corresponds to value transfer to customer 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.

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...../...../22 (_____)

Signature of the First/Sole Shareholder

Place:

Encl: Copy of Bank Cheque Leaf

3) In respect of Non-resident shareholders, as a general rule, the dividend income on shares acquired subject to the condition that they will not carry the right of repatriation, are required to be credited to the Investor's NRO account. In other cases, (i.e., shareholders having the right of repatriation), the Indian Companies are required to remit dividend to such non-resident shareholders through the Authorized Dealers. In this view the non-resident shareholders must provide the information as mentioned below: -

(PLEASE USE CAPITAL LETTERS)

1	Name of Shareholder (s)	-	
2.	Folio No/DP ID / CL ID	-	
3.	Number of shares	-	
4.	Place/Country of permanent residence	-	
5.	Nationality	-	
6.	Reserve Bank Approval No and Date for Acquiring shares	-	
7.	Beneficiary Status	-	With Repatriation right/ With Non-Repatriation right
8.	Contact No	-	
9.	Email ID	-	
10.	Name of the Bank	-	
11.	Bank Account No	-	
12.	Account Type	-	NRO / NRE / FCNR
13.	Branch Name & Address	-	
14.	IFSC (Indian Financial System Code)	-	
15.	9-digit MICR (Magnetic Ink Character Recognition)	-	

I hereby declare that the particulars furnished above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information provided as above or any error made by the Bank(s), the Company will not be held responsible. I hereby undertake to inform the Company immediately of any change in my Bank/Branch and account number.

Date...../..... /22 (_____)

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